



The life cycle of owner-driven housing construction in Argentina





For the past 20 years, 33-year-old Valeria has lived in the house her family built from the ground up in Barrio Los Ceibos, González Catán. Thirteen years ago, she was given part of the land to build her own home.

Preface

Gaining access to urban land and housing for Argentina's informal, low-income sectors frequently involves occupying land or informally purchasing it from third parties. These strategies can be a family's only means of putting a roof over their heads, but they often result in extreme insecurity, overcrowding, and inadequate access to basic services.

According to the National Register of Popular Neighborhoods, or RENABAP, some 4 million people in Argentina practice owner-driven housing construction, relying on various financial and construction strategies along the way. For the vast majority, it can take years to complete a home. Neighborhood conditions, economic factors, and land tenure and other housing-related issues further complicate this challenge.

Incremental housing construction happens slowly, one room at a time, with the home expanding as families save enough disposable income to invest in it. Milestones in household¹ growth, such as an increase in the number of household members, are clearly linked with the various stages of incremental construction. Each family milestone corresponds to the start or finish of a given stage of construction.

Owner-driven construction² is the most viable way for low-income families to cope with the challenge of high construction costs. By building their own homes, households make the construction process more manageable and affordable.

But owner-driven construction practiced in informal, low-income neighborhoods often results

in structural issues that can be difficult to correct, along with functional modifications that end up needing to be rebuilt or demolished.

The lack of technical assistance in the design and construction of these homes and the comparable lack of quality of the resulting structures are clearly connected to the lack of adequate information for households practicing owner-driven construction.

Another critical factor in incremental construction is the lack of access to water and sanitation facilities. Unlike quality-related issues, families perceive this as an issue that needs to be resolved and improved.

This study was jointly carried out by Habitat for Humanity Argentina, TECHO and ProHabitat XXI in an effort to better understand and systematize the owner-driven housing construction process used by households in low-income neighborhoods in Argentina.

To work toward effective public policies and actions that support these households, it is essential to identify, understand and systematize the processes they go through along the way. By including all sectors involved, we can better facilitate and leverage access to adequate housing through owner-driven construction.

We hope this research will kick off further analyses and motivate collaborative, multistakeholder work to resolve the housing deficit among low-income populations.

Buenos Aires, Argentina, April 2022

¹ A household is a group of people, relatives or otherwise, living under one roof as a family system (e.g., sharing food expenses, contributing to collective income, etc.), based on the INDEC definition at <https://www.indec.gov.ar/indec/web/Institucional-Indec-Glosario>.

² Owner-driven construction — building, remodeling, improvement or expansion — that occurs in stages, without the assistance or supervision of an engineer or architect, through the support of a mason and with financial resources from the same family. (Habitat for Humanity International, 2018).

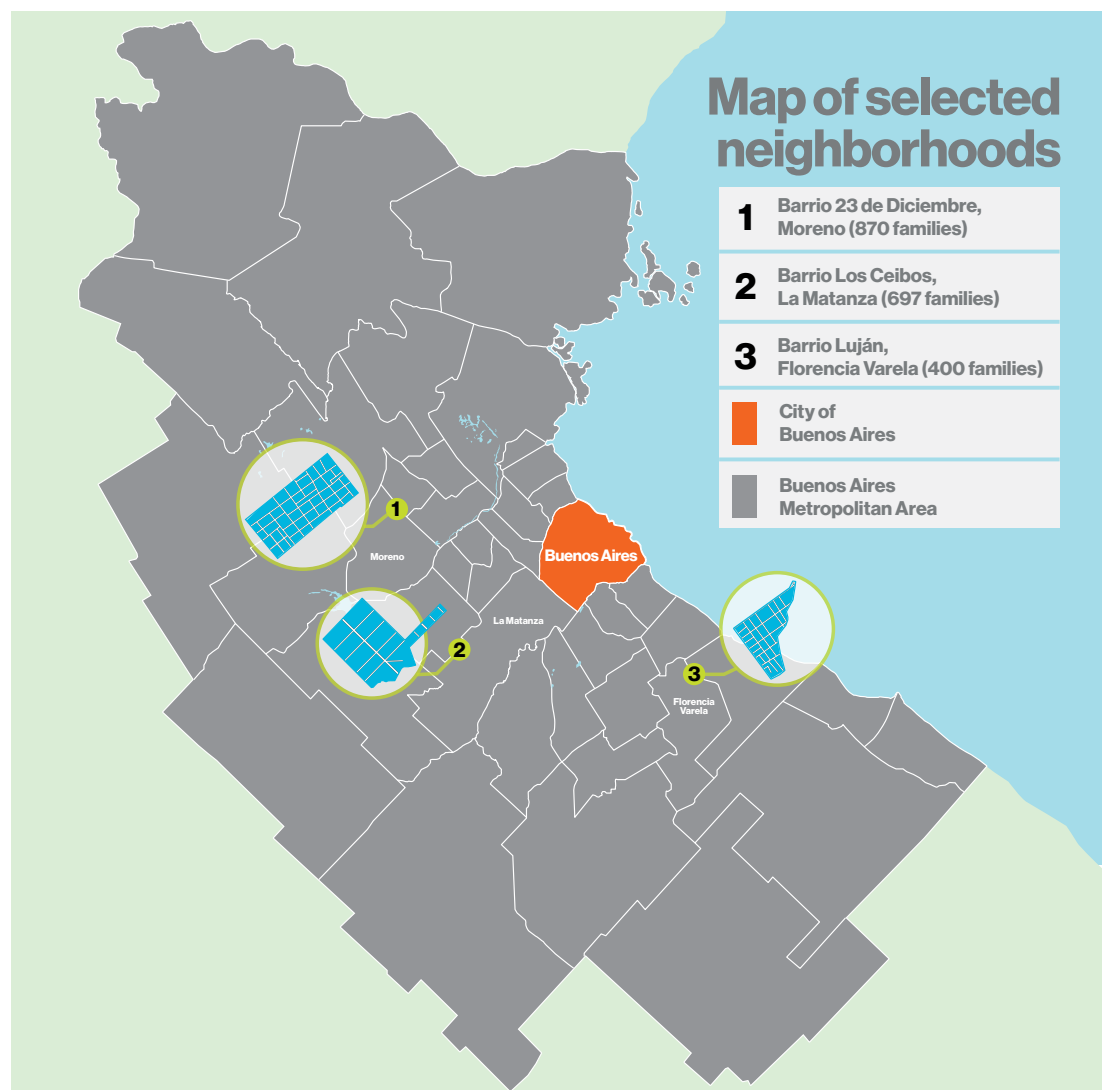
Objectives and methodology

The general objective of this study was to conduct a technical and socioeconomic assessment of households in low-income neighborhoods in the metropolitan area of Buenos Aires who build their homes incrementally. Through this study, we sought to understand the motivations, aspirations and decision-making processes of these households from a holistic perspective — considering past, present and future.

We used a quantitative and qualitative methodological strategy to evaluate the relevant social, economic and construction variables. This considers the complexity and multiplicity of factors influencing the process, including the significance of symbolic and cultural issues in each territory and community.

Our sample includes 30 homes built incrementally in three low-income neighborhoods within the Buenos Aires Metropolitan Region, focusing on the municipalities of Moreno, La Matanza and Florencia Varela.

Our data was gathered through in-depth virtual and in-person interviews and a total of 13 site visits that made up a technical survey of the houses under study. We also held two focus groups with community leaders involved with Habitat for Humanity Argentina, TECHO and ProHabitat XXI in order to supplement and broaden our understanding of incremental housing issues.





Our study found that families seek new ways to situate houses on existing lots, such as this one in Barrio Los Ceibos, González Catán, by using lateral additions to protect themselves against vulnerability, thus indicating the need to include gender perspectives when assessing the owner-driven housing construction process.

Main results

In most cases, the homes in the study did not follow a housing plan, making it difficult to identify standardization across the various stages of owner-driven construction. Rather, modules were added one at a time or homes were expanded — or in some cases, portions were demolished — based on a household's financial capabilities or needs at a given point in time.

Based on the results of our technical survey, however, we were able to outline a pre-construction stage and four stages that make up the owner-driven housing construction process.

In the preconstruction stage, families access land on which to build their home. This is typically accomplished by informally purchasing a given lot, occupying a section of public land, or inheriting a portion of a family-owned plot.

In **Stage 1**, families overcome the need to secure their ownership of the land by building a multifunctional one-room structure with a

precarious bathroom or latrine. Construction at this stage typically uses wood or other materials that can be easily replaced.

In **Stage 2**, families prioritize the construction of bedrooms and, to a lesser degree, kitchens and bathrooms. Bathroom improvements at this stage are typically limited to replacing latrines. Wood materials begin to be replaced with concrete and brick, and roofing gives way to metal sheeting, corrugated tin, or — in cases where the family envisions future vertical expansion — concrete slabs.

In **Stage 3**, kitchens and bathrooms take priority. Existing components also may receive improvements and finishes, such as floors, insulation and openings, to increase the home's functionality and habitability.

In **Stage 4**, details such as internal electrical wiring, water pipes and drainage systems are added. Families perceive such services as poor quality.

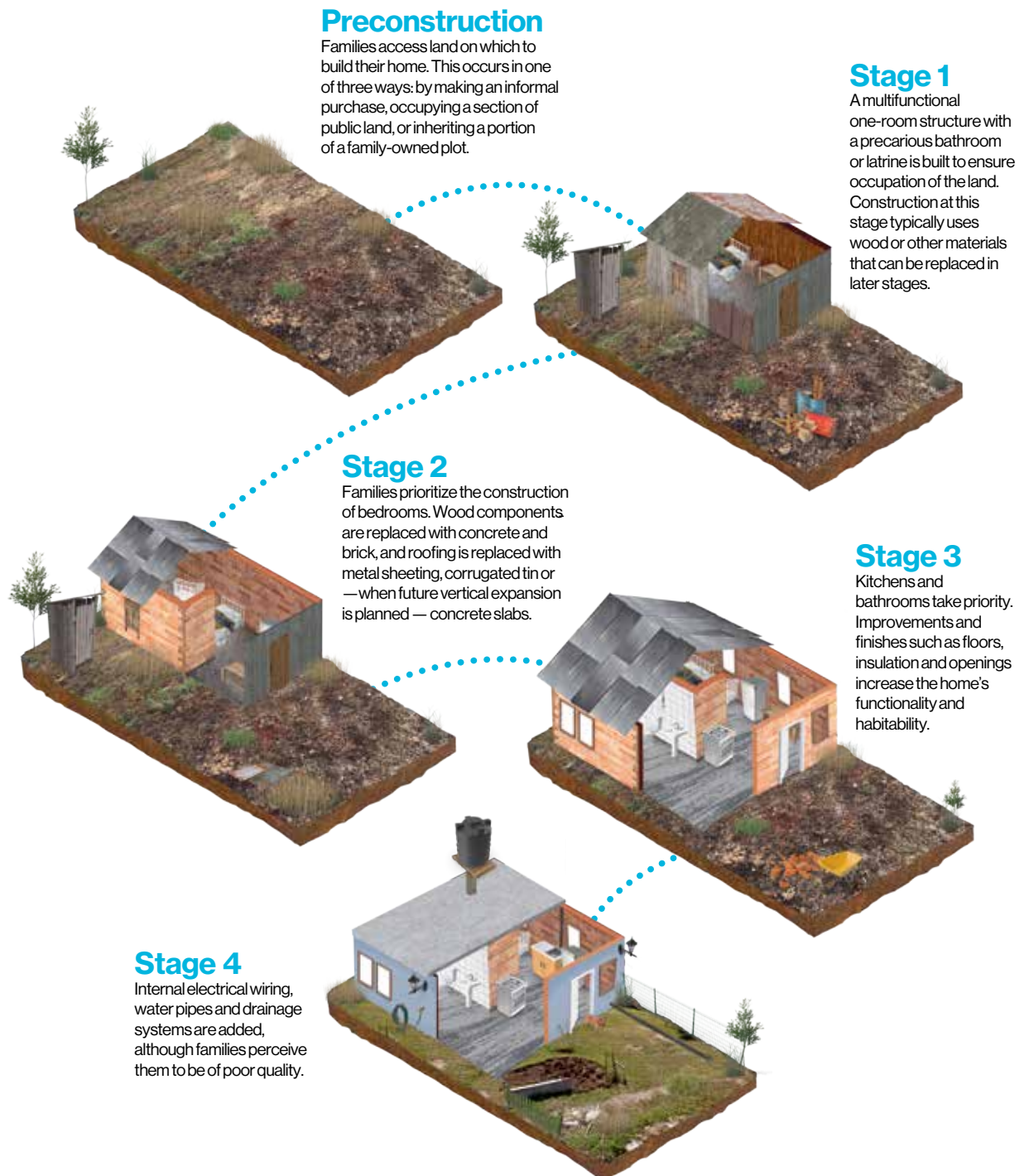
An illustration of the owner-driven construction process

For the majority of the houses surveyed, housing construction did not follow a specific blueprint or plan. This complicated the task of identifying a standardized construction method throughout the various stages of the owner-driven process.

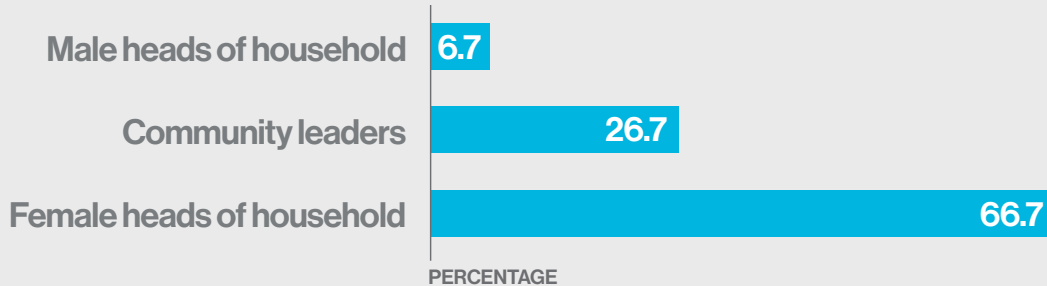
What the study did find, however, is that families

tend to build in a modular fashion and add or remove sections of the home as new needs emerge and their financial situation allows.

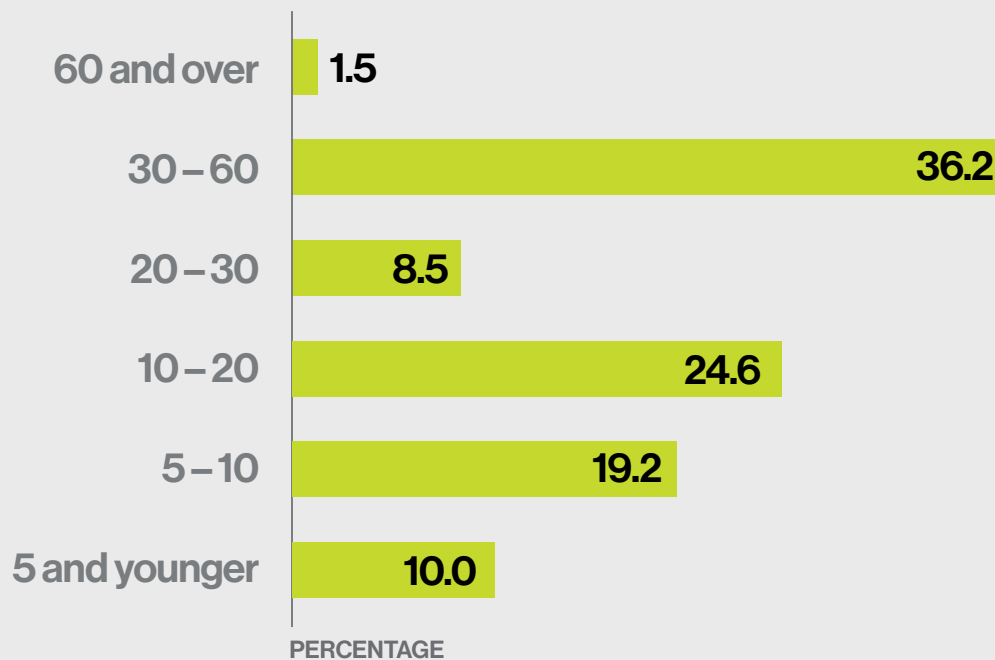
The technical survey identified a preconstruction stage and four stages composing the owner-driven construction process.



Household roles of interviewees (n=30)



Household members according to age group (n=130)



Generally speaking, households viewed the quality of their home construction as positive, specifically with regard to floors, walls and roofs. Nevertheless, the quality of water, sewage, drainage and electrical installations was perceived as regular or low.

About 60% of the households interviewed expressed that they had no interest in receiving

technical assistance. Nor did they find it necessary, stating that they either possess sufficient knowledge themselves or have a friend or family member who can help them. Nevertheless, our technical assessment revealed that, despite masonry being one of the main occupations in informal, low-income communities, owner-driven construction shows significant structural issues due to poor quality construction.



In most cases, owner-driven housing construction, such as this example in Barrio 23 de Diciembre, Moreno, is an incremental process that is periodically interrupted and re-initiated as households obtain sufficient disposable income to acquire the necessary materials.

The housing construction process is not continuous. It depends on the cost of the investment, the availability of materials, and the family's savings capacity at any given time.

Economic resources used by families for home construction largely originate with employment and are occasionally supplemented by state subsidies, social assistance programs and personal savings. Some families also use government loans for small home improvements. Very few rely on private financing because of its high interest rates and the inability of low-income families to comply with the related taxation requirements.

Raw materials stored by families in their own homes become an additional source of savings. But only a few construction yards (corralones) allow the advance purchase and storage of materials, and this is only possible when there is trust between the client and the person in

charge of the yard, as prices can vary from one month to the next and the practice is not often to the business's advantage.

Regarding the impact of the owner-driven construction process on women, we observed sharp inequities in household roles, with women largely responsible for childcare and other domestic tasks while being affected most by a lack of quality and functionality of household spaces.

In Stage 1 of the owner-driven construction process, women carry out domestic tasks in cramped, inadequate or extremely precarious conditions. The consolidation of the housing unit begins in Stage 2, where it expands, improves and incorporates finishes. Nevertheless, electrical, water and drainage in the kitchen and bathrooms is postponed, which leads to most of the household tasks being carried out in poor conditions.

Recommendations

Based on our findings, we recommend the following actions:

- a) **Create training and awareness-raising processes** in low-income communities to educate families on how **technical assistance** can help them adequately design and plan their house.
- b) **Implement free technical and administrative assistance programs** on owner-driven construction for families in each location, fostering social and gender equity and prioritizing those living in vulnerable housing conditions.
- c) Based on the lessons learned from the experiences above, **encourage and facilitate training and certification in technical and construction-related skills** to complement masonry skills among young people and adults.
- d) Based on our analysis of available lines of credit, **advocate for the design and implementation of public and private financing sources** that can adapt to the conditions of **low-income neighborhoods**, particularly with respect to **vulnerable populations**.
- e) **Promote, through public or private entities, access to financial tools and services** that adapt to the realities of families in low-income neighborhoods so that they can **establish savings** that can then be invested in owner-driven housing construction.
- f) Create **public and private initiatives to foster owner-driven housing construction programs to build new homes** and expand or improve existing homes to decrease overcrowding.
- g) **Support and foster secure land tenure and the adequate division of existing lots**, in addition **to the socio-urban integration of low-income communities and their access to basic services**.
- h) **Encourage the organization of mutual help models and collective action** toward the improvement of the community.



Our study confirmed that the various components of each housing unit and the methods used to build them are very similar, almost exclusively relying on traditional techniques and materials, as in this home in Barrio 23 de Diciembre, Moreno

- i) **Advocate for the design of policies that facilitate tax exemptions** to help low-income families purchase construction materials.
- j) **Promote savings models** in which families prepurchase construction materials according to scheduled installments and collective purchasing schemes.



The submarket for construction materials in low-income neighborhoods such as Barrio 23 de Diciembre, Moreno, has not yet reached its potential. Data such as the average cost of household investments in relation to income and the efficient use of state subsidies or financing are key aspects to consider in future work.

Conclusion

The life cycle of owner-driven housing construction in Argentina

Habitat for Humanity Argentina, TECHO and ProHabitat XXI conducted this study on the life cycle of owner-driven housing construction to better understand how roughly 4 million people living in informal, low-income communities carry out incremental construction as their only means of accessing adequate housing.

The study describes the consequences of a lack of technical assistance and the construction defects that result from this situation, along with factors related to housing design and the administration of resources that result in inefficiencies, increased costs and inadequate living spaces. Our study also evidences the widespread impact of ongoing price increases in the cost of materials, coupled with a context of

unemployment, informal employment and limited income. Likewise, we highlight how the cyclical implementation of state financing and subsidy programs has become one of the only means for families in informal, low-income communities to access financing.

Despite the weaknesses of owner-driven housing construction, the sustained growth of informal, low-income communities and the homes within them is noteworthy and represents an important housing-related activity that requires further study. Based on this research, we can create appropriate support programs and actions to ensure a better use of resources and more positive economic, social and environmental impacts.

