

Amendments to the INFONAVIT Law

On February 13, 2025, the Mexican Senate approved the amendment to the Law of the National Workers' Housing Fund ("INFONAVIT"), which authorizes the creation of a company administered by INFONAVIT for the construction of housing.

This reform has generated controversy among the labor and employer sectors, due to the fact that it touches more than 2.5 trillion Mexican pesos of workers' housing subaccounts, in order to finance the construction of social housing.

Main Modifications

Use of the Housing Subaccount

- It is established that workers will be able to use their housing subaccount as a guarantee to access social leasing and home purchase programs.
- It grants the possibility of accessing extensions in the payment of principal and interest in the event of loss of salary income.

Creation of a Subsidiary Company

- A private company subsidiary of Infonavit will be created to build social housing.
- This company will not be considered a parastatal, but will manage the funds from the social housing subaccounts.
- It is estimated that the company will manage around 2.5 trillion pesos in resources from workers' subaccounts.

Access to Housing

- It will allow workers to participate in social leasing programs with an option to purchase, provided they have one year of continuous Infonavit contributions.
- It establishes that the cost of the lease may not exceed 30% of the worker's salary.
- INFONAVIT may acquire land or receive it as a donation for the construction of housing.

The Federal Government claims that this reform seeks to make the use of resources transparent and guarantee access to decent housing for low-income workers. However, the main criticism of this reform is that it is considered that the Government will obtain greater control over workers' savings, which could lead to risks in their administration and management, as well as the lack of clear transparency and accountability mechanisms.

We remain at your disposal to clarify any doubts or advice regarding this reform.

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