2019 Housing in Puerto Rico Challenges + Opportunities



Emilio Colón Zavala PE Chairman of the Board June 13, 2019





#### **DEVELOPED LAND = 16.25%**





### FORMAL = 7.27% (45%)

ANTITAL .

#### **INFORMAL = 8.98% (55%)**



The Challenge: Safe, Affordable Housing for All



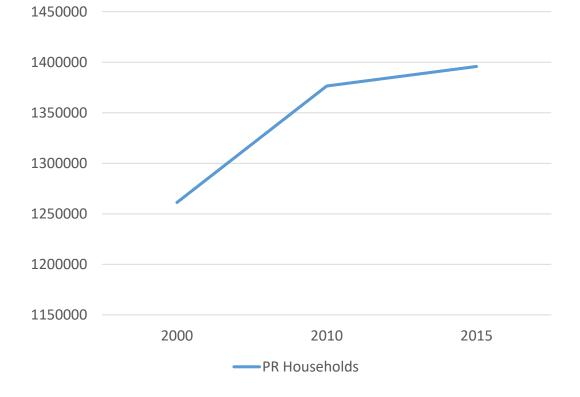
## Home Sales 2012 - 2018 (OCIF)



# Demographic Challenge

**PR** Population ----Population

### PR Households



## Households Data

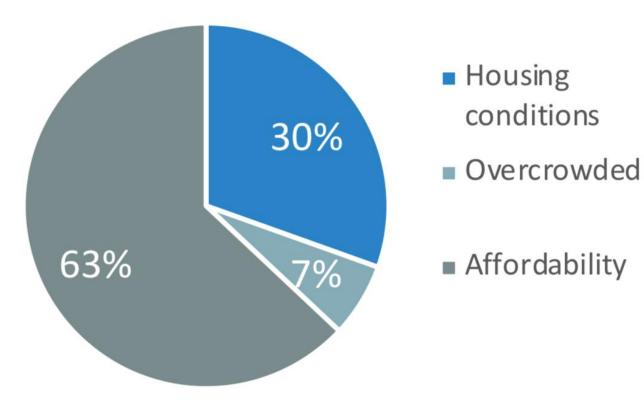
### PR Households Age Group

2000	2010	2015	2010-2015
52,299	35,142	33,284	-1,859
463,297	432,446	399,995	-32,451
462,152	547,243	545,811	-1431
278,532	361,700	416,695	54,996
1,256,280	1,376,531	1,395,785	19,254
	52,299 463,297 462,152 278,532	52,29935,142463,297432,446462,152547,243278,532361,700	52,29935,14233,284463,297432,446399,995462,152547,243545,811278,532361,700416,695

Number of Households per Income Group			
Income	2015	Percentage	
< \$10,000	404,713	32.5%	
\$10K - \$15K	165,163	13.3%	
\$15K – 25K	257,059	20.7%	
\$25K - \$35K	170,112	13.7%	
\$35K - \$50K	160,738	12.9%	
\$50K - \$75K	132,279	10.6%	
\$75K – \$100K	50,101	4.0%	
\$100K - \$150K	34,877	2.8%	
\$150K - \$199K	11,240	0.9%	
\$200,000+	9,504	0.8%	
TOTAL:	1,395,785		

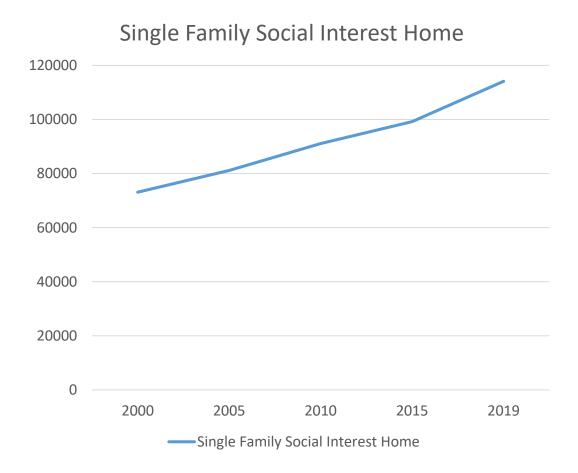
Number of Households per Income Group

#### **Housing Burdens by Type**



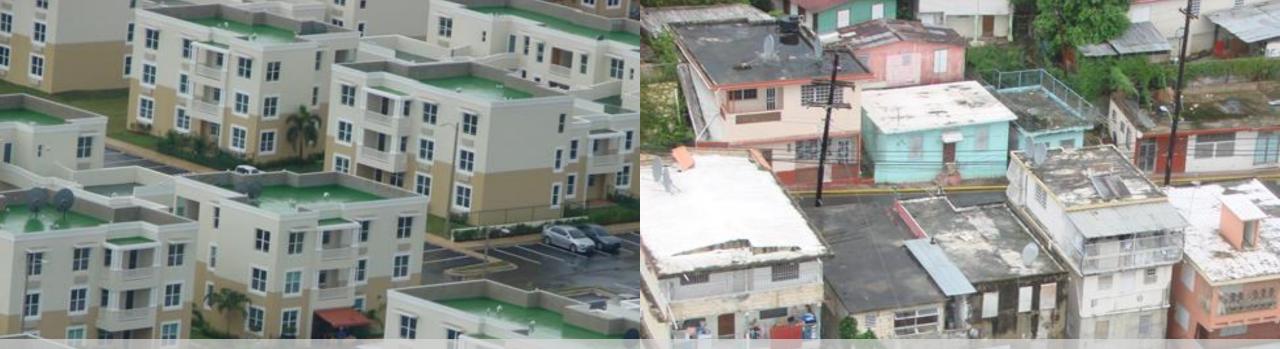
- 430,000 households (30.8%) present burdens
- Average Family can Afford \$99,000 Mortgage

# Development Costs



Future Cost Impacts

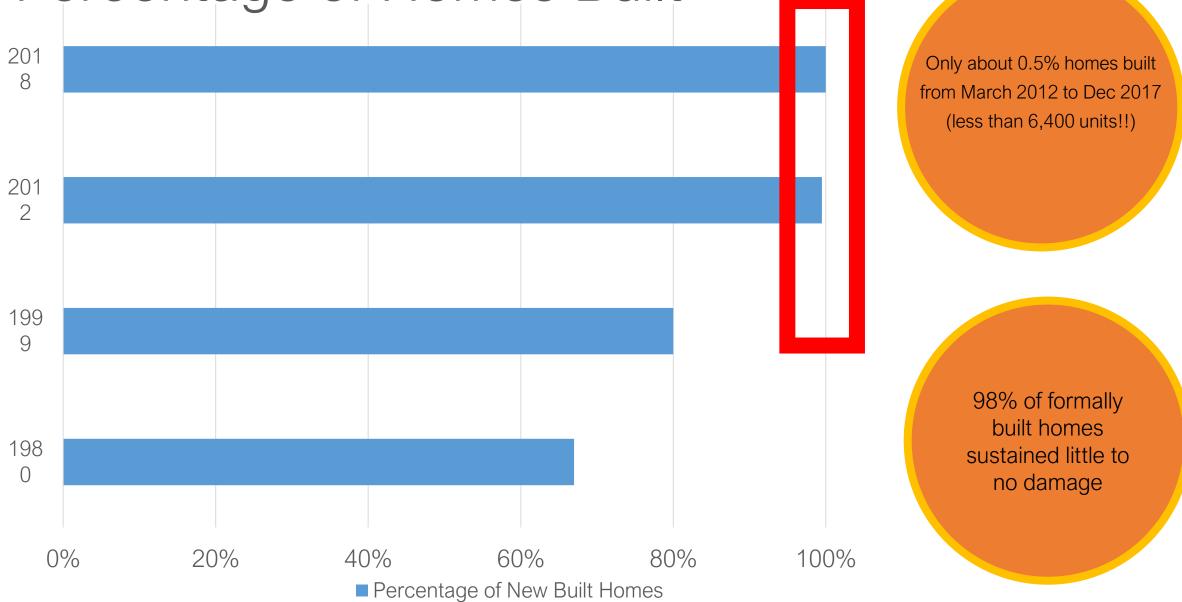
- New Energy Conservation Measures
- Green Building Certification
- Shoratage of Materials
  - Federal Government tariffs
- Shortage of Labor
- OE 2018-033



The Opportunities



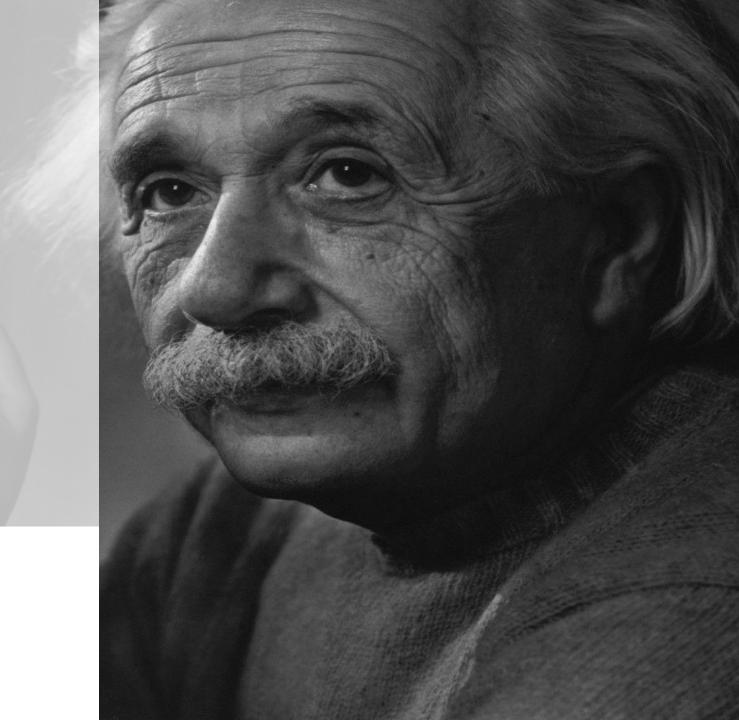
## Percentage of Homes Built



- Federal Reconstruction
  Investment will Drive Market
- Private Market (3,000 units/yr)
  - Under \$150K
  - Over \$1MM
- Housing for Seniors (Retirement Communities)
- Rehabilitation of Vacant Properties
- Promote Rental Market

**"WE CANNOT** SOLVE OUR **PROBLEMS WITH** THE SAME THINKING WE **USED WHEN WE** CREATED THEM." - Albert Einstein-







home

