

## **Brazil Finds South Florida Filled With Bargains - Here's Why**

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Brazil's economy is doing well, perhaps better than it's ever been before. Brazil's unemployment rate in April 2011 was 6.4%, an all-time low record. Its economy is growing, its citizens are confident in their country's future.

Brazil's economy is currently the 9th largest in the world.

### ***Why Brazil Likes South Florida - Bang for their Real***

And here's a big fact for South Florida: in the past three years, the Brazilian real has gained 39% in value against the U.S. dollar - which means that coming to Miami and spending those reals gets the Brazilian buyer a lot more bang for their buck. (Import tariffs and sales taxes are other factors that make shopping in Brazil significantly more expensive than shopping in South Florida for many brand items.)

Consider this: in a recent story covering Brazilian tourists flocking to South Florida, the Miami Herald gave an example of one pair of running shoes that **cost six times more in Brazil** than they do at a local Orlando shoe store.

In fact, in that same story we learn that in 2010 Brazil-Florida trade increased by almost a third as Brazilians discovered South Florida's bargain prices and ease of access. Most of these purchases are in South Florida, where (in comparison to Tampa, which has no nonstop flights to/from Brazil) the Brazilian airline TAM offers nonstop flights to/from Miami and Orlando and American Airlines has 52 weekly flights from Miami to five different cities in Brazil.

Today, Brazil spends more reals in the Sunshine State than anywhere else in the United States. Over one-third of the condos sold in downtown Miami today are being sold to Brazilians.

### ***Brazil's Growing Interest in Real Estate Investment and Development in South Florida***

We post earlier about Brazilians buying more and more South Florida real estate, and it seems savvy for Florida real estate professionals to recognize and welcome Portugese-speaking Brazilians as potential investment partners, buyers, and more. This should only increase in the future.

### ***Long-Term Relationship Between Brazil and South Florida***

However, given that the average retirement age for men in Brazil is 54 and for Brazilian women, 51, and the fact that there are some economists who are predicting that Brazil will have some economic trouble in the future (including inflation) unless some things change, it would seem that South Florida may well be a true Mecca for smart Brazilians looking for a safe retirement haven where their reals will have the most clout.