

# GLOBAL SPOTLIGHT

## Rio de Janeiro, Brazil



### Rio de Janeiro is a cultural center and the second most important economic hub in Brazil.

- Fifty of the 100 largest private companies in Brazil are based in Rio de Janeiro, including the Brazilian National Bank for Projects and Development (BNDES). The title of National Oil Capital was granted to Rio de Janeiro due to the presence of companies such as Petrobras, Shell, Exxon and Texaco.
- Rio de Janeiro is linked to most Brazilian cities and many important South American capitals by its extensive highway system. The most important national highway, BR 116, connects Rio de Janeiro to São Paulo and the Southern region. Currently, the Rio de Janeiro real estate market is expanding into two districts: São Cristóvão and Vargem Grande. São Cristóvão, in the northern zone, has been revitalized due to the supply of land and the proximity of the metropolitan center. Vargem Grande, in the western zone, has benefited from the horizontal real estate sprawl, which began in Barra da Tijuca district.
- The demand for high quality commercial office space in Rio de Janeiro continues to improve. The net absorption for Class AA and Class A buildings is 40% more than previous years. The service sector is occupying Class AA high profile buildings in the Rio de Janeiro CBD.
- Very few properties in the industrial market can be considered Class A space. Most of the available properties are located along Brazil Avenue and close to favelas, low-cost residential neighborhoods and shantytowns. However, despite the fact that the quality of these properties is lower than in Sao Paulo and Campinas, the average lease rate is similar to these cities.
- The Barra da Tijuca region continues to be the option for new commercial and residential launchings attracting corporate investments after its consolidation as a residential neighborhood. The existing developments in Barra da Tijuca follow the concept of office parks, with low buildings and wide floors distributed on large land plots, offering modern spaces, large parking areas, safety and quality of life within the work environment.

## Rio de Janeiro at a Glance

Population	11,714,000 (Metro Area- 2007)
Location	Second major city of Brazil, behind São Paulo
GDP	\$1.314 trillion (2007 est.)
Inflation	3.6% (2007 est.)
Interest:	11%
Unemployment	9.3% (2007 est.)
Conversion	1 USD = 1.6278 BRL

Property	Rent/SF/Year Low	High	Vacancy Rate
Downtown Office Class A	\$37.50	\$62.50	5.9%
Suburban Office Class A	\$40.60	\$50.00	7.2%
Industrial Bulk Warehouse	\$7.00	\$12.50	6.0%
Retail City Center	\$26.76	\$45.09	9.3%

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### At A Glance

325	Offices
55	Countries
5,000	Professionals
\$45 billion	Annual Transaction Volume
200	MSF of Property Management

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