



Conf. of the Americas celebrates brisk growth

October 08, 2010 - Shopping Centers

Nearly 1,000 retail real estate executives have gathered for the Conference of the Americas, being held this year in Brazil, which boasts the region's fastest-growing economy. Just one month ago Brazil reported a better-than-expected 8% GDP growth rate for the second quarter. The International Monetary Fund estimates the world's ninth-largest economy will achieve a 7.1% growth rate for the entire year. The mall industry accounts for 2% of Brazil's GDP, according to the Brazilian Association of Shopping Centers (ABRASCE), which is co-sponsoring the event.

"The economic momentum is carrying with it Brazil's shopping center industry, which is expected to expand its gross leasable area by 13% next year," said Gabriela Baumgart, ABRASCE's chairwoman. 16 new malls opened in Brazil last year, and nine more will have opened by the end of this year. For all that development, the country has a mere 2.3% vacancy rate.

Brazil boasts 397 malls, but they only ring up 18.3% of the country's overall retail sales, offering ample room to grow. "Brazil came up with its own package on how to build a mall, so our industry also wants to share good information and knowledge with foreign retailers and investors," said Baumgart.

Besides some expected vigorous deal-making among delegates, the meeting's presenters will cover such topics as the industry's economic prospects in the coming year, creating mall brands, Generation Z shoppers, retail and online social networks, and the opportunities presented to Brazil by its hosting of the world's two major international sports events—the 2014 World Soccer Cup and the 2016 Olympic Games.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540