



**BRISTOL BEYOND BORDERS**

**Mexico**



Mexico continues to strengthen its position as a strategic destination for global mobility, fueled by sustained investment across key sectors including technology, manufacturing, consumer products, and oil and gas. Mexico City, Guadalajara, and Monterrey continue to represent the highest-volume relocation markets, while several emerging industrial hubs are also experiencing increased mobility activity.

Although Mexico is generally regarded as a relatively straightforward and flexible relocation destination, rapid economic growth, tightening housing availability, and evolving regulatory enforcement are beginning to reshape the relocation landscape for both organizations and their employees. To better understand the current trends, opportunities, and challenges in Mexico, Bristol spoke with its long-standing partner, [PremierDS](#), one of the region's leading providers of destination services.

## Key Challenges in Mexico

### Housing Inventory & Rising

**Costs:** One of the most significant challenges in the current market, particularly in Mexico City, continues to be the limited availability of housing inventory.

- High relocation volumes are outpacing the number of available properties in the market.
- Rental prices are rising rapidly, often exceeding typical corporate housing allowances.
- Property availability changes quickly, and it is increasingly common for scheduled showings to be canceled in real time because homes are leased before the assignee's visit.

As a result, service delivery has evolved. Instead of multi-day, curated home-finding tours, the process now often requires rapid-response scheduling with condensed, single-day viewing agendas, along with the flexibility to adjust plans quickly as market conditions change.

### Increasing Regulatory

**Enforcement:** Housing regulations in Mexico, particularly those related to the reporting of rental income by landlords, are now being enforced more consistently by the authorities.

- Many landlords are anticipating tax obligations of approximately 16% VAT, which is increasingly being reflected in higher rental prices.
- In some cases, landlords request cash payments to avoid formally reporting rental income. PremierDS does not support these arrangements and instead guides clients and assignees toward compliant and transparent rental practices.

As regulatory compliance becomes more widely enforced, organizations should expect continued upward pressure on rental costs and the need to factor these changes into housing allowances and mobility planning.

### Immigration Dependencies

**& Administrative Delays:** In Mexico, immigration and destination services are closely interconnected, and delays in one process often impact the other.

- Assignees are typically unable to obtain the required tax identification number (RFC) until their immigration process has been completed.
- Without an RFC, assignees cannot open local bank accounts, activate utilities, or complete several essential administrative processes.
- These dependencies can lead to delays in settling-in activities, potential extensions of temporary housing, and complications with the timing of household goods deliveries.

For these reasons, setting clear expectations around the sequence and timing of these steps is essential to ensure a smoother transition and minimize frustration for assignees and clients.





## Trends in Destination Service Delivery

### Service Delivery Adjustments in a Fast-Moving Market:

Despite current challenges, the overall structure of destination services in Mexico remains stable. The primary changes relate to the speed of the market, the need for flexibility, and careful expectation management.

- The pace of the housing market requires faster decision-making from assignees, as desirable properties are often leased quickly.
- PremierDS pre-screens and shares representative housing options, while clearly communicating that real-time availability cannot always be guaranteed due to market volatility.
- Many assignees initially expect single-family homes in central areas of Mexico City; however, counseling is often required to align expectations toward apartment living, unless they are willing to consider more outlying neighborhoods.

In addition, delays in household goods shipments influence relocation timelines, often requiring temporary housing extensions or longer furniture rental arrangements to ensure continuity and comfort during the transition.

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## Emerging and Expanding Markets

**Growth Trends in Key Mexican Cities:** PremierDS continues to see strong growth in several major markets across Mexico:

- Guadalajara: Ongoing expansion driven by technology and innovation sectors.
- Monterrey: Sustained industrial growth and increasing multinational investment.
- Querétaro: Rising relocation activity, including specialized projects such as workforce transitions requiring language-supported integration.

These markets are becoming increasingly important hubs for international assignments and corporate mobility programs.

## Industry Sectors on the Rise

**Industry Demand Trends:** PremierDS is seeing increasing relocation demand across several key sectors, including:

- Technology
- Oil & Gas
- Industrial and Manufacturing
- Consumer Products

Across these industries, there is also a noticeable rise in specialized corporate projects that require translators and multilingual support, reflecting the growing complexity and global nature of workforce mobility.

## Government & Compliance Considerations

### Regulatory and Administrative Considerations:

Compared to many countries, Mexico generally presents fewer government-related barriers for international assignments. However, organizations should remain aware of certain administrative factors that can affect relocation timelines:

- Immigration processing backlogs and documentation timing can delay subsequent steps in the relocation process.
- Customs clearance delays for household goods shipments may impact delivery schedules.
- Certain procedural nuances, such as the legal use of a third-party address to obtain the RFC (tax identification number), can be unfamiliar to U.S. assignees who are not accustomed to this practice.

Understanding these elements and setting appropriate expectations helps ensure a smoother relocation process.

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## What Businesses Should Know Before Moving Employees to Mexico

**Preparation is Everything:** The most important factor in ensuring a smooth relocation to Mexico is early preparation and a clear understanding of the sequence of required steps, particularly the fact that immigration must be completed first.

- Key administrative processes, including obtaining a tax ID (RFC), opening bank accounts, activating utilities, and finalizing housing agreements, depend on completed immigration status.
- When timelines are compressed or partners are informed late in the process, delays and operational friction become unavoidable.

PremierDS consistently emphasizes that Mexico remains a relatively flexible relocation market compared to many others. Landlords are often open to alternative arrangements, particularly when companies cannot serve as guarantors. Common solutions include:

- Insurance bonds (Póliza Jurídica)
- Additional security deposits
- Advance rent payments or negotiated lease terms

With proper planning, clear communication, and sufficient lead time, relocations to Mexico can be executed efficiently and provide a very positive experience for both companies and assignees.





Thank you to Rita Hernandez of PremierDS  
for this valuable information!



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