



LUXURY INVESTMENT OPPORTUNITY

Condo Bouganville · Pipa, Brazil

Asking Price

R\$ 5,900,000

£ 806.011 | € 926,217 | \$1,084,559

Currency Exchange - Investing.com 17/10/2025

Land Area: 1,832.16 m² – Built Area: 637.60 m² – Replacement Cost: R\$7,621,190 – Immediate Advantage: R\$1,721,190

22,6% below replacement cost + 10 years projected ~145.9% appreciation



INVESTMENT ANALISYS AS RESIDENT

Condo Bouganville · Pipa, Brazil

VILA BRAGA · PIPA, BRAZIL

INVESTMENT HIGHLIGHTS



R\$5,9M

Asking Price

22.6% immediate discount



9.45%

Appreciation last year

Pipa's appreciation last year



145.9%

Potencial Capital Appreciation

In 10 years



R\$14,5M

Projected Value 10 years

Projected 10-year appreciation:
~146.7% (based on 9.45% p.a.)

Note: According to local benchmarks, the annual property appreciation rate reached avg **9.45%**, increasing the projected 10-year property value to **R\$ 14,5M** and boosting total investor returns to potential double-digit IRR.

REPLACEMENT COSTS ANALYSIS

Component	BRL	GBP	EUR	USD
 Construction (637.6m ² x R\$7,000*)	R\$ 4,463,200	£ 609.727	€ 700.659	\$ 820.441
 Land (1832,16m ² x R\$1,287)	R\$ 2,357,990	£ 322,130	€ 370,171	\$ 433,454
 Furniture & Fixtures	R\$ 800,000	£ 109.290	€ 125.589	\$ 147.059
Total Replacement Cost	R\$ 7,621,190	£ 1,041,146	€ 1,196,419	\$ 1,400,954
Asking Price	R\$ 5,900,000	£ 806.011	€ 926.217	\$ 1.084.559
Immediate Buyer Advantage	R\$ 1,721,190	£ 235,135	€ 270,202	\$ 316,395

Note: (*) Rounded down to R\$7,000/m² for conservative consistency.



SENSITIVE ANALYSIS OF THE APPRECIATION TAX

SCENARIO	ANNUAL APPRECIATION TAX	10 YEARS PROJECTION	TOTAL PROJECTED APPRECIATION
Pessimistic	7.62% (FipeZap Natal)	$R\$ 5.900.000 * (1 + 0,0762)^{10} =$ R\$ 12.270.000	$(R\$ 12.270.000 / R\$ 5.900.000) - 1 =$ 107,97%
Realistic	9.45% (Pipa´s Tax)	$R\$ 5.900.000 * (1 + 0,0945)^{10} =$ R\$ 14.508.800	$(R\$ 14.508.800 / R\$ 5.900.000) - 1 =$ 145,91%
Optimistic	11.00% (Pipa´s Potential Tax)	$R\$ 5.900.000 * (1 + 0,1100)^{10} =$ R\$ 16.735.000	$(R\$ 16.735.000 / R\$ 5.900.000) - 1 =$ 183,64%

Note: (*) asking price. IRR assumes stable NOI, 10-year sale at projected market value, no leverage.



BEST VALUE IN THE LUXURY SEGMENT



Property Type	Beds	Price Range	Market Position
Standard Villa	4 - 6	\$900,000 - \$1,200,000	Mid-tier luxury
Vila Braga	5	\$1.084.559 (R\$ 5.9M)	Upper middle luxury
Large Luxury Villa	6 - 8	\$1,200,000 - \$1,600,000+	Upper luxury

Competitive Edge: Vila Braga offers comparable or superior features to properties priced 5 - 36% higher (based on local listing - Oct '25), with the unique advantage of gated condominium security and exclusivity that beachfront properties cannot match.



WHY GATED COMMUNITY OUTPERFORMS BEACHFRONT

Condo Bouganville

Vila Braga

- ✓ **24/7 Security & Privacy**
Controlled access, surveillance, and exclusive community
- ✓ **Lower Insurance Costs**
Standard rates, no flood or storm premiums
- ✓ **Zero Erosion Risk**
Inland location protected from coastal degradation
- ✓ **Lower Maintenance**
No salt corrosion or sand damage, shared infrastructure
- ✓ **Better Value Retention**
Gated communities maintain property values long-term

Beachfront Property

Alternative Option

- ✗ **Mandatory Public Access**
Brazilian law requires public beach access, limiting privacy
- ✗ **30-50% Higher Insurance**
Flood and storm coverage significantly more expensive
- ✗ **Coastal Erosion Risk**
Environmental degradation threatens property value
- ✗ **High Maintenance Costs**
Salt air corrosion and sand damage require constant upkeep
- ✗ **Seasonal Crowds**
Tourist influx reduces privacy during peak seasons



EXCLUSIVITY MEETS CONVENIENCE

Vila Braga offers the perfect balance of privacy and accessibility. All essential services are within easy reach, ensuring convenience for residents and high-end rental guests without compromising the exclusive atmosphere.

Healthcare

- Basic Health Unit (UBS) **5 km**
- Mixed Health Unit - Pipa **3 km**
- Regional Hospital - Natal **~ 1h20 drive**
- Multiple pharmacies **3 km**

Shopping

- Supermarkets **3 km**
- Local markets **2 km**
- Specialty stores **2 km**

Education

- Elementary schools **2 km**
- Private school options **2 km**
- Federal Institute (IFRN) **45 km**

Dining & Services

- 50+ restaurants in Pipa **2-4 km**
- Police stations **1 km**
- Banks & ATMs **3 km**



VILA BRAGA: A SOLID ASSET FOR YOUR LIFESTYLE



Immediate Equity

Immediate Equity Advantage R\$
1.722.092 below Replacement Cost
(22.6% discount)



Solid Appreciation

Proven Capital Appreciation ~145.9% Projected
Appreciation in 10 Years (Based on Pipa's 9.45% Rate)



Unmatched Lifestyle

Exclusive & Secure Living Gated community
security, privacy, and low maintenance costs vs.
beachfront.



INVESTMENT ANALISYS AS INVESTOR

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VILA BRAGA · PIPA, BRAZIL



INVESTMENT HIGHLIGHTS



R\$14,5M

Projected Value 10 years

~145.9% Appreciation
in 10 years



20.78%

IRR

Projected Total Return: Cash Flow +
Appreciation



6.67%

Cap-Rate
= NOI/Purchase Price

Cash Flow Generation



393,8k/year

NOI (R\$)

Net Operating Income

According to local benchmarks, the annual property appreciation rate reached avg **9.45%**, increasing the projected 10-year property value to **R\$ 14,5M** and boosting total investor returns to potential double-digit IRR.



FINANCIAL OVERVIEW

Annual Cash Flow Breakdown

Annual Income

Short-Stay Revenue (70 rentals* x avg R\$6,800 daily rate*)	R\$ 476,000
Private events (6 events* x avg R\$30,000 each*)	R\$ 180,000
Photo/Commercial Shooting (4 sessions* x avg R\$15,000 each*)	R\$ 60,000

Operating Costs Assumption

Operating Costs (40%)	R\$ 286,400
Property Expenses (10%)	R\$ 35,800

Total Annual Revenue

R\$ 716,000

Net Operating Income (NOI)

R\$ 393,800

Note: (*) conservative assumption based on local operating benchmarks for luxury vacation homes in Pipa, RN. NOI considers operational and property expenses only — excludes CapEx reserves.



OPERATING COSTS (40%)

Category	% of revenue	BRL
Housekeeping & Laundry	9%	R\$ 64,400
Property Management	12%	R\$ 85,920
Utilities	5%	R\$ 35,800
Insurance & IPTU	2%	R\$ 14,320
Marketing / OTA Fees	6%	R\$ 42,960
Gardening & Pool	2%	R\$ 14,320
Staff	3%	R\$ 21,480
Miscellaneous & Buffer	1%	R\$ 7,160

EXPENSES (5%)

Category	%	BRL
Maintenance & Repairs	4%	R\$ 28,640
Asset Management Fee (Opt)	1%	R\$ 7,160

Total Operating Costs

R\$ 286,400

R\$ 35,800

Total Costs

R\$ 322,200

Note: Based on standard % of operating costs and expenses.



DETAILED CASH FLOW DATA TO VALIDATE IRR

Year	Annual Income	Operating Costs	Expenses	NOI	Sales Value	Total Cash Flow
0	-	-	-	-	-	-R\$ 5,900,000
1	R\$ 716,000	R\$ 286.400	R\$ 35.800	R\$ 393,800	-	R\$ 393,800
2	R\$ 787.600	R\$ 300.720	R\$ 37.590	R\$ 449.290	-	R\$ 449.290
3	R\$ 866.360	R\$ 315.756	R\$ 39.469	R\$ 511.135	-	R\$ 511.135
4	R\$ 953.000	R\$ 331.544	R\$ 41.442	R\$ 579.994	-	R\$ 579.994
5	R\$ 1.048.300	R\$ 348.121	R\$ 43.514	R\$ 656.665	-	R\$ 656.665
6	R\$ 1.153.130	R\$ 365.527	R\$ 45.690	R\$ 741.913	-	R\$ 741.913
7	R\$ 1.268.443	R\$ 383.803	R\$ 47.974	R\$ 836.666	-	R\$ 836.666
8	R\$ 1.395.287	R\$ 403.00	R\$ 50.373	R\$ 941.914	-	R\$ 941.914
9	R\$ 1,534,816	R\$ 423.150	R\$ 52.892	R\$ 1.058.774	-	R\$ 1.058.774
10	R\$ 1.688.298	R\$ 444.307	R\$ 55.536	R\$ 1.188.455	R\$ 14,508,800	R\$ 15.697.255

Note: Acquisition Price: R\$ 5,900,000 | Appreciation Rate: 9.45% | Final Sales Value = $R\$ 5,900,000 * (1 + 0.0945)^{10} = R\$ 5,900,000 * 2.4591 \approx R\$ 14,508,800$



IRR SENSITIVITY ANALISYS (%)

Appreciation Tax / NOI Annual Growth	8% (Pessimistic)	12.9% (Realistic)	15% (Optimistic)
7,62% (Pessimistic)	14.39%	15.74%	16.40%
9,45% (Realistic)	17.03%	20.78%	21.63%
11,00% (Optimistic)	18.15%	22.10%	23.05%

Note: The **20.78%** figure (in bold) is your base case scenario, which combines the realistic appreciation rate (**9.45%**) with realistic NOI growth (**12.9%** - the result of 10% revenue growth and 5% cost growth).

PIPA ´S SUSTAINABLE GROWTH TRAJECTORY



Green Destinations Certification

Tibau do Sul's prestigious certification recognizes its commitment to sustainable tourism and ecological preservation, attracting high-value, environmentally conscious travelers willing to pay premium prices for responsible luxury experiences.



Digital Nomad Influx

Pipa is emerging as a digital nomad hotspot with growing infrastructure and a thriving community of location-independent professionals, driving demand for long-term rentals, co-living spaces, and high-quality residential properties.



Infrastructure Investment

Local initiatives such as Preserve Pipa are actively investing in road improvements, waste management, and public services, enhancing the region's long-term appeal and supporting sustained property value growth.

PRICE INCREASE BACKED BY MARKET DATA



9.45%

Internet Benchmark

Pipa residential property appreciation



R\$ 7,000

**Research of Construction Cost/m²
Conservative Assumption**

Luxury construction costs have risen significantly in coastal areas



R\$ 1,287

Price/m² in Bouganville Condo

Luxury land price at Bouganville Condo
Just one plot available

Price Adjustment Justification

R\$5,1M

Previous Price

R\$5,9M

Current Price

+15.7%

Increase
(updated replacement costs)



MARKET FORCES DRIVE FURTHER APPRECIATION



Immediate Equity

R\$ 1.722.092 below replacement cost (22,6% discount)



Strong Returns

20.78% IRR (Pro Forma)



Best Value

Superior to properties priced 5-36% higher
Furniture included, gated security, proven yield model



Premium Security

Gated community with lower costs vs. beachfront



Strategic Location

Exclusivity with full access to amenities



Market Tailwinds

Sustainable tourism growth and digital nomad influx

Recommended Action

R\$ 5,900,000

Secure this exceptional investment before market forces drive further appreciation.
This price will be unattainable in the near future.

REFERENCES & METHODOLOGY

1. EXCHANGE RATES

↔ Investing.com

BRL/GBP: R\$ 7.32 per £1 | BRL/USD: R\$ 5.44 per \$1 | BRL/EUR: R\$6.37 per €1
(approximate rates 17/10/2025) Investing.com

2. ECONOMIC DATA

Preserve Pipa Initiative

Local infrastructure investments and sustainable regional development


Pipa, RN, suffers from progressive erosion in the cliff area

Brazilian Institute of Geography and Statistics, coastal environmental risk data (2024)


Green Destinations Certification

Tibau do Sul sustainable tourism certification, international recognition program

5. CALCULATION METHODOLOGY

 Based on compound growth of **9,45% p.a. (Pipa's Tax)** applied to initial value of R\$ 5,900,000 over 10-year period.
Note: The **7.62%** FipeZap Natal rate is used for the Pessimistic Scenario in the Sensitivity Analysis.

 Construction Cost Adopted: $637.60\text{m}^2 \times \text{R\$ } 7,000/\text{m}^2 = \text{R\$ } 4,463.200$ | Land: $1,832.16\text{m}^2 \times \text{R\$ } 1,287/\text{m}^2 = \text{R\$ } 2,358,000$ | Furniture: R\$ 800,000 (~10% of value) | Total: R\$ 7,621,190

 **IRR** and **Cap-Rate** calculated based on projected revenues (retreats + rentals), operating costs (**40% of revenue**) and property expenses (**10% of revenue**)

3. CONSTRUCTION COSTS

ZAP Imóveis

Building Costs Per Square Metre in Brazil, 2025. High standard: **USD 1,444.66/m² (≈ R\$ 7,863/m²)**

Proprietário Direto

Building Costs Per Square Metre in Brazil, 2025. High standard: **USD 1,347.28/m² (≈ R\$ 7,333/m²)**

4. REAL STATE MARKET

Condo Bouganville Assessment

Land value **R\$ 1,287/m²** based on the last plot available at the Bouganville Condo

Pipa `s properties valorization

Find out how much land has appreciated in Pipa over the last 5 years.

Pipa `s properties valorization

Historical average annual appreciation of 10%. Pipa is a well-established destination

FipeZap Annual Growth

Properties appreciate **7.6%** in 12 months, according to the Natal FipeZap index



THANK YOU

We look forward to discussing this exceptional opportunity with you

VILA BRAGA · PIPA, BRAZIL