

REAL ESTATE BOOM AND REFORMED STOCK MARKET DRIVING ANGOLAN GROWTH - AVM

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Demand for low cost housing and retail space is rocketing, while a new code of rules for Angola's stock market means more alternative investment will be available

A booming real estate sector, as well as a recently reformed stock market, are fuelling major growth in Angola and driving a rapidly increasing demand for legal services, according to AVM Advogados managing partner António Vicente Marques.

Angola is currently experiencing overwhelming demand for both residential property and office space and this is attracting a multitude of international investors to the country. While demand for low-cost housing is extremely high, there is also a major requirement for retail space, and this has generated projects valued at \$1 billion. In addition to the high demand, what also makes the retail property market, in particular, so attractive is the extremely competitive lease prices that can be secured.

The real estate market is further bolstered by the government's commitment to embark on massive infrastructure projects, including roads and bridges – this is expected to secure the future sustainability of the real estate market for the foreseeable future as well as provide a wealth of

opportunities for law firms.

Shopping centres in demand

Vicente Marques says that in addition to the significant demand for homes and offices in Angola, a number of major shopping centre projects are also in the pipeline. "There is huge growth in the real estate sector," he says. "There is a huge demand for residential and office space and we are currently working on deals for four shopping centres, one of which is valued at \$1 billion." He adds that what is also exciting investors is the fact that the lease price for commercial property is high. "Some property is valued at \$30-\$40 per square metre," he says. Meanwhile, infrastructure projects are also generating significant work for lawyers in Angola. "The government has launched a series of massive infrastructure projects, including roads and bridges," Vicente Marques explains. A recent review of the country's stock market is also expected to create many opportunities for legal work. New stock market rules have introduced a clearer framework for trading. "A new code has brought discipline to the trading process," says Vicente Marques, who adds that this development will lead to opportunities for companies to benefit from alternative investment. The Angolan stock market is set for further expansion with a spate of new listings anticipated. Vicente Marques points out that the market has recently called for commodities to be listed on the stock exchange, which, he says, should create a rich source of legal work.

Clients need compliance advice

Regulatory compliance is another key concern for clients in Angola as more regulations are introduced as the market develops, according to Vicente Marques. "The system has become more mature and there is a clear message that every client has to be more and more compliant, so clients are relying more on lawyers for advice."

The Angolan market has tremendous potential, with its rapid development leading to a surge in demand for legal services, which is anticipated to continue growing for decades. The legal market is becoming increasingly competitive with overseas firms, including a number of UK and US firms, now looking to boost their presence in the country.

Vicente Marques predicts that the demand for legal services will continue to grow for the next 40 years. "There is increasing demand for legal services and there is increasing interest in Angola from UK and US law firms," he says. "Some US firms that have never previously had a presence in the country now see an opportunity."

In addition, firms already based in Angola are picking up an increasing amount of referrals from international firms, according to Vicente Marques, who cites the example of global firms working with firms in the local market on major financial agreements.