

Artikkel hentet fra Pathfinder

What We Do

Dear Reader,

My name is Ronan McMahon, and I'd like to introduce you to Pathfinder.

At Pathfinder, our mission is to scout the globe to find the most unique and value-oriented real estate opportunities the world has to offer. We're your eyes and ears on the ground, working to get you in early for the best possible deal... often at prices you thought were consigned to the history books.

Our name is new, but we're definitely not the new kids on the block. Until 2007, we were International Living.

The same ones who told you about Nicaragua, Panama, Costa Rica, the Bay Islands of Honduras, Argentina... long before the rest of the world had caught on to their incredible real estate opportunities.

Every year we investigate hundreds of projects around the world. Most don't stand up to our rigid scrutiny; only a small percentage make the cut—and they are the only ones we'll tell you about.

Global events can create opportunities... but you need to be armed with the most in-depth and up-to-date information to capitalize on situations as they arise. That's where Pathfinder excels.

Working with our in-country experts, professional contacts, and other sources throughout the world, Pathfinder digs deeply into the geo-political, economic, and strategic factors that influence property values—the likely effects right now and the possible trends in the future—to keep you ahead of the curve.

The Main Speech at the International Living's Live and Invest Overseas conference, Las Vegas, 02.10.09.

My first speaking slot will cover "The Three Hottest Investment Markets on my Radar". Picking only three was a difficult choice. There are pockets of opportunity dotted across the globe. Global events are creating opportunities for us.

I had to pick just three so here they are....

Number One:

Fortaleza, Brazil

Last year Fortaleza was Brazil's #1 domestic tourism destination. It hosted 3m Brazilian tourists and 250,000 foreign tourists. In fact, it has been #1 for three out of the last four years. There is a hotel and short-term rental shortage. There is limited developable land remaining in the area these visitors want to stay in. This is where Brazil's wealthy come to relax on the beach. This is where Brazil's new

middle class want to come as soon as they can afford to. Every day that passes more can afford to come. Brazil is now a middle class country. Brazil's middle class is growing in terms of numbers and incomes.

This, combined with the momentum event of foreign investment, would be enough for Fortaleza to make my list. But there are 2 other major driving forces that meant it had to go to the top of the list:

-The World Cup Effect

The big buzz in Fortaleza (and surrounding areas) is the huge investment in tourism and infrastructure. The government is spending 9.8 billion reais (\$5.50 billion) in Fortaleza in the lead up to the 2014 soccer world cup. 63.3% of this spend will be on infrastructure projects. In June this year, Fortaleza's governor released a list of projects that will be delivered for the 2014 games.

850 million reais will be spent on tourism projects—gentrification of urban areas and installing attractions like the state aquarium. And big amounts will also go toward things you'd expect—improved internet access, better gadgets for the police, new equipment for the hospitals, and so on.

Transport infrastructure with a 6 billion reais spend is the big winner. The government is committed to delivering quality projects that will encourage and facilitate the economic development of the region.

The Fortaleza area is going to see a major upgrade in road (there will be a new ring road), rail (Fortaleza is getting a metro system), bridge, port, and airport infrastructure. This will make certain areas more accessible and desirable. This will drive real estate prices in these areas higher.

Many of the projects on the governor's list could create an opportunity for us to profit. Here are a few that have caught my eye:

-The south line of the metro will cost 1.8 billion reais. This will link downtown with middle-class areas and outlying industrial areas.

-450 million reais is to be invested in the stadium. This area will also benefit from improved transport **infrastructure.**

-Over 100 million reais has been committed to new roads and road upgrades in the Morro Branco area. 800,000 tourists visited this area last year. Expect this number to rise as infrastructure improves. In addition to the local investment, the new ring road will reduce the drive time to this area to 45 minutes.

-Fortim (to the east of Fortaleza) has been identified as an area to host visiting teams' training camps. The government is already negotiating to host Spain. This project will involve a major upgrade in tourism infrastructure in addition to huge marketing exposure for Fortim.

-Road access is on its way to the village of Praia Bela from Aquiraz. This is a relatively small project (10.3 million reais) but will have a huge impact on Praia Bela. This area will also benefit from the completions of the bridge and new road from Praia du Futuro to the Beach Park area.

-Further funds have been allocated to upgrading the boardwalk area. And to the east of the boardwalk, the Port of Mucuripe is getting a 120 million reais passenger terminal.

- 9.7 million reais has been allocated to complete the bridge over the Coco River. Another 62 million has been allocated to link this bridge with Fortaleza's ring road. This project will have a big impact on Praia du Futuro and the area that's going to open up on the other side of the bridge.

-My House My Life

While people from southern Brazil want to visit Fortaleza on vacation, Fortaleza's new middle class want to move into a shiny new condo or house. They will want to be near infrastructure that will bring them to work and play.

There's a government program called "Minha Casa, Minha Vida". This translates to My House, My Life. This program has the mandate to make home ownership affordable to Brazil's lower and middle classes. The My House, My Life program has 60 billion reais (\$33.7 billion) in the kitty. The program will help one million Brazilians become homeowners this year alone. That's a lot of new demand.

The program operates through a system of subsidies with Caixa Economica Federal, (Brazil's government-owned savings and mortgage bank) at the heart.

Developers of qualifying projects receive a subsidy and a tax break. In return for this supply side incentive, they agree to offer units for sale at an agreed and competitive rate. The government is working very closely with their partner developers but they want to make sure that the incentives offered to buyers don't go straight into developers pockets, through increased prices.

The government subsidy varies according to the applicant's income. There are three categories:

—Families earning up to three times the minimum wage per month

—Families earning three to six times the minimum wage per month

—Families earning six to ten times the minimum wage per month

The minimum wage is currently 465 reais (set to rise to 505.90 reais next year).

Earn up to three times the minimum wage and you can own a home worth up to 50,000 reais, by making payments equal to just 10% of your income. Earn three to six times the minimum wage and you can buy a home costing up to 130,000 reais. The maximum price depends on where you live. In Rio and Sao Paulo, for example, it's 130,000 reais; in cities with more than 500,000 inhabitants (like Fortaleza), it's 100,000 reais, and the cap is 80,000 reais in smaller cities. Buyers within this range get a government cash subsidy and 100% mortgage over 30 years at 6%.

Earn more than 6 times the minimum wage and your incentives are much more limited.

This is the bracket where I expect to see the most activity, growth and further upward mobility. I've seen a site for one project aimed at this market in Fortaleza. It's only 250 meters from the metro line and new shopping facilities. If you think this is some kind of slum or favela, you couldn't be more wrong. The plans call for a great project, well equipped with amenities (gym, pools etc) and the location is excellent.