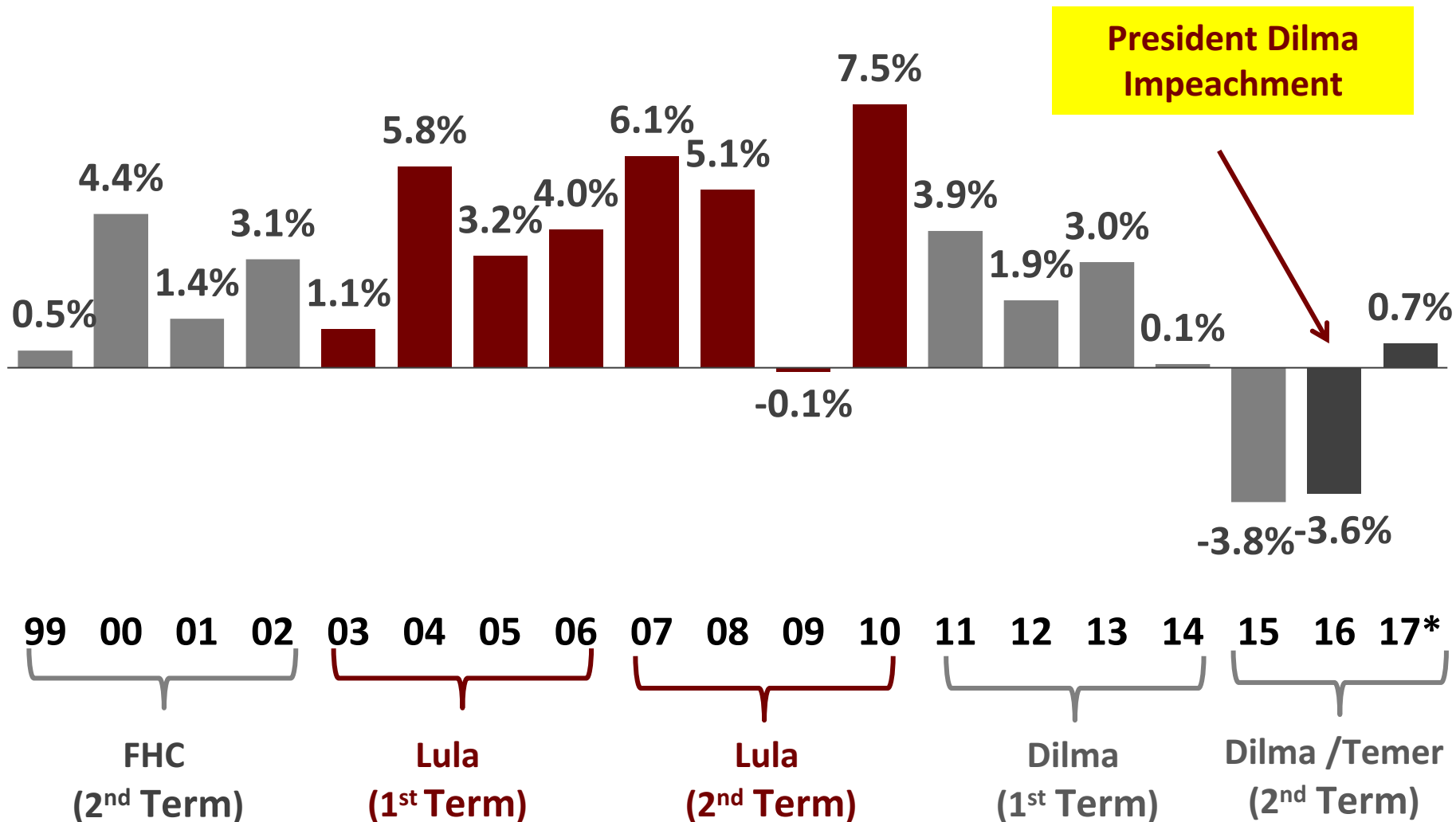


# Brazilian Real Estate Market

**João Crestana**  
Secovi-SP Past President



# Economic activity - % GDP growth in Brazil



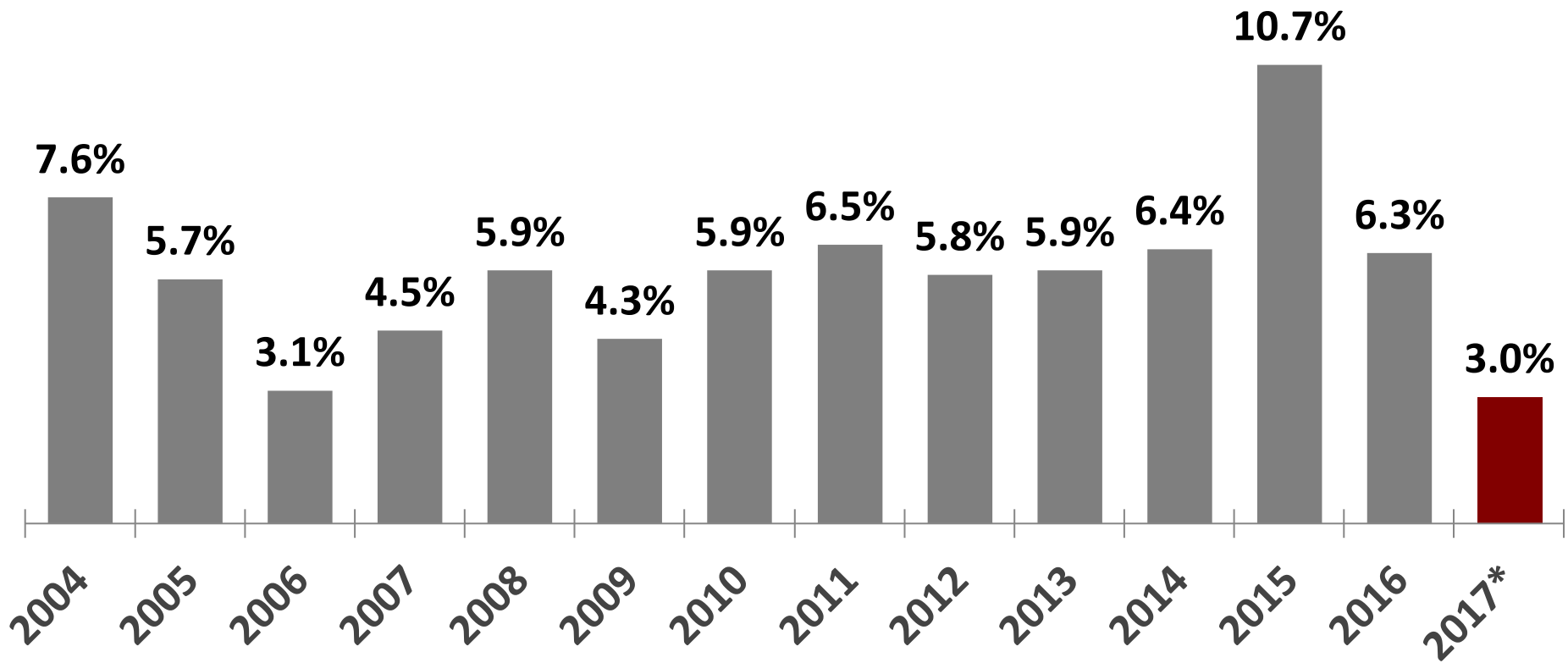
\* Forecast – Focus Report 29/sep/2017

Source: IBGE

# May 2016: President Temer takes over government:

- 1. The impeachment process was absolutely legal**
- 2. New president proposed measures to:**
  - Government spending control
  - Pension reform
  - Labor reform
  - Fiscal adjustment
  - Privatizations and public-private partnerships
- 3. Investor and consumer confidence started to improve**

# Inflation – Consumer Price Index (% change 12 mos.)

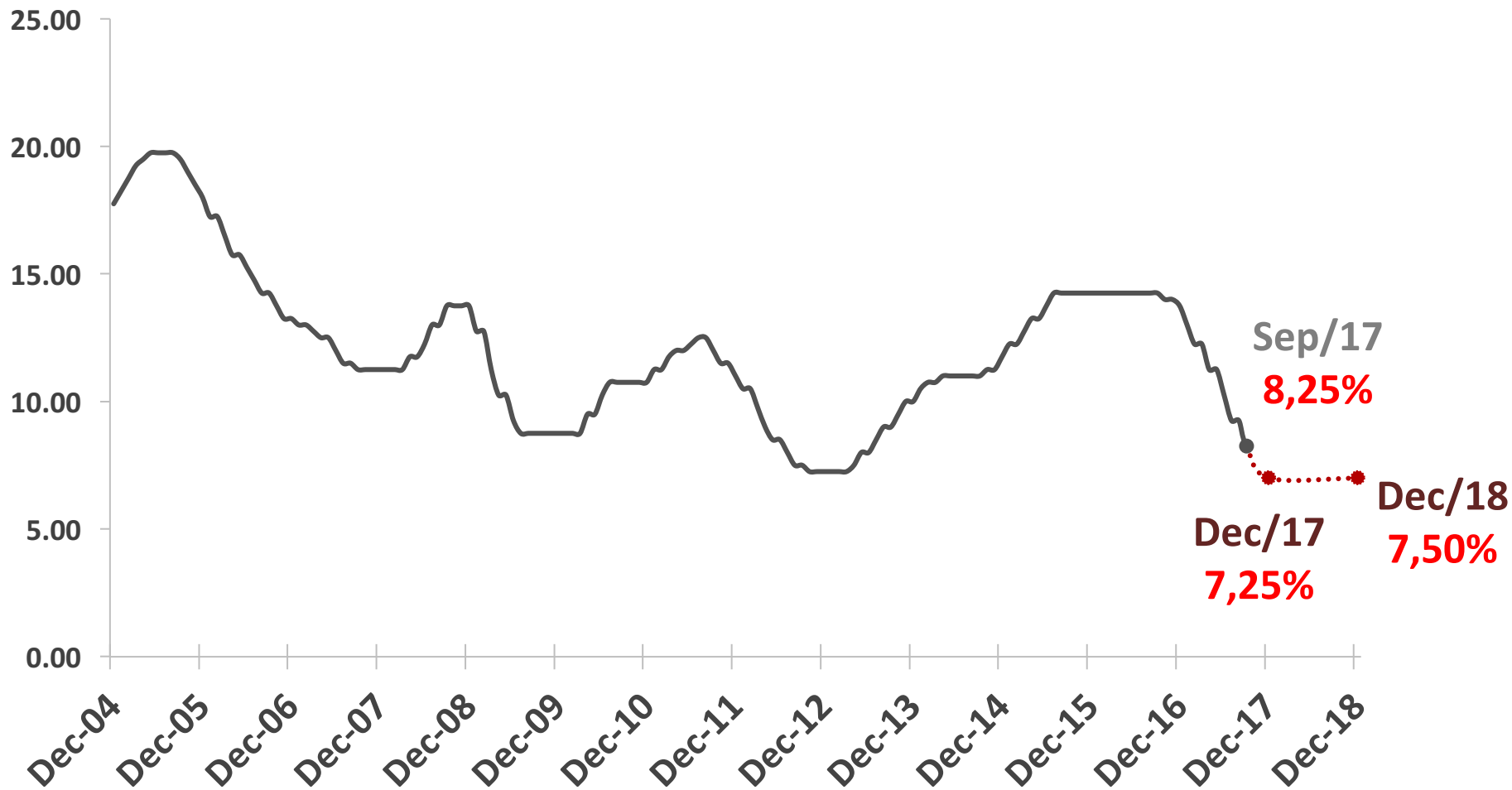


\* dec/17 - Forecast – Focus Report 29/sep/2017

Source: IBGE

# Interest Rate

## SELIC, Special System for Settlement and Custody (% a.a.) – COPOM



\* dec/17 and Dec/18 - Forecast – Focus Report 29/sep/2017

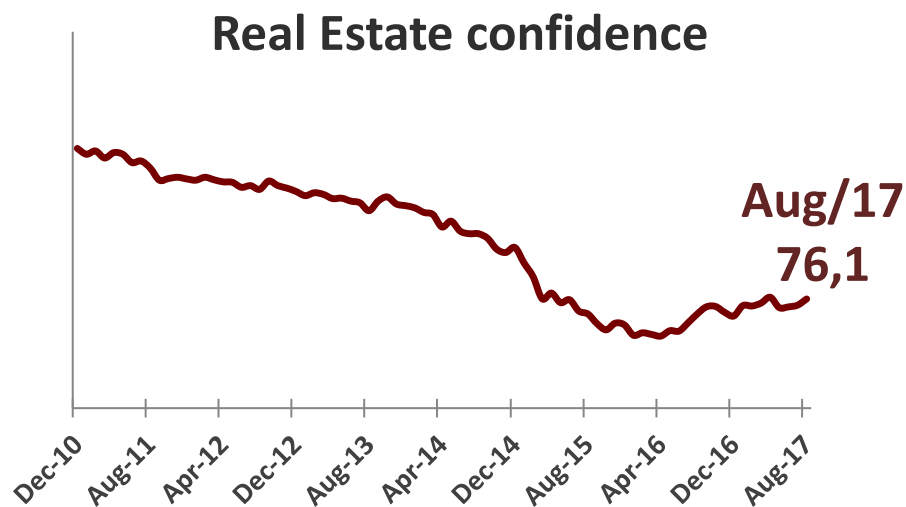
Source: BACEN

# Confidence index - seasonally adjusted

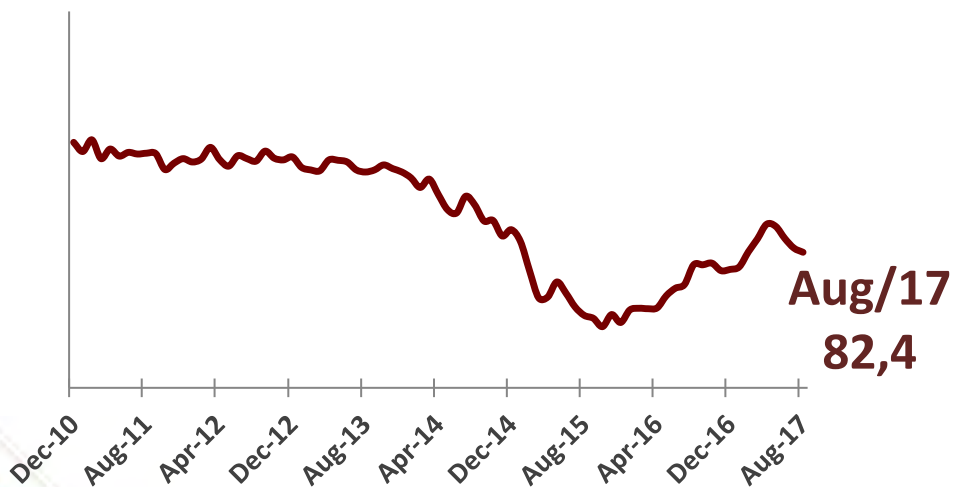
## Consumer confidence



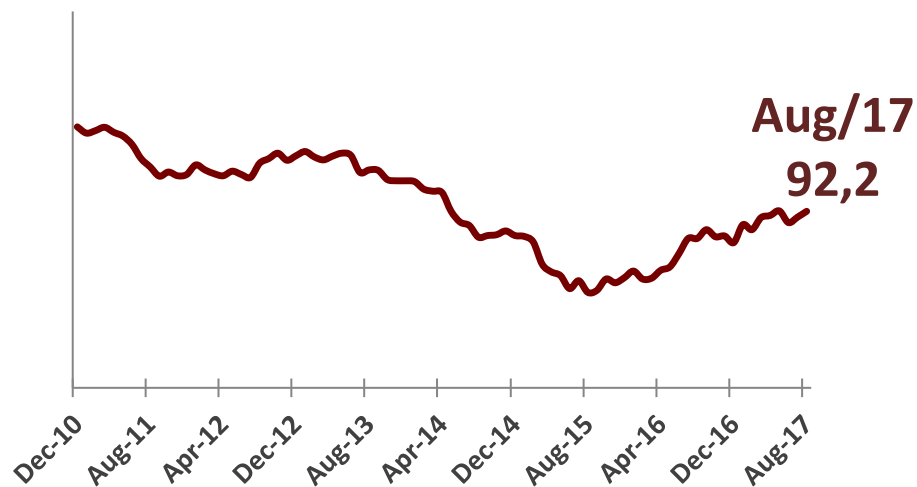
## Real Estate confidence



## Commerce confidence



## Industry confidence



# Residential units launched - Brazil

Region researched	1S16	1S17	Variation %
Belo Horizonte e Nova Lima	1.205	327	-73%
Curitiba	1.140	1.803	58%
Distrito Federal	380	228	-40%
Porto Alegre	927	861	-7%
Rio de Janeiro	2.550	1.989	-22%
Recife metropolitan area	4.185	461	-89%
São Paulo	5.933	6.547	10%
Others	18.532	15.116	-18%
<b>Total</b>	<b>34.852</b>	<b>27.332</b>	<b>-22%</b>

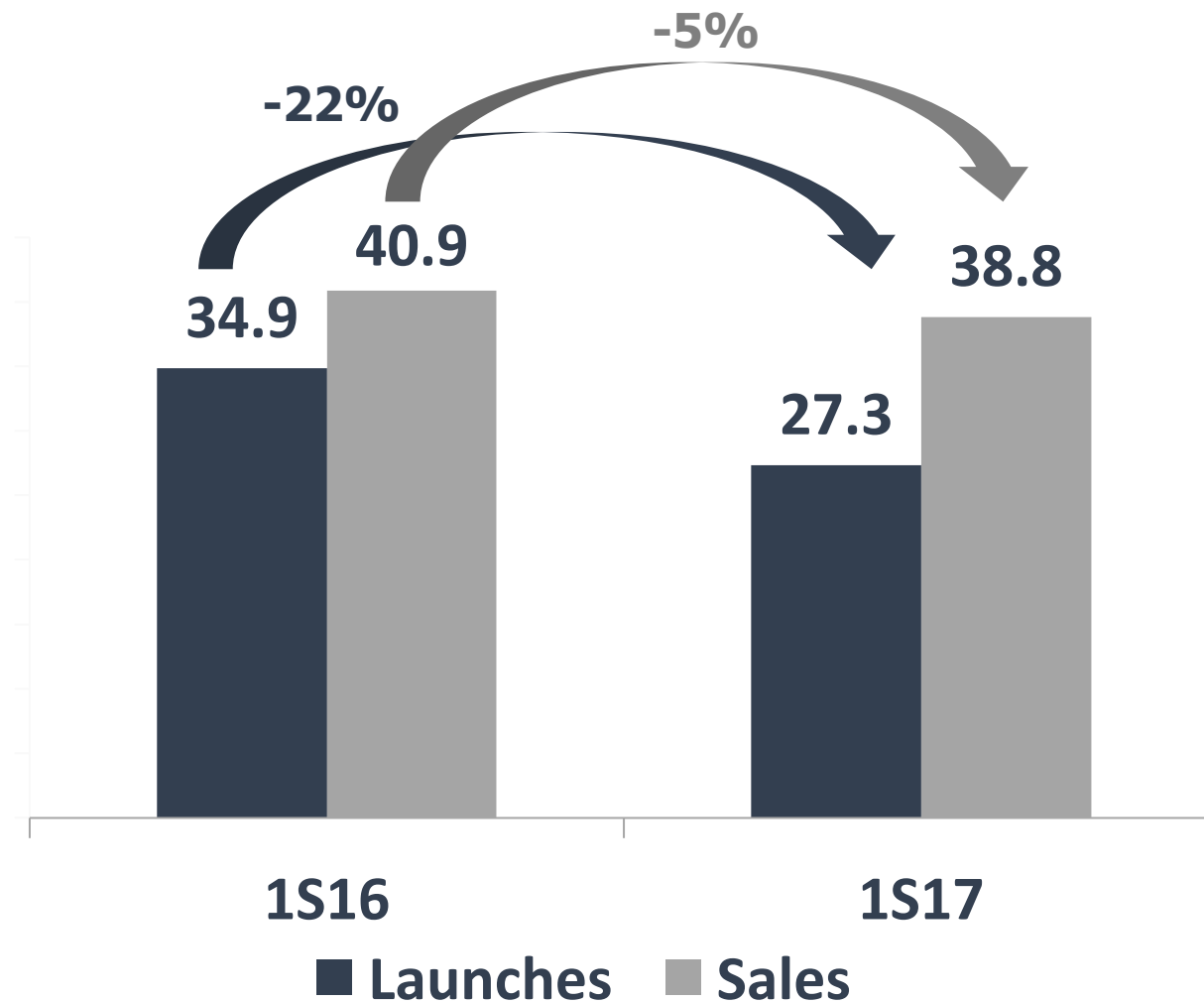
# Residential units sales - Brazil

Region researched	1S16	1S17	Variation %
Belo Horizonte e Nova Lima	1.870	1.262	-33%
Curitiba	2.267	1.580	-30%
Distrito Federal	993	1.283	29%
Porto Alegre	1.448	1.385	-4%
Rio de Janeiro	6.521	5.889	-10%
Recife metropolitan area	2.871	4.427	54%
São Paulo	7.194	7.888	10%
Others	17.749	15.127	-15%
<b>Total</b>	<b>40.913</b>	<b>38.841</b>	<b>-5%</b>



# Residential Real Estate – Launches and Sales - Brazil

In thousand units



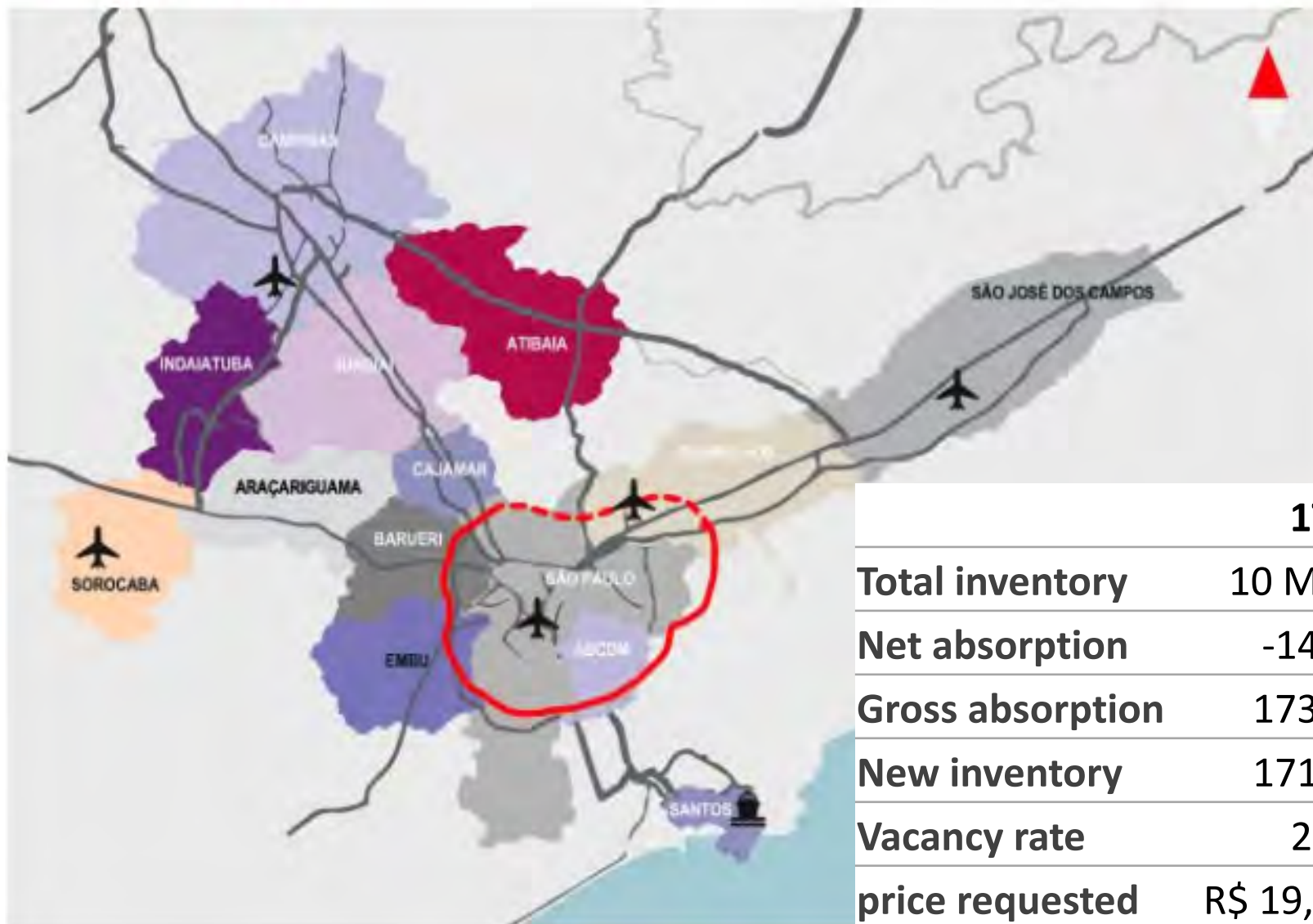
# Office Market AA & A – 2T17

- Net absorption – -8 th m<sup>2</sup>
- New inventory – 31 th m<sup>2</sup>
- Vacancy rate – 25,3%
- Average price requested – R\$ 81/m<sup>2</sup>/month



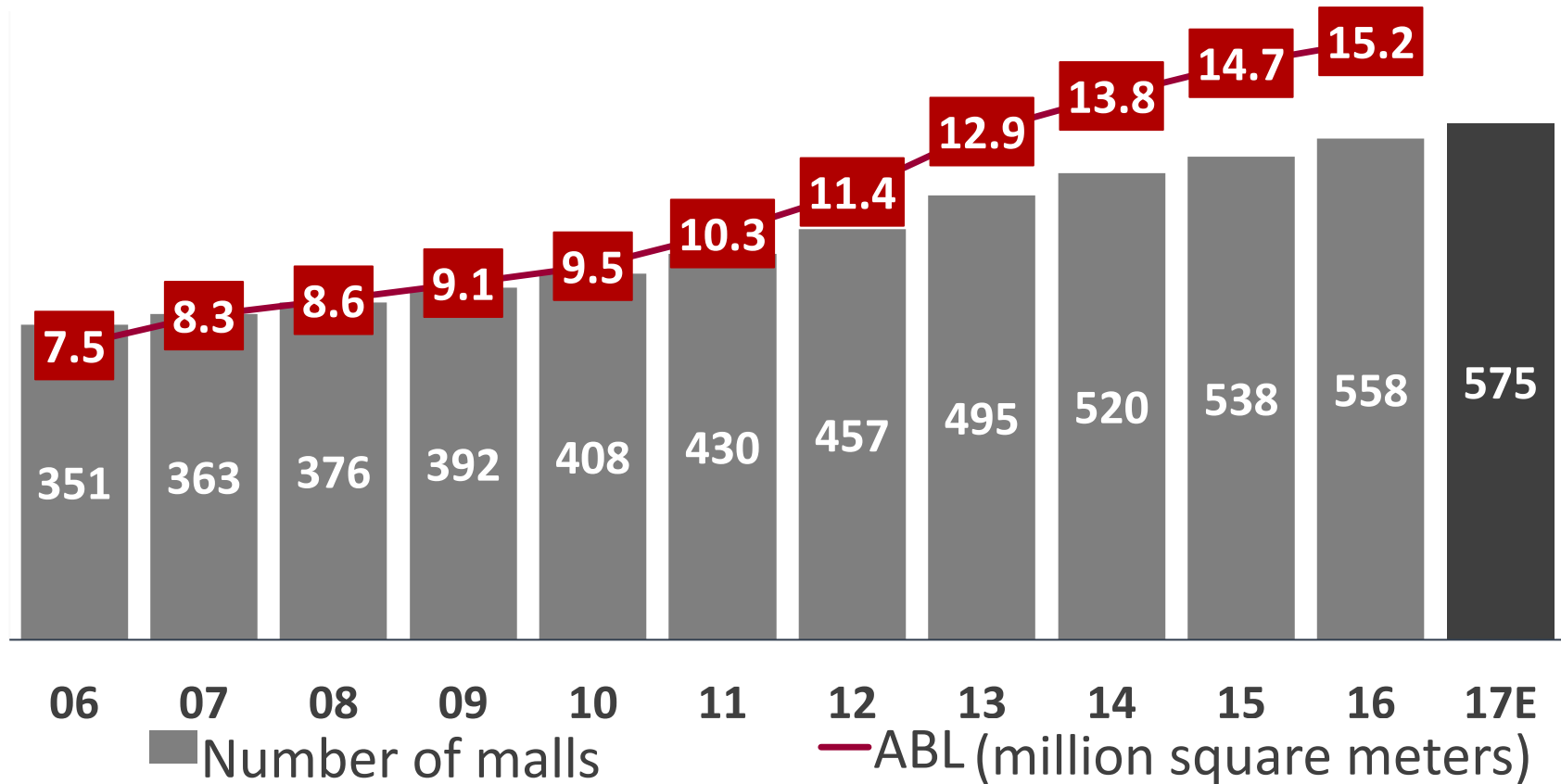
# Market developments Logistics A & AA

## São Paulo



	<b>1T2017</b>
<b>Total inventory</b>	10 Millions m <sup>2</sup>
<b>Net absorption</b>	-14,5 th m <sup>2</sup>
<b>Gross absorption</b>	173,3 th m <sup>2</sup>
<b>New inventory</b>	171,5 th m <sup>2</sup>
<b>Vacancy rate</b>	28,85%
<b>price requested</b>	R\$ 19,34/ m <sup>2</sup> / month

# Shoppings Malls - Brazil



**15.2 million sqm = 163.6 million sqf**



# Thank you!

**João Crestana**  
Secovi-SP Past President

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