

ShelterTech Masterclass: Financial Solutions for Low-Income Households in Latin America

Twenty percent of the world's population lack decent housing. In Latin America and the Caribbean, more than 100 million people — 22.5 million households — lack a complete house. Low-income families in the region also often lack the right financial solutions to access decent housing. This population represents an untapped market that is dynamic, attractive and represents US\$57 billion* a year.

By understanding the current market dynamics, startups have an opportunity to incorporate the preferences, necessities and financial capabilities of this segment in their business models and to foster partnerships with key public and private actors.

*Source: Inter-American Development Bank

Masterclass highlights



The low-income housing market is characterized by informal market practices, long housing construction periods, high costs, and poor-quality construction methods and materials.



Low-income housing challenges include lack of access to housing finance, inadequate materials and services, and inadequate cultural practices regarding construction.

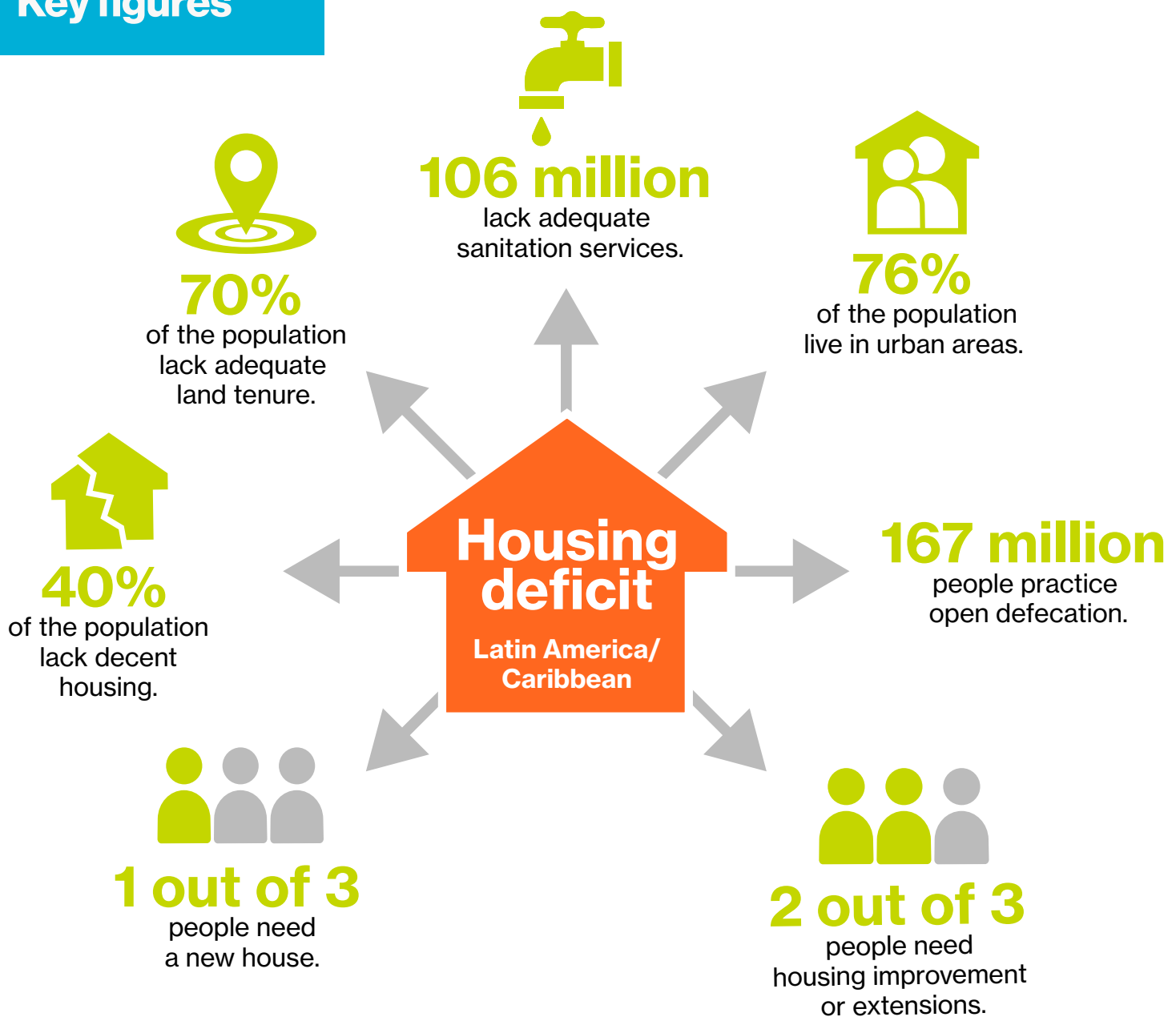


Low-income families resort to informal financial sources to build or improve their homes, such as personal savings, loans from family members, or high-interest loans.



Unbanked families can also access housing finance support from microfinance institutions and cooperatives, a trend that is growing in the region.

Key figures



Key considerations for ventures in this sector

1



Design consumer-centric products.

2



Create partnerships with other market actors that enhance your offer.

3



Design with incentives for families and actors in mind.

Masterclass delivered by

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About

ShelterTech is the world's leading platform for affordable housing innovation. Find out more and join our ecosystem at shelter-tech.org.