

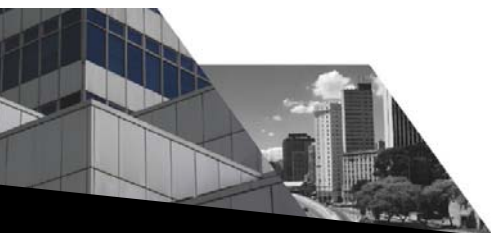
HÁ LIMITES PARA O CRESCIMENTO
DO SETOR IMOBILIÁRIO?



REAL ESTATE MARKET IN BRAZIL

JOÃO CRESTANA

President of Secovi-SP and CBIC National Commission of
Construction Industry



HÁ LIMITES PARA O CRESCIMENTO DO SETOR IMOBILIÁRIO?

SIZE OF BRAZIL

Population distribution by gender, according to age group – BRAZIL 2010

Mais de 100 anos	7.247	0,0%	0,0%	16.989
95 a 99 anos	31.529	0,0%	0,0%	66.806
90 a 94 anos	114.964	0,1%	0,1%	211.595
85 a 89 anos	310.759	0,2%	0,3%	508.724
80 a 84 anos	668.623	0,4%	0,5%	998.349
75 a 79 anos	1.090.518	0,6%	0,8%	1.472.930
70 a 74 anos	1.667.373	0,9%	1,1%	2.074.264
65 a 69 anos	2.224.065	1,2%	1,4%	2.616.745
60 a 64 anos	3.041.034	1,6%	1,8%	3.468.085
55 a 59 anos	3.902.344	2,0%	2,3%	4.373.875
50 a 54 anos	4.834.995	2,5%	2,8%	5.305.407
45 a 49 anos	5.692.013	3,0%	3,2%	6.141.338
40 a 44 anos	6.320.570	3,3%	3,5%	6.688.797
35 a 39 anos	6.766.665	3,5%	3,7%	7.121.916
30 a 34 anos	7.717.657	4,0%	4,2%	8.026.855
25 a 29 anos	8.460.995	4,4%	4,5%	8.643.418
20 a 24 anos	8.630.227	4,5%	4,5%	8.614.963
15 a 19 anos	8.558.868	4,5%	4,4%	8.432.002
10 a 14 anos	8.725.413	4,6%	4,4%	8.441.348
5 a 9 anos	7.624.144	4,0%	3,9%	7.345.231
0 a 4 anos	7.016.987	3,7%	3,6%	6.779.172

Source: IBGE – 2010 Census

Men

Women



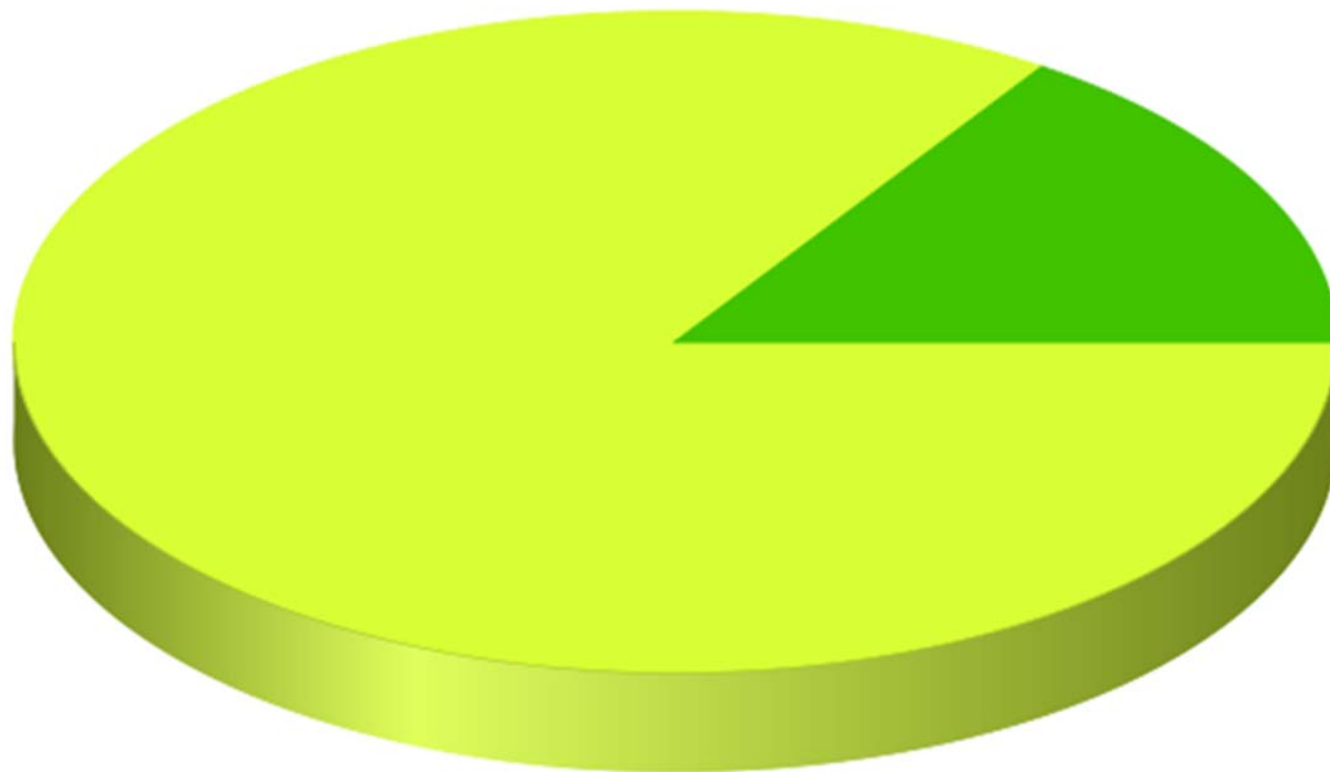
HÁ LIMITES PARA O CRESCIMENTO DO SETOR IMOBILIÁRIO?

SIZE OF BRAZIL

POPULATION – BRAZIL

Rural x Urban

Source: IBGE – 2010 Census



■ RURAL: 29830007 (15.6%) ■ URBANO: 160925792 (84.4%)



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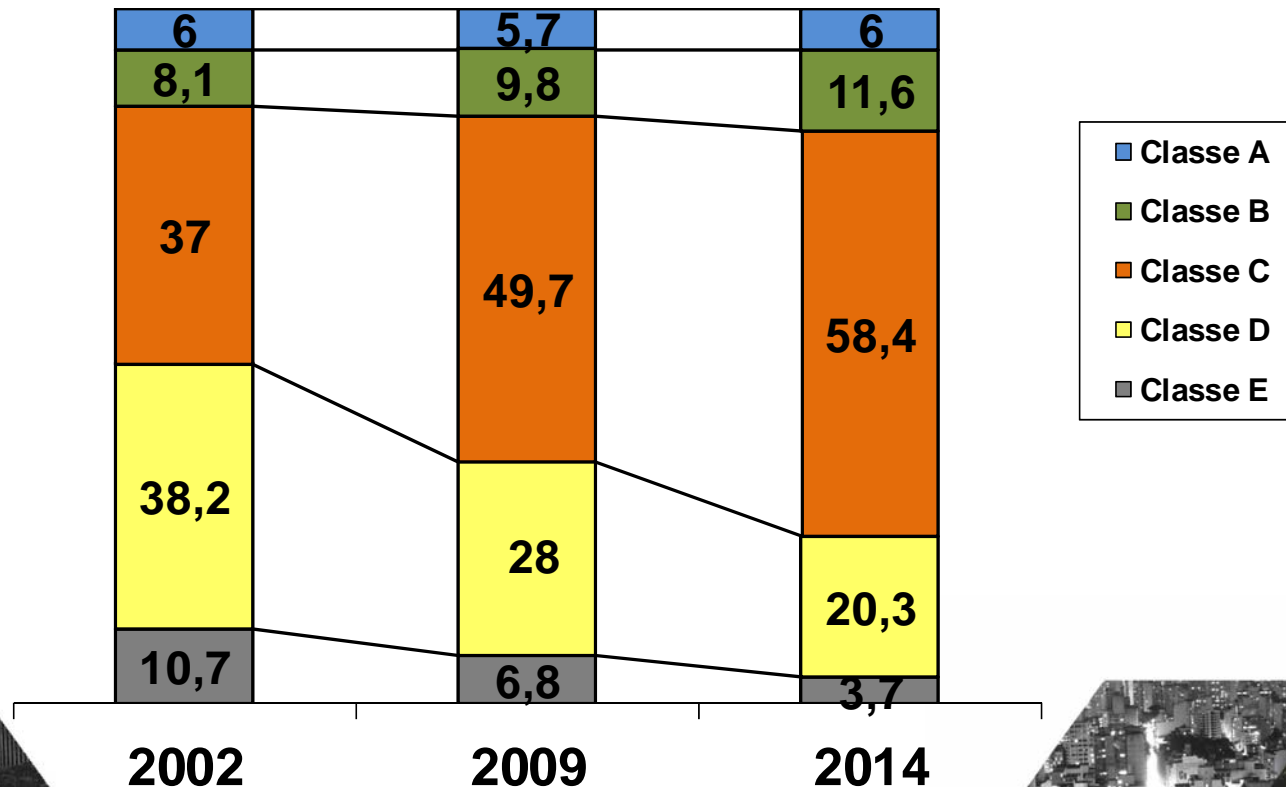
SOCIAL MOBILITY AND NEW MIDDLE CLASS



HÁ LIMITES PARA O CRESCIMENTO DO SETOR IMOBILIÁRIO?

CHANGE OF PYRAMID

BRAZILIANS OF D AND E CLASSES TEND TO MIGRATE TO C CLASS, WHICH WILL BE PREDOMINANT IN 2014 (millions of people)



HÁ LIMITES PARA O CRESCIMENTO DO SETOR IMOBILIÁRIO?

THE NEW C CLASS: WHO ARE THEY?

Moves **R\$ 881 billion** per year

50% of the population

46% of consumption

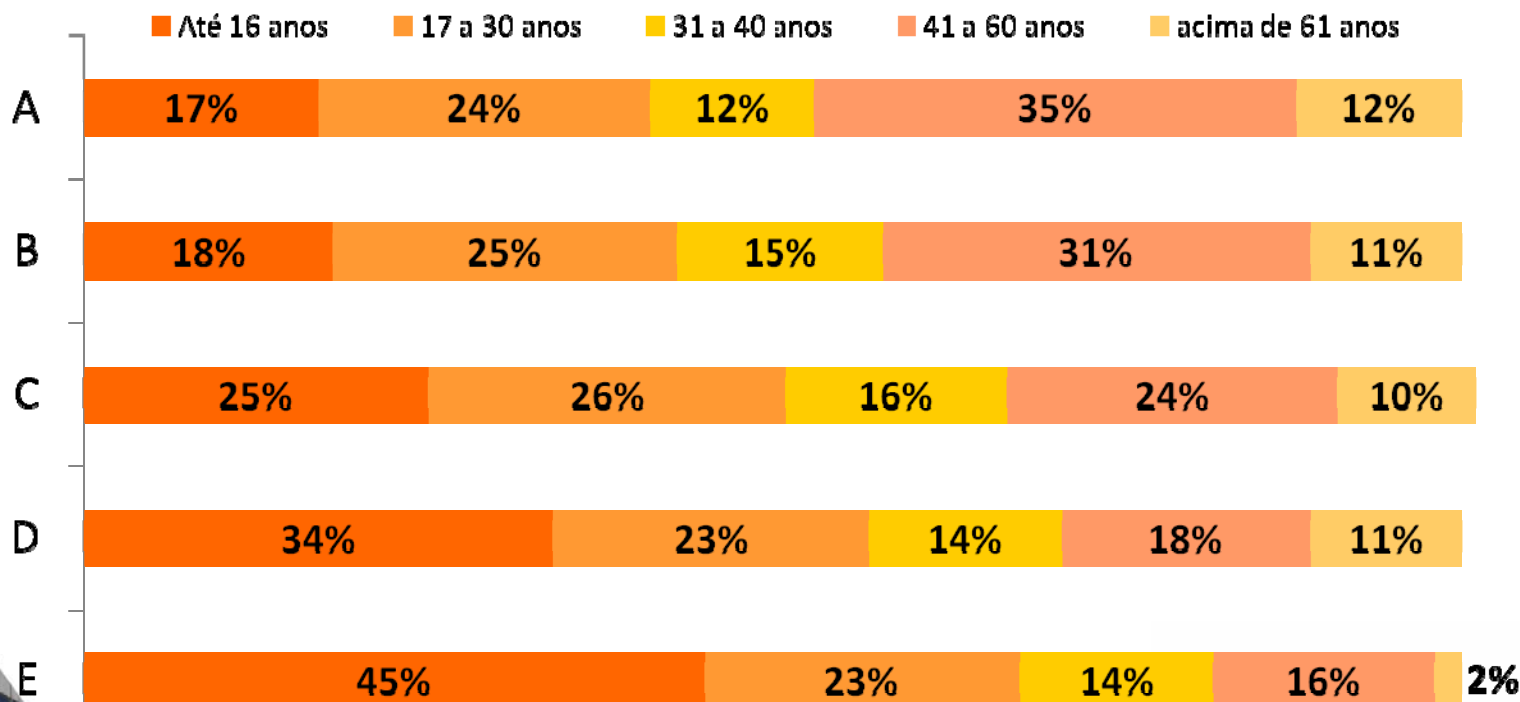
59% of credit cards

61% of internet users

Millions of brazilians have made their dreams into life projects

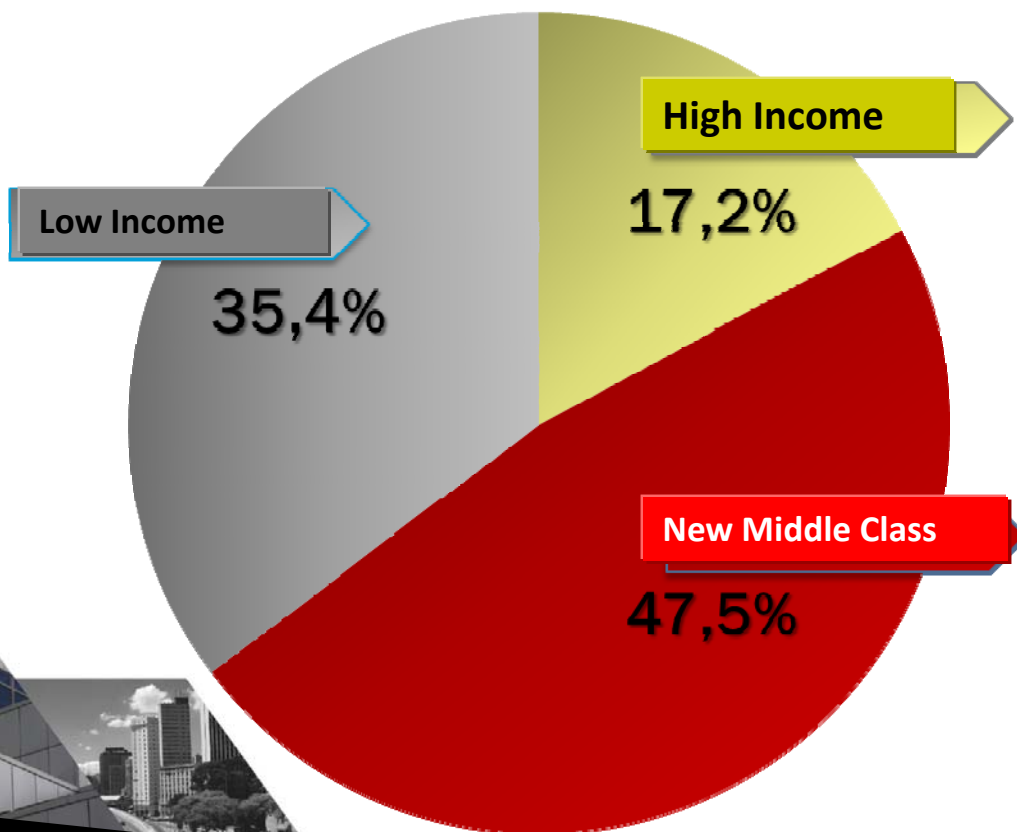
THE NEW C CLASS: WHO ARE THEY?

68% OF THE C CLASS YOUNGSTERS HAVE STUDIED MORE THAN THEIR PARENTS



C CLASS AND THE HOUSING RATIO

* 2011 1st TRIMESTER



Total of people who showed interest in purchasing a property or land in 12 months:
9,9 million

HÁ LIMITES PARA O CRESCIMENTO
DO SETOR IMOBILIÁRIO?

POTENCIAL MARKET FOR HABITATION

THE POTENCIAL MARKET FOR HABITATION IS SHAPED BY THREE SECTORS



Social Housing Deficit



**Given and rented
habitations**



Future households

HÁ LIMITES PARA O CRESCIMENTO
DO SETOR IMOBILIÁRIO?

CONVENÇÃO
SECOVI SP
2 0 1 1

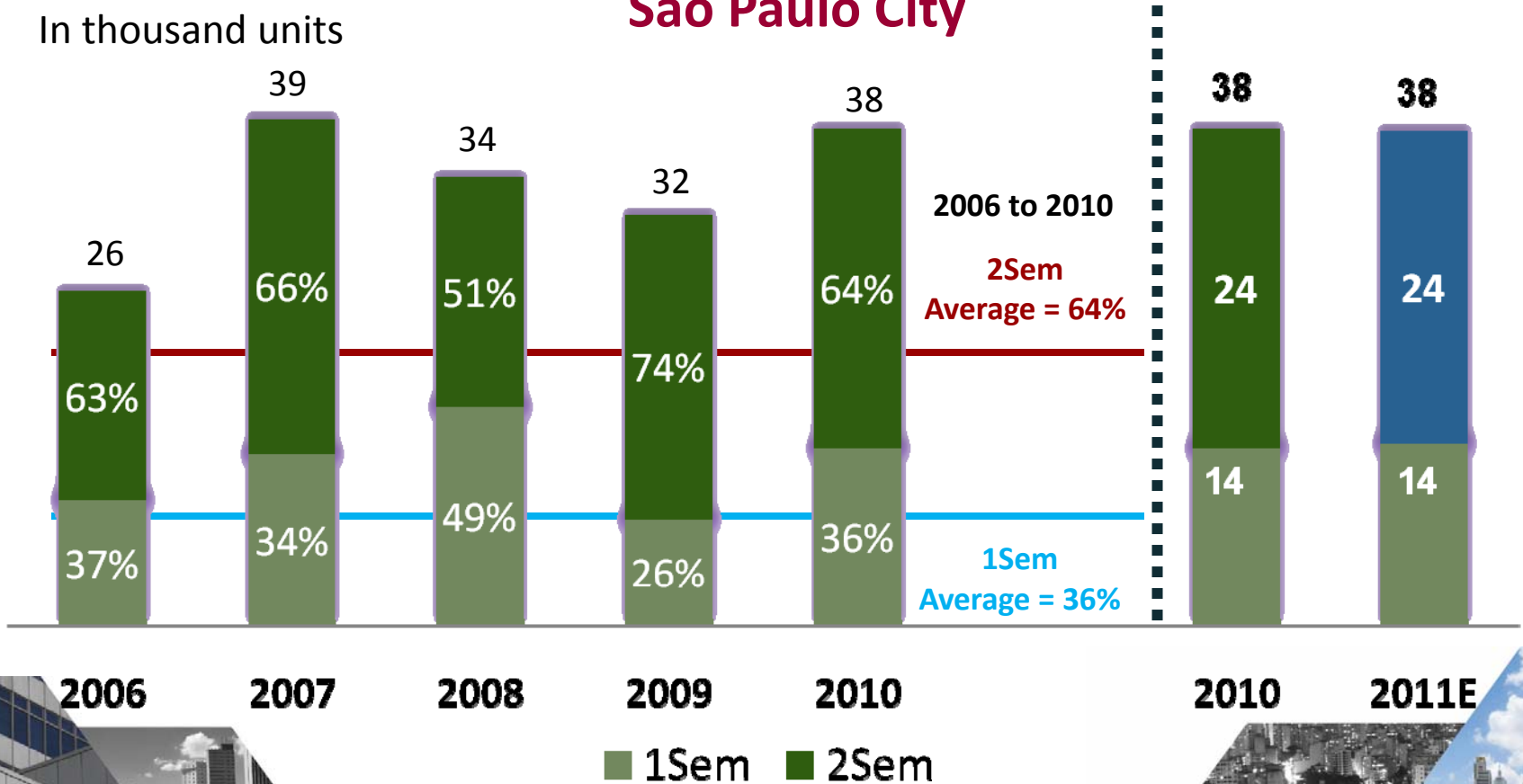
REAL ESTATE MARKET IN SÃO PAULO CITY



LAUNCHING OF RESIDENTIAL PROPERTIES

São Paulo City

In thousand units



HÁ LIMITES PARA O CRESCIMENTO
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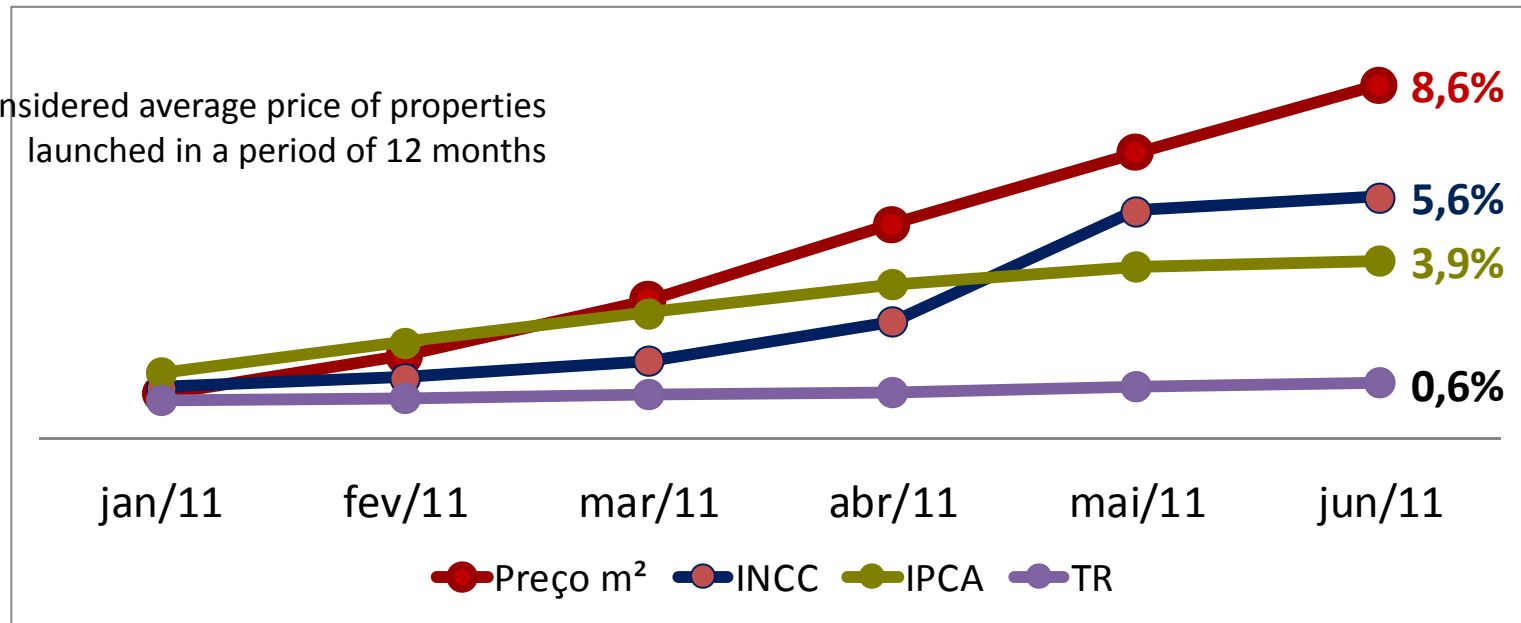
PRICING STUDY NEW RESIDENTIAL PROPERTIES



PRICE X INFLATION CUMULATIVE CHANGE

Var% Accumulated Price* m² of Floor Area of New Properties in São Paulo City

*Considered average price of properties launched in a period of 12 months



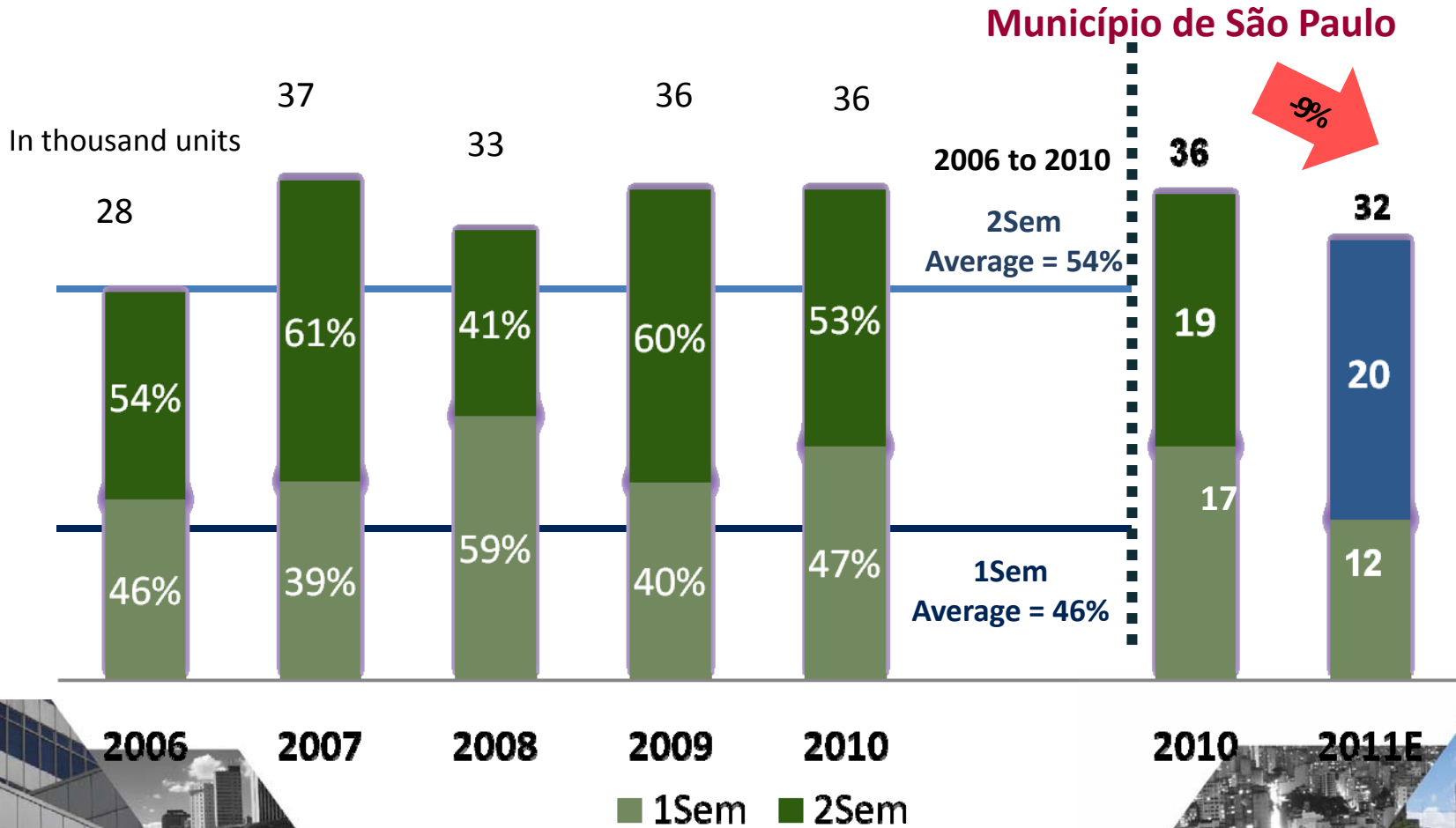
HÁ LIMITES PARA O CRESCIMENTO
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COMMERCIALIZATION



HÁ LIMITES PARA O CRESCIMENTO DO SETOR IMOBILIÁRIO?

COMMERCIALIZATION OF NEW PROPERTIES

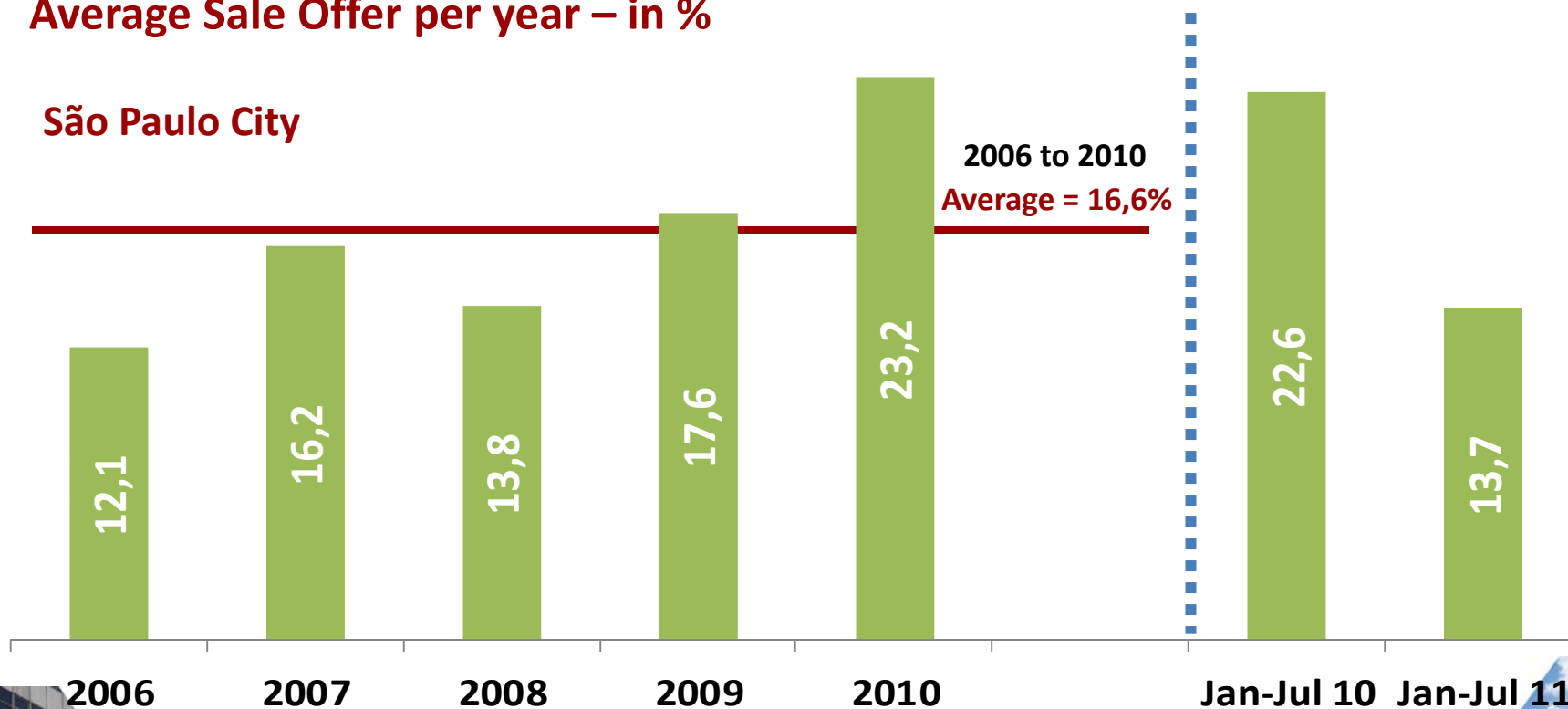


HÁ LIMITES PARA O CRESCIMENTO DO SETOR IMOBILIÁRIO?

PERIOD AVERAGE SALE OFFER

Average Sale Offer per year – in %

São Paulo City



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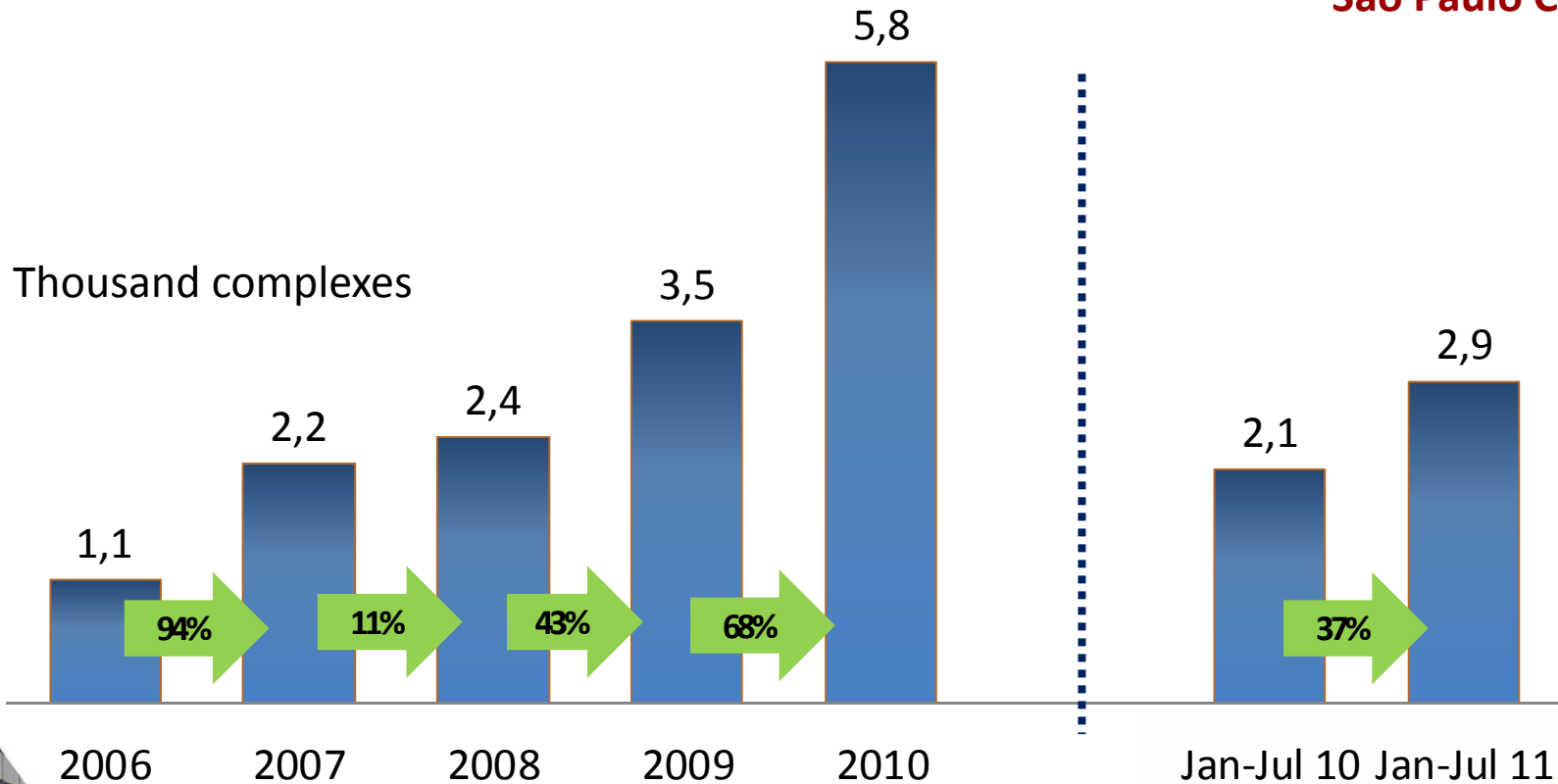
BUSINESS VENTURES



HÁ LIMITES PARA O CRESCIMENTO DO SETOR IMOBILIÁRIO?

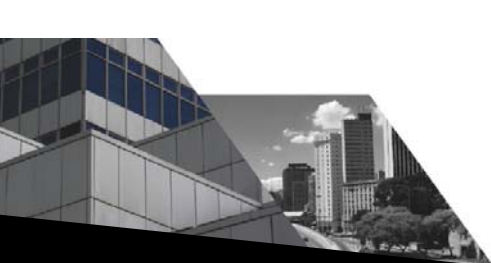
LAUNCHING OF BUSINESS COMPLEXES

São Paulo City



HÁ LIMITES PARA O CRESCIMENTO
DO SETOR IMOBILIÁRIO?

RESOURCES AND FINANCING IN BRAZIL



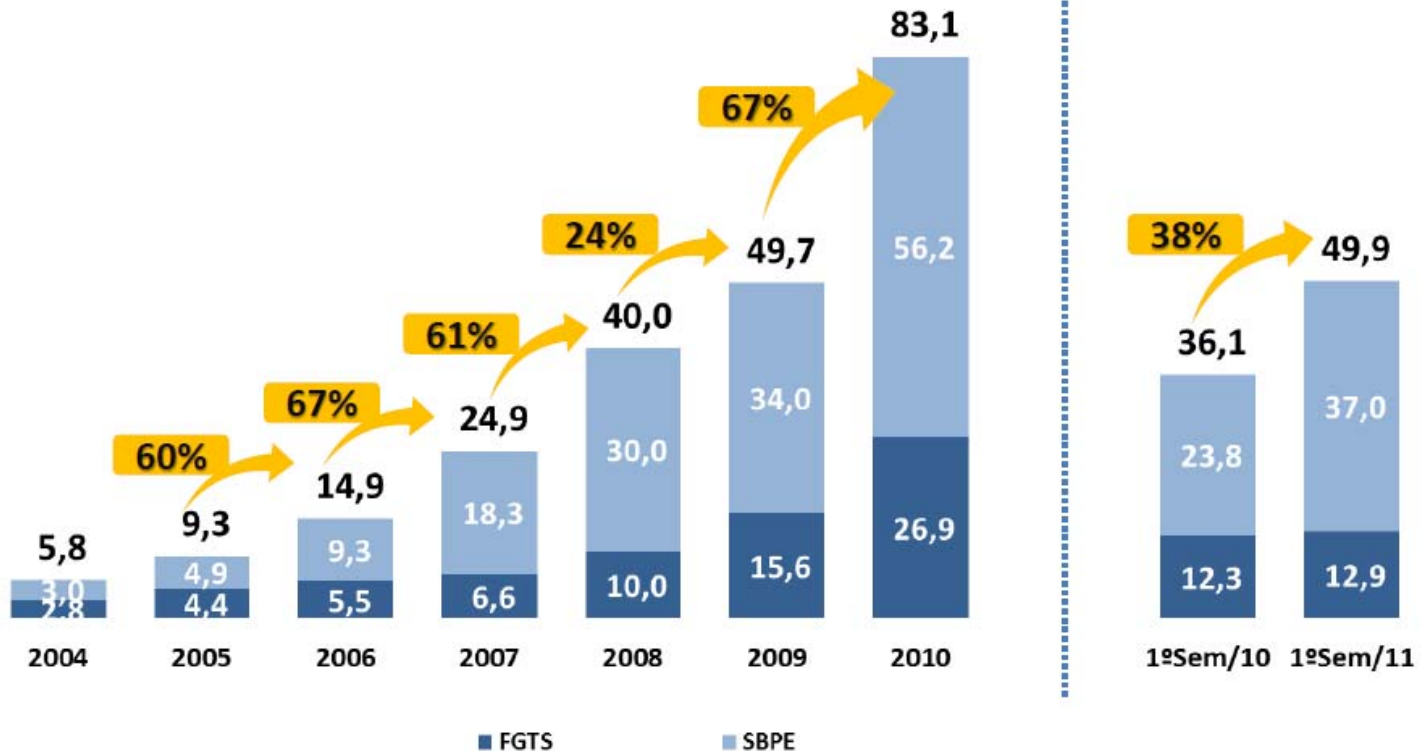
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REAL ESTATE FINANCING

Financing – Savings Funding and Guarantee Fund for Length of Service

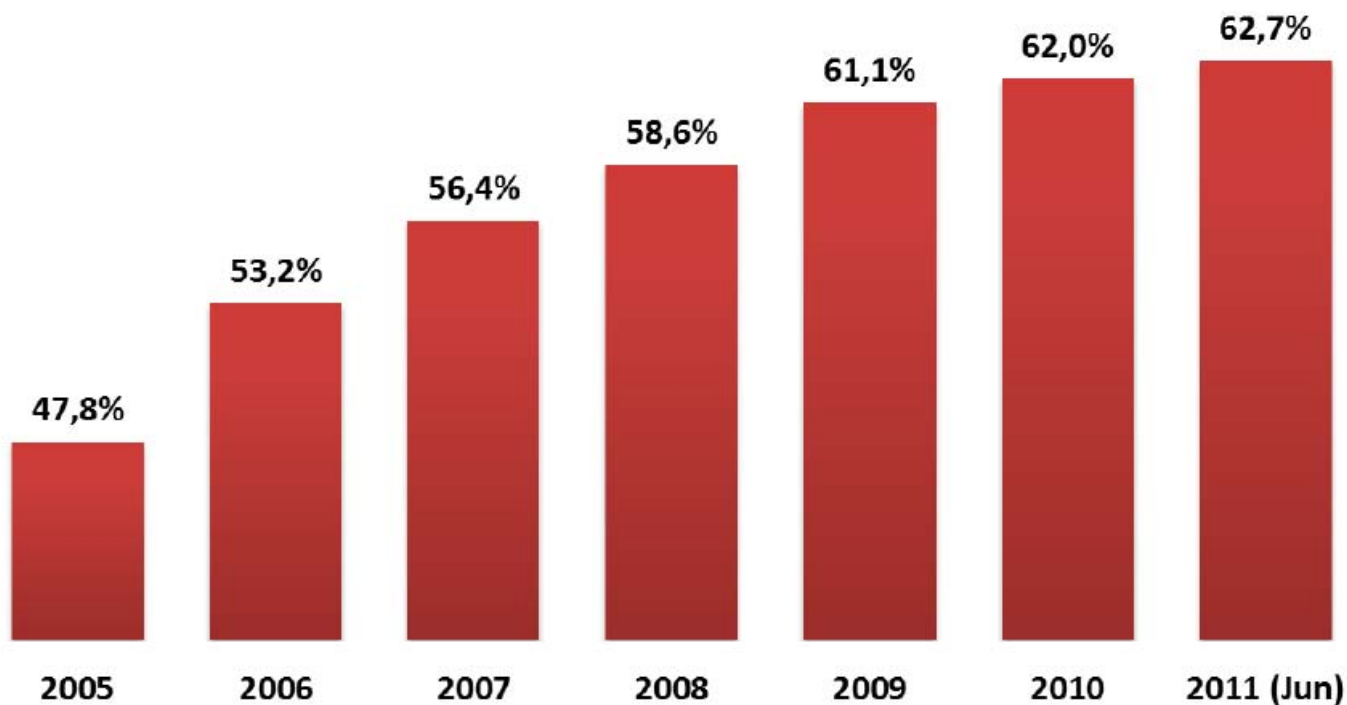


Amount (R\$ Billion)



REAL ESTATE FINANCING

LTV – Acquisition – Savings Funding



HÁ LIMITES PARA O CRESCIMENTO
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CONVENÇÃO
SECOVI SP
2 0 1 1

An aerial photograph showing a vibrant yellow river or canal flowing from a lush green forested area on the left towards a sandy beach and the blue ocean on the right. The word "OPPORTUNITIES" is overlaid in large, bold, black capital letters across the center of the image.

OPPORTUNITIES

FUTURE OF REAL ESTATE MARKET

Challenge: Remuneration of Investor x Borrowing Cost

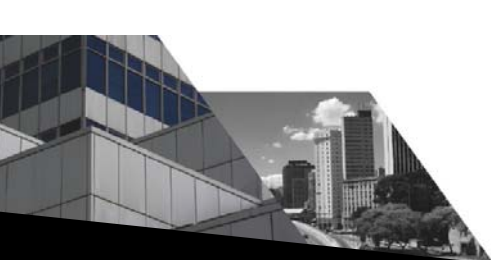


An alternative: Interests Reduction of Borrowing Cost from the Personal Income Tax

- The interests will be reduced from the base of personal income tax calculus;
- Temporary benefits;
- System used in other countries;
- It was in operation in Brazil (mid 70's until 84).

FUTURE BRAZIL

- Low income market will remain for the next 15 years
- Requests from people who live in precarious conditions: rent and new households
- Younger, more educated and better oriented consumer
- Purchase of a property: dreams and apprehension
- Brand “connected to” this new consumer will gain strenght
- Sustainable and organized urban development
- Perennial Housing Policy from the State



HÁ LIMITES PARA O CRESCIMENTO
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THANK YOU

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