Sector Inmobiliario Turístico

Abril 2022

Carr Picacho Ajusco 4249-1
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14210, México, D.F., México

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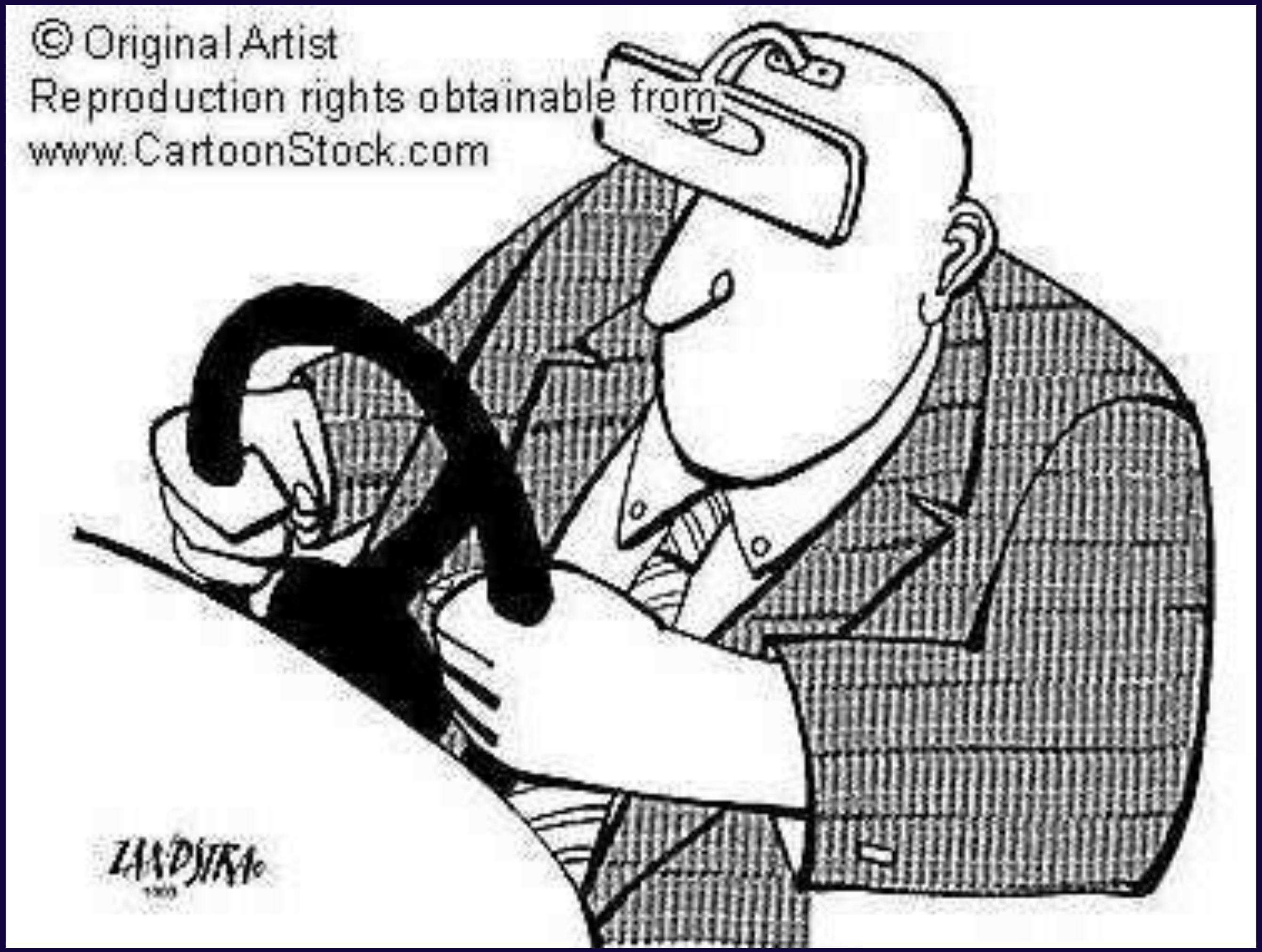
Servicios Softec

Lecciones aprendidas en pandemia

Softec®

1. Cuida a los que quieres y aprecia lo que tienes
2. Supón que la crísis es permanente
3. Ten sistemas para venta y entrega en línea.
4. Cash is king
5. Deja que la adversidad saque lo mejor de ti
6. Juega a ganar. Ataca no te retires.
7. Pausa cuando debas, afila el hacha, haz ejercicio. Cuídate,cuida a los demás
8. Ten enfoque, disciplina y sentido del humor

2021



El parabrisas es 50 veces más grande que el espejo retrovisor, para que veas más para adelante que para atrás

Fernando Romero

2022

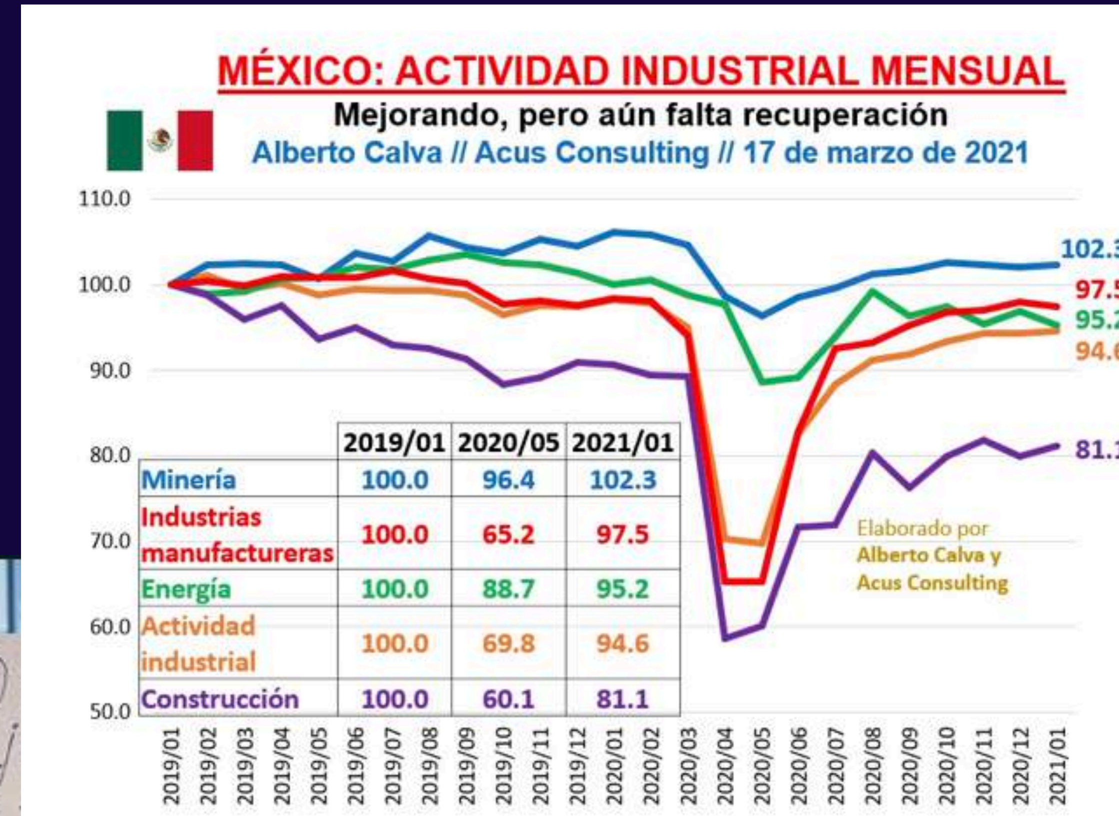
Hay que tener información y conocimiento ¿Te bajarías de un coche sin saber a que velocidad va?

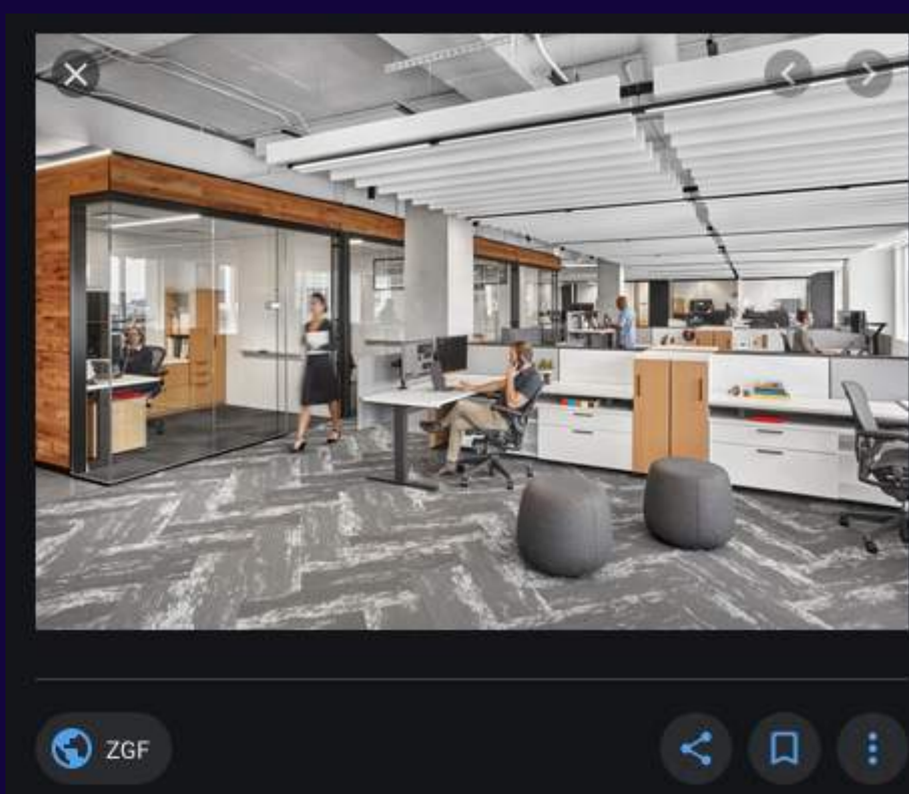
¿Qué oímos diario?

En junio cerrarán definitivamente sus puertas hasta 2,500 locales en centros comerciales

- Alsea y CMR 'bajaron la cortina' en 40% y 32% de sus restaurantes en plazas que suspendieron, por ahora, operaciones.
- Walmart y Soriana descontaron dos meses de renta a locatarios en sus tiendas.

ALEJANDRA RODRÍGUEZ 19/05/2020





The Impact of COVID-19 on Office Design | ZGF

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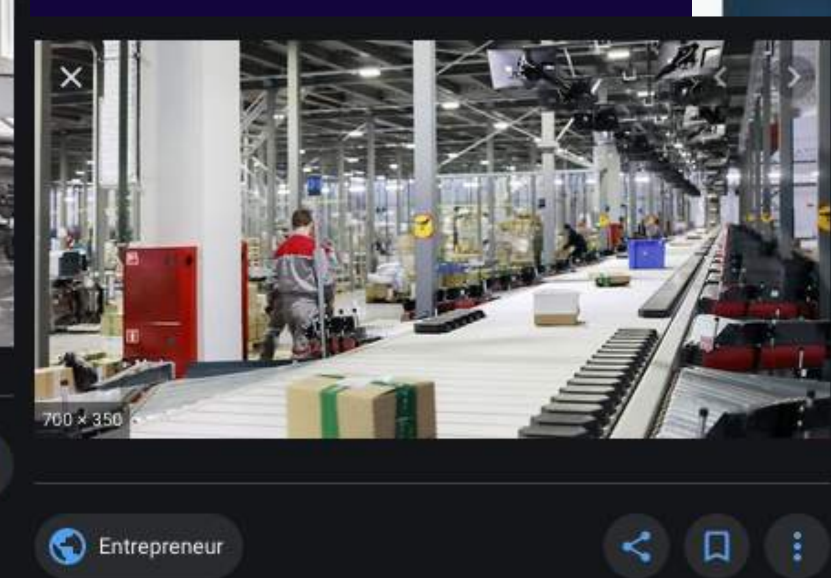
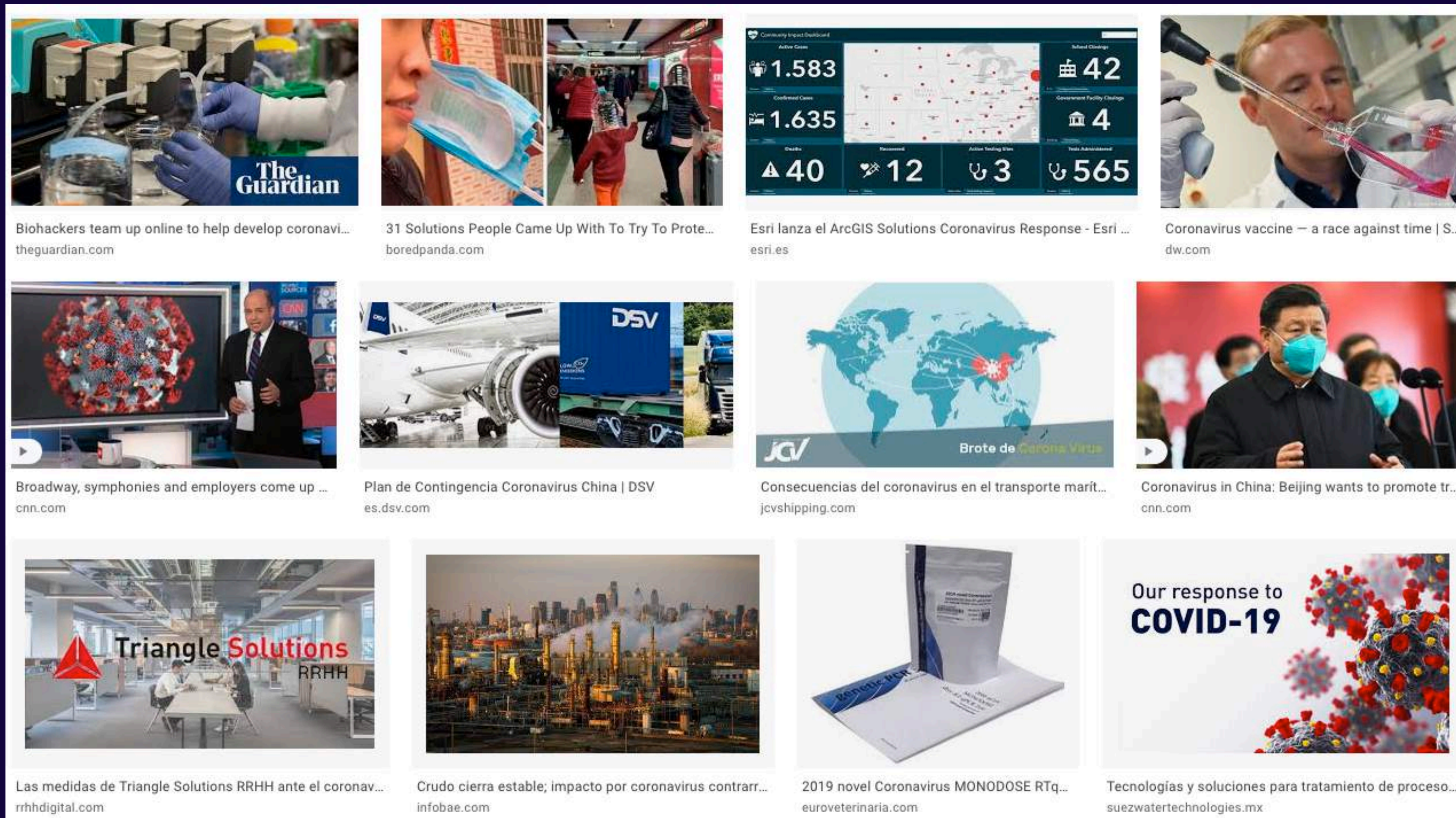
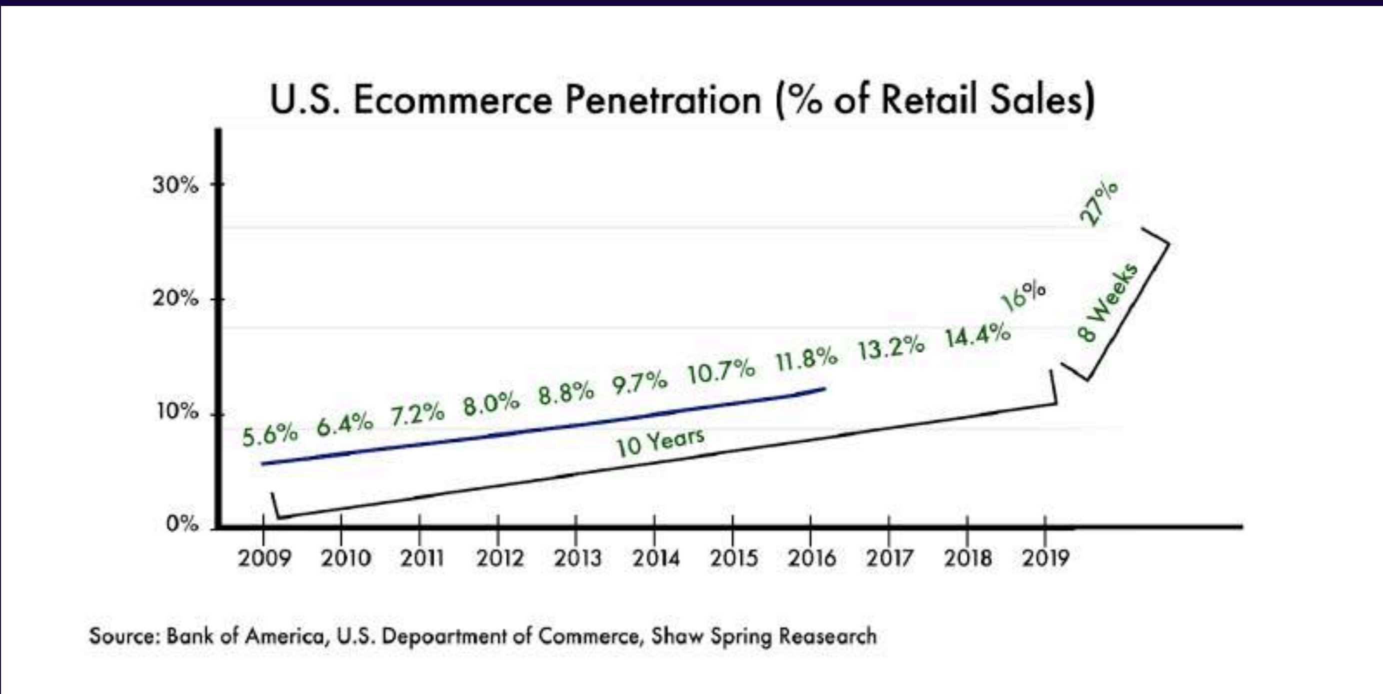


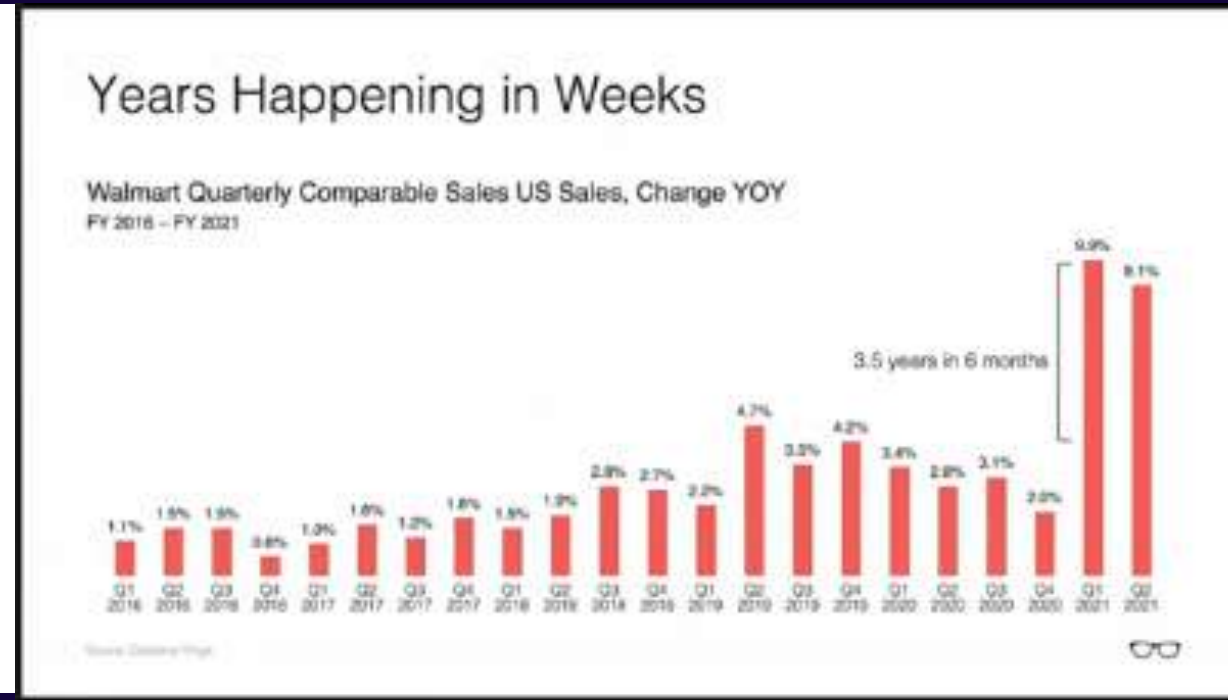
Impact Of COVID-19 On Global Supply Chains and Opportunities In ...

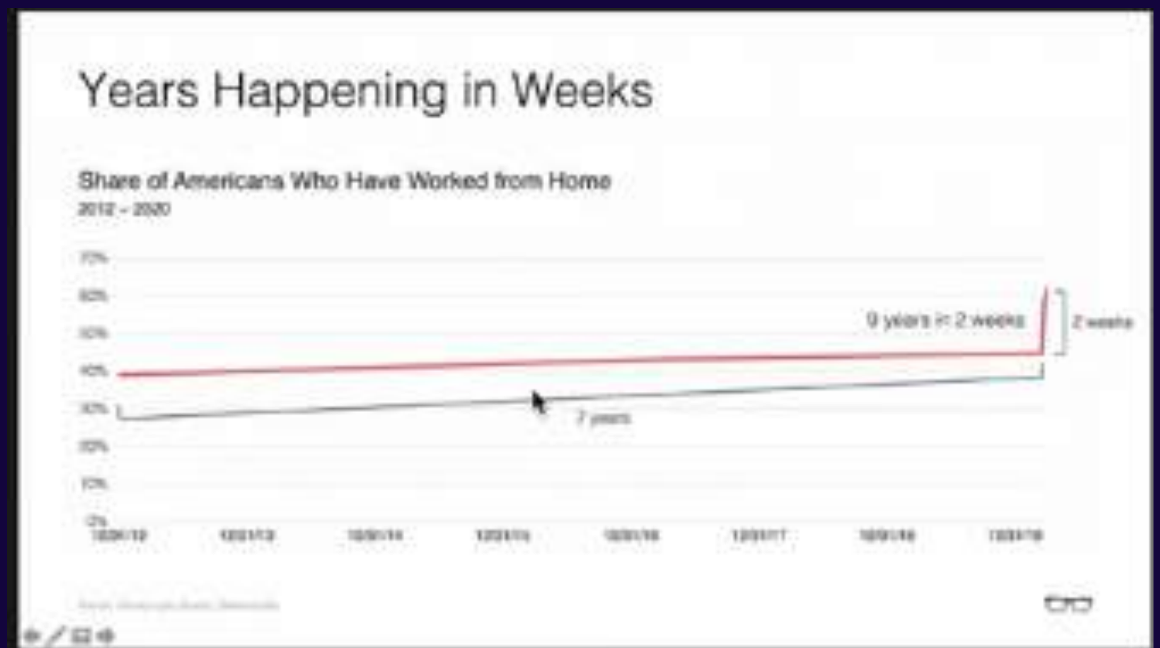
¿Que realmente está pasando?



Nunca tantos se juntaron tan rápido para resolver un problema. El sistema mundial de cooperación, producción y distribución es más fuerte que nunca.







10 años en 8 semanas

Top 12 países en eCommerce 2020

Rank	País	Ventas 2020 (US$Bn)	vs. 2019	% Ventas totales 2020	Gasto anual por consumidor [1] (US$)
1	China	$2,297	+28%	54%	$3,028
2	Estados Unidos	$795	+32%	19%	$3,844
3	Reino Unido	$180	+35%	4%	$3,972
4	Japón	$141	+14%	3%	$1,740
5	Corea del Sur	$111	+27%	3%	$3,248
6	Alemania	$97	+22%	2%	$1,843
7	Francia	$74	+12%	2%	$1,895
8	India	$55	+30%	1%	$221
9	Canadá	$39	+21%	1%	$1,753
10	España	$36	+36%	1%	$1,443
11	Rusia	$34	+24%	1%	$809
12	**México**	**$26**	**+27%**	**1%**	**$1,125**
	Total Global	**$4,280**	**+28%**	**100%**	**$1,875**

Fuente: eMarketer, *"Global Ecommerce Update 2021"*, enero 2021.
Nota: (1) Mayores de 14 años; Usuarios de Internet que hayan realizado al menos una compra a través de cualquier canal digital durante el año calendario. Cifras en dólares de EU.

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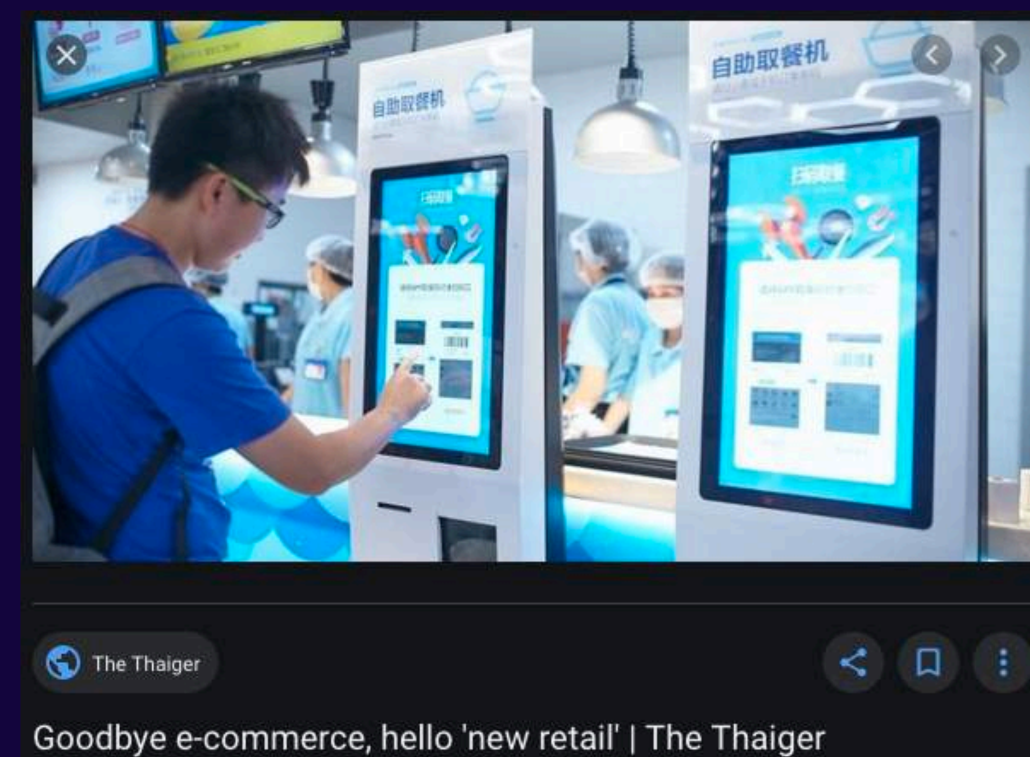
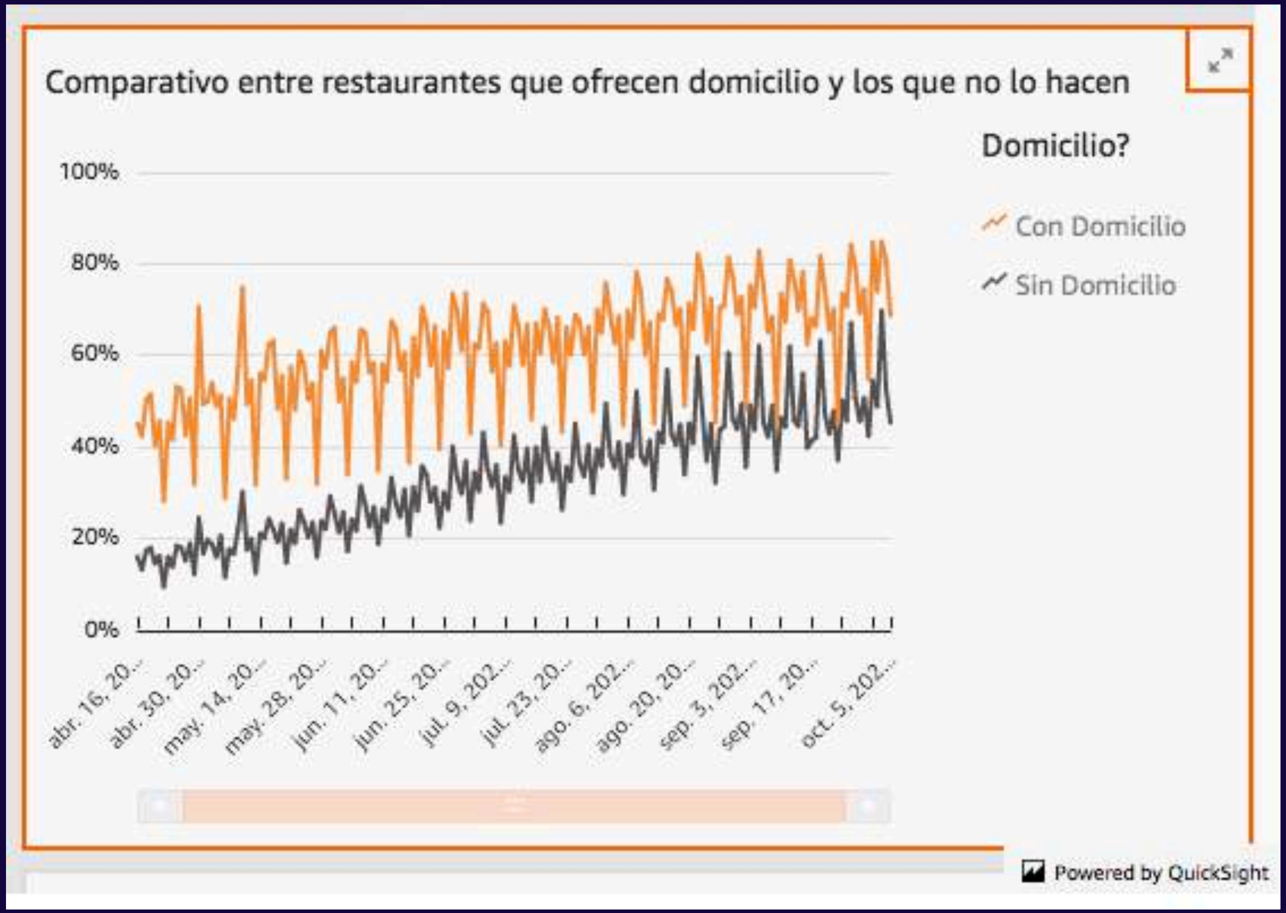
sws.ms



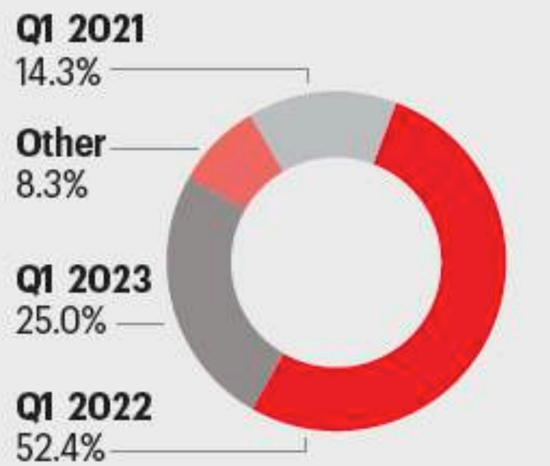
Nuevas tendencias de retail



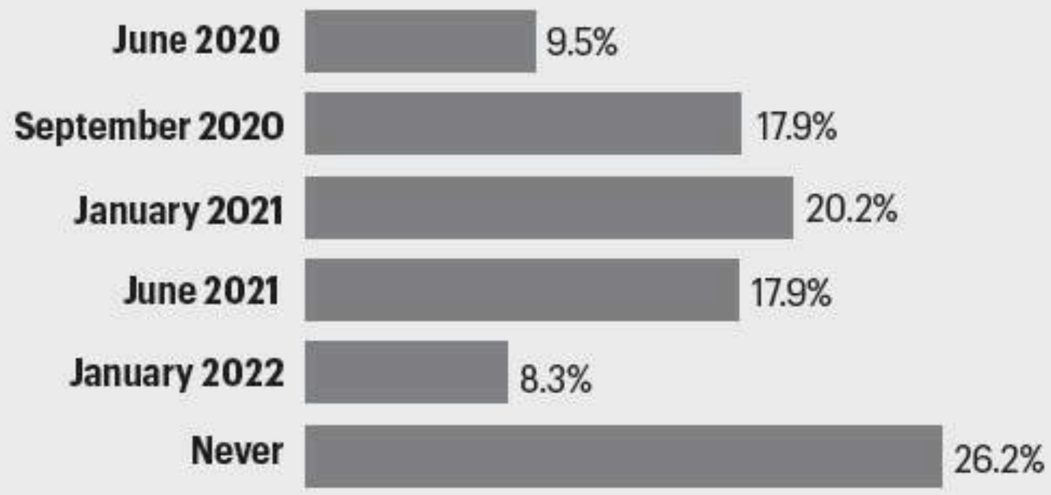
Fuente TOVEN

Restaurantes

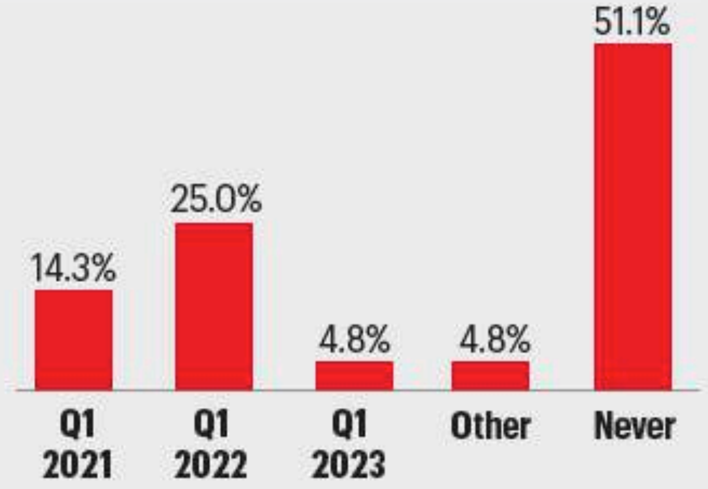
¿Cuándo regresará la actividad económica a su nivel PRE pandemia



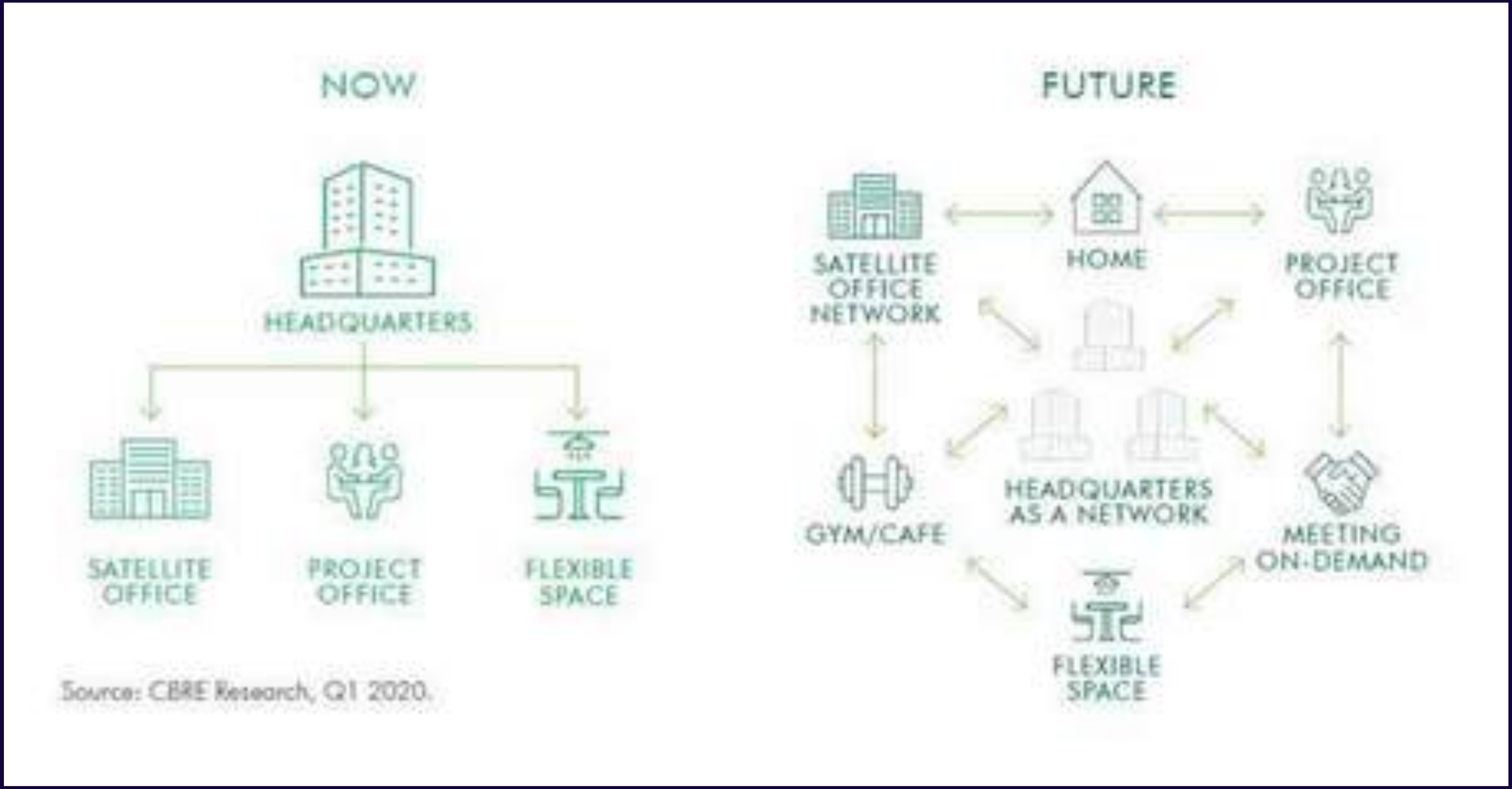
¿Cuándo regresará el 90% de tu fuerza laboral a su sitio habitual de trabajo?



¿Cuándo regresarán los viajes de negocio en tu empresa al nivel que tenían antes de la Pandemia?



Encuesta a los CEO’s de las Fortune 500



Las oficinas cambiarán

El Economista

Microsoft dejará a sus empleados hacer home office de forma permanente

Microsoft dejará a sus empleados hacer home office de forma permanente. El gigante tecnológico dejará a sus empleados trabajar desde casa ...

Hace 3 semanas

Medio Tiempo.com

Amazon: empleados podrán hacer home office hasta junio de 2021

Amazon: empleados podrán hacer home office hasta junio de 2021. La empresa aseguró que los empleados son su principal prioridad.

Hace 1 semana

Nuevas maneras de vivir


THE WALL STREET JOURNAL.

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HOMES

Buying in Mexico City Wasn’t Easy for This New Yorker—But It Was Worth It

A vibrant cultural scene and affordable real-estate prices outweighed the challenges of closing on an apartment in the city’s La Condesa neighborhood

Robert Walzer. Wall Street Journal

https://www.wsj.com/articles/buying-in-mexico-city-11603894575?mod=hp_listc_pos2

Nuevas maneras de vivir

The Americas

Jun 19th 2021 edition ›

The Latin American dream

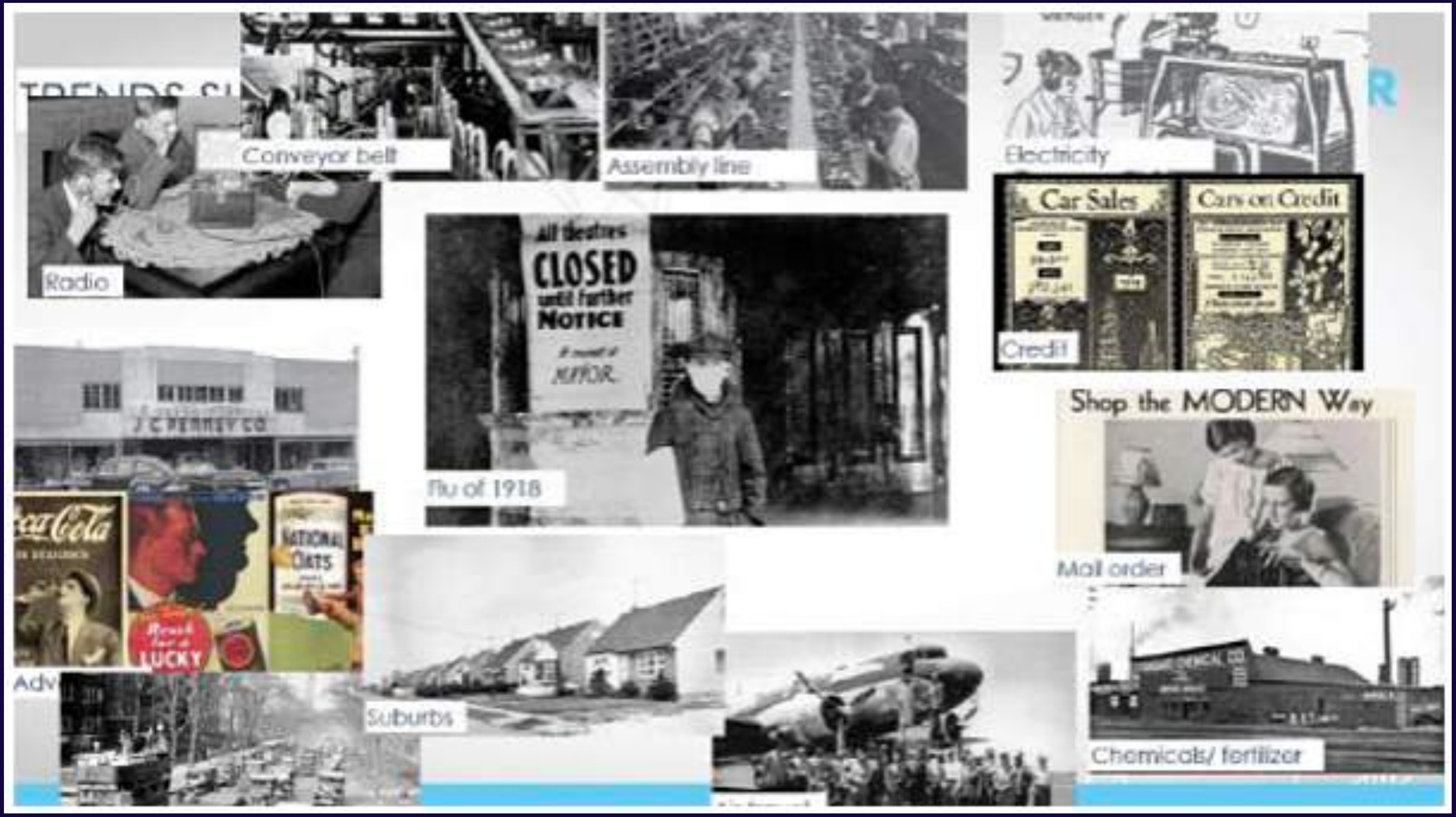
Why some people are moving from the United States to Mexico

It is cheaper, warmer—and safer than its reputation suggests

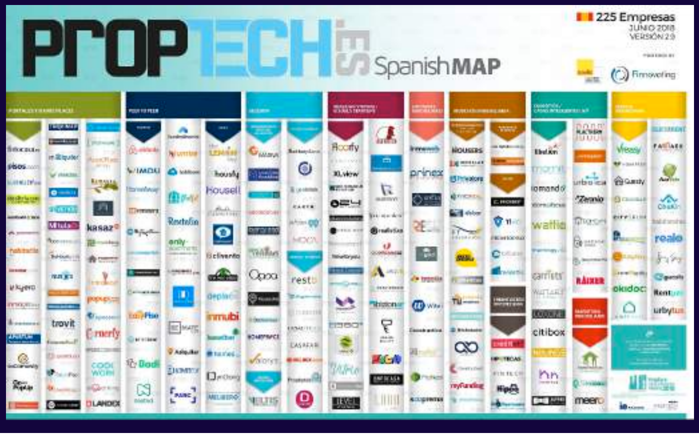
The Economist

https://www.economist.com/the-americas/2021/06/19/why-some-people-are-moving-from-the-united-states-to-mexico

Nuevas maneras de vivir



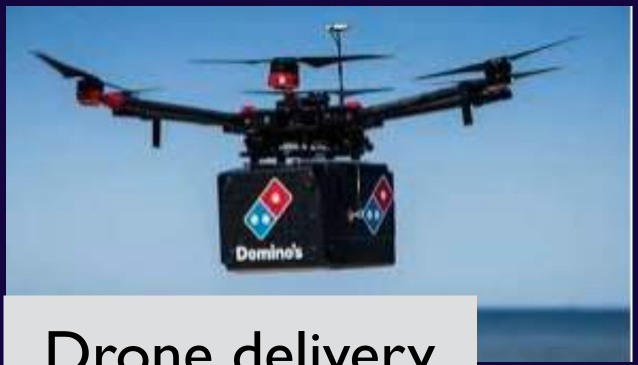
Pandemia 1918



Autos electricos

Aprendizaje profundo

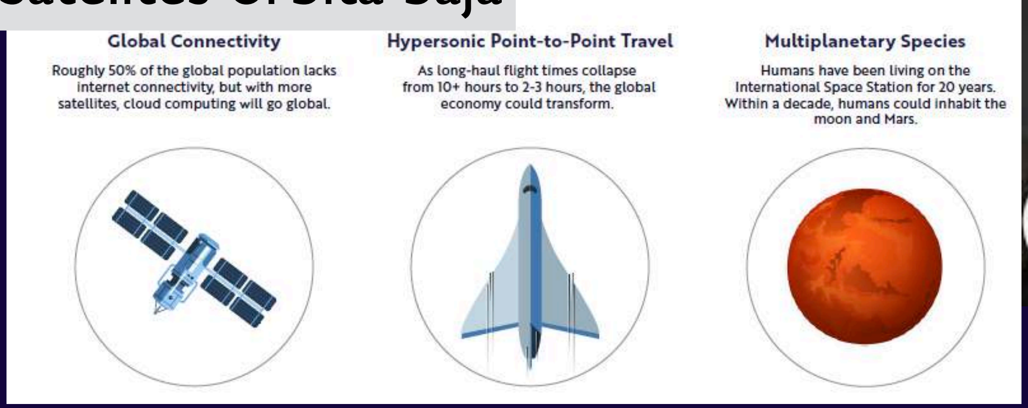
Mundos virtuales

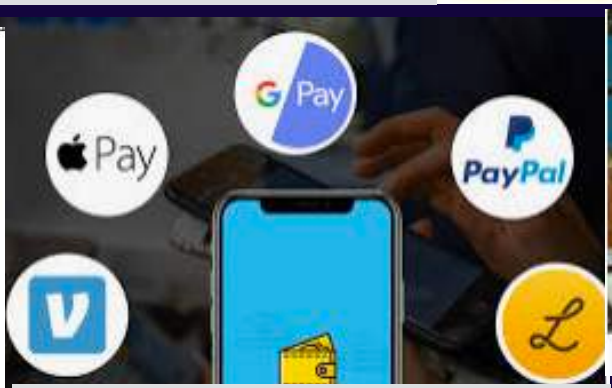


Drone delivery

Wellness

Satélites orbita baja





Digital wallets

Impresión 3D Viv

Granias Urb

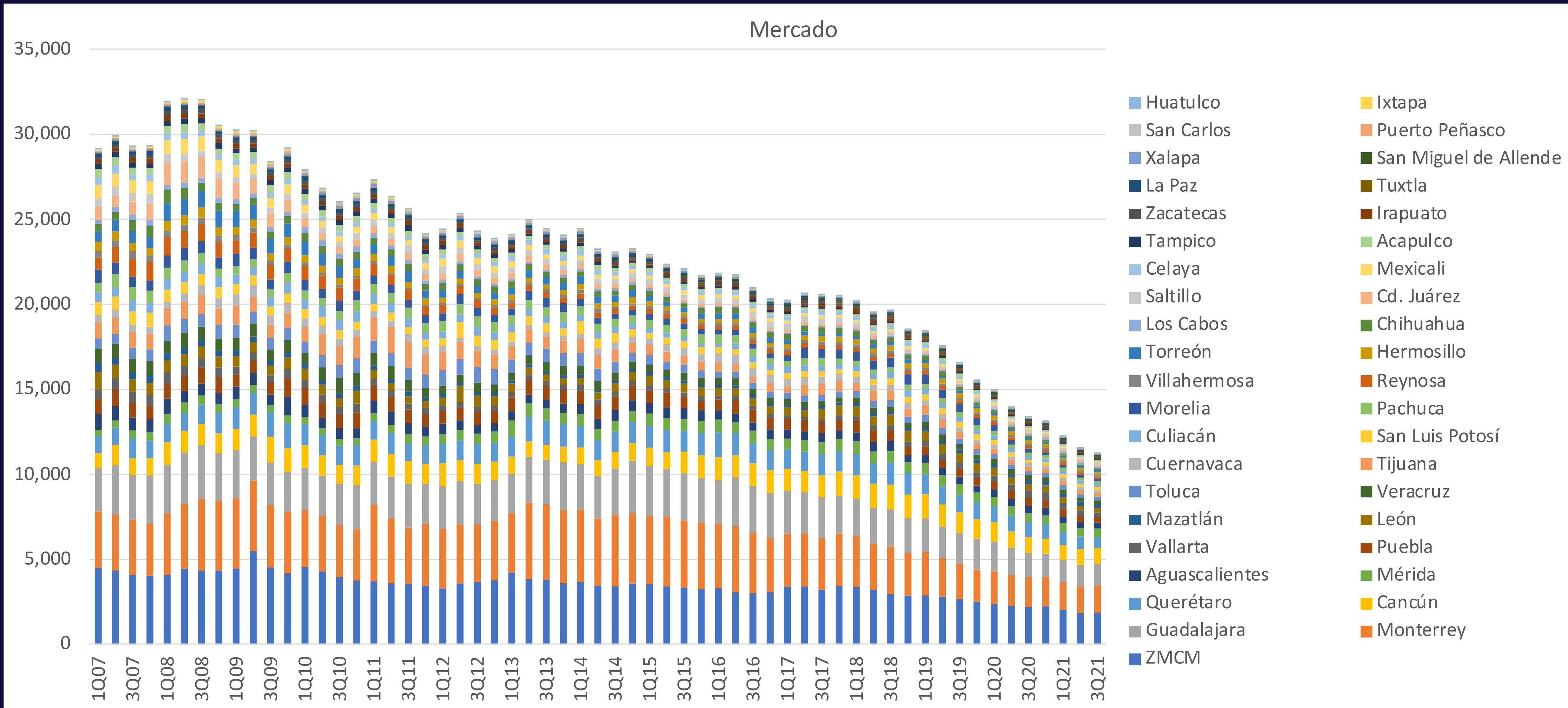
Pandemia 2020

- Coches eléctricos (ductos y cargadores)
- Producción de alimentos
- Wellness
- Recepción de drones
- Inteligencia artificial
- Cableado de alta velocidad
- Etc…

¿Tus productos caben en esta realidad?

Mercado general	Mercado
Proyectos Activos	4,355
Unidades en Proceso	526,668
Inventario	185,986
Absorción total	10,599
Ventas mensuales	$ 26,414,413,531
romedio por proyecto	Mercado
Tamaño promedio por proyecto Unidades	121
Precio Promedio Ponderado	$ 2,492,206
Valor proyecto	$ 276,971,986
Superficie promedio por unidad	115.5
Precio por m2 Ponderado	$ 27,871
Absorción promedio proyecto	2.43
Éxito comercial prom proyecto	2.8%
Recámaras	2
Meses inventario	30.8
Duración promedio proyecto	58.1
Ventas promedio por mes	$ 5,859,453
Proyectos <= de 30% inv	1,853
% inf al prom Éxito Com	2,922

Proyectos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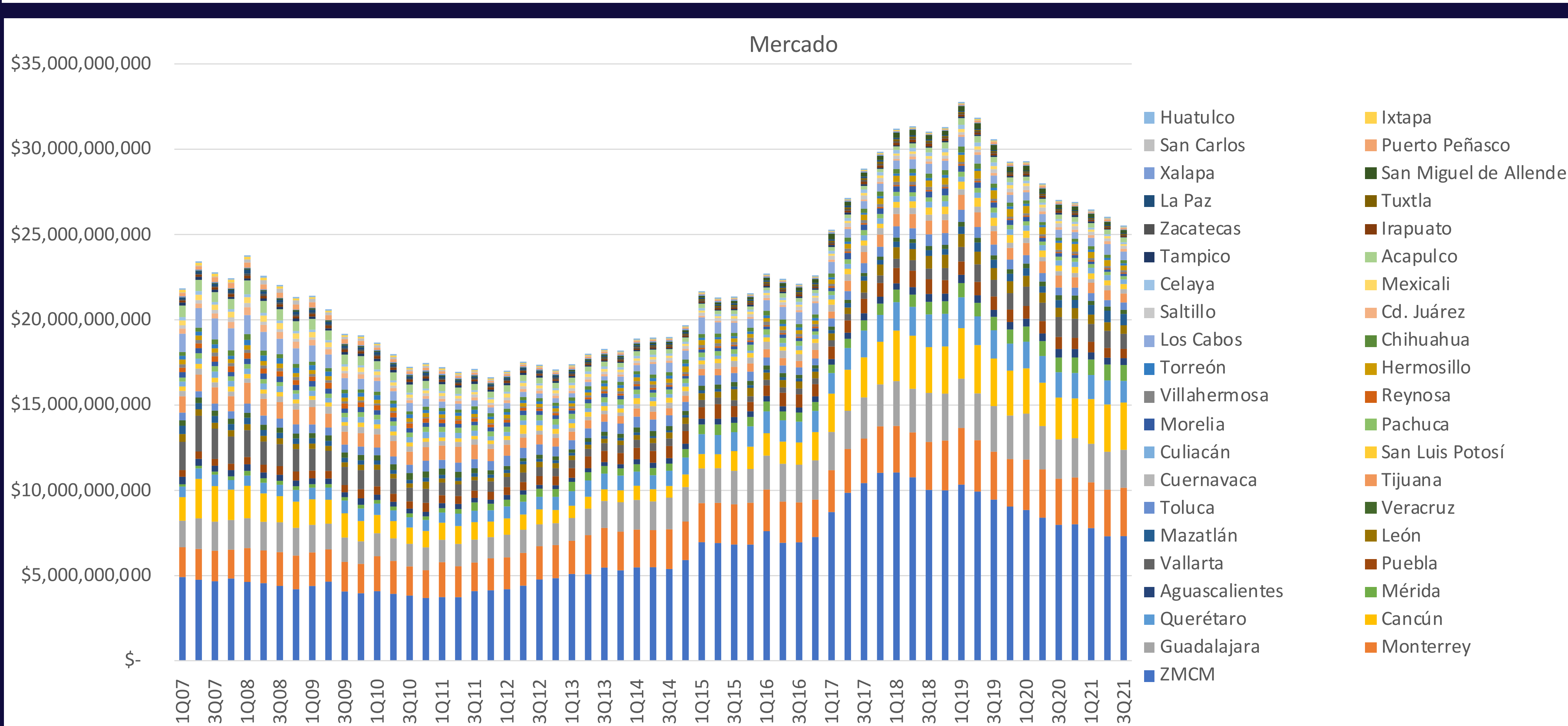
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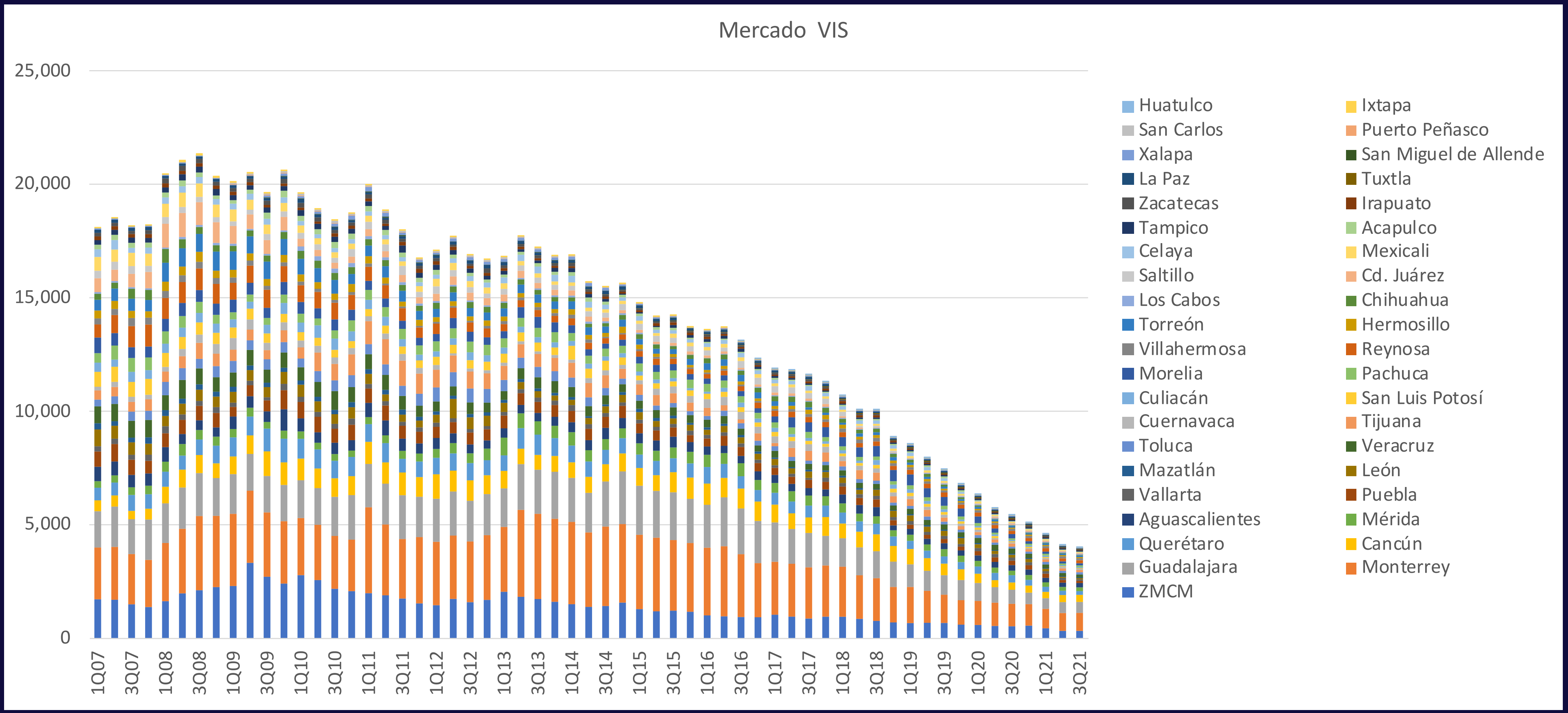
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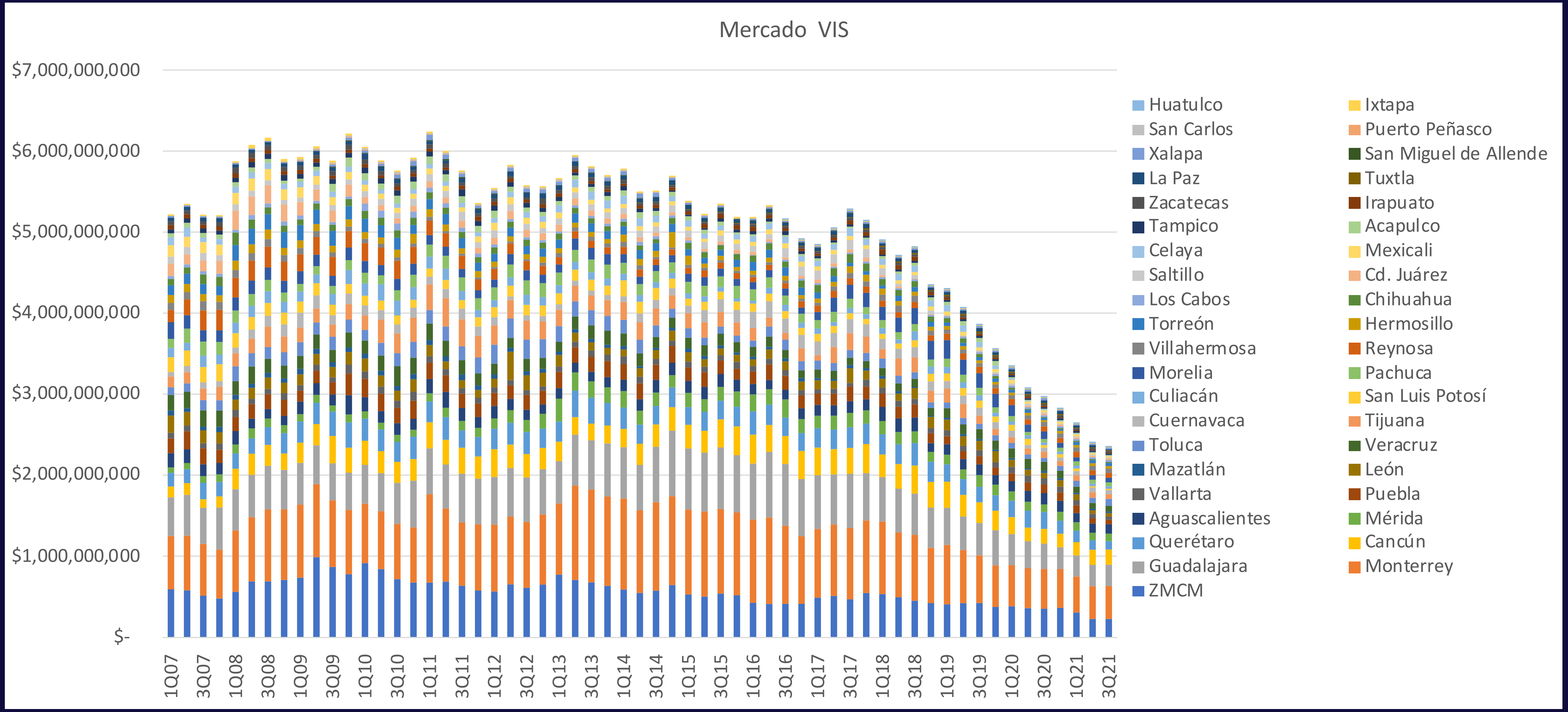
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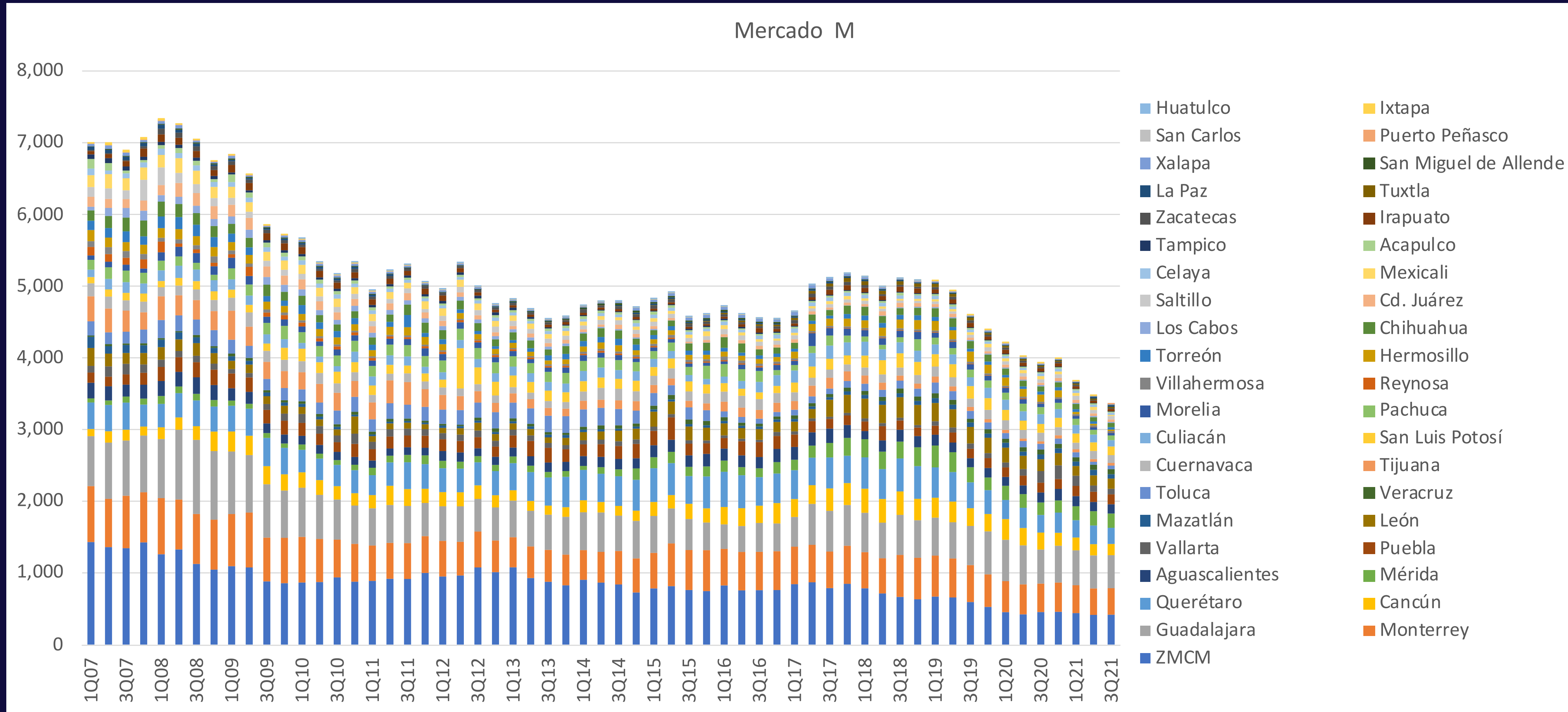
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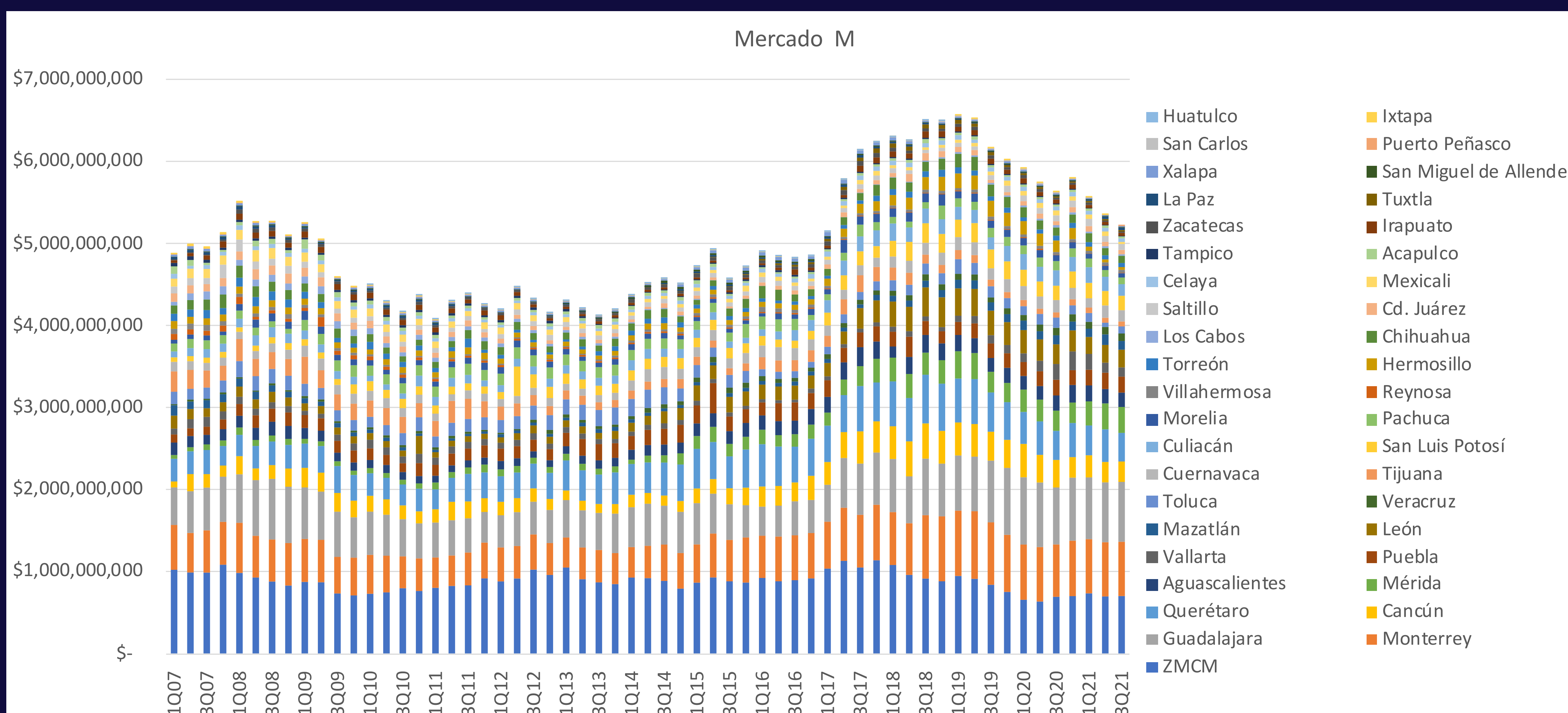
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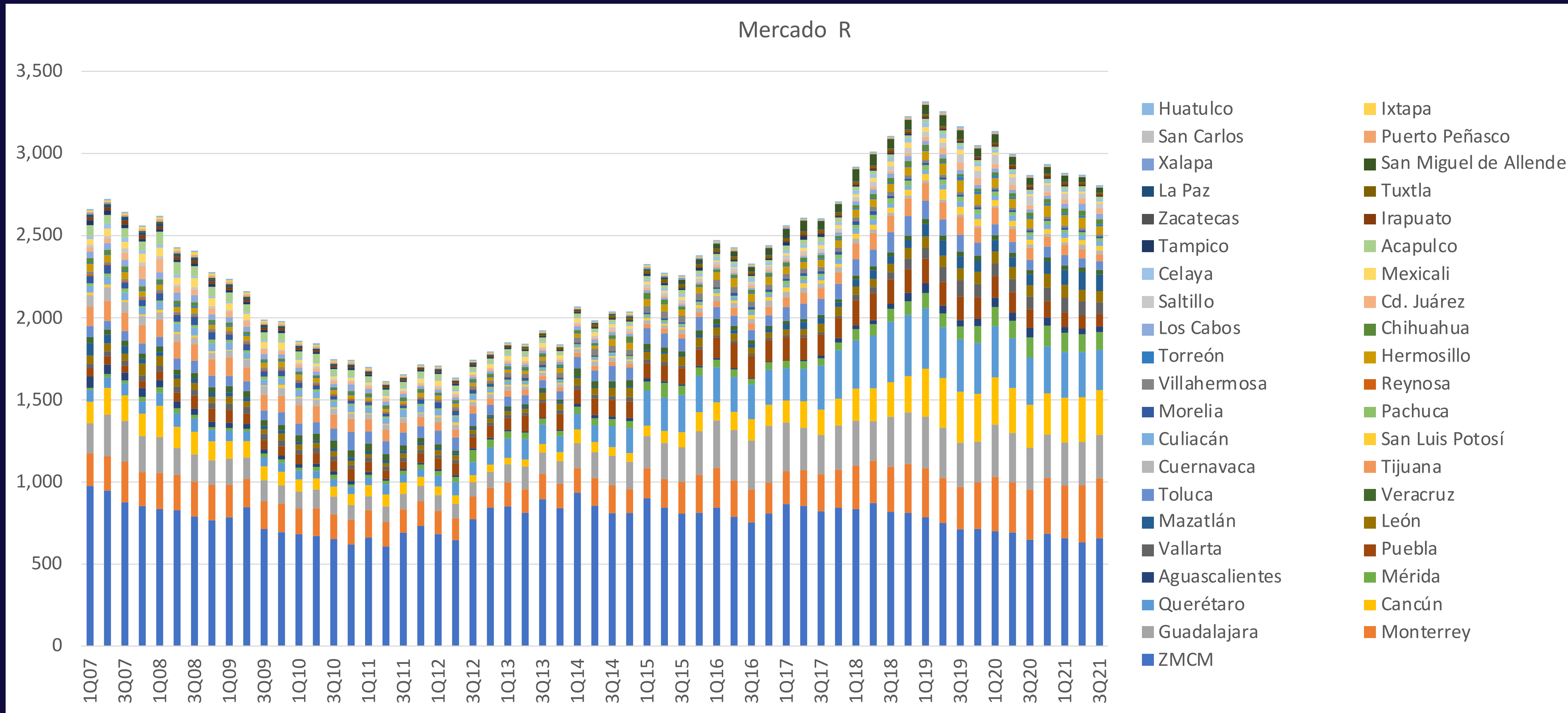
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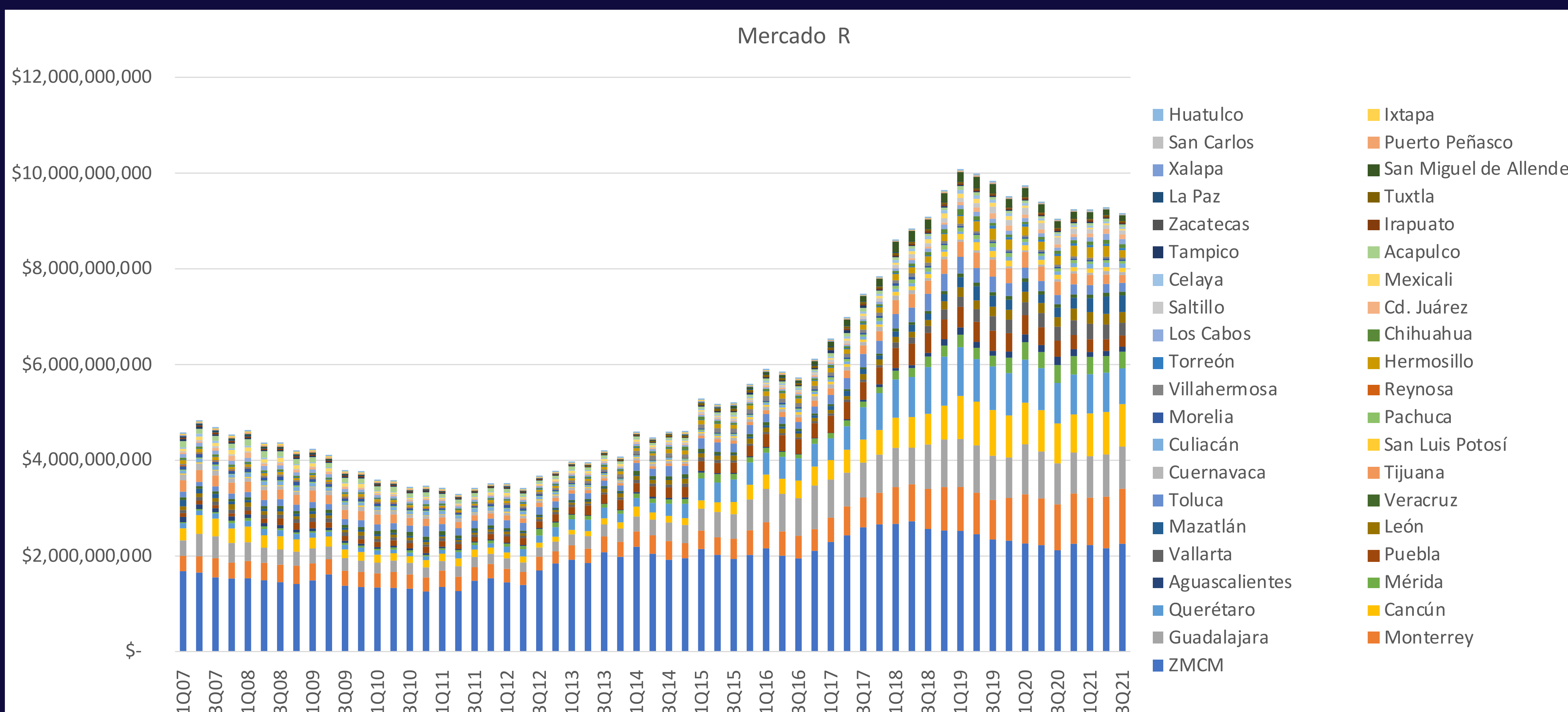
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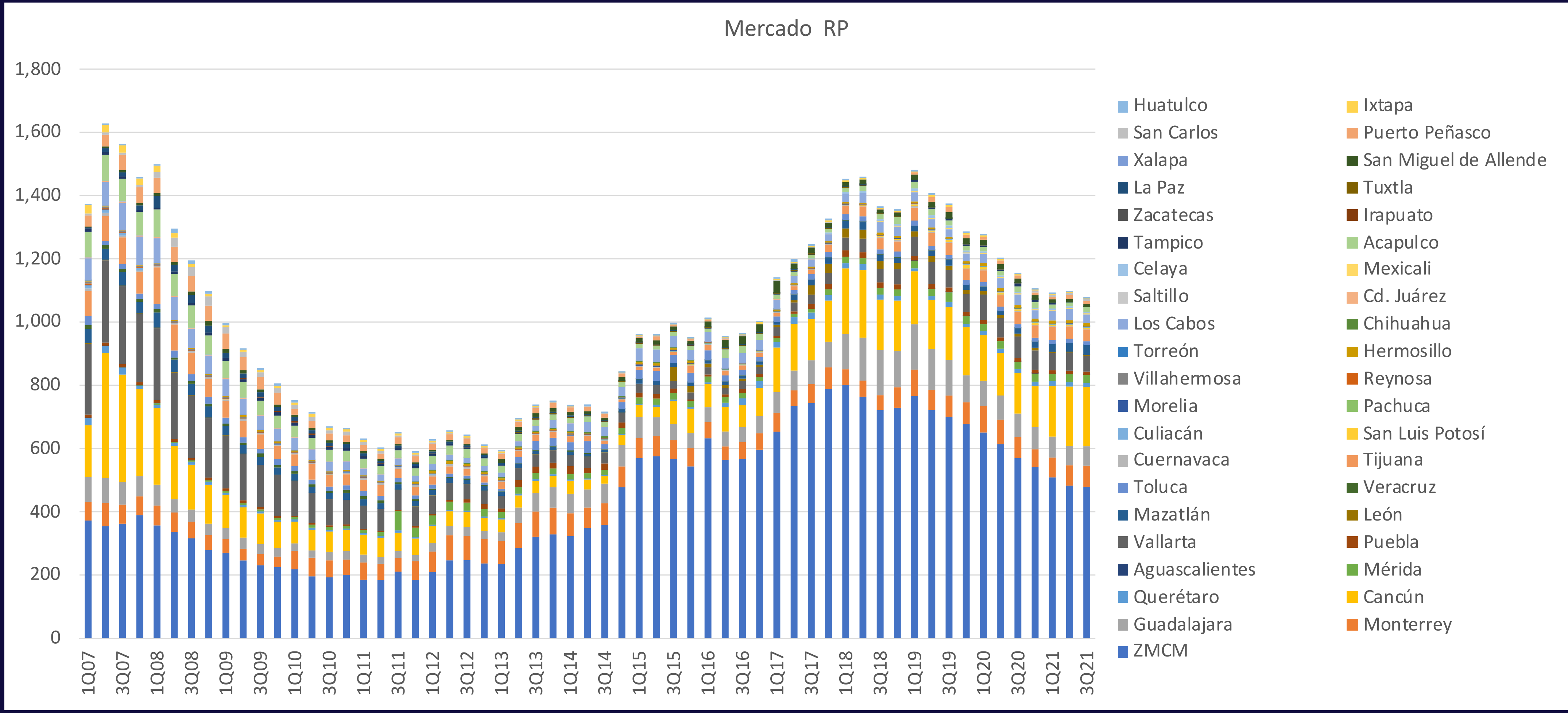
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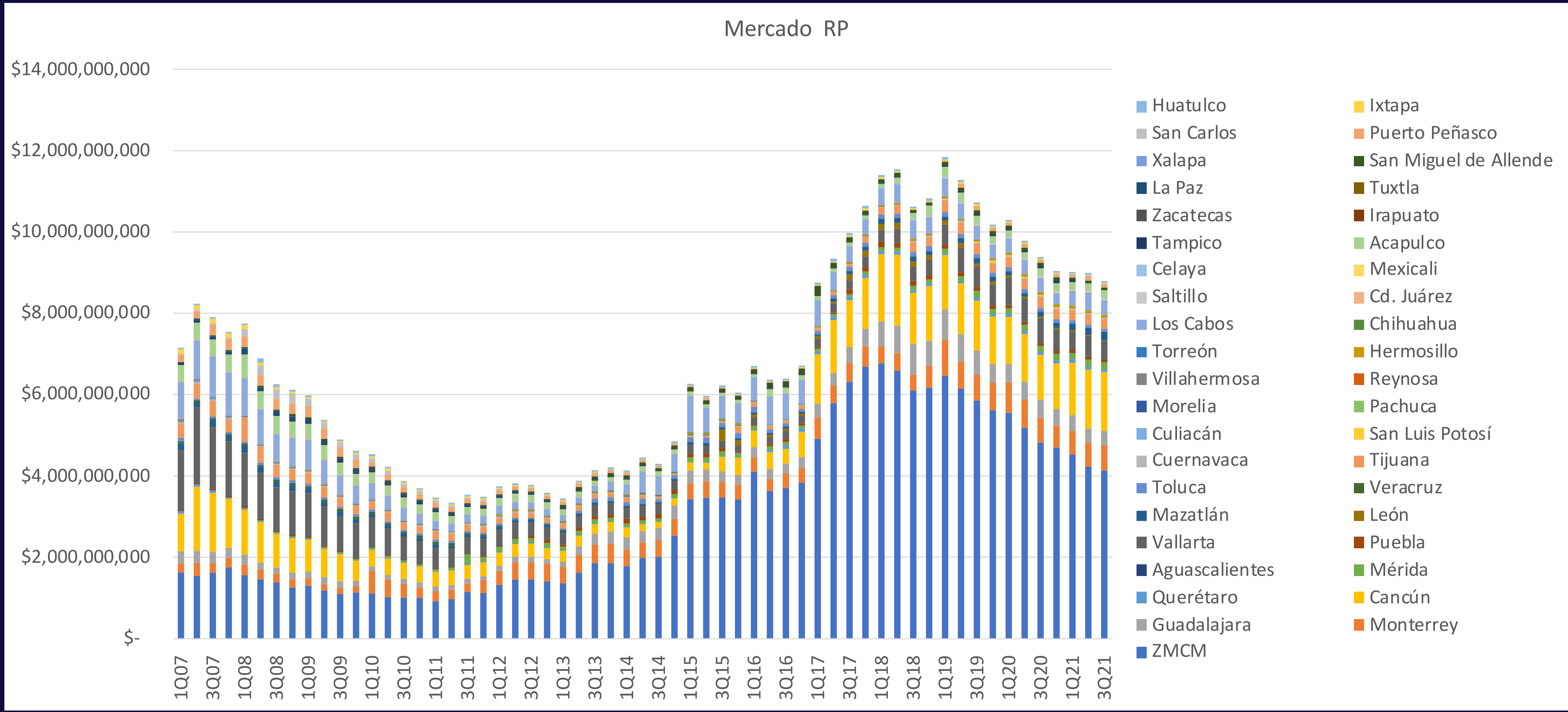
San Carlos
Puerto Peñasco
Xalapa
San Miguel de Allende
La Paz
Tuxtla
Zacatecas
Irapuato
Tampico
Acapulco
Celaya
Mexicali
Saltillo
Cd. Juárez
Los Cabos
Chihuahua
Torreón
Hermosillo
Villahermosa
Reynosa
Morelia
Pachuca
Culiacán
San Luis Potosí
Cuernavaca
Tijuana
Toluca
Veracruz
Mazatlán
León
Vallarta
Puebla
Aguascalientes
Mérida
Querétaro
Cancún
Guadalajara
Monterrey
ZMCM


Mercado RP
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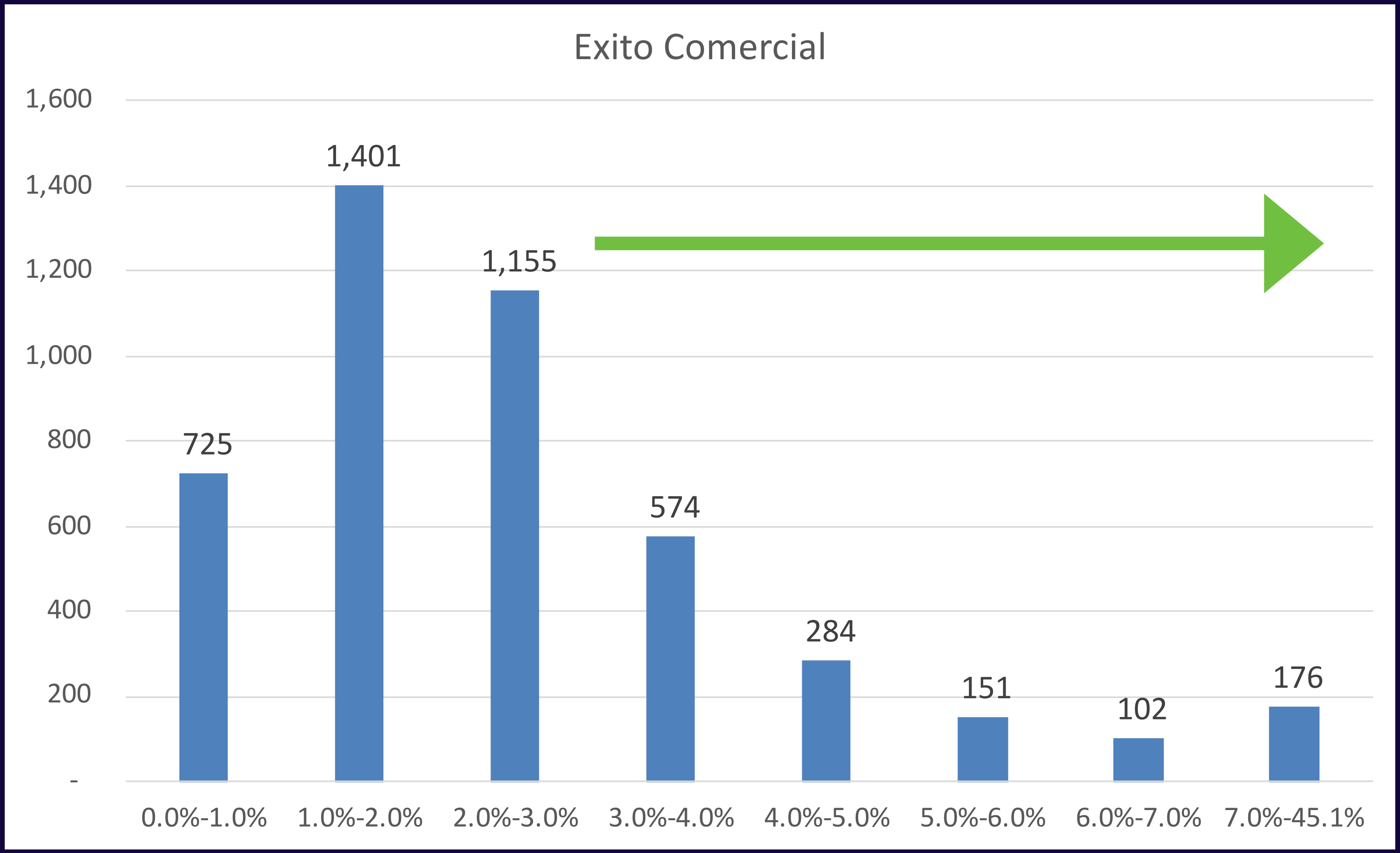
Mérida
Querétaro
Cancún
Guadalajara
Monterrey
ZMCM



Tres tipos de empresas

Tres tipos de empresas:
1. Las que venden de más

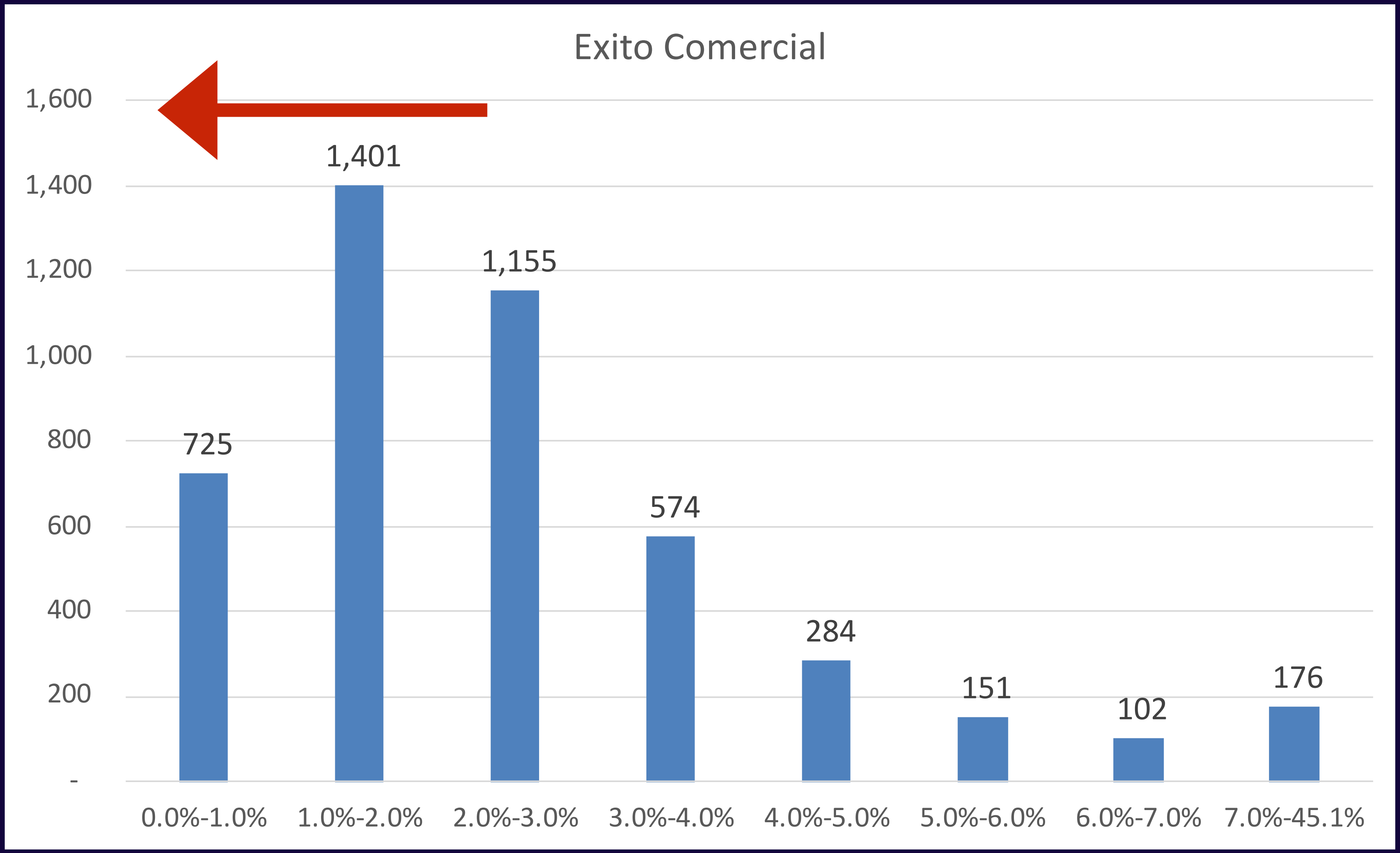


1,489 proyectos venden más de 2.8% mensual
¿Por qué?

Criterios de éxito

- ¿Qué causa ventas arriba del mercado?
- ¿Qué estás haciendo mejor que tus competidores?
- ¿Lo podrías hacer mejor?
- ¿Es una ventaja sostenible?
- Lo que no se mide no se administra

Tres tipos de empresas:
2. Las que venden de menos



2,930 proyectos venden menos de 2.8% mensual

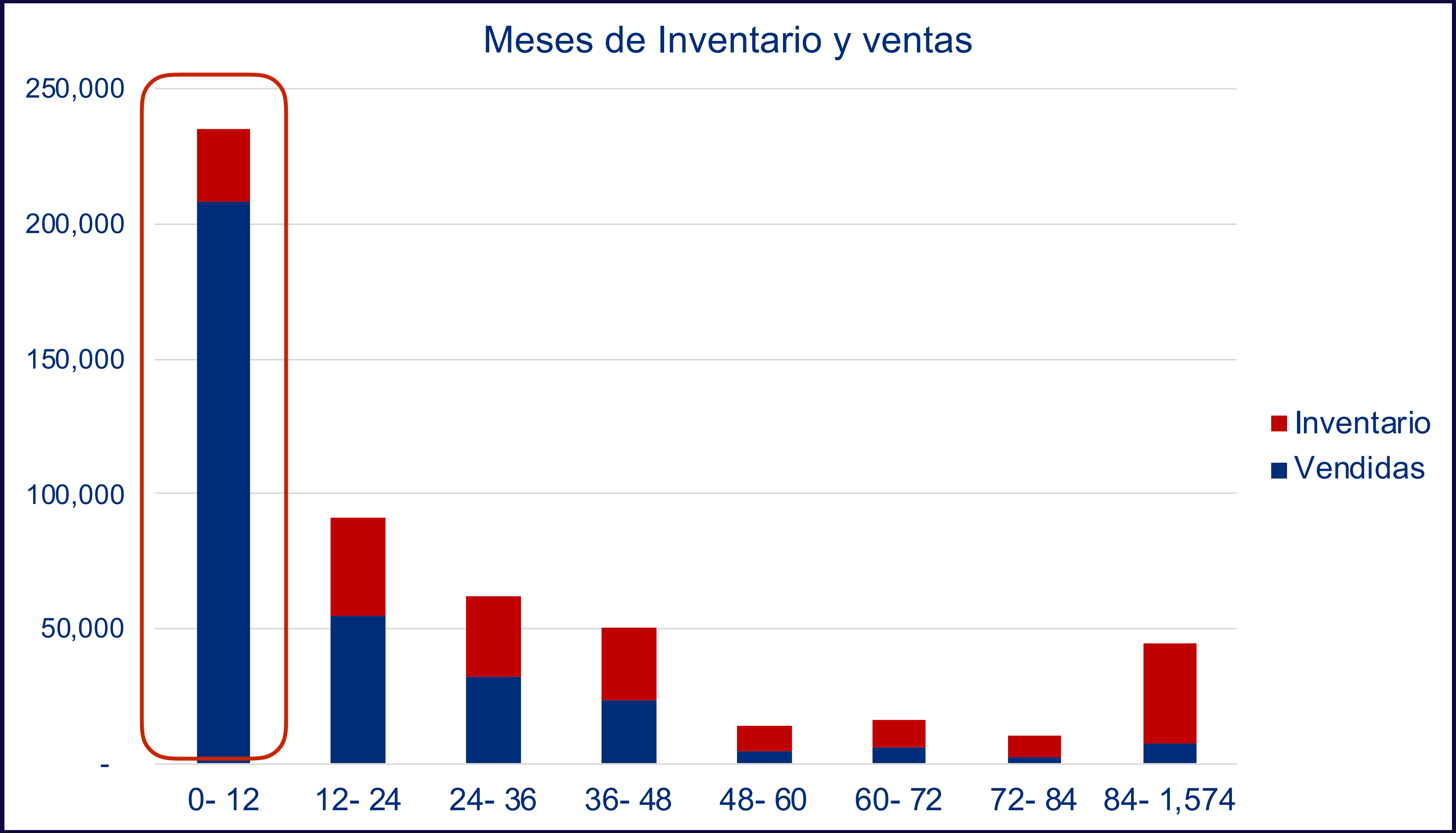
¿Por qué?

Criterios a evaluar

Producto
Precio
Promoción
Punto de Venta

Canal de ventas
Costos
Competencia
Cliente

Tres tipos de empresas:
3. Las que casi no tienen que vender



1,925 proyectos tienen menos de 12 meses de inventario
¿Van a cerrar la tienda?

Planeación

- ¿A dónde quieren llegar?
- ¿Hay reserva de suelo?
- ¿Quieren seguir en esta industria?
- ¿Quieren cambiar de giro inmobiliario?
- ¿Con que recursos materiales, económicos, humanos, cuentan?

Proyectos inmobiliarios exitosos

USO EDAD

USUARIOS GENERO

MOTIVADORES INGRESOS

TIPO PROPIEDAD EMPLEO

FORMA COMPRA

El cliente

Planeación

Producción

Entrega

Elementos operativos

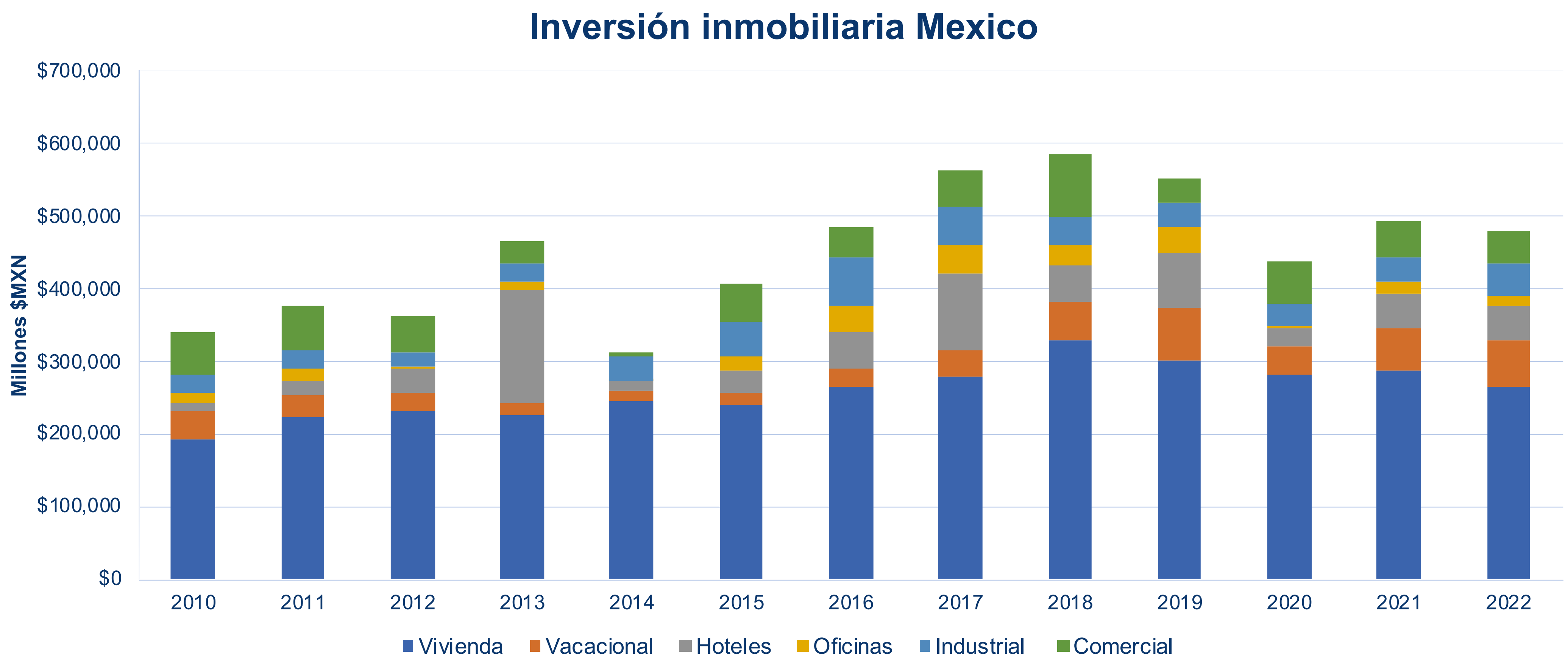
Vacation Market

April 2022

Carr Picacho Ajusco 4249-1
Jardines en la Montaña, Tlalpan
14210, México, D.F., México

www.softec.com.mx
+52 (55) 5063 8800

Real Estate investment



- Softec estimates that the RE industry had a $492 billion peso (US$25b) investment in 2021.
- Investment in 2022 is expected to be $481 billion peso (US$24b).

Lateral Carretera Picacho Ajusco, 4249, Piso 1, Col. Jardines en la Montaña, C.P. 14210, Tlalpan, Ciudad de México
Tel +52 55 50 63 88 00
www. Softec.com.mx

Expected RE investment 2022

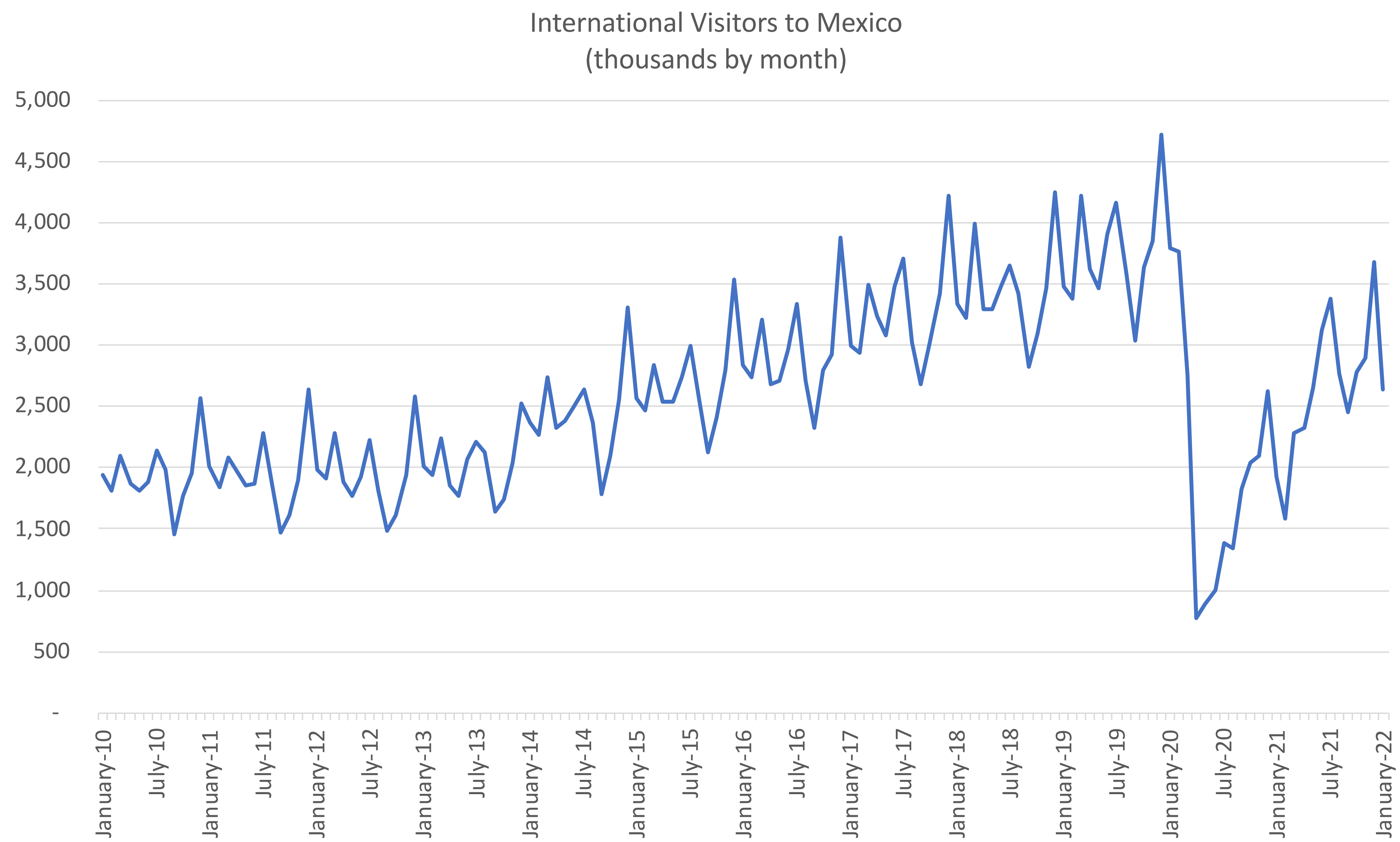
	Unit	Growth	Unit price ($MXN)	Total (Mill $MXN)
New homes	unit	178,290	$1,486,856	$265,092
2nd home	unit	12,000	5,347,317	$64,168
Hotel	Cuarto	10,000	$4,807,478	$48,075
Office	m2	200,000	$72,086	$14,417
Industrial	m2	3,500,000	$12,141	$42,494
Retail	m2	900,000	$51,747	$46,572
Total				**$480,817**

- Softec estimates that the total RE investment in 2022 will be $481 billion pesos (US$24b).

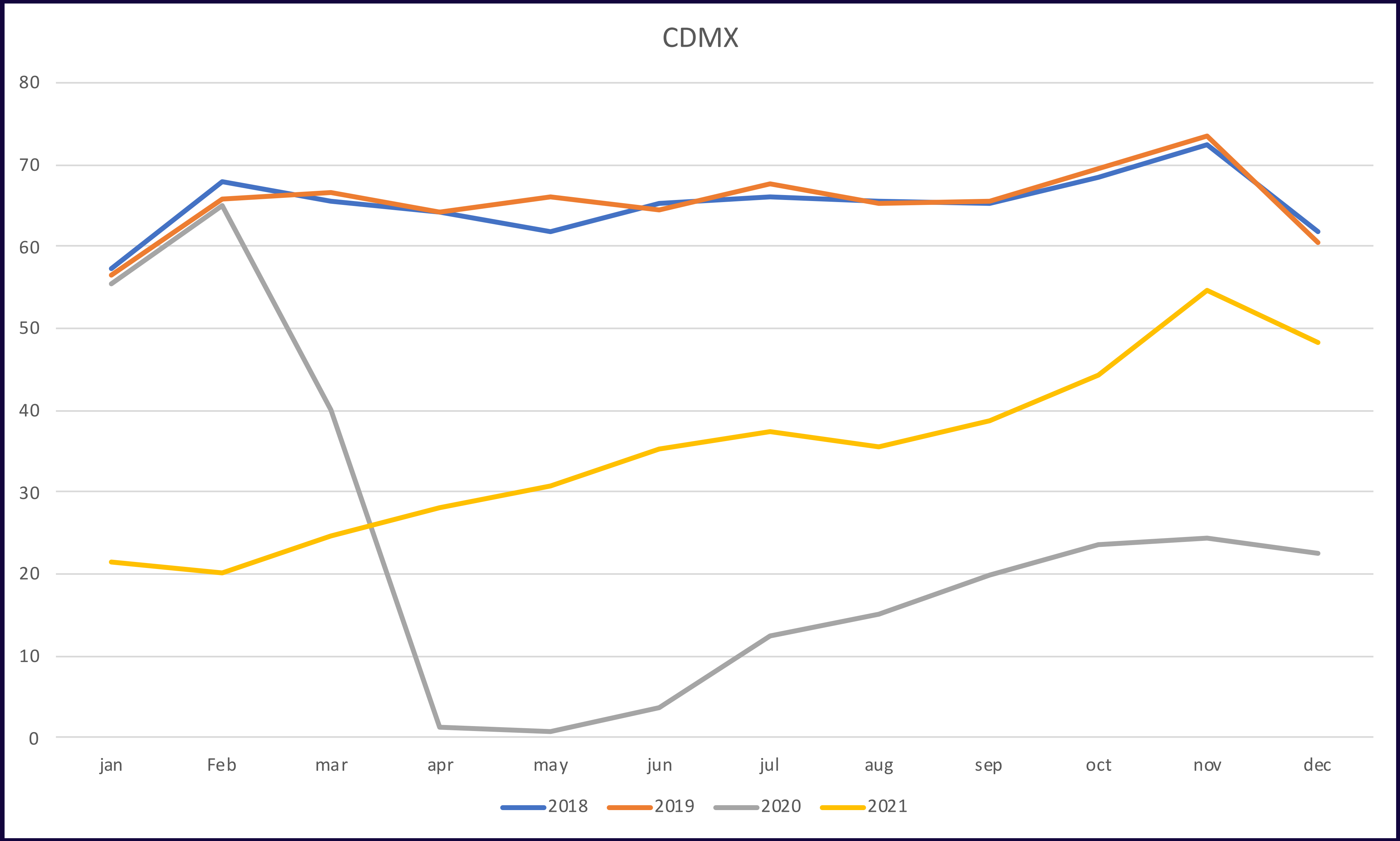
Lateral Carretera Picacho Ajusco, 4249, Piso 1, Col. Jardines en la Montaña, C.P. 14210, Tlalpan, Ciudad de México
Tel +52 55 50 63 88 00
www. Softec.com.mx

Mexican tourism market

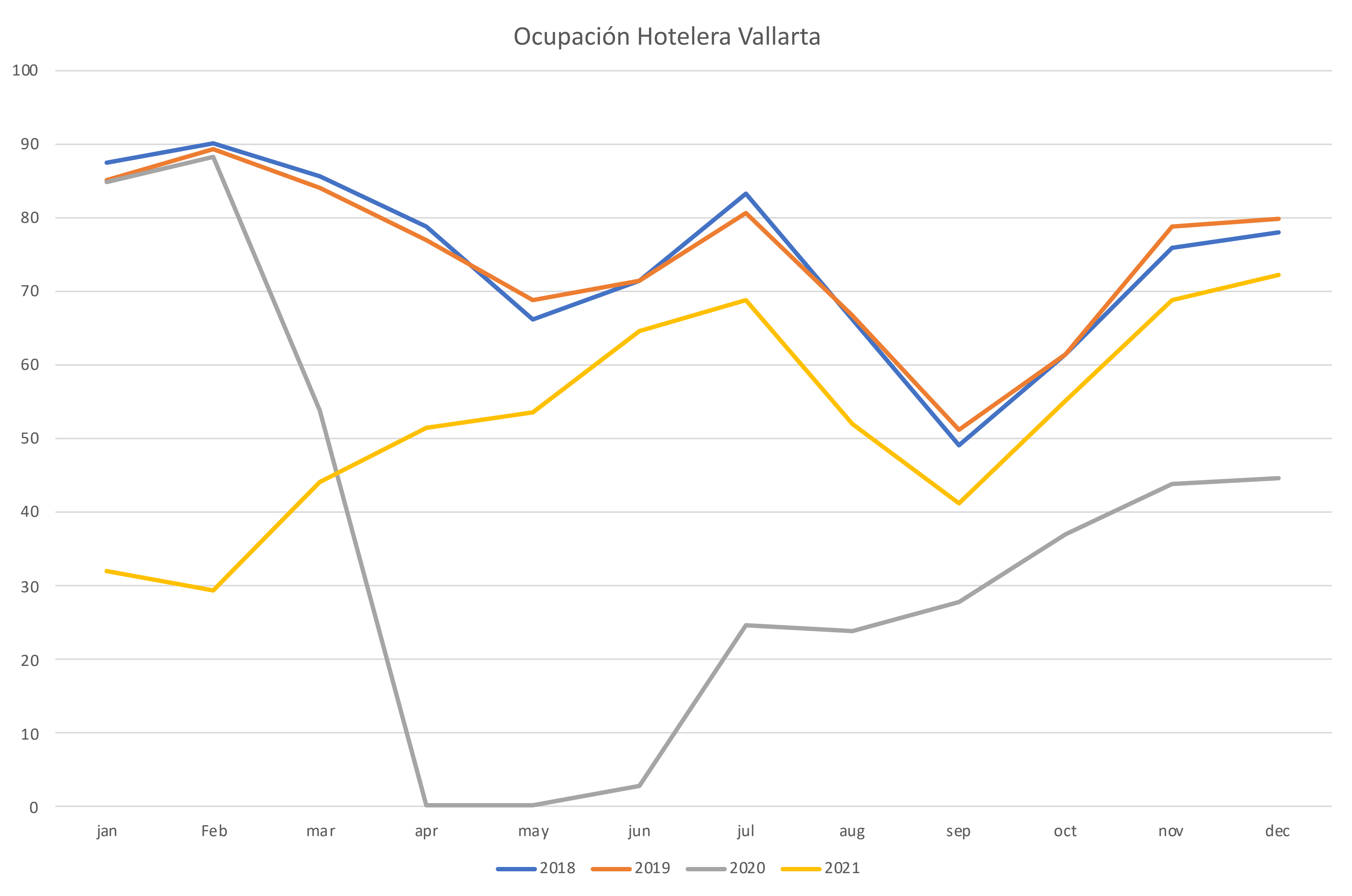
Visitors to Mexico



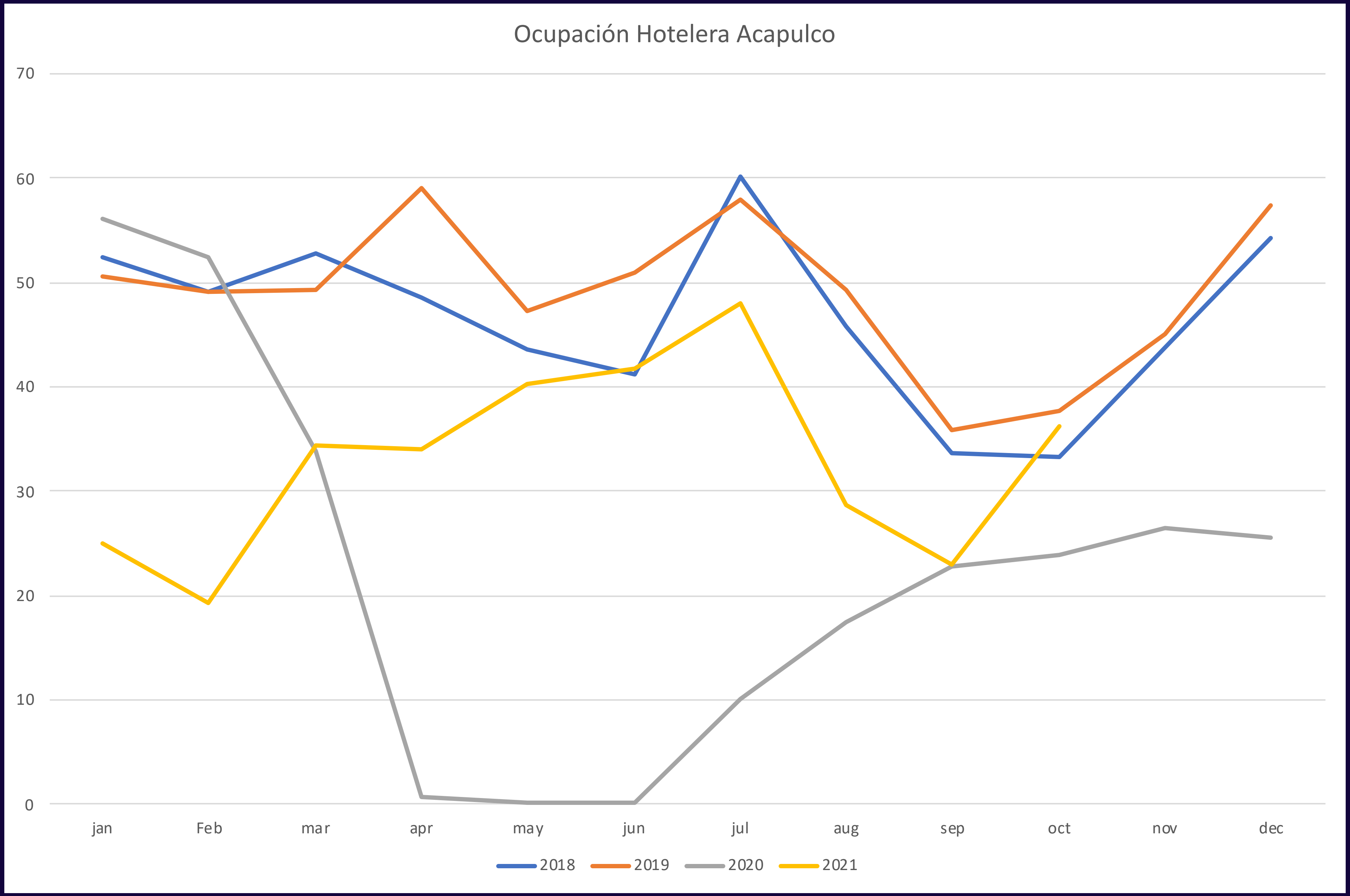
- Mexico continues to grow as an attractive destination for visitors. Postapandemic levels continue to rise.
- Mexico is one of the top destinations American travelers would like to visit



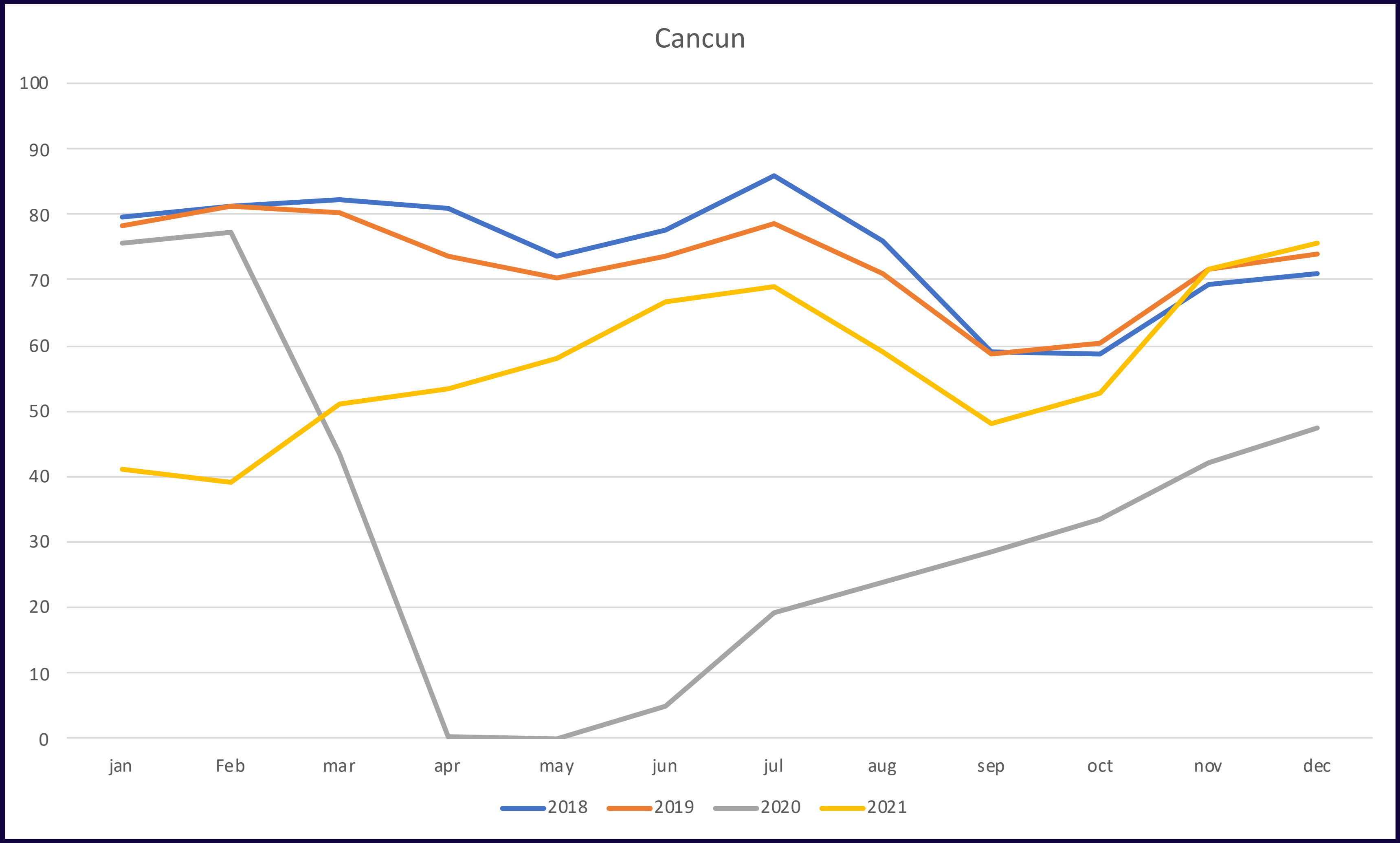
Ocupación hotelera CDMX



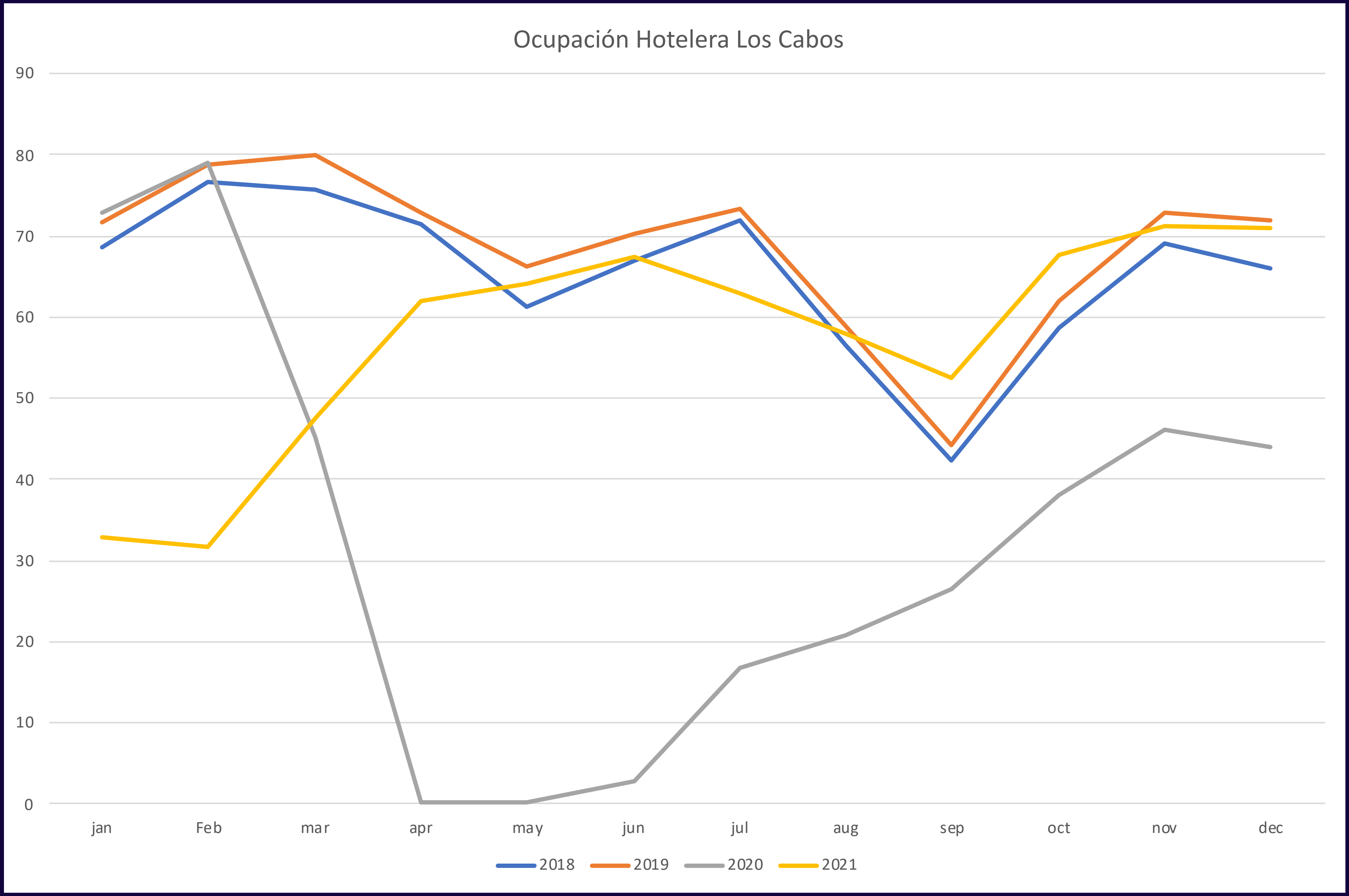
Ocupación hotelera Vallarta



Ocupación hotelera Acapulco



Ocupación hotelera Cancún



Ocupación hotelera Los Cabos

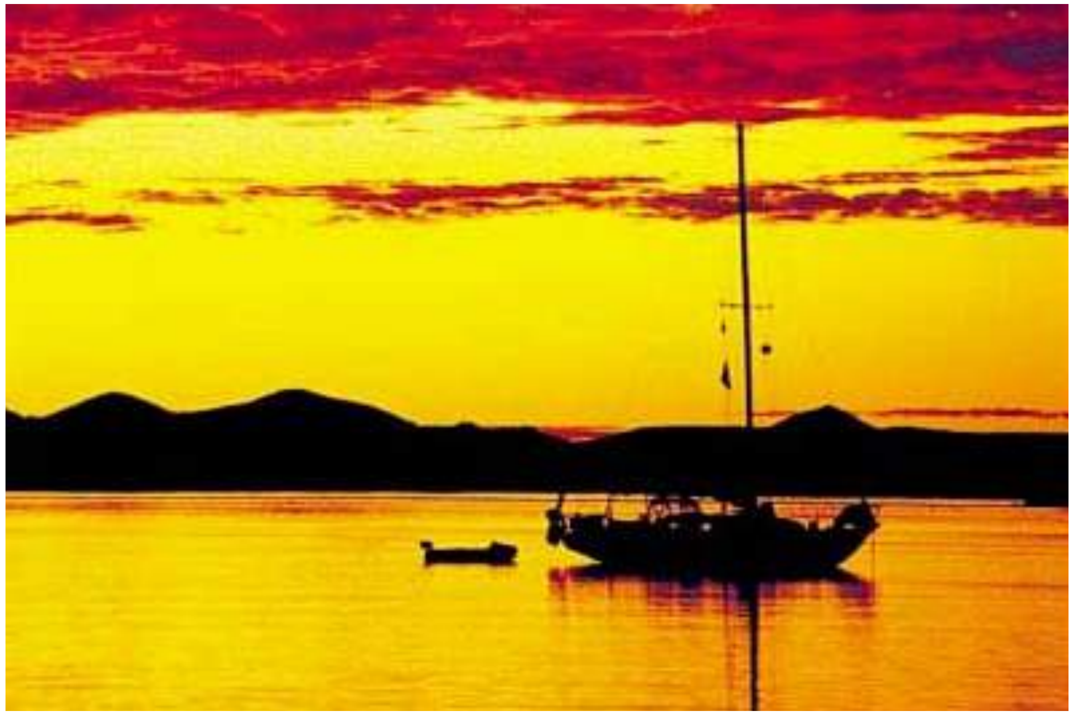
What do they come for?

Cancún y Riviera Maya

La Paz







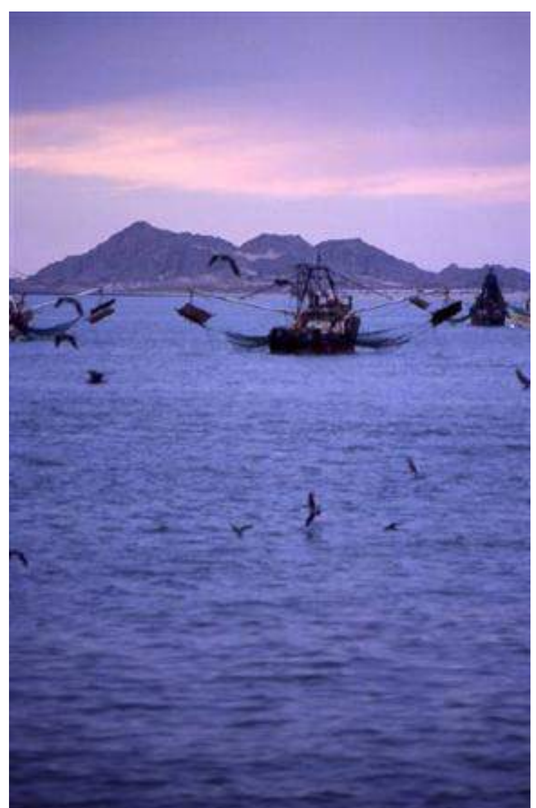

Cabo San Lucas








Puerto Peñasco



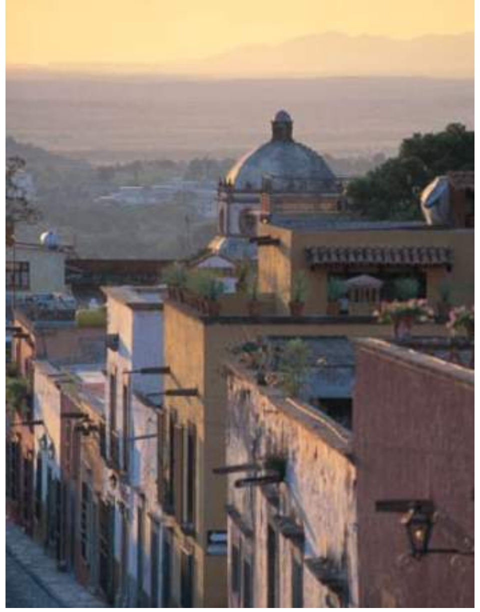
Corredor Rosarito-Ensenada







San Miguel de Allende









Puerto Vallarta

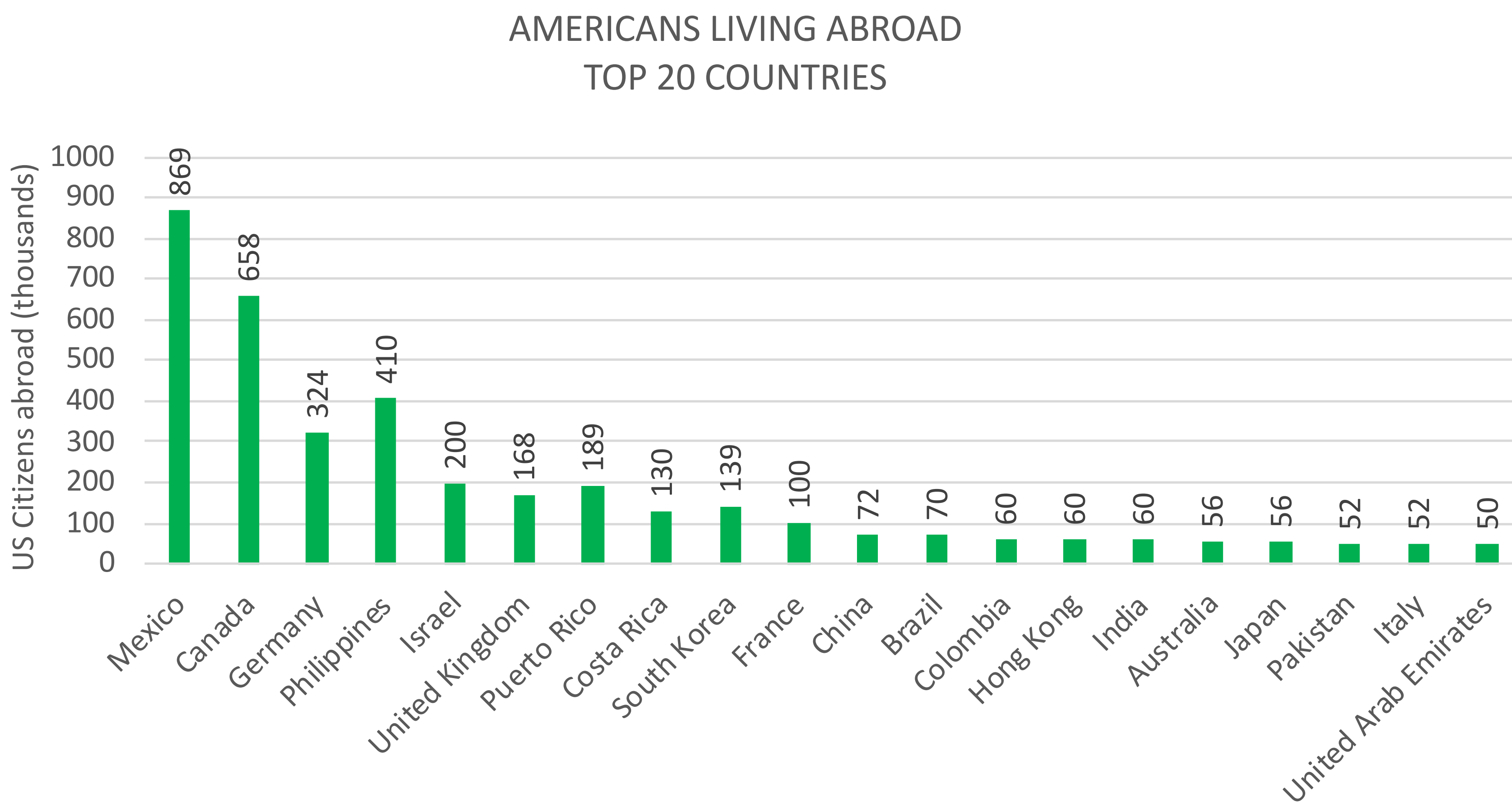






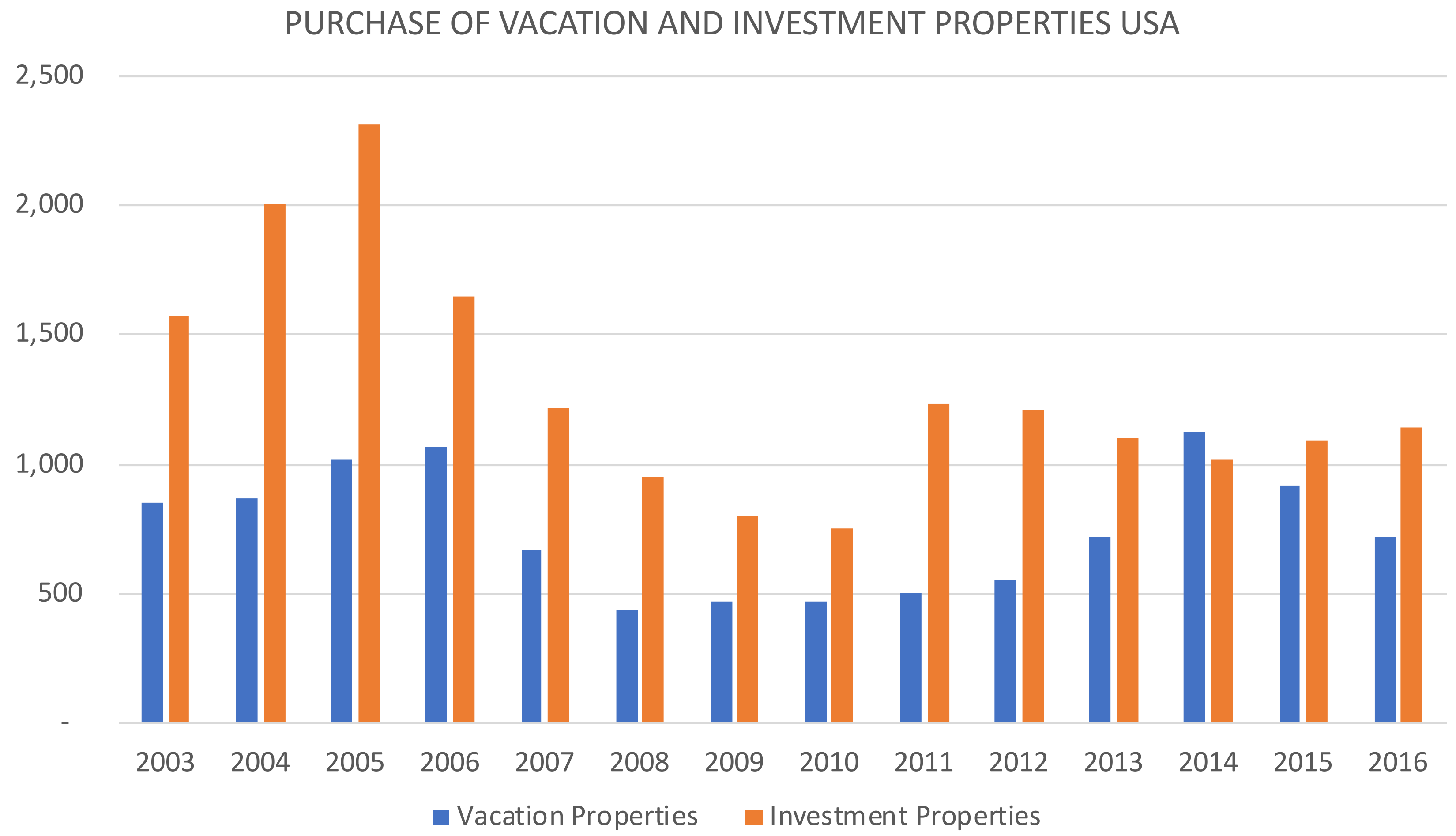


Americans living abroad



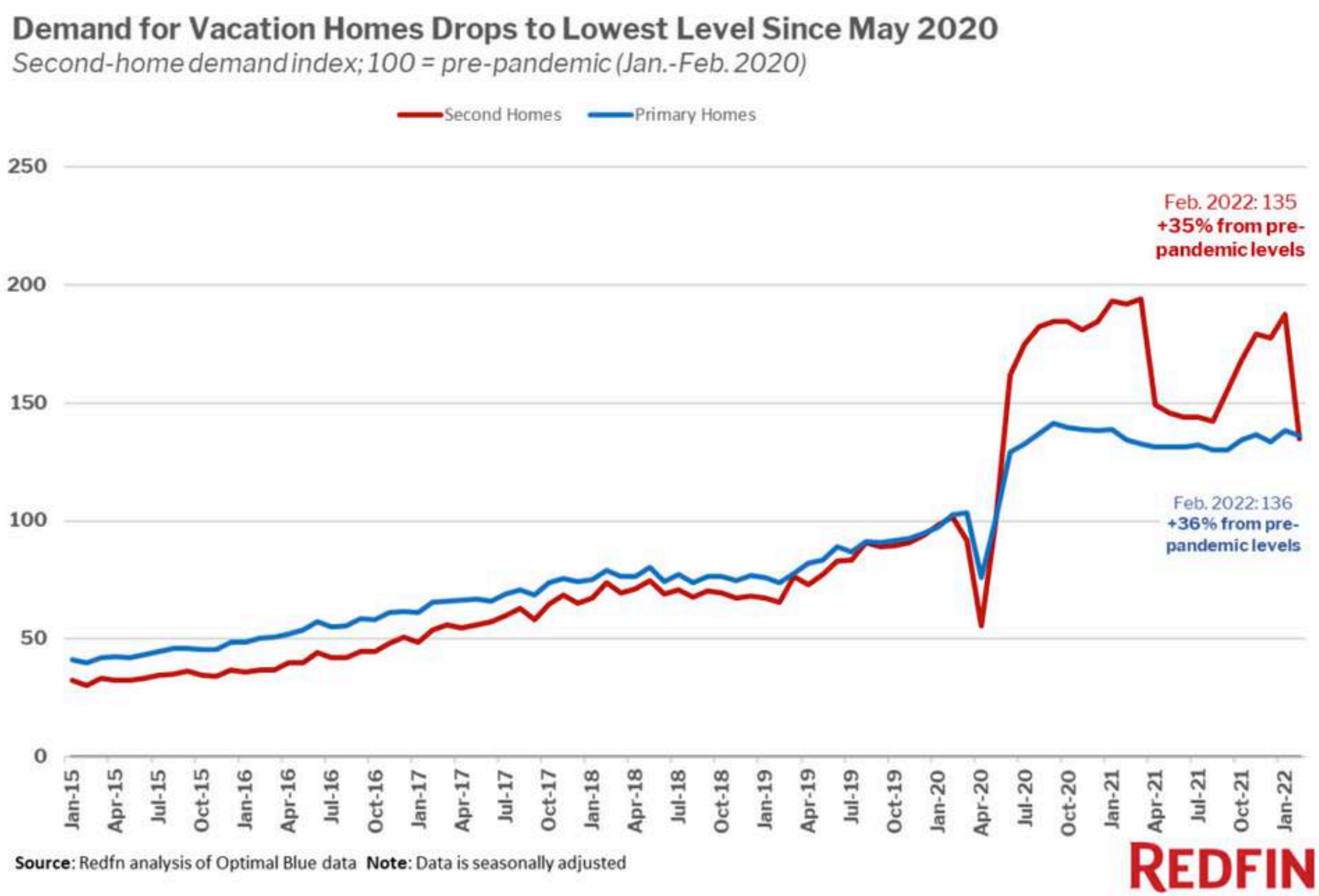
- **Mexico as top choice for Americans living abroad**
  - Estimates for the total number of Americans living abroad range from 3 to 6 million. While this includes people who have a US Passport, but were born in a different country, information from the IRS and the Census Bureau indicate that this is an adequate estimate.
  - According to these sources, there are an estimated 740,000-1,000,000 Americans living in Mexico.
  - Mexico is a top choice because of a lower cost of living, proximity to the US, good medical services, among others.

US Second home buyers



- **National Association of Realtors Study**
  - According to a study published by the National Association of Realtors, in 2016, US buyers bought 721,000 vacation homes with a market value of US$144 billion.
- **Mexico penetration**
  - Total purchases of new vacation homes in Mexico in US target markets were 1% in volume and 0.3% in value.

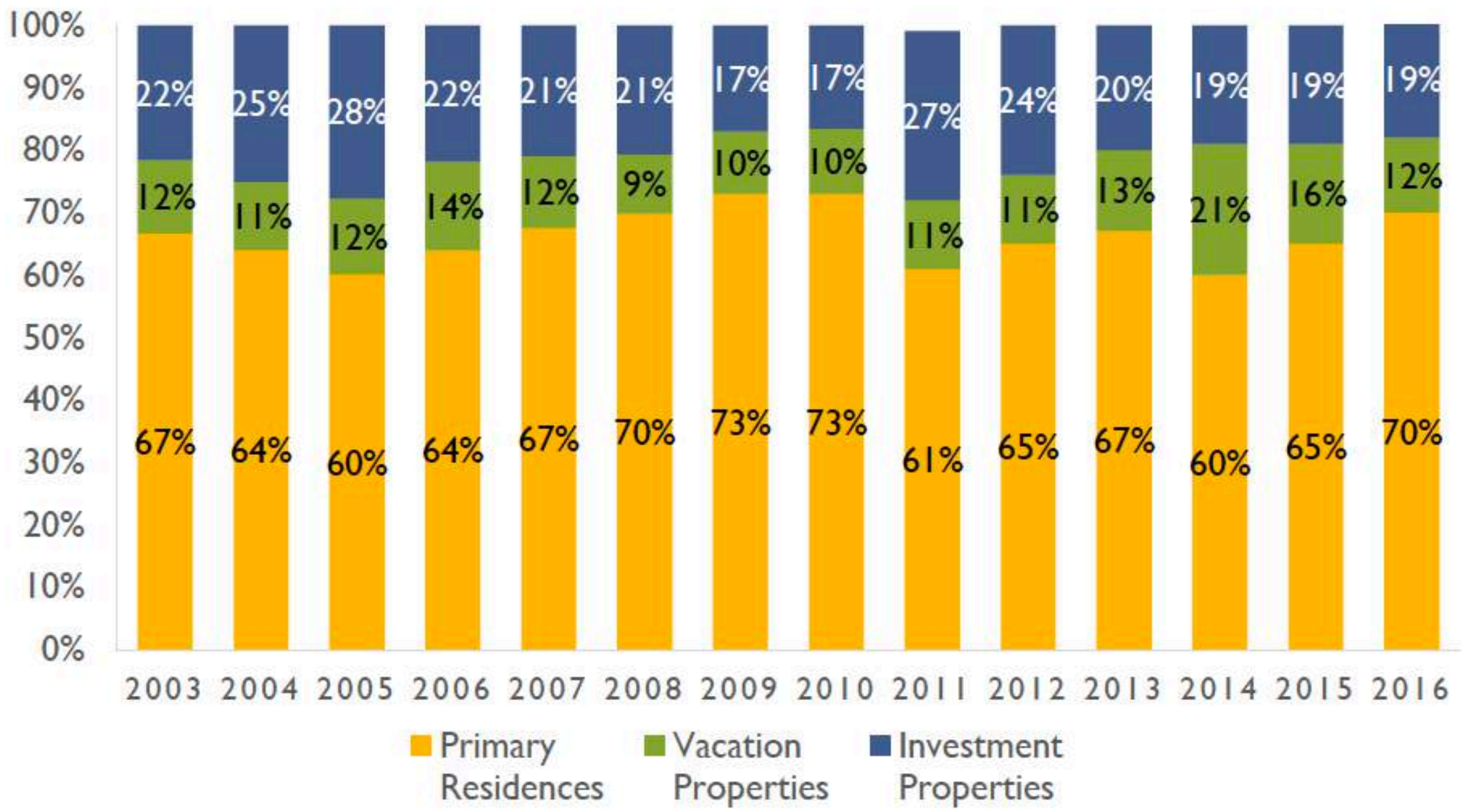
US Vacation Home Buyers



https://www.redfin.com/news/vacation-home-demand-drops-february-2022/

- **While demand for vacation properties has slowed in 2022 it is still substantially higher than in 2016. This is relevant as the National Association of Realtors published its last survey in 2017.**

Share of homes purchased by intended use



https://store.realtor/2017-nar-investment-and-vacation-home-buyers-survey-download/

Vacation and investment properties by volume

New and Existing Home Sales (000)

	Primary Residences	Vacation Properties	Investment Properties
2003	4,844	850	1,572
2004	5,106	872	2,003
2005	5,023	1,019	2,317
2006	4,817	1,067	1,646
2007	3,925	670	1,221
2008	3,207	436	951
2009	3,441	471	801
2010	3,294	469	749
2011	2,785	502	1,233
2012	3,268	553	1,207
2013	3,698	717	1,104
2014	3,226	1,129	1,022
2015	3,738	920	1,093
2016	4,207	721	1,142
Percent change 2015-2016	12.5	-21.6	4.5

2017 NAR Investment & Vacation Home Buyer's Survey

- **Vacation and investment properties reached 1.86 million in 2016. According to the Redfin index this number almost tripled to 2021**

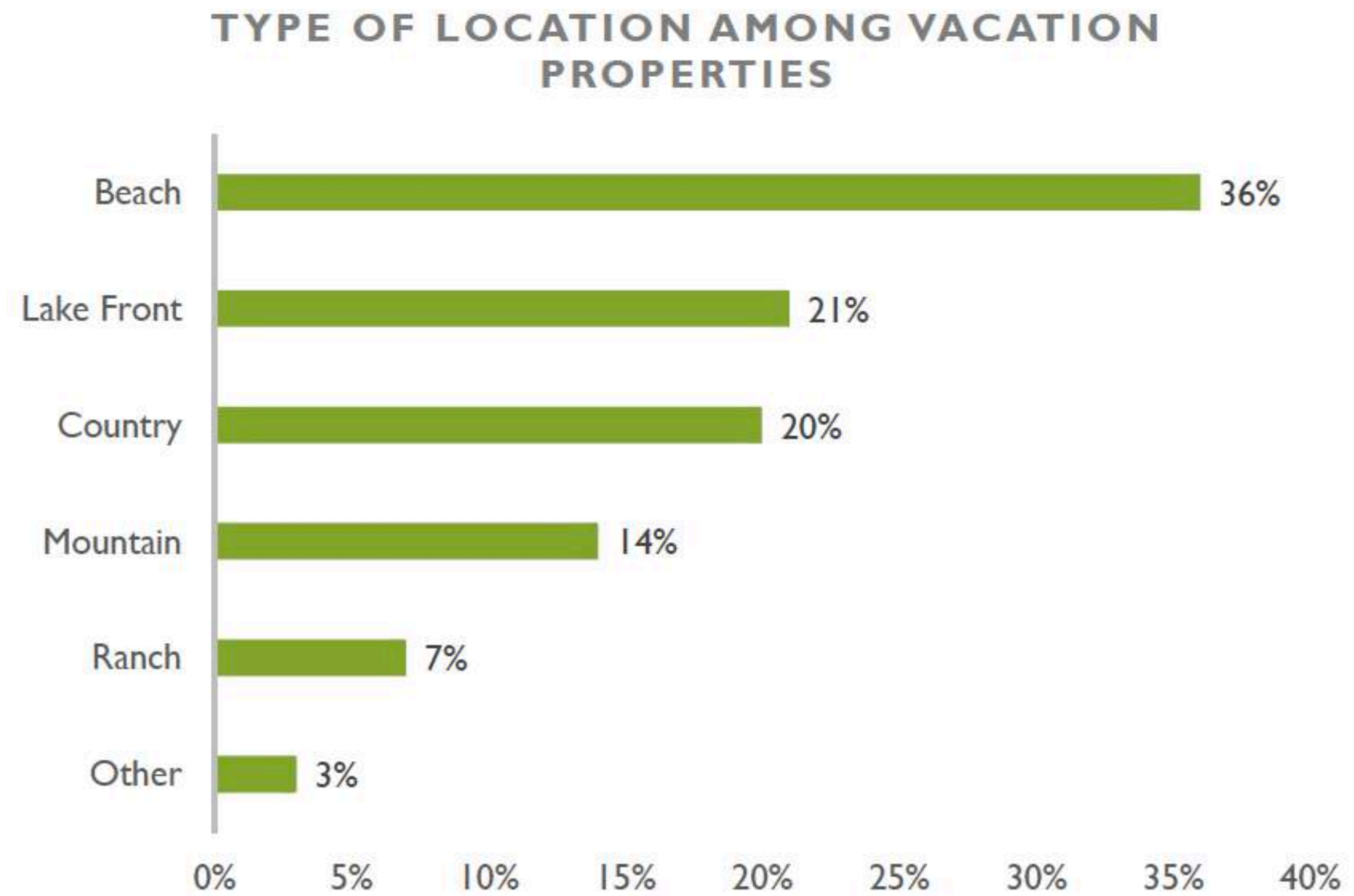
Sales prices

Median Sales Price

	Primary Residences	Vacation Properties	Investment Properties
2004	—	$190,000	$148,000
2005	—	$204,100	$183,500
2006	—	$200,000	$150,000
2007	$199,500	$195,000	$150,000
2008	$196,000	$150,000	$108,000
2009	$185,000	$169,000	$105,000
2010	$176,700	$150,000	$94,000
2011	$167,700	$121,300	$100,000
2012	$170,000	$150,000	$115,000
2013	$189,000	$168,700	$130,000
2014	$197,200	$150,000	$124,500
2015	$210,000	$192,000	$143,500
2016	$215,000	$200,000	$155,000
Percent change 2015-2016	2.4	4.2	8.0

- **Median sales prices for vacation and investment properties were US$200,000 and $155,000 respectively in 2016**

Location of properties



2017 NAR Investment & Vacation Home Buyer's Survey

- **36% of Vacation properties are in beach locations.**

Distance to vacation homes

Distance from Primary Residence	Vacation Properties	Investment Properties
5 miles or less	*	21%
6 to 10 miles	*	15
11 to 15 miles	*	11
16 to 20 miles	3	6
21 to 50 miles	10	15
51 to 100 miles	18	8
101 to 250 miles	22	9
251 to 500 miles	12	3
501 to 1,000 miles	14	4
1,001 miles or more	21	8

- **35% of vacation homes are more than 500 miles from the primary residence.**

Mexico as a place to retire in 2022

INTERNATIONAL LIVING'S 2022 GLOBAL RETIREMENT INDEX BY THE NUMBERS

Country	Housing	Benefits	Visas/Residence	Fitting in/ Entertain	Development	Climate	Healthcare	Governance	Opportunity	Cost of Living	Average
Panama	80	96	100	89	80	80	88	82	84	82	86.1
Costa Rica	74	88	91	92	82	80	97	80	79	88	85.1
Mexico	86	79	88	94	82	86	90	70	72	91	83.8
Portugal	87	86	64	87	88	88	96	79	74	84	83.3
Ecuador	84	95	90	84	75	87	81	72	71	92	83.1
Colombia	77	78	88	82	82	87	93	69	69	92	81.7
France	65	75	68	74	96	82	84	90	71	78	78.3
Malta	66	76	86	90	81	63	72	72	76	75	75.7
Spain	69	62	60	85	86	72	96	76	66	81	75.3
Uruguay	66	74	76	76	88	58	76	84	69	79	74.6
Thailand	71	56	82	81	81	58	80	74	56	90	72.9
Ireland	60	60	62	86	95	58	84	80	71	71	72.7
Peru	66	56	82	67	56	87	78	72	70	91	72.5
Cambodia	70	62	70	82	66	57	74	78	70	94	72.3
Malaysia	75	64	40	56	92	62	90	70	78	93	72
Bali	58	72	56	79	64	62	70	64	70	95	69
Sri Lanka	66	57	64	74	70	78	60	70	57	93	68.9
Vietnam	72	60	40	75	70	60	84	70	56	96	68.3
Italy	68	60	54	79	67	58	84	65	58	80	67.3
Belize	58	57	86	78	56	58	65	58	67	88	67.1
Roatan	56	62	66	76	56	58	68	66	72	89	66.9
DR	64	76	62	80	56	57	56	62	67	88	66.8
Croatia	59	56	56	81	74	57	75	56	58	79	65.1
Bolivia	86	57	67	65	57	67	57	30	57	94	63.7
Nicaragua	68	56	72	76	56	61	72	20	56	92	62.9

https://internationalliving.com/the-best-places-to-retire/?utm_source=gated-modal&Fsid=f6e18d15-d3ed-498a-bd8e-e79b009eaf93&IsPreview=False&coreg=%5b%5d&MultivariateId=1971791&oneClick=true

- According to the *Global Retirement Index* compiled by *International Living*, Mexico is the third best rated country as a place to retire.
- The index includes concepts like: buying and investment, renting, benefits and discounts, visas and residence, cost of living, local culture, entertainment and amenities, healthcare, healthy lifestyle, infrastructure, climate, governance, and business opportunities.

Cost of living

Cities surveyed by NUMBEO in Mexico

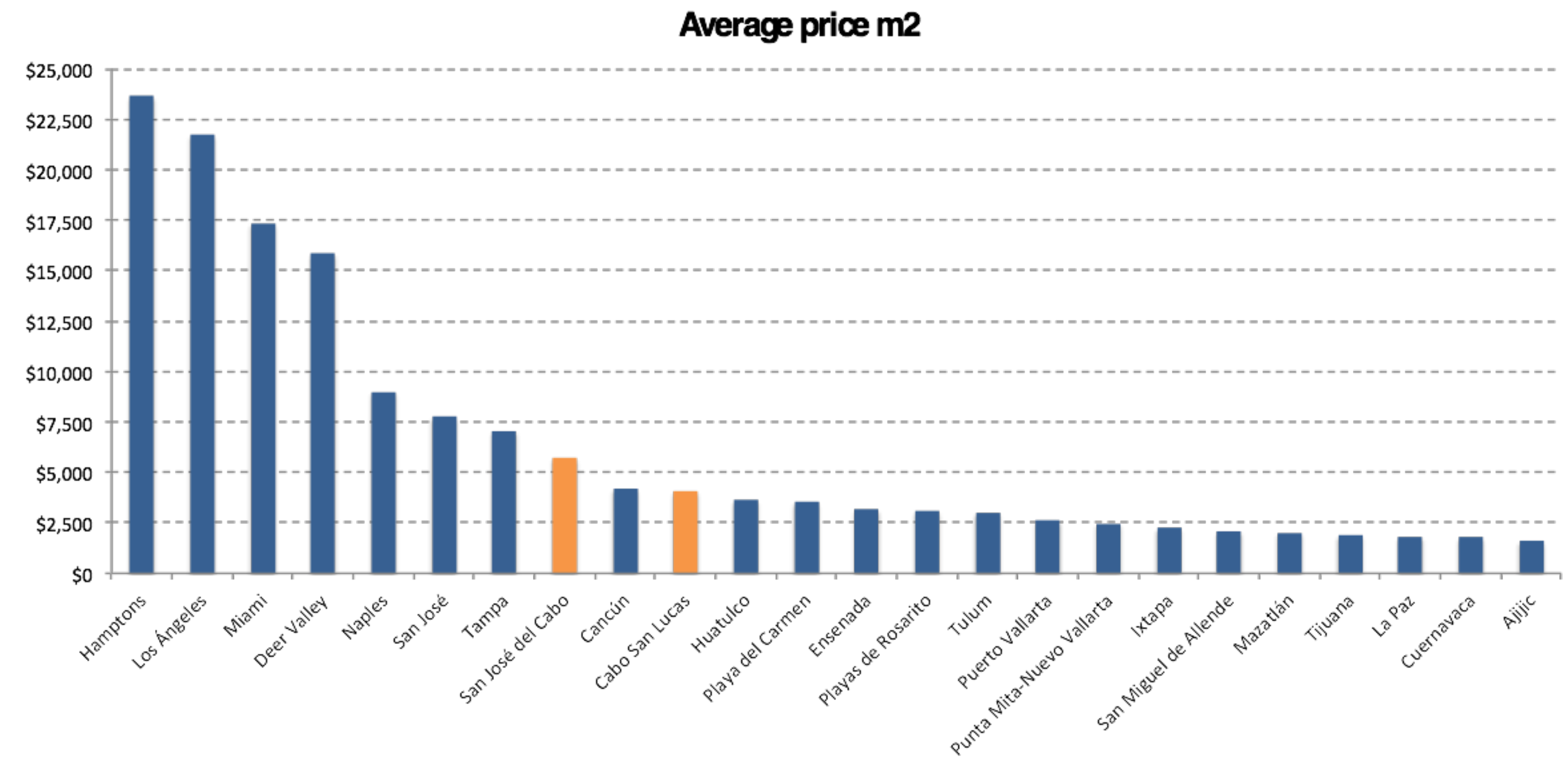
Chart: Cost of Living Index

	City	Cost of Living Index	Rent Index	Cost of Living Plus Rent Index	Groceries Index	Restaurant Price Index
US	New York	100	100	100	100	100
US	San Diego	72.67	60.65	66.90	66.20	79.01
US	Miami, FL,	80.45	55.81	68.62	79.43	83.45
Mexico	Tijuana	36.43	11.19	24.31	33.73	35.36
Mexico	Cancun	35.95	12.23	24.56	32.11	34.34
Mexico	Mexico City	35.30	17.65	26.82	32.06	31.33
Mexico	Monterrey	34.98	11.54	23.72	32.13	33.76
Mexico	Guadalajara	32.94	9.14	21.51	31.69	29.22
Mexico	Queretaro	32.70	9.23	21.43	30.79	28.87
Mexico	Puebla	31.91	7.56	20.22	29.49	25.22

https://www.numbeo.com/cost-of-living/

- **Cost of living**
  - According to NUMBEO which is the world's largest database of user contributed data about cities and countries worldwide, Mexico is one of the most affordable place to live for a person wishing to retire.
  - Numbeo provides current and timely information on world living conditions including cost of living, housing indicators, health care, traffic, crime and pollution.
  - NUMBEO reports 7 cities in various parts of Mexico. These are an indication of general lower cost of living than comparable US cities.

Mexico second home market compared to US second home market (price per m2 US Dollars).



- **Mexico is a very attractive option**
  - Comparing prices per m2 of Mexican second homes to popular destinations in the US it is clear that Mexico offers, and will continue to offer a significant advantage for the international buyer.
  - Comparable beach front properties in Mexico sell for one third or less than properties in Miami, LA or other destinations.

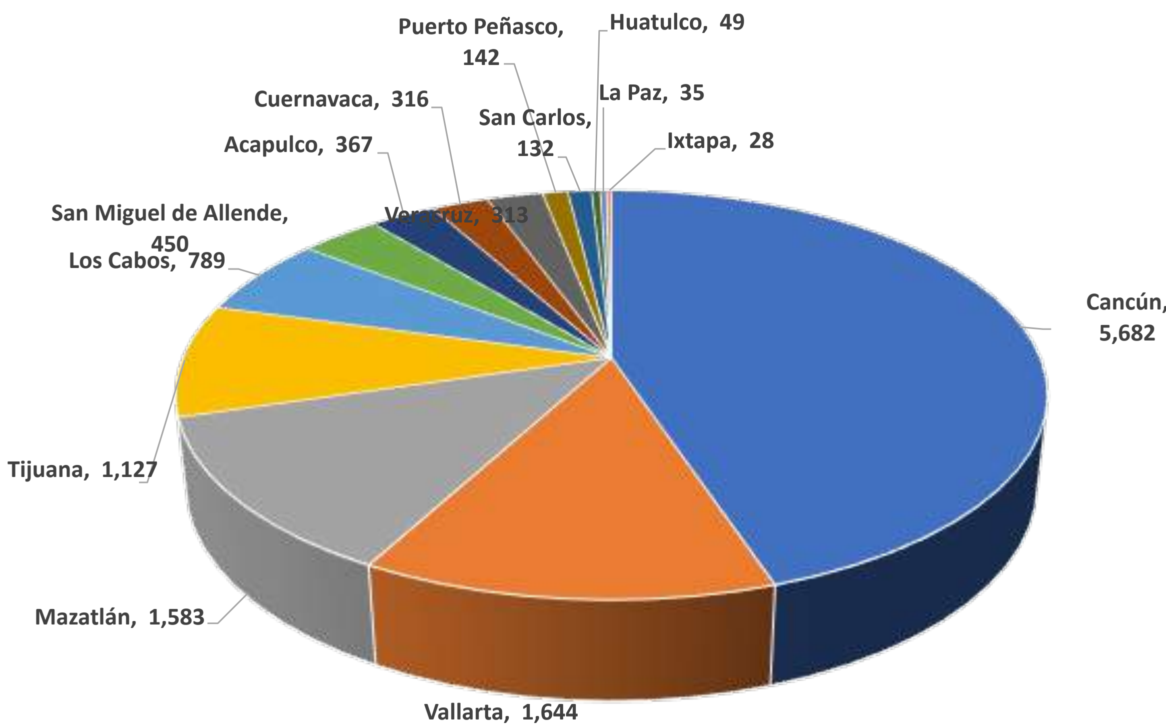
Second home markets

- **Second Home markets**
  - Mexico has 14 very active second home markets.
  - The following list shows which markets target Mexican or international buyers:
  - Mainly international buyers
    - Los Cabos
    - La Paz
    - San Miguel de Allende
    - Vallarta
    - Tijuana- Rosarito
    - Puerto Peñasco
  - Mostly Mexican buyers
    - Mazatlán
    - San Carlos
    - Ixtapa
    - Acapulco
    - Cancun Riviera Maya
    - Veracruz
    - Cuernavaca
    - Huatulco

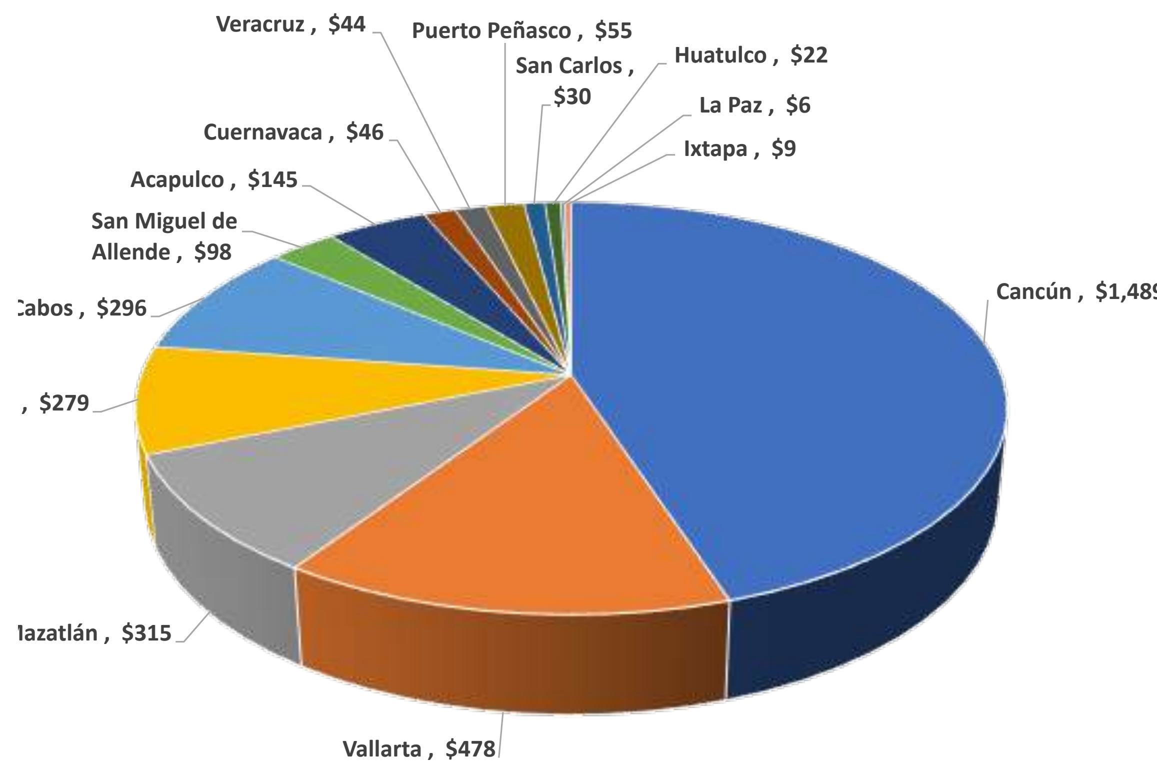
Main second home markets in Mexico

Market size

Second home market
(Units)

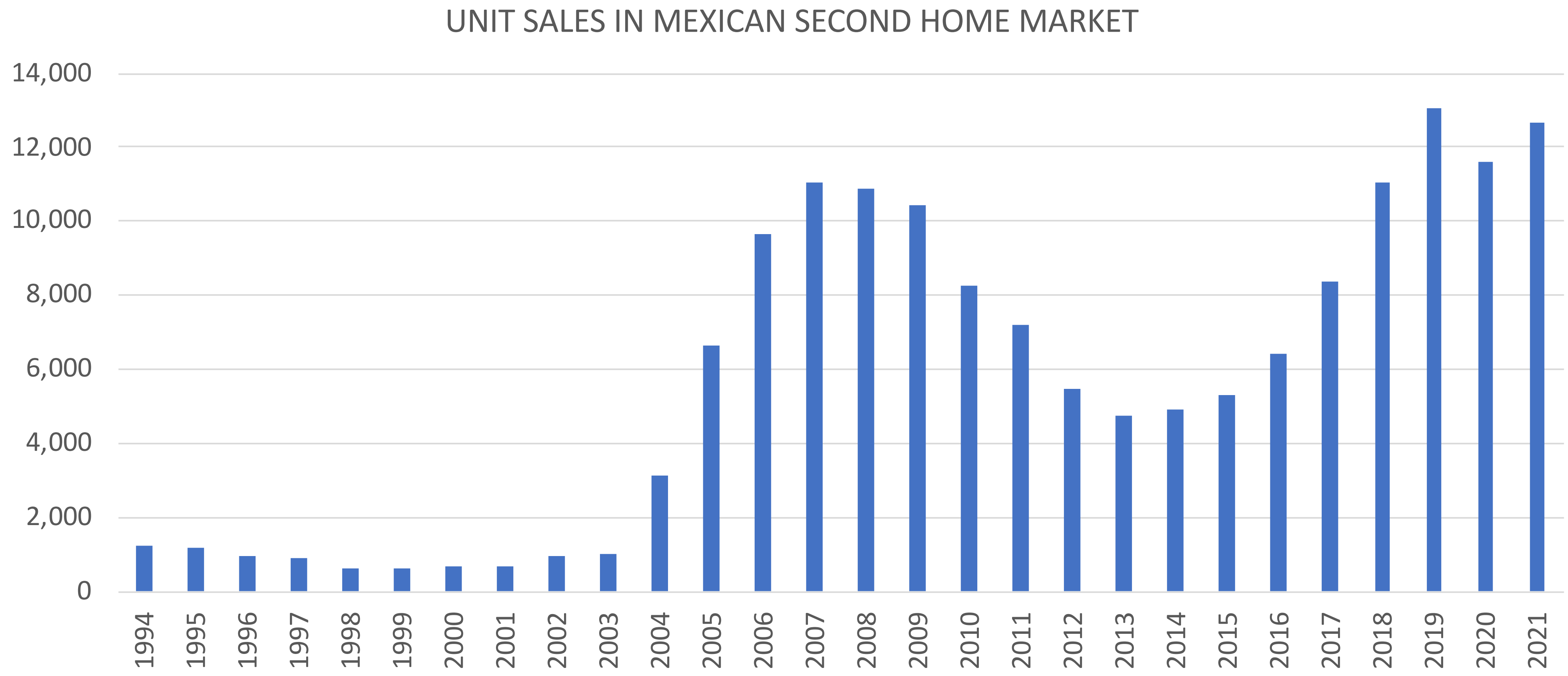


Second home market
(US$ million)



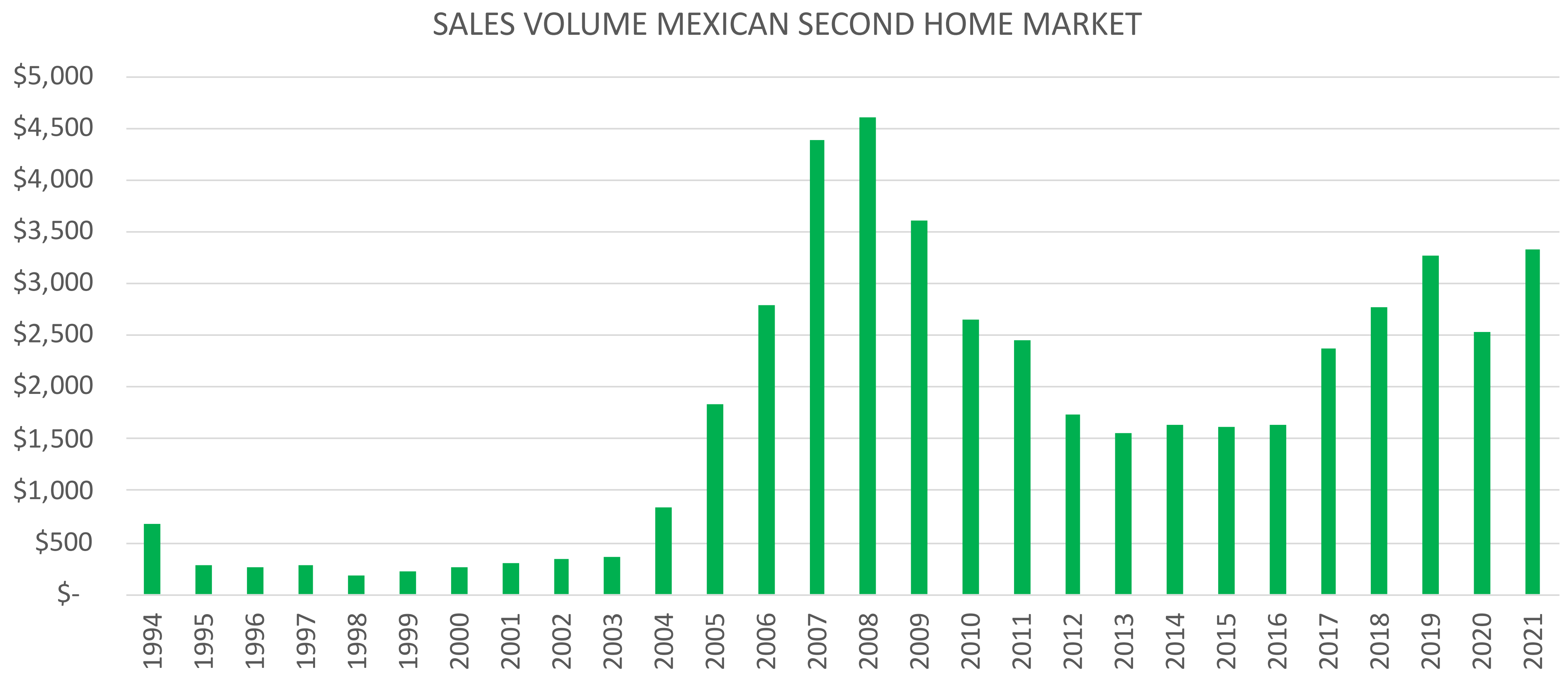
- The second home market sold 12,657 new units worth US$3.3 billion in 2021. Average sales price was US$262,000
- The largest market was Cancún-Mayan Riviera with 5,682 units sold for US$1.5 billion
- Cancún Mayan Riviera, Puerto Vallarta, Tijuana, Los Cabos Mazatlán and San Miguel de Allende represent 90% of all second home sales.

Second Home market historical growth



- **Unit sales in 2021, reached 12,657 new second homes sold in the main 14 vacation markets in Mexico**

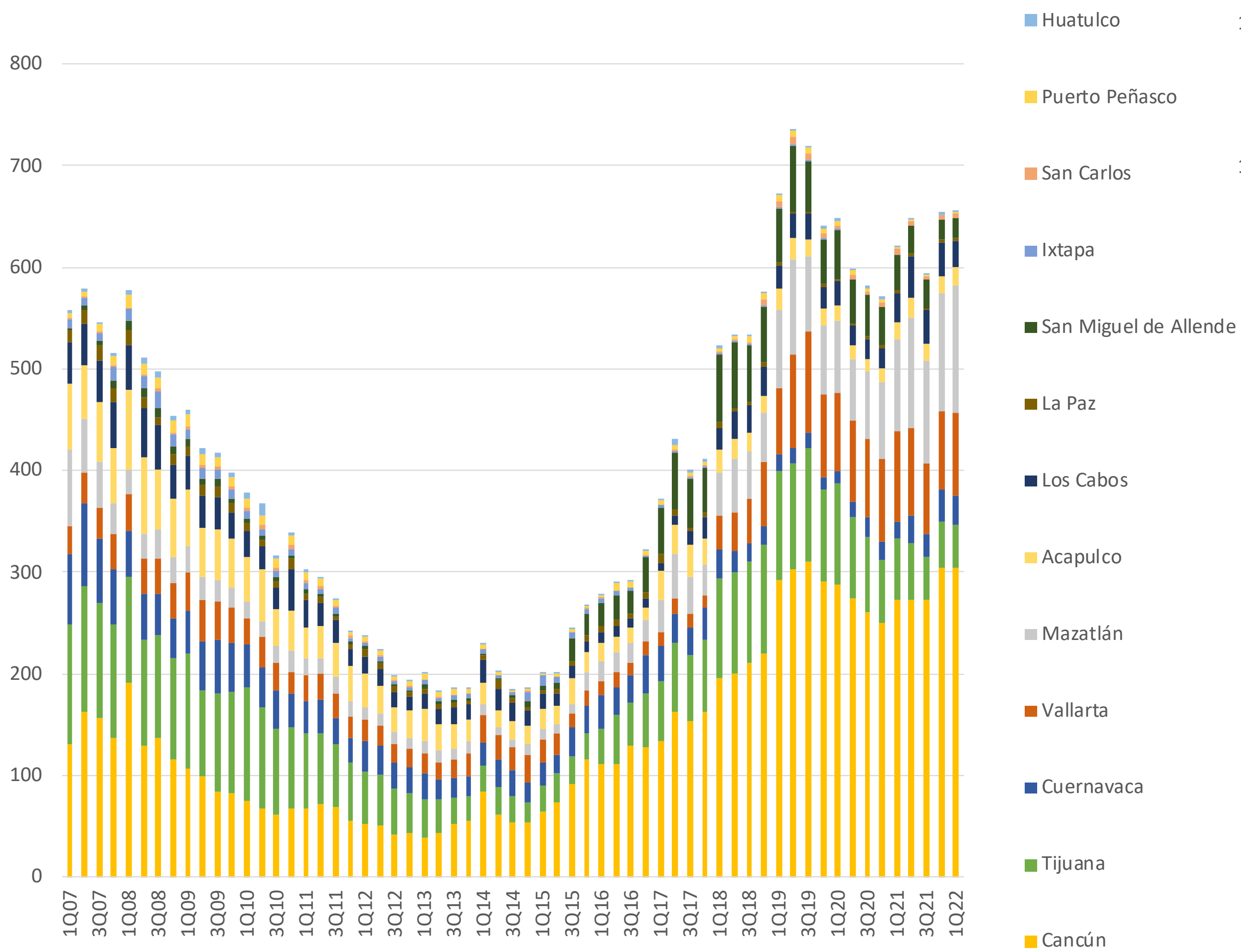
Second Home market historical growth



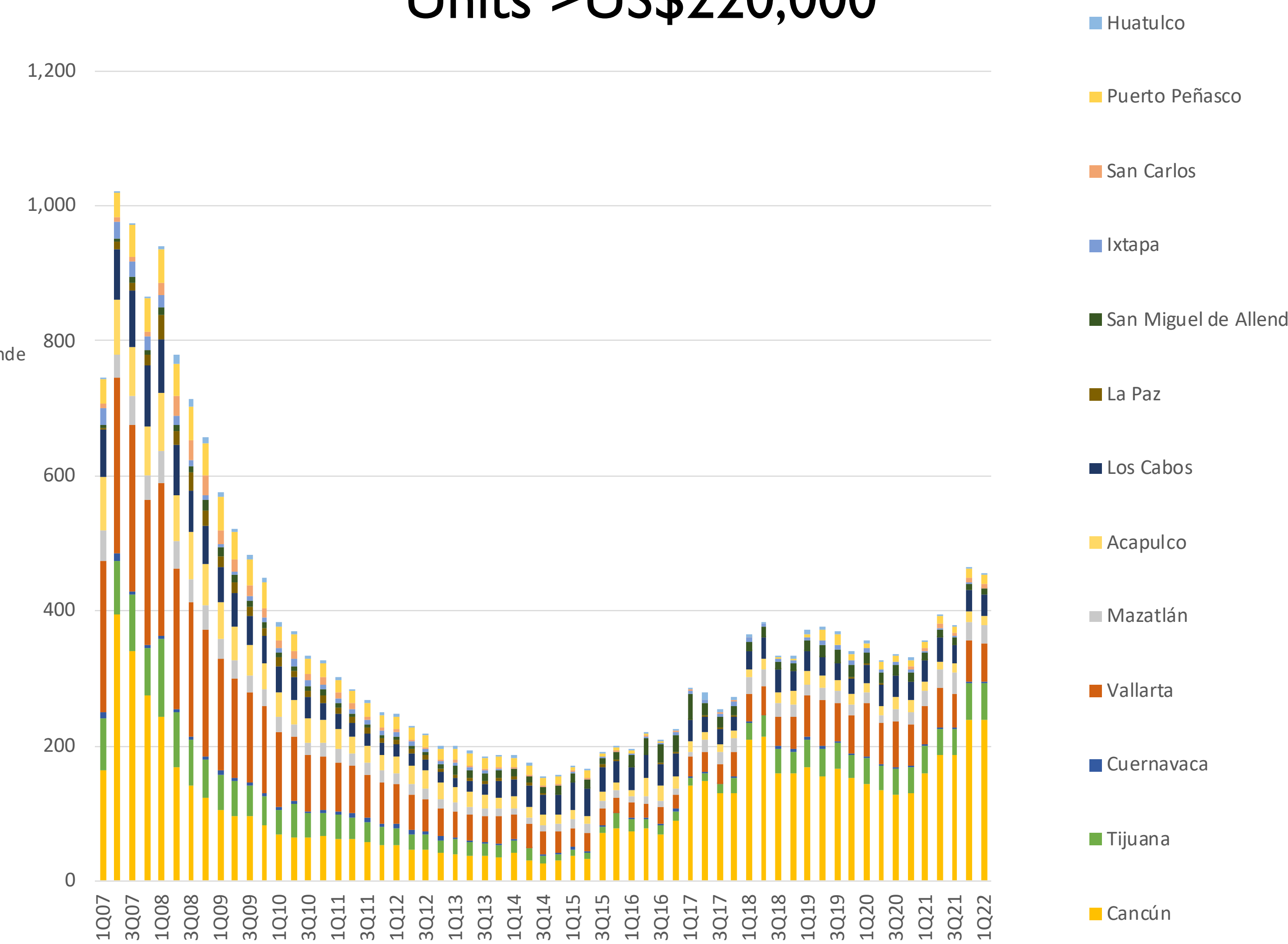
- **Dollar sales in 2021, reached USD$3.3 billion in the main 14 vacation markets in Mexico.**

Vacation markets: volume

Units US$100-$220,000

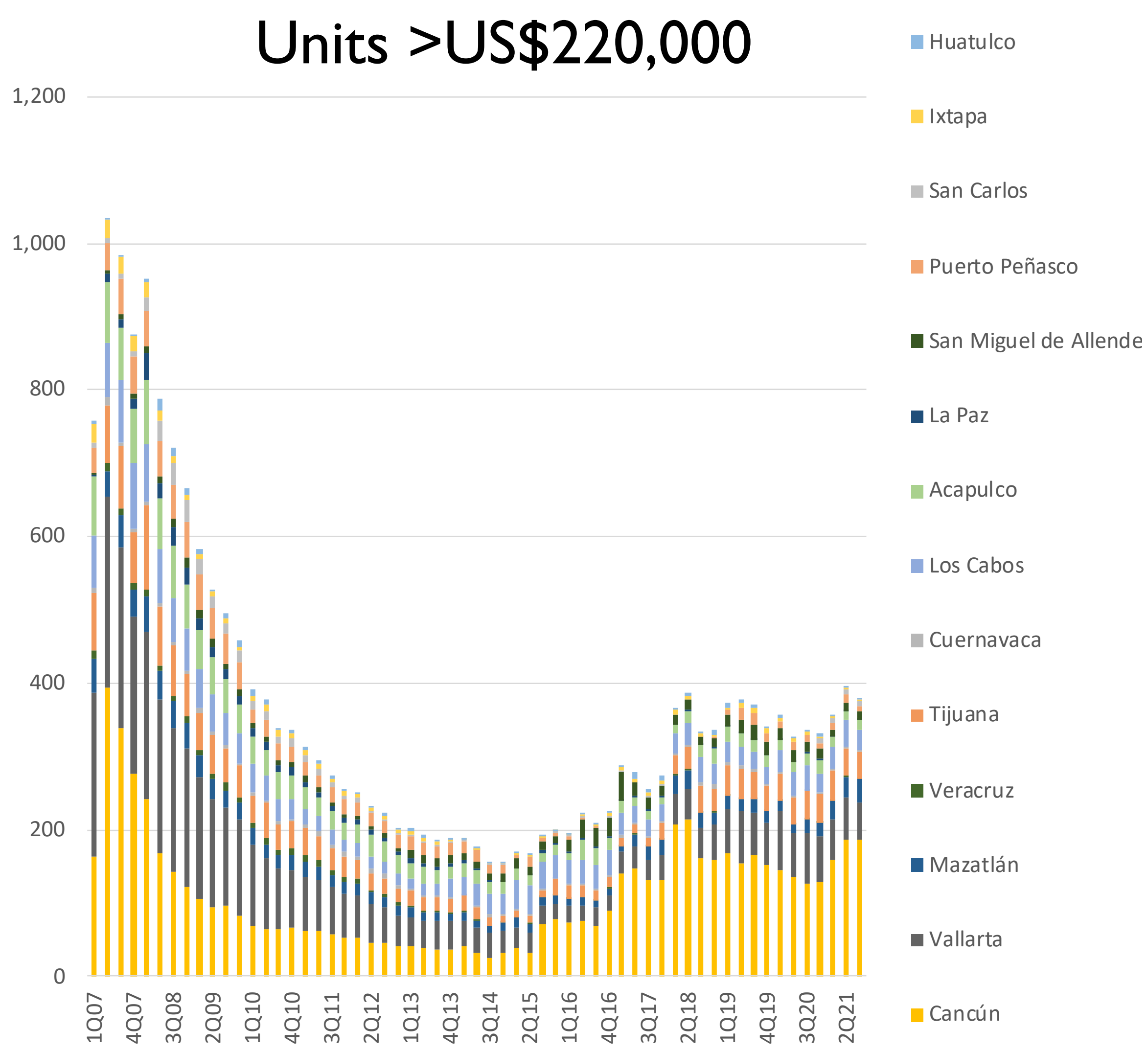


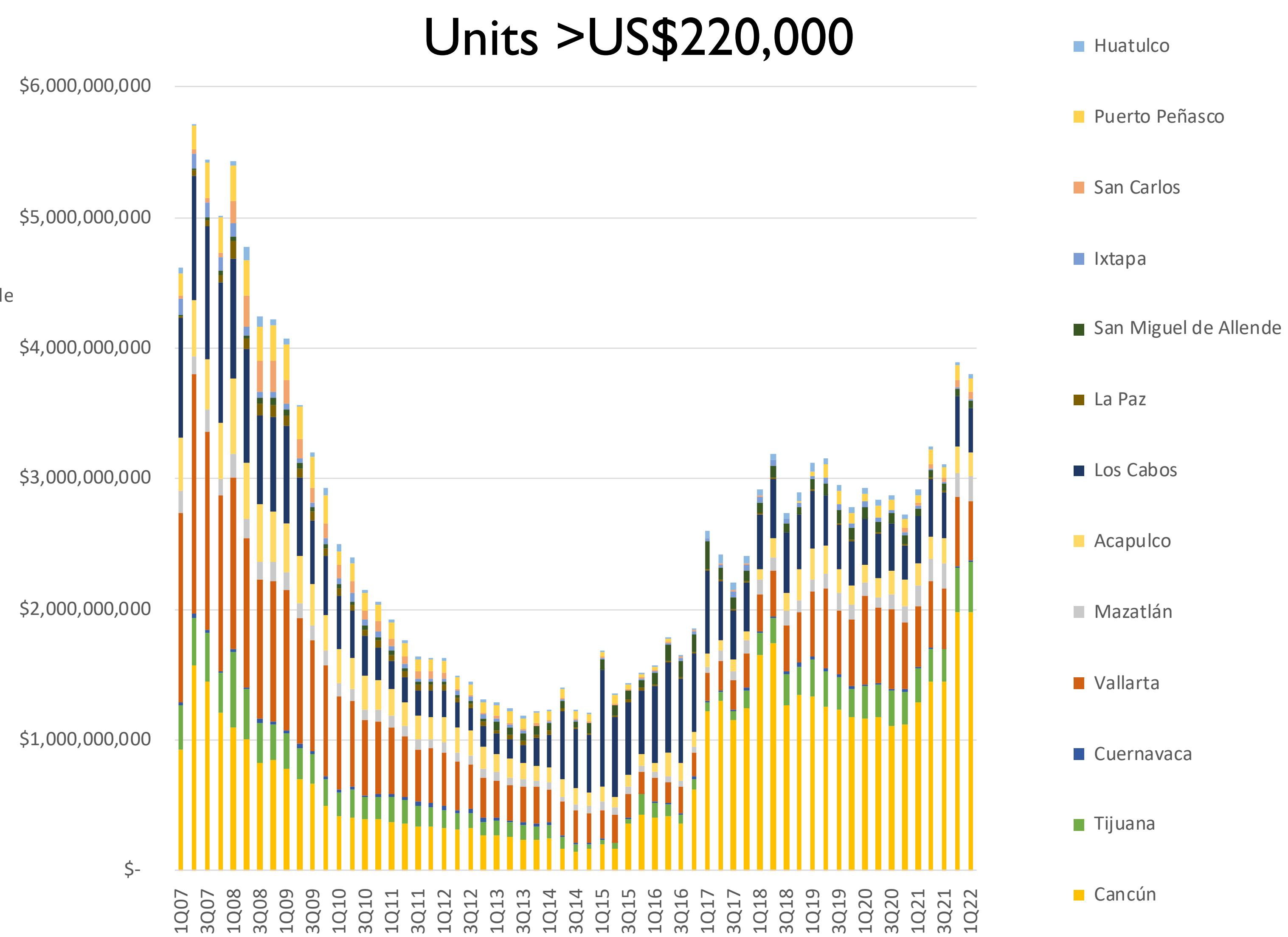
Units >US$220,000



- **Sales of units between US$100,000 and $220,000 average monthly sales of 600 units**
- **Sales of units >$220,000 average monthly sales of 450 units**

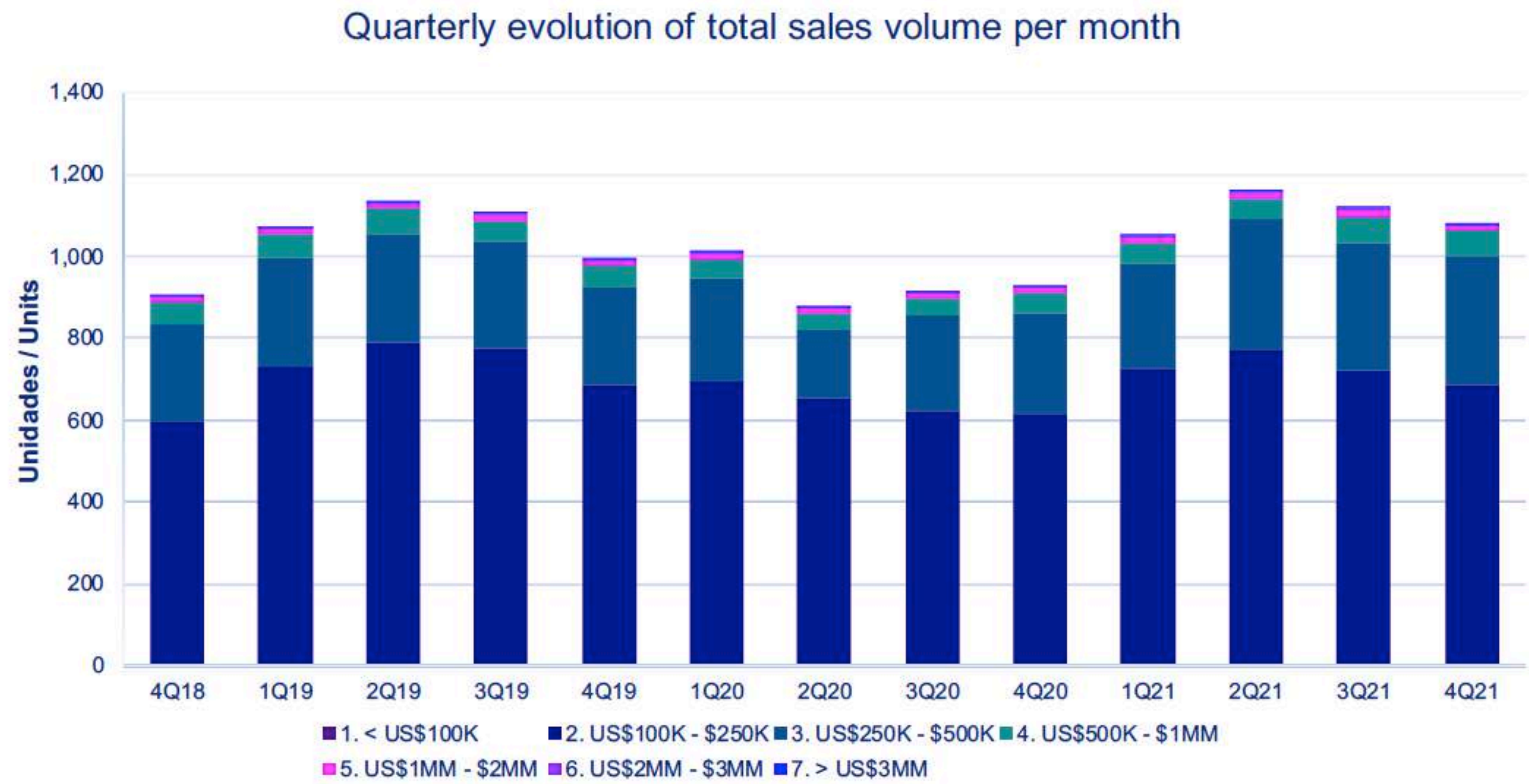
Vacation markets: value (mexican Pesos)





- **Sales of units between US$100,000 and $220,000 average monthly sales of P$2.5 billion (US$125 million)**
- **Sales of units >$220,000 average monthly sales of P$4.0 billion (US$200 million)**

Monthly sales by price point

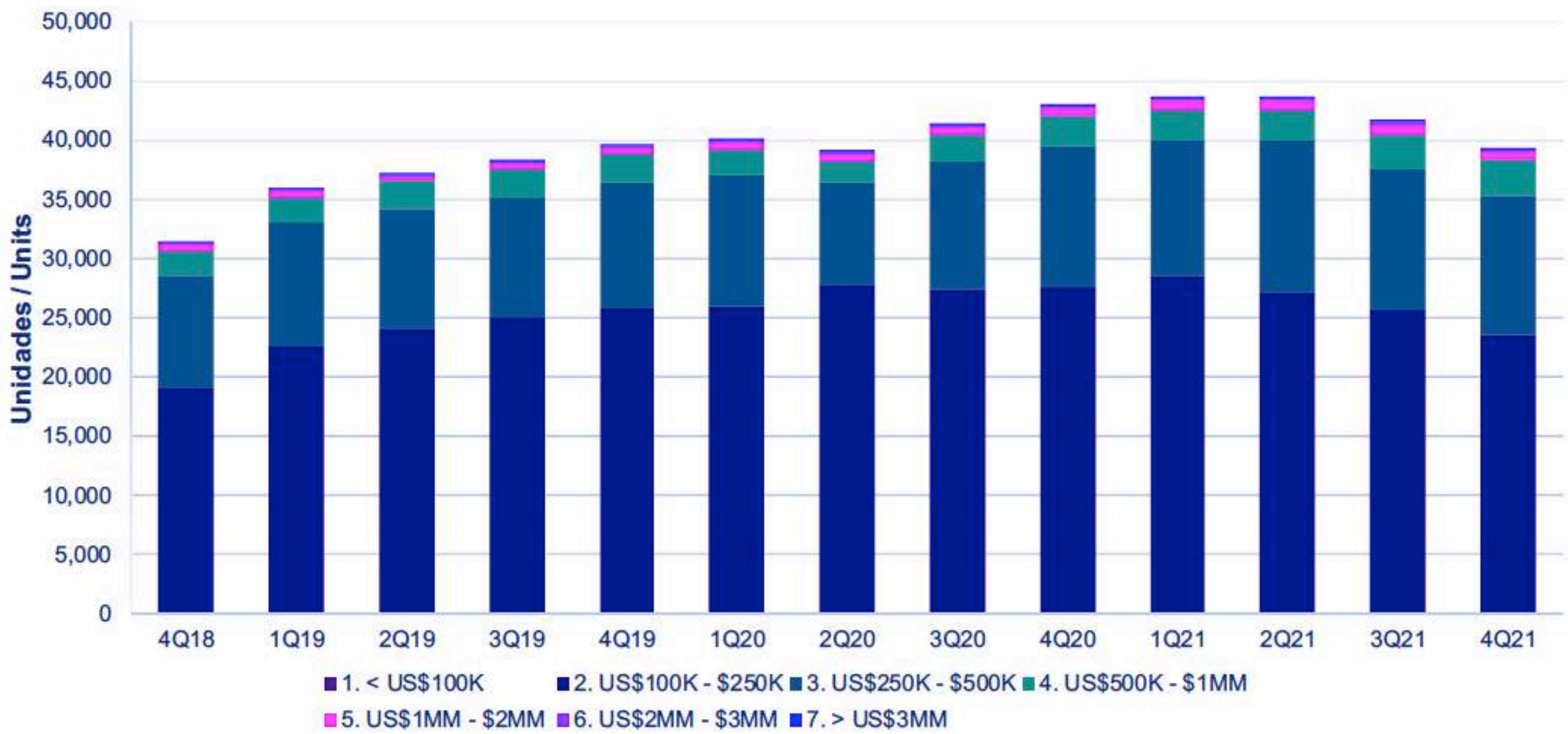


Price range	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
1. < US$100K	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2. US$100K - $250K	595	728	789	774	684	691	651	620	613	726	770	720	685
3. US$250K - $500K	240	268	263	261	241	255	171	234	247	255	321	313	315
4. US$500K - $1MM	51	56	65	53	52	46	39	43	50	49	48	63	62
5. US$1MM - $2MM	15	14	10	12	12	13	13	12	12	15	16	16	12
6. US$2MM - $3MM	2	3	3	2	2	2	1	2	1	4	5	5	2
7. > US$3MM	1	1	1	1	1	1	0	0	0	0	1	0	1
Grand Total	**904**	**1,070**	**1,130**	**1,103**	**991**	**1,008**	**875**	**911**	**924**	**1,050**	**1,159**	**1,117**	**1,077**

- **Presales of units $100,000 and above average 1,077 units per month**

Product in process

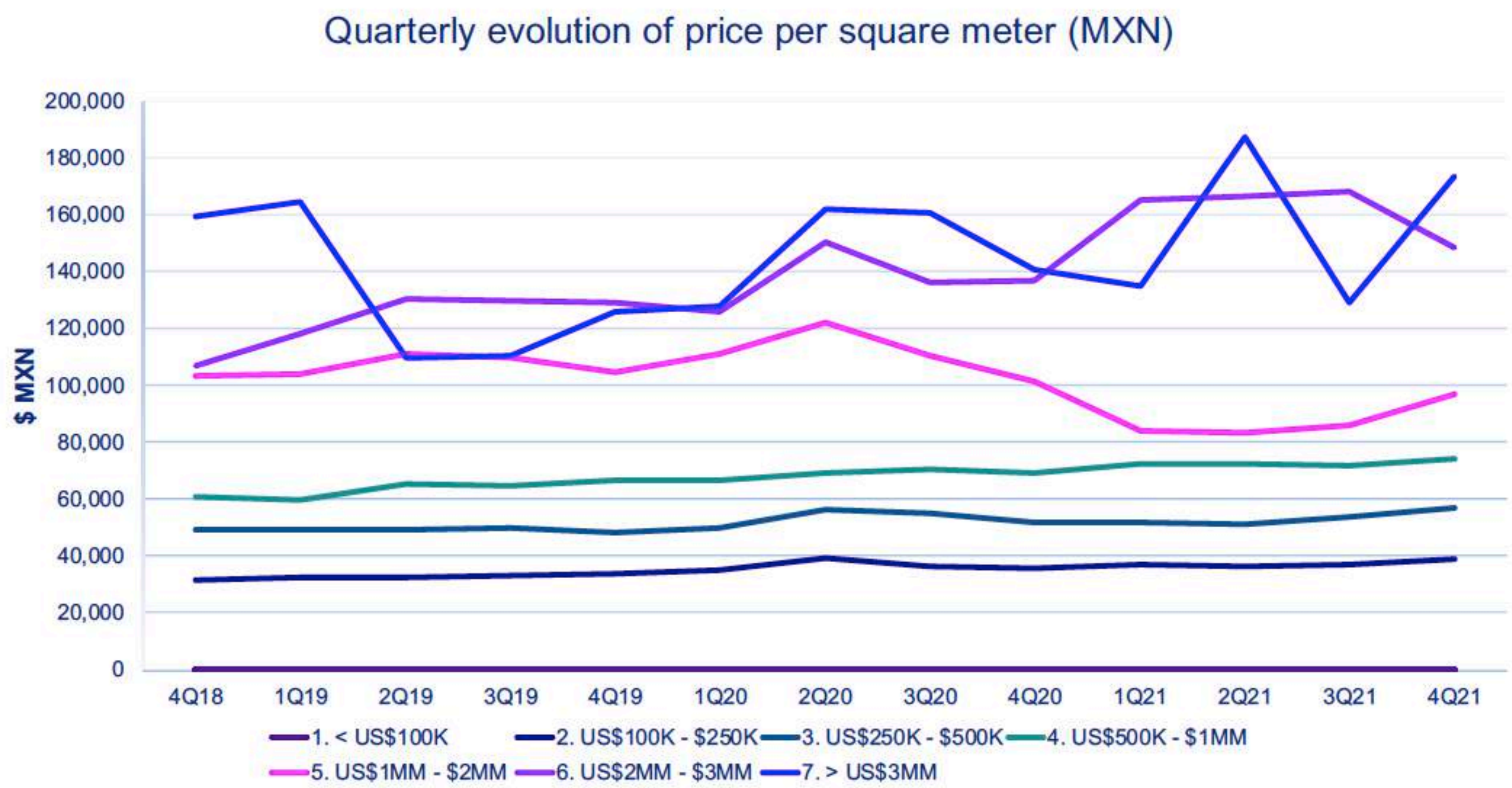
Quarterly evolution of units under construction



Price range	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
1. < US$100K	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2. US$100K - $250K	19,016	22,585	24,004	24,908	25,709	25,923	27,788	27,317	27,537	28,528	27,031	25,613	23,504
3. US$250K - $500K	9,493	10,418	10,117	10,276	10,748	11,040	8,674	10,918	11,921	11,365	12,886	11,976	11,756
4. US$500K - $1MM	2,092	2,135	2,423	2,383	2,300	2,161	1,771	2,213	2,537	2,625	2,566	2,839	3,052
5. US$1MM - $2MM	591	566	353	511	610	669	649	667	637	764	756	783	586
6. US$2MM - $3MM	91	101	112	126	165	135	78	130	169	249	265	272	165
7. > US$3MM	102	134	70	56	56	56	38	38	38	45	45	38	53
Grand Total	**31,385**	**35,939**	**37,079**	**38,260**	**39,588**	**39,984**	**38,998**	**41,283**	**42,839**	**43,576**	**43,549**	**41,521**	**39,116**

- **There are currently 39,116 units in process in Mexican vacation markets**

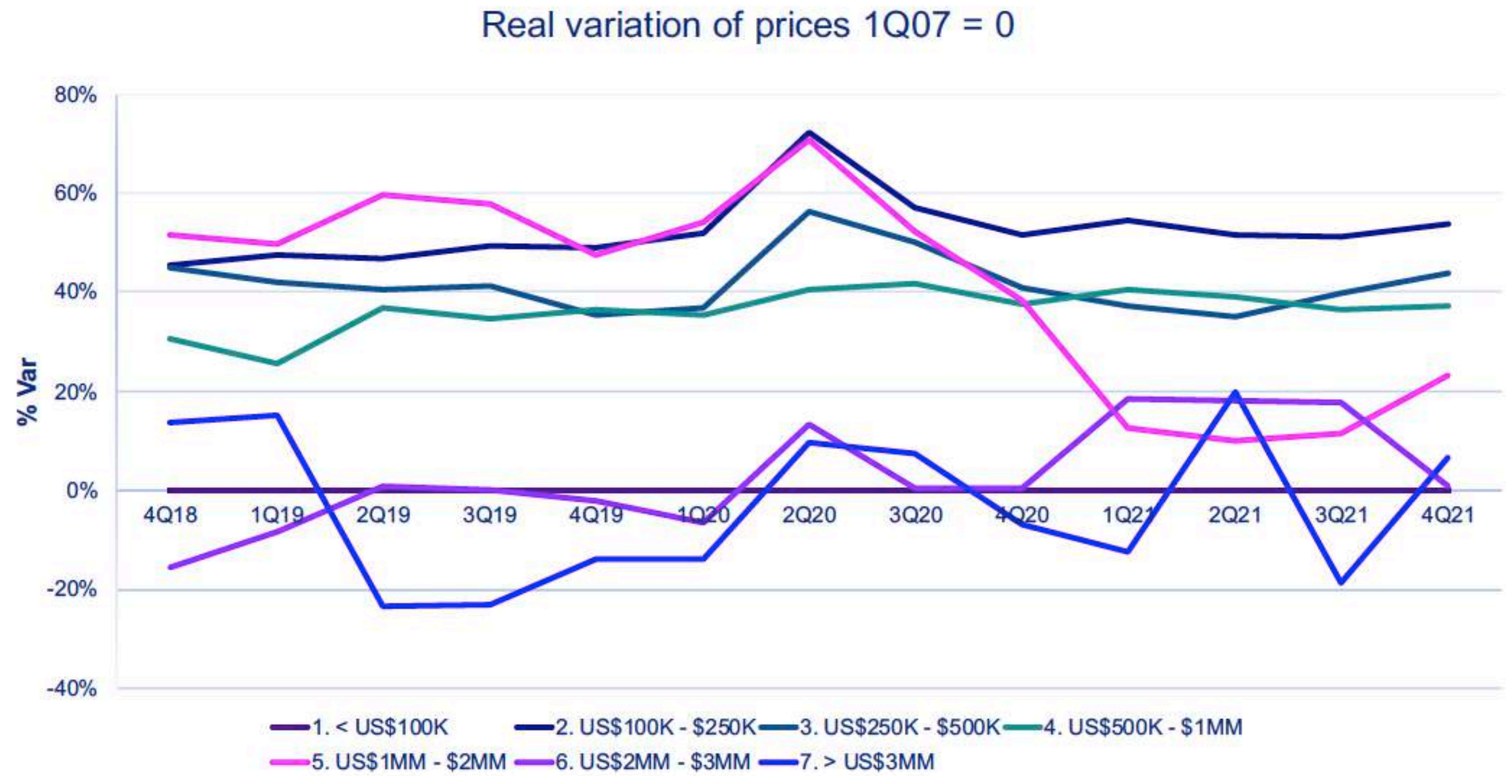
Prices per m2



Price range	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
1. < US$100K	$	$	$	$	$	$	$	$	$	$	$	$	$
2. US$100K - $250K	$31,552	$32,635	$32,522	$33,222	$33,754	$34,896	$39,275	$36,394	$35,439	$36,932	$36,632	$36,988	$38,630
3. US$250K - $500K	$49,490	$49,435	$49,012	$49,587	$48,252	$49,567	$56,127	$54,842	$51,797	$51,658	$51,409	$53,880	$56,911
4. US$500K - $1MM	$60,909	$59,693	$65,056	$64,374	$66,493	$66,881	$68,902	$70,599	$69,056	$72,129	$72,273	$71,823	$74,159
5. US$1MM - $2MM	$103,168	$103,846	$110,776	$110,023	$104,687	$111,084	$122,009	$110,676	$101,182	$84,275	$83,300	$85,618	$97,039
6. US$2MM - $3MM	$106,831	$118,264	$130,268	$129,887	$129,159	$125,573	$150,504	$135,899	$136,995	$165,045	$166,495	$168,025	$148,075
7. > US$3MM	$159,326	$164,569	$109,580	$110,560	$125,831	$127,762	$161,709	$160,835	$140,647	$135,132	$187,187	$128,764	$173,423
Grand Total	**$43,859**	**$43,941**	**$43,172**	**$43,384**	**$44,173**	**$45,379**	**$49,623**	**$48,210**	**$46,736**	**$47,703**	**$47,719**	**$49,274**	**$51,172**

- **Prices per m2 (1m2=10.76sqft) have been rising steadily in vacation markets.**

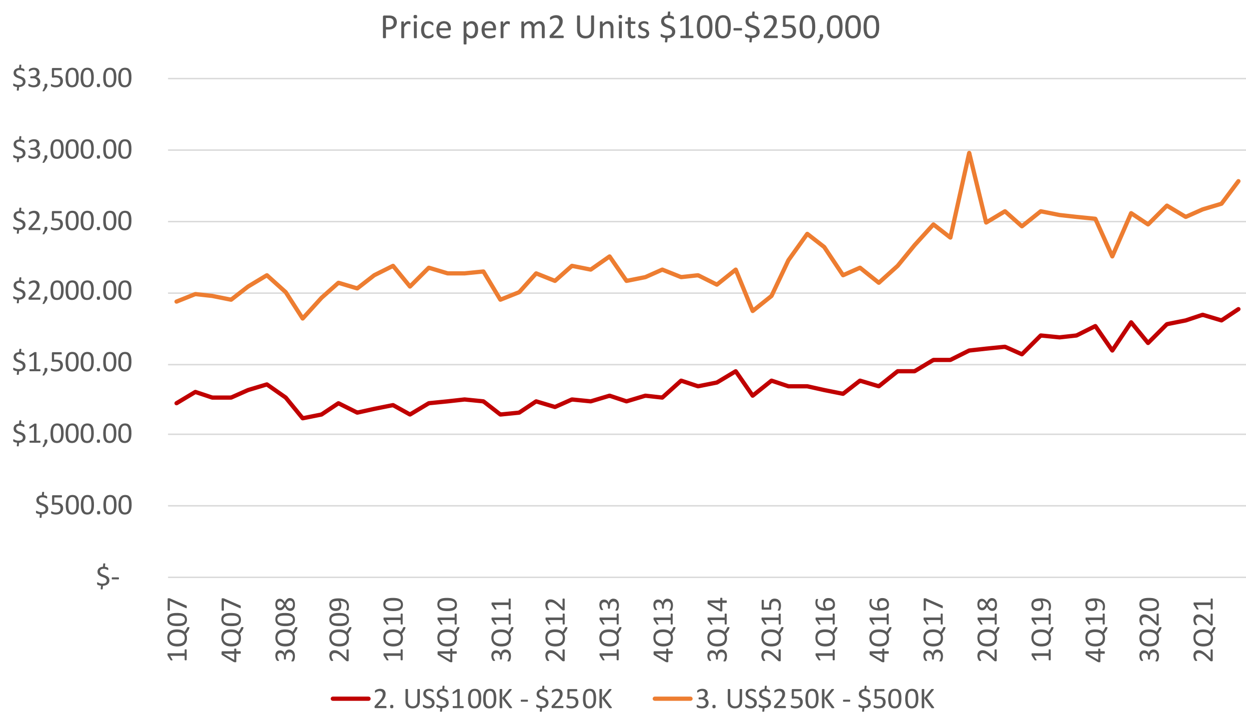
Real price growth

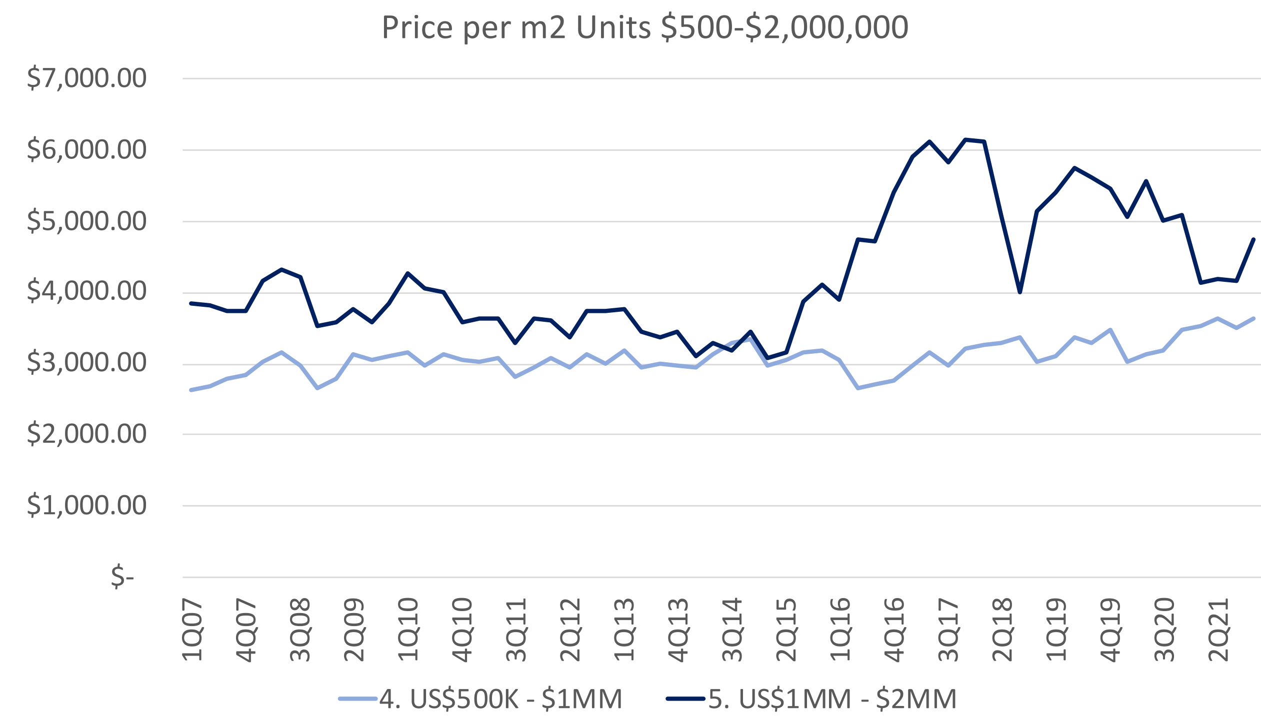


Price range	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
1. < US$100K	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2. US$100K - $250K	45.5%	47.6%	46.9%	49.3%	49.1%	51.8%	72.3%	57.1%	51.7%	54.7%	51.6%	51.0%	53.6%
3. US$250K - $500K	44.8%	41.9%	40.5%	41.4%	35.3%	36.9%	56.3%	50.2%	40.8%	37.3%	35.1%	39.7%	43.7%
4. US$500K - $1MM	30.6%	25.6%	36.7%	34.6%	36.7%	35.3%	40.6%	41.8%	37.6%	40.6%	39.2%	36.4%	37.2%
5. US$1MM - $2MM	51.7%	49.8%	59.6%	57.7%	47.5%	54.2%	70.8%	52.4%	38.2%	12.6%	10.0%	11.5%	23.1%
6. US$2MM - $3MM	-15.6%	-8.3%	0.8%	0.0%	-2.2%	-6.4%	13.1%	0.5%	0.5%	18.5%	18.1%	17.6%	0.9%
7. > US$3MM	13.7%	15.2%	-23.4%	-23.1%	-14.0%	-14.0%	9.8%	7.4%	-6.8%	-12.4%	19.9%	-18.6%	6.7%
Grand Total	**14.4%**	**12.5%**	**10.4%**	**10.3%**	**10.5%**	**11.7%**	**23.2%**	**17.8%**	**13.3%**	**13.1%**	**11.8%**	**13.9%**	**15.2%**

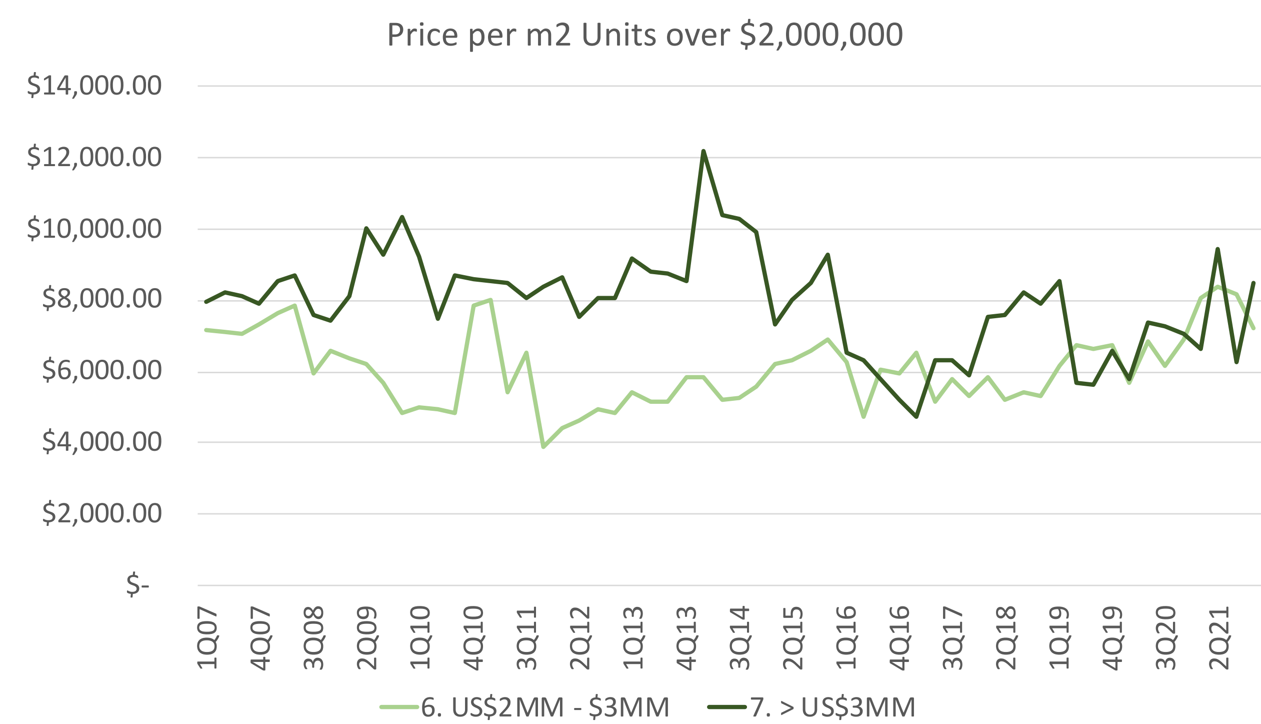
- **Prices per m2 (1m2=10.76sqft) have risen on average 15.2% MORE than inflation since 2007.**
- **Units between US$100,000 and $500,000 are have grown 43.7% and 53.6% MORE than inflation since 2007.**
- **Accumulated inflation in Mexico since 2007 has been 86% so prices for vacation homes have more than doubled.**

US Price per m2



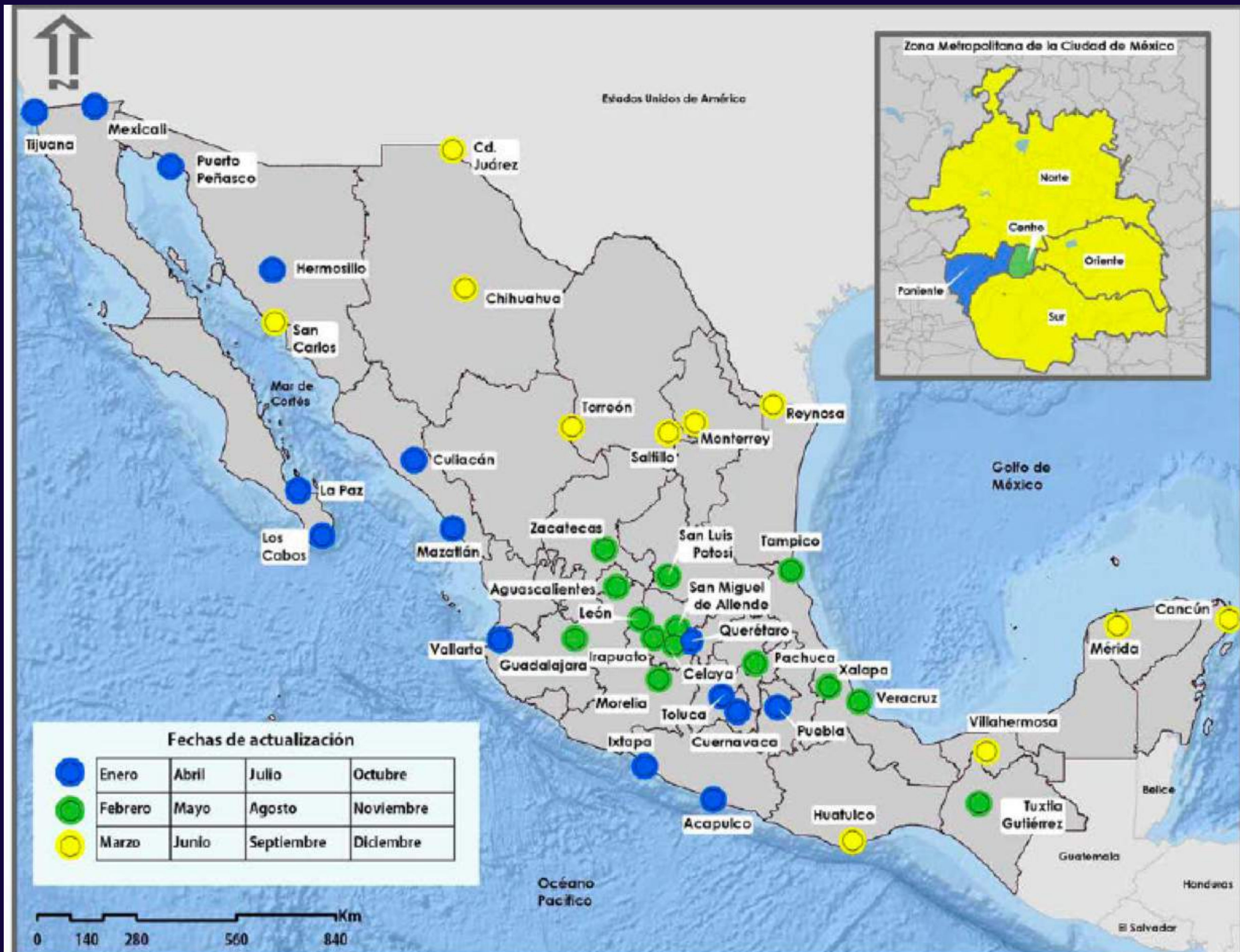


- Unit prices per m2 for second homes in USD show resiliency to variations in exchange rates. The Mexican peso has gone from P$11.05/US$ in 2007 to P$20.47 but US prices have remained steady or are rising for each type of price point



Conclusion

- Vacation market growing in Mexico
- Resilient sector
- Increased penetration of markets
- Takes advantage of changes in living and working conditions.



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Hermosillo
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Irapuato
Ixtapa
La Paz
León
Los Cabos
Mazatlán
Mérida
Mexicali
Monterrey
Morelia
Pachuca
Puebla
Puerto Peñasco
Querétaro
Reynosa
Saltillo
San Carlos
San Luis Potosí
San Miguel de Allende
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Si no te das por vencido, ganarás…

Lo grandioso del futuro es que depende de uno

¡ Muchas Gracias !

Gene Towle
Socio Director

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Gene Towle

Eugene (Gene) Towle is managing partner of Softec Mexico since 1987. Softec is a Real Estate Research firm focused on highest and best use, project validation and financial evaluation for residential, office, retail, industrial and hotel properties. Softec owns and manages the largest new housing database in Mexico, which includes information on 15 million properties in 44 cities. Softec conducts between 300 and 400 research projects every year. Softec publishes a quarterly report that tracks the evolution of the main housing markets since 1989 and included, retail, industrial, office, and hotel markets in Mexico in 2016.

He has a BS in Mechanical Engineering, an MS in Mechanical Engineering, and an MBA from Cornell University in Ithaca, N.Y. He graduated from the "Birthing of Giants" program offered by MIT, Young Entrepreneurs Organization and INC magazine.

He was Director of Marketing for Apple Mexico between 1984 and 1987. Gene cofounded several companies in high technology and Real Estate development, including Fiera Mexico (technology company), Sand Inmuebles (developer) and Hipotecaria Su Casita (mortgage bank) which became the 8th largest financial institution in Mexico, it financed 350,000 mortgages.

Since 1992 he teaches Real Estate Marketing in several post graduate programs in Mexico, has been a speaker for, US National Home Mortgage Association, US National Association of Homebuilders, ULI, Harvard University, the University of Southern California, CANADEVI Mexico, and AMPI Mexico. He also serves as an independent board member for private and public corporations and organizations.