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**PHILIPPINE REAL ESTATE:  
JULY 2022 MARKET OVERVIEW**

July 20, 2022

**GLOBAL COVID-19, HIGH INFLATION, CURRENCY CRISIS, AND THE RUSSIA-UKRAINE DISPUTE** will lead to more **GLOBAL REMITTANCES, OFFSHORING, AND TOURISM** in the Philippines, this will continue to drive the country's economy to prosperity, far into the future.

- A total of 162.2 kilometers of key infrastructure projects to be completed from 2022 onwards, which will contribute to the re-opening of industry and tourism.
- The recently-concluded peaceful and credible national elections match what investors and analysts have predicted. This majority Filipino votes will translate into political will and carry out difficult but necessary reforms.
- With the incoming cabinet members and economic team, further confidence is instilled in the business community.
- One of the few countries in the world to maintain its credit rating. The Philippines is able to manage a credit rating of BBB+ throughout the COVID-19 crisis and stable outlook.
- The Philippines is still one the fast growing countries in the region. The World Bank remains optimistic with the country's economy and projected an average GDP growth of 5.6% for the next 2 years despite its unstable market environment.

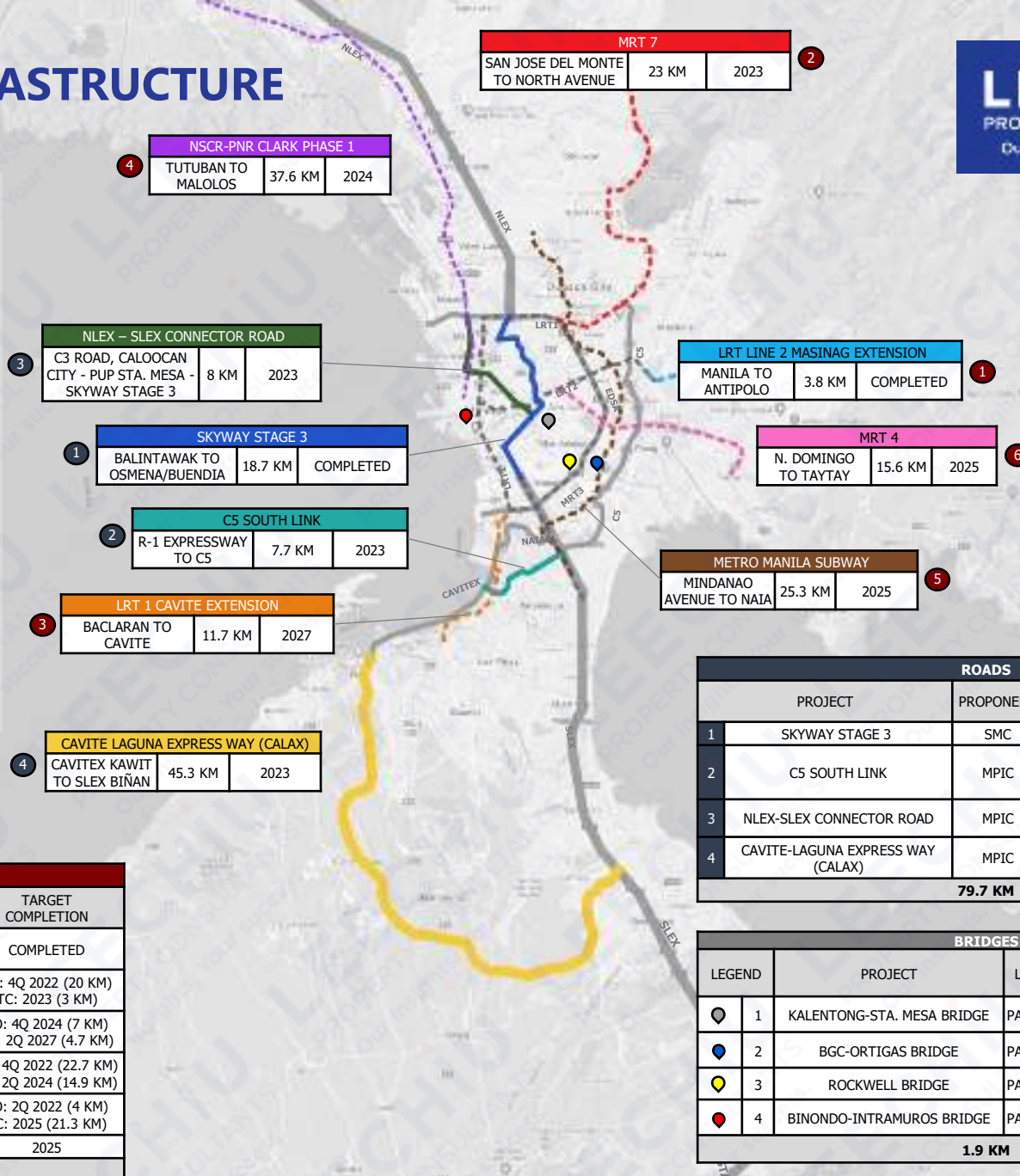
# MEGA MANILA INFRASTRUCTURE



Flagship infrastructure projects continue to **boost the economy** thru: **1) employment, 2) improved connectivity, and 3) increased productivity**

**126.1 kms.** of roads, bridges, and railways to be completed from **2023 onwards.**

Recent completions of **Skyway Stage 3, LRT 2 - Masinag Extension, and four bridges.**



RAILWAYS				
	PROJECT	PROPONENT	LENGTH	TARGET COMPLETION
1	LRT 2 – MASINAG EXTENSION	MARUBENI CORP. / DMCI	3.8 KM	COMPLETED
2	MRT 7	SMC	23 KM	PO: 4Q 2022 (20 KM) TC: 2023 (3 KM)
3	LRT 1 – CAVITE EXTENSION	AC/SUMITOMO/MPIC/ MIC	11.7 KM	PO: 4Q 2024 (7 KM) TC: 2Q 2027 (4.7 KM)
4	NSCR-PNR CLARK PHASE 1 (TUTUBAN-MALOLOS)	DMCI/ SUMITOMO	37.6 KM	PO: 4Q 2022 (22.7 KM) TC: 2Q 2024 (14.9 KM)
5	METRO MANILA SUBWAY	JICA	25.3 KM	PO: 2Q 2022 (4 KM) TC: 2025 (21.3 KM)
6	MRT 4	DOTR	15.6 KM	2025
<b>117 KM</b>				

ROADS				
	PROJECT	PROPONENT	LENGTH	TARGET COMPLETION
1	SKYWAY STAGE 3	SMC	18.7 KM	COMPLETED
2	C5 SOUTH LINK	MPIC	7.7 KM	3A-1: 3Q 2019 (2 KM) 2/3A-2: 2Q 2022 (3.5 KM) 3B: 3Q 2023 (2.2 KM)
3	NLEX-SLEX CONNECTOR ROAD	MPIC	8 KM	PO: 3Q 2022 (5.15 KM) TC: 2Q 2023 (2.75 KM)
4	CAVITE-LAGUNA EXPRESS WAY (CALAX)	MPIC	45.3 KM	PO: 1Q 2020 (10.7KM) TC: 1Q 2023 (34.6KM)
<b>79.7 KM</b>				

BRIDGES					
LEGEND		PROJECT	LOCATION	LENGTH	TARGET COMPLETION
📍	1	KALENTONG-STA. MESA BRIDGE	PASIG RIVER	0.056 KM	COMPLETED
📍	2	BGC-ORTIGAS BRIDGE	PASIG RIVER	0.613 KM	COMPLETED
📍	3	ROCKWELL BRIDGE	PASIG RIVER	0.506 KM	COMPLETED
📍	4	BINONDO-INTRAMUROS BRIDGE	PASIG RIVER	0.725 KM	COMPLETED
<b>1.9 KM</b>					

PO = Partial Operability

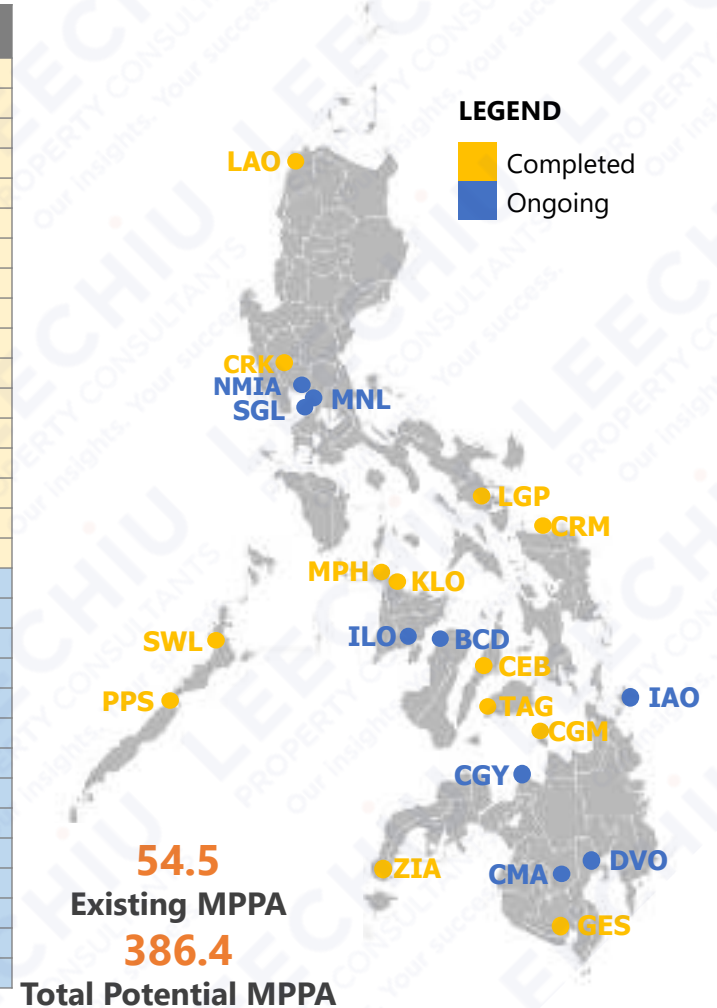
Dates may change based on latest available data

# PHILIPPINE AIRPORT PROJECTS

Recently Completed and Upcoming (As of 4Q 2021)

- **7 new airport projects were completed in 2021**, resulting to an increase of **16.7 million** in annual passenger capacity
- Potential increase of **386.4 million** in annual passenger capacity across all nationwide airport projects in the pipeline
- Various International Airports will **open up and ease travel** of tourists to more destinations

	PROJECT	COMPLETION	EXISTING MPPA	ADDITIONAL MPPA
1	Davao International Airport (DVO)	2003	1	3
2	Iloilo International Airport (ILO)	2007	0	1.2
3	Sayak (Siargao) Airport (IAO)	2009	0	0.4
4	Boracay (Caticlan) Airport (MPH)	NOV-2016	0.9	1.1
5	San Vicente Airport (SWL)	JUN-2017	0	0.04
6	Puerto Princesa International Airport (PPS)	MAY-2017	0	2
7	Mactan-Cebu International Airport (CEB)	JUL-2018	4.5	8.5
8	New Bohol (Panglao) International Airport (TAG)	NOV-2018	0	3.4
9	Sangley Airport (SGL) Phase 1	FEB-2020	0	<0.1
10	Laoag International Airport (LAO)	MAR-2020	0.8	1
11	Clark International Airport (CRK)	JAN-2021	4	8
12	Kalibo International Airport (KLO)	JUN-2021	2.5	4
13	Catarman Airport (CRM)	SEP-2021	0.03	0.05
14	General Santos International Airport (GES)	SEP-2021	1	2
15	Zamboanga International Airport (ZIA)	SEP-2021	0.2	0.3
16	Bicol International Airport (LGP)	OCT-2021	2.15	2.25
17	Camiguin Airport (CGM)	OCT-2021	0.04	0.1
18	NAIA Rehabilitation Phase 1* (MNL)	2022	31	16
19	Sangley Point International Airport (SGL) Phase 1	2023	<0.1	25
20	Laguindingan Airport (CGY)	2023	1.6	2.4
21	Sangley Airport (SGL) Phase 2	2023	<0.1	REHABILITATION
22	Central Mindanao Airport (CMA)	2023	0	3.5
23	Iloilo International Airport Upgrade (ILO)	2023	1.2	3
24	NAIA Rehabilitation Phase 2* (MNL)	2023	47	11
25	NAIA Rehabilitation Phase 3* (MNL)	2024	58	7
26	Sayak (Siargao) Airport (IAO)	2024	0.4	0.4
27	New Manila International Airport / San Miguel Airport (NMIA)	2025	0	200
28	New Bacolod-Silay International Airport (BCD)	2026	1	2
29	Davao International Airport Upgrade (DVO)	2028	4	11.1
30	Sangley Point International Airport (SGL) Phase 2	2028	25	50
31	Sangley Point International Airport (SGL) Phase 3	BEYOND 2028	75	55



Source: DOTr, NEDA  
Note: Updated based on latest available data  
MPPA – million passengers per annum

\*Under one project, total MPPA is 65M  
NMIA, CMA - No IATA Code

# METRO MANILA CITYSCAPE

- Metro Manila may see a **deficit in office supply by 2024** as key business districts maintain low vacancy rates.

## 3 MAJOR CBDs

**MAKATI** 400 Hectares

**ORTIGAS** 177 Hectares

**BGC** 300 Hectares

Roughly **877 hectares** of **master-planned** or mixed-use developments spread across the **3 Major CBDs**

## 53 BUSINESS PARKS

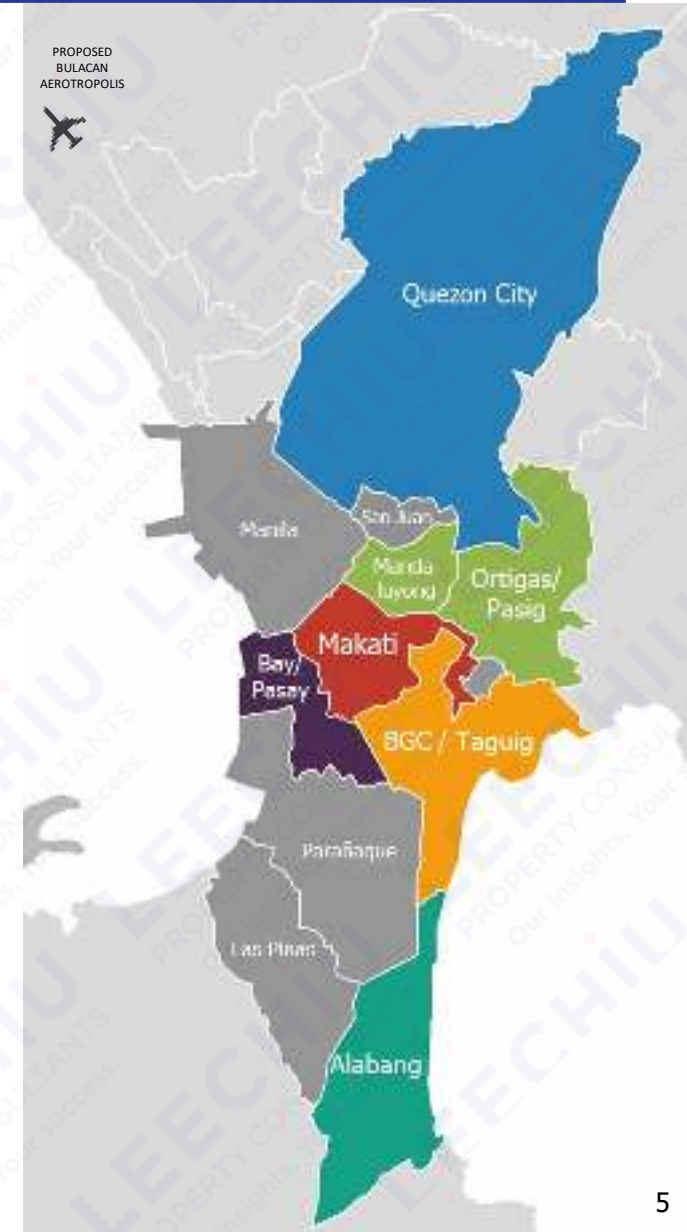
**MAKATI.** MAKATI CBD. CENTURY CITY. ROCKWELL CENTER. CIRCUIT MAKATI. **QUEZON CITY.** UP TECHNOHUB. EASTWOOD CITY. ETON CENTRIS. ARANETA CYBERPARK. ROBINSONS BRIDGETOWNE IT PARK. VERTIS NORTH. UP TOWN CENTER. FAIRVIEW TERRACES. ALI CLOVERLEAF BALINTAWAK. NUVO. SM CITY NORTH EDSA COMPLEX. **MANDALUYONG.** GREENFIELD DISTRICT. ROBINSONS CYBERGATE. ROCKWELL SHERIDAN. **SAN JUAN.** SANTOLAN TOWN PLAZA. **ORTIGAS.** ORTIGAS CBD. ROCKWELL BUSINESS CENTER. ARCOVIA CITY. ORTIGAS EAST. CAPITOL COMMONS. PARKLINKS. **MUNTINLUPA.** FILINVEST CITY. LA FUERZA. NORTHGATE CYBERZONE. MADRIGAL BUSINESS PARK. ALABANG WEST. AYALA SOUTH PARK. **TAGUIG.** ARCA SOUTH. BONIFACIO GLOBAL CITY. UPTOWN. VERITOWN. FORBES TOWN. BONIFACIO CAPITAL DISTRICT. MCKINLEY HILL. MICKINLEY WEST. **LAS PINAS.** ALABANG WEST. PORTOFINO. EVIA. **PASAY.** NEWPORT CITY. SM MALL OF ASIA COMPLEX. METROPOLITAN BUSINESS PARK. DOUBLE DRAGON CYBERCAMPUS. FILINVEST CYBERZONE PASAY. **PARANAQUE.** ASIAWORLD CITY. ASEANA BUSINESS PARK. AYALA ASEANA. WESTSIDE CITY. **MANILA.** CITYPLACE. SAN LAZARO.

Approximately **1,958.5 hectares** spread across **53 business parks**

## 10 UPCOMING RECLAMATION PROJECTS

1. New Manila Bay International Community (Manila Horizon)
2. Manila Waterfront City (WMPD)
3. Solar City Urban Center (MGDC)
4. Coastal Bay Project (SMPH)
5. Navotas City Coastal Bay (Argonbay)
6. Pasay Harbor City (PHCC)
7. Frabelle Fishing Project (FFC)
8. Las Pinas-Paranaque Coastal Bay Project (Alltech)
9. City of Pearl (UAA Kimming Group)
10. Manila Cavite Toll Expressway (CRC)

**4,130 hectares** of upcoming reclaimed land shared across **10 projects**

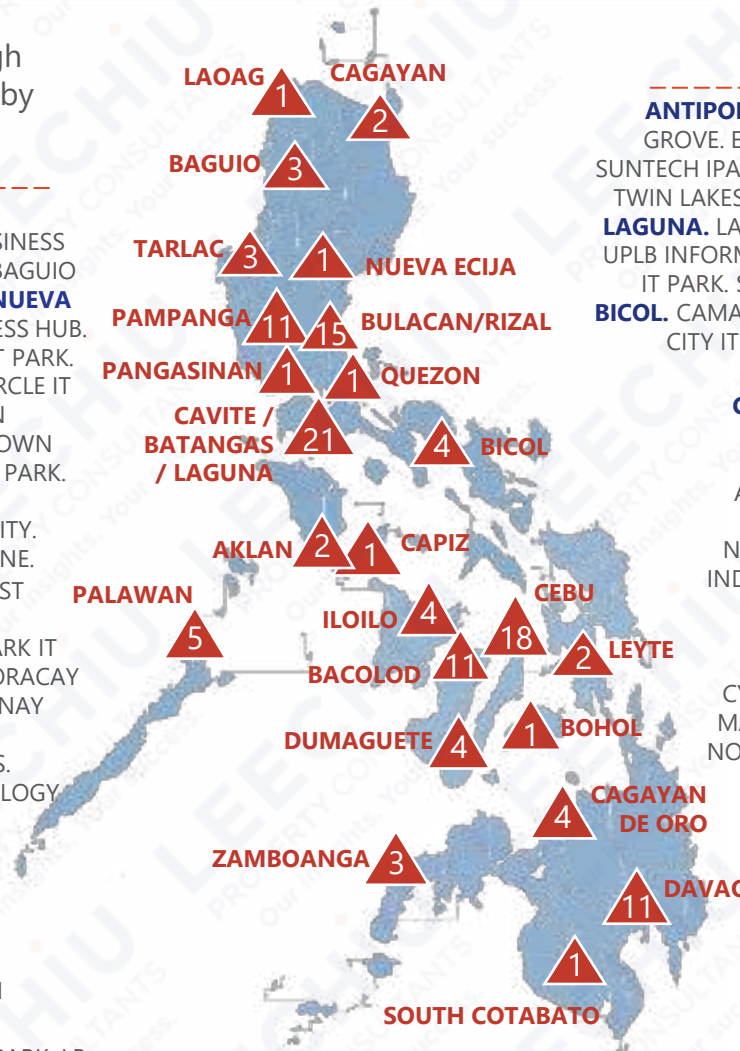


# REGIONAL CITYSCAPE

Over **130** I.T. parks and mixed-use developments. Countryside development is going through unprecedented construction boom driven by **IT-BPM** and **tourism**.

**LAOAG.** VALDEZ CENTER. **CAGAYAN.** CAGAYAN SPECIAL ECONOMIC ZONE AND FREEPORT. NORTH GATEWAY BUSINESS PARK. **BAGUIO.** BAGUIO AYALA LAND TECHNOHUB. SM BAGUIO CYBERZONE BUILDING. BAGUIO CITY ECONOMIC ZONE. **NUEVA ECIIJA.** PALAYAN CITY GOV'T. CENTER & CENTRAL BUSINESS HUB. **TARLAC.** LUISITA BUSINESS PARK. TARLAC PROVINCIAL IT PARK. CRESCENDO **BULACAN.** HORIZON IT PARK. SUPIMA E-CIRCLE IT PARK. DRRC INFORMATION TECHNOLOGY PARK. PULILAN INDUSTRIAL PARK. SMBA TECHNO PARK. MANILA NEW TOWN ECOZONE. P & S ECOZONE. PDC INFORMATION TECHNO PARK. ALTARAZA. FIRST BULACAN BUSINESS PARK. CIUDAD DE VICTORIA. NORTHWIN GLOBAL CITY **RIZAL.** HIGHLAND CITY. SMTT IT PARK. **PANGASINAN.** DAGUPAN ECONOMIC ZONE. **PAMPANGA.** CLARK GLOBAL CITY. THE INFINITY. FILINVEST MIMOSA. SKYTECH IT PARK. CAPITAL TOWN. PHILEXCEL BUSINESS PARK. BERTAPHIL BUSINESS PARK. SM CITY CLARK IT PARK. NEW CLARK CITY. ALVIERRA. CAPILION. **AKLAN.** BORACAY NEW COAST. BORACAY GATEWAY. **CAPIZ.** PUEBLO DE PANAY TECHNOPARK. **ILOILO.** ILOILO TECHNOHUB. ATRIA PARK DISTRICT. ILOILO BUSINESS PARK. STA. BARBARA HEIGHTS. **LEYTE.** LEYTE INFORMATION COMMUNICATION TECHNOLOGY PARK. LEYTE MIKYU ECONOMIC ZONE. **BACOLOD.** CAPITOL CENTRAL. AYALA NORTH POINT TECHNOHUB. BAYAWAN CITY INFORMATION TECHNOLOGY PARK. VILLA ANGELA TECHNO PARK. THE UPPER EAST. NORTHILL GATEWAY. BACOLOD-SILAY ECOZONE AND TECHNOPARK. LP INFORMATION TECHNOLOGY PARK. THE BLOCK IT PARK. LOPUE'S SOUTH SQUARE IT PARK. BACOLOD IT PARK. **DUMAGUETE.** DUMAGUETE BUSINESS PARK. LINKSYS IT PARK. LP IT PARK. YY STAR DAS.

Approximately **139,132 hectares** of master-planned for mixed-use developments



**ANTIPOLO.** EASTLAND HEIGHTS. **CAVITE.** ARDEN EAST. MAPLE GROVE. EVO CITY. VERMOSA. LANCASTER ESTATES. POGO CITY. SUNTECH IPARK IT PARK. SOUTH FORBES CYBER PARK. **BATANGAS.** TWIN LAKES. HAMILO COAST. PONTEFINO. BATSTATEU KIST PARK. **LAGUNA.** LAKESIDE EVOZONE. ALLEGIS IT PARK. NYK-TDG IT PARK. UPLB INFORMATION TECHNOLOGY PARK. STA ROSA COMMERCIAL IT PARK. SOUTHWOODS. NUVALI. ETON CITY. GREENFIELD CITY. **BICOL.** CAMARINES SUR INFORMATION TECHNOLOGY PARK. NAGA CITY IT (CYBER) PARK. NAGA CITY TECHNOLOGY PARK. NAGA VALLEY INDUSTRIAL PARK

**CEBU.** MACTAN ECONOMIC PROCESSING ZONE 1 & 2. OAKRIDGE BUSINESS PARK. GATEWALK CENTRALE. BIGFOOT INFORMATION TECHNOLOGY PARK. HVG ARCADE IT PARK. NORKIS CYBERPARK. PUEBLO VERDE. CEBU IT PARK. CEBU BUSINESS PARK. MACTAN NEWTOWN. MANDANI BAY. CITY DE MARE. WEST CEBU INDUSTRIAL PARK. MRI-SPECIAL ECONOMIC ZONE. CEBU LIGHT INDUSTRY PARK. SM SEASIDE CITY. ISLA DELA VICTORIA. SEAGROVE. **BOHOL.** TAGBILARAN IT HUB

**DAVAO.** DAVAO PARK DISTRICT. ROBINSONS CYBERPARK DAVAO. A57 TECHNO PARK. AZUELA COVE. MATINA IT PARK. ABREEZA. DAMOSA IT PARK. CAMELLA NORTHPOINT. CIUDADES. LANANG BUSINESS PARK. LUBI ISLAND PLANTATION.

**PALAWAN.** LIO RESORT TOWN. SAN VICENTE. PARAGUA COAST TOWN. PUERTO PRINCESA. ROXACO LAND BUSUANGA.

**QUEZON.** BALESIN ISLAND CLUB. **ZAMBOANGA.** ZAMBOECOZONE AND FREEPORT HIGHLANDS. MEGALAND. CITYMALL.

**CAGAYAN DE ORO.** LIMKETKAI CENTER. HABINI BAY DEVELOPMENT. PUEBLO DE ORO IT PARK. PUEBLO BUSINESS PARK.

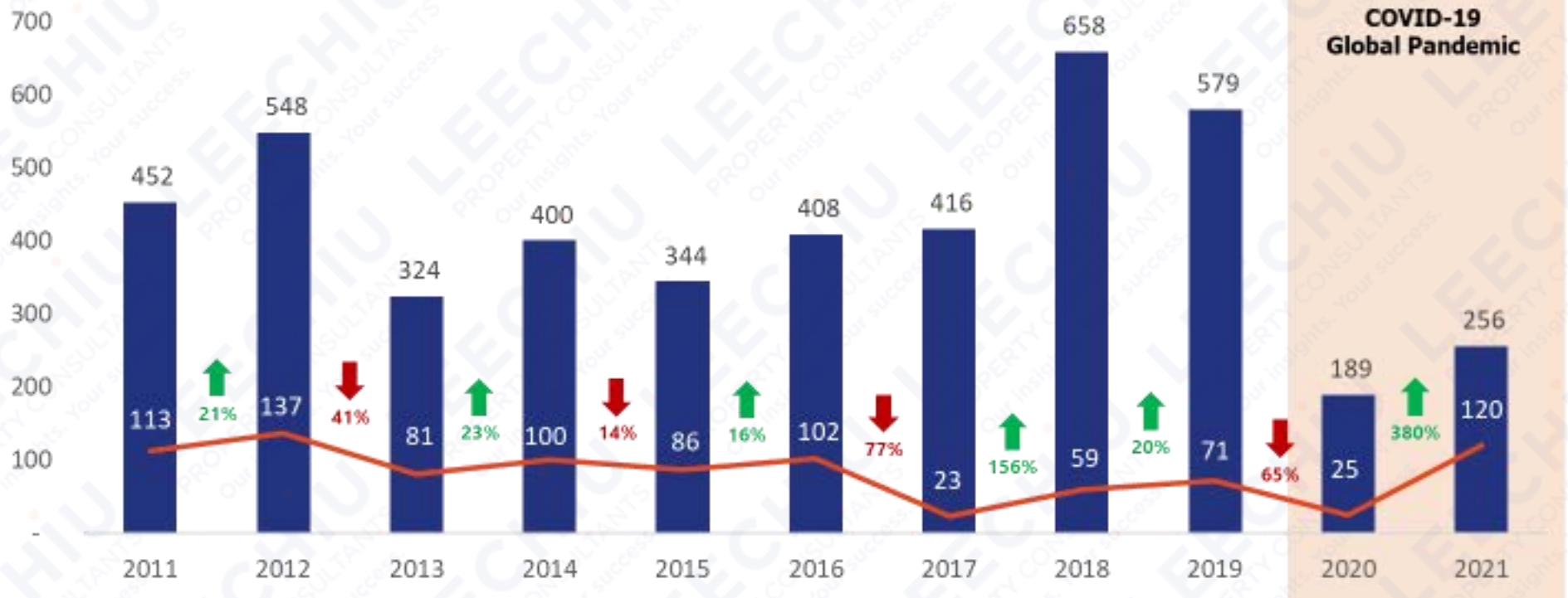
**SOUTH COTABATO.** MABUHAY IT PARK

Legend: Number of townships

# IT-BPM OFFICE TAKE-UP

## Employee Headcount to Real Estate Demand

- Despite the global crisis, the **IT-BPM sector continued to grow its employee headcount by 15% from 2019 to 2021** with companies shifting to a work-from-home set-up to avoid downsizing.
- 2021 IT-BPM employee headcount exceeded office take-up with **office take-up replaced by work-from-home set-ups.**



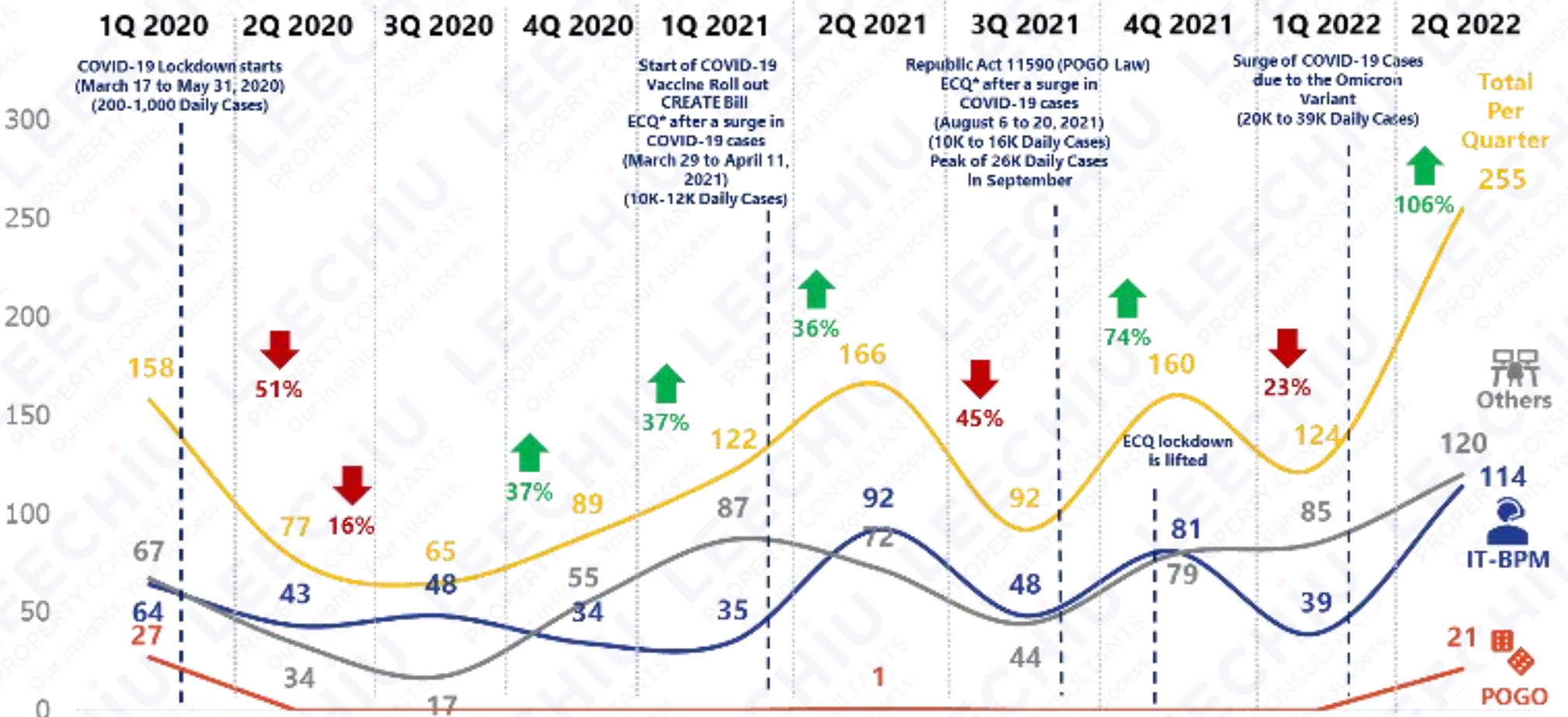
<b>IT-BPM Take-Up (Demand per year)</b>	452K sqm	548K sqm	324K sqm	400K sqm	344K sqm	408K sqm	416K sqm	658K sqm	579K sqm	189K sqm	256K sqm
<b>IT-BPM Full Time Employees (New jobs per year)</b>	113K FTE	137K FTE	81K FTE	100K FTE	86K FTE	102K FTE	23K FTE	59K FTE	71K FTE	25K FTE	120K FTE

# PHILIPPINE OFFICE DEMAND

2020 to 2Q 2022, Growth Comparison, Q-o-Q

- At **379K sqm** of leasing transactions, 2022 office demand is **70% of FY 2021 office demand**.
- Office demand for 2Q 2022 is at the **highest since the start of the pandemic at 255K sqm**.
- **The POGO sector** experienced movement with **21K sqm** of transactions.

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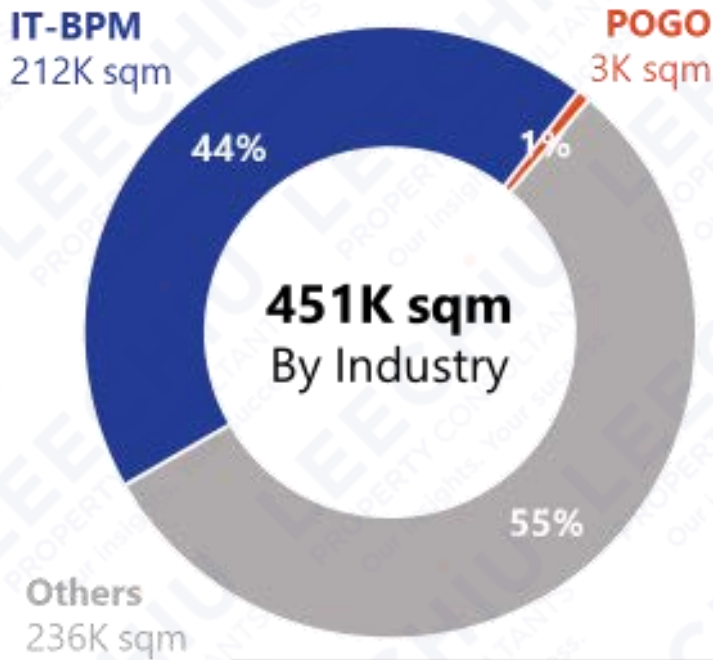
• Gross Leasable Area in thousands (sqm)  
• Enhanced Community Quarantine



# 2Q 2022 NOTABLE LIVE REQUIREMENTS

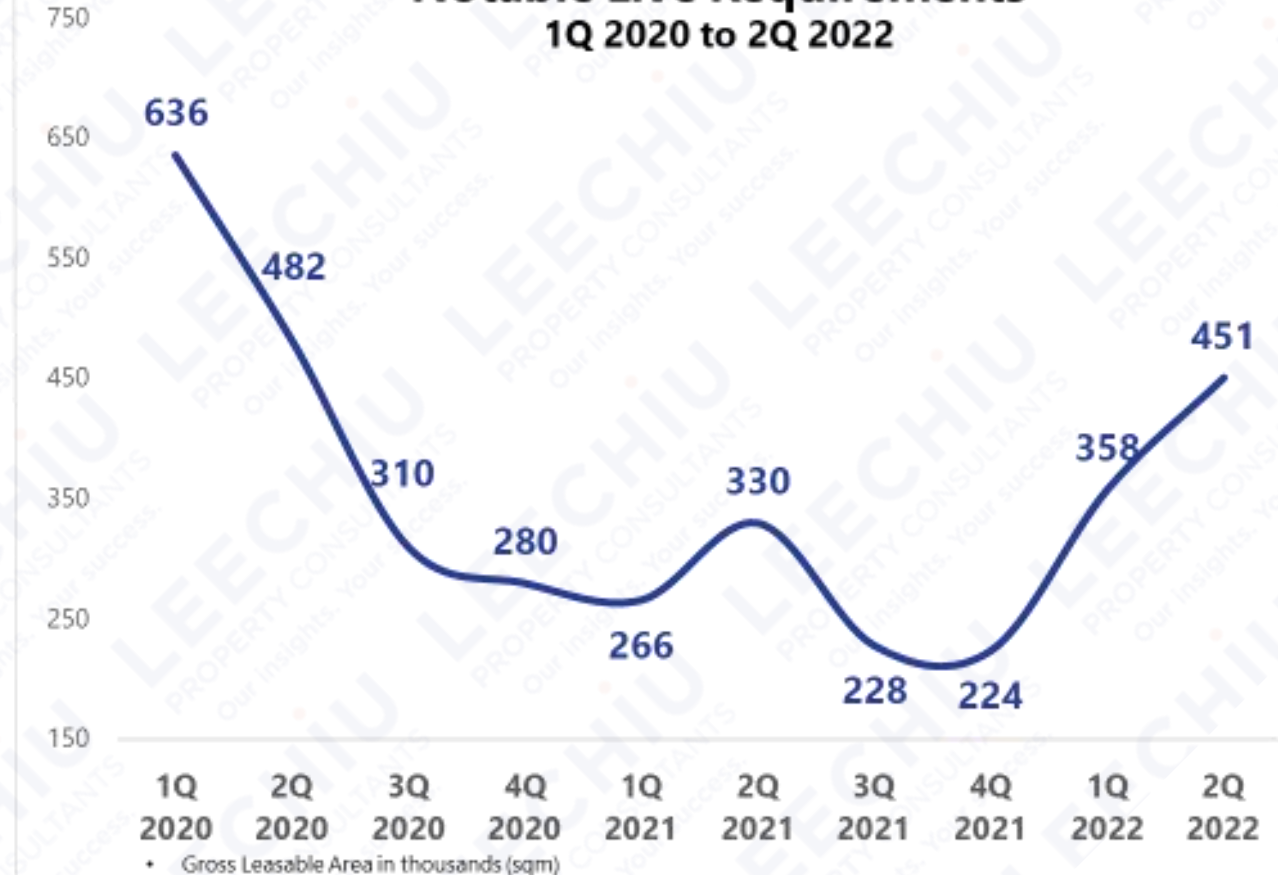
By Industry

- There are **451K sqm of live requirements** that are currently in various stages of the leasing process.
- The **IT-BPM sector** continues to be the biggest single industry leading the demand for office space at **212K sqm**, nearly half the total live requirements for **2Q 2022**.



Other Industries	Size Requirement
Traditional Offices	76K sqm
Finance	70K sqm
Retail	23K sqm
Logistics	20K sqm
Construction	19K sqm
E-Commerce	8K sqm
Government	7K sqm
Services	6K sqm
Telecommunications	4K sqm
Manufacturing	3K sqm
Automotive	3K sqm

**Notable Live Requirements**  
1Q 2020 to 2Q 2022



\*Note: Figures pertain to Gross Leasable Area (in sqm)



# **CEBU, CLARK & ILOILO MARKET OVERVIEW**

# MACRO SNAPSHOTS

Selected Key Cities



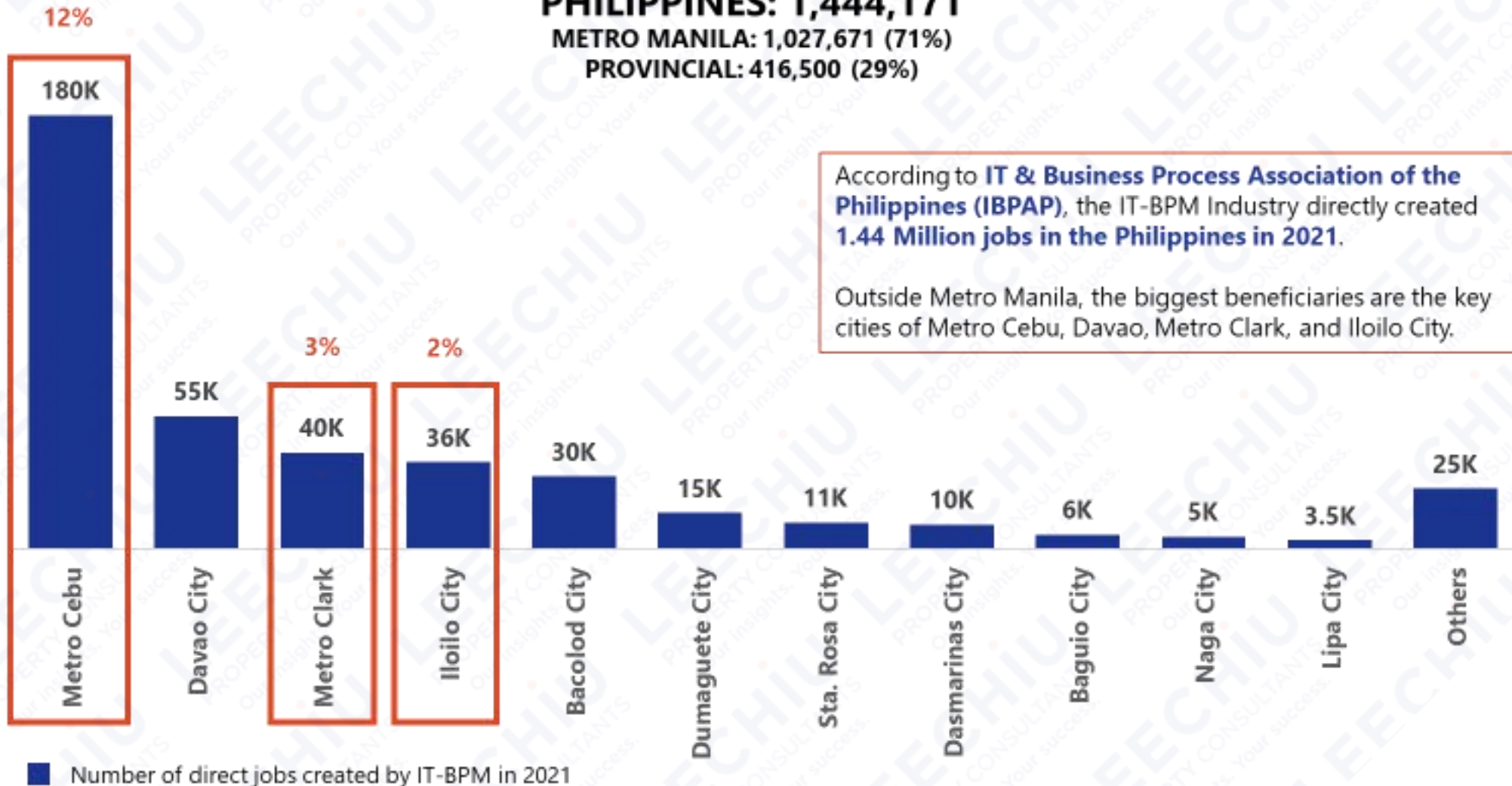
DISTRICT	METRO CEBU (CEBU CITY, LAPU-LAPU CITY, MANDAUE CITY)	CLARK	ILOILO CITY
<b>LAND AREA</b>	<b>40,797 Hectares</b>	<b>33,000 Hectares</b>	<b>7,834 Hectares</b>
<b>2020 POPULATION</b>	<b>1,824,215</b> (1.6% of total PH pop.) 2022 Projection: 1,879,338 Annual Growth: 1.5%	<b>728,365</b> (0.67% of total PH pop.) 2022 Projection: 756,540 Annual Growth: 1.9%	<b>470,381</b> (0.44% of total PH pop.) 2022 Projection: 479,647 Annual Growth: 1%
<b>2020 TOURIST ARRIVAL</b>	<b>1.2 Million</b>	<b>70 Thousand</b> (2019) (Angeles and Mabalacat)	<b>186 Thousand</b>
<b>Graduates SY 2018-2019</b>	<b>29,990</b>	<b>6,239</b> (Angeles and Mabalacat)	<b>14,276</b>
<b>2021 GROSS REGIONAL DOMESTIC PRODUCT</b>	<b>PhP 1.2 Trillion</b> (Central Visayas) PH share: 6%	<b>PhP 2.1 Trillion</b> (Central Luzon) PH share: 11%	<b>PhP 937 Billion</b> (Western Visayas) PH share: 5%
<b>2021 IT-BPM JOBS CREATED</b>	<b>180,000</b>	<b>40,000</b> (Metro Clark)	<b>36,000</b>

## PROVINCIAL IT-BPM JOBS CREATED IN 2021

**PHILIPPINES: 1,444,171**

**METRO MANILA: 1,027,671 (71%)**

**PROVINCIAL: 416,500 (29%)**

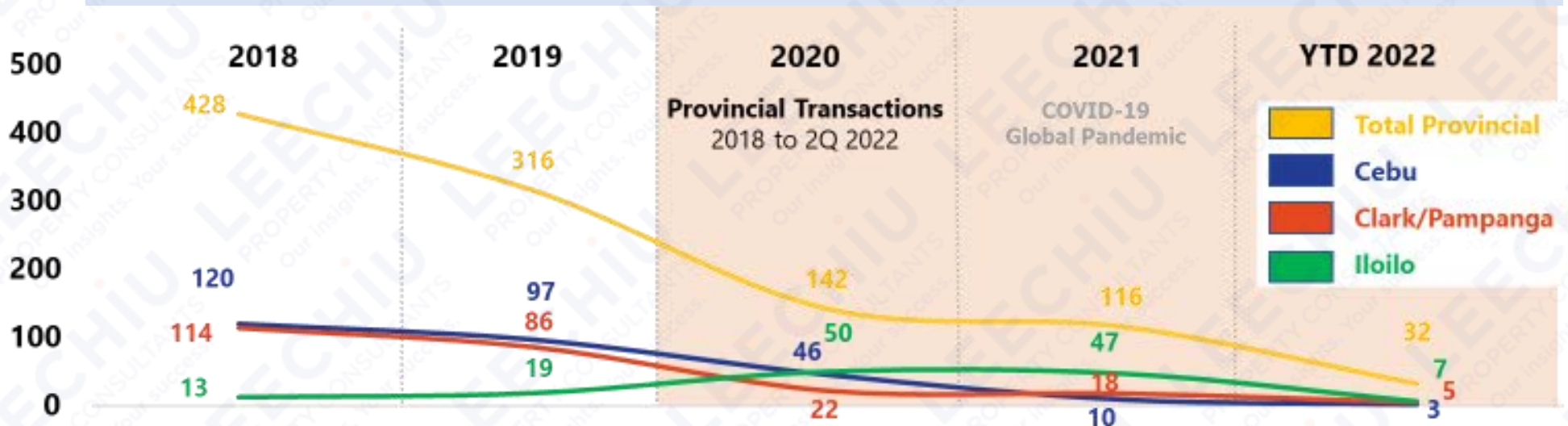


■ Number of direct jobs created by IT-BPM in 2021

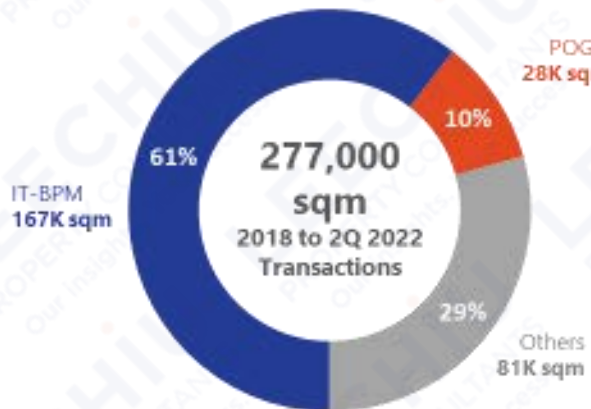
# PROVINCIAL OFFICE DEMAND

Cebu, Clark & Iloilo | 2018 to YTD 2022

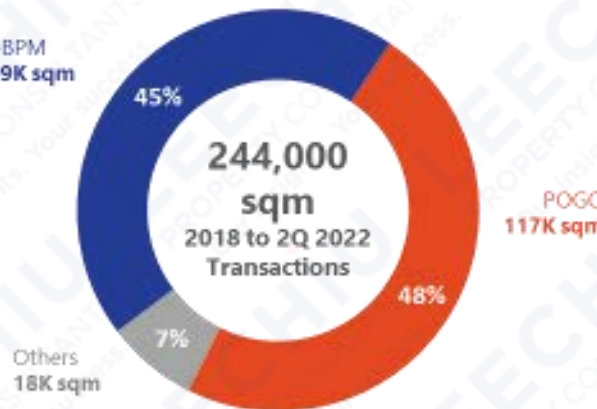
- Provincial demand for YTD 2022 is at 32K sqm
- IT-BPM led demand for Cebu and Iloilo from 2018 to 2022
- Although the POGO sector led total demand for Clark/Pampanga, we expect IT-BPM to overtake them soon as POGO demand declines



## Cebu



## Clark/Pampanga



## Iloilo

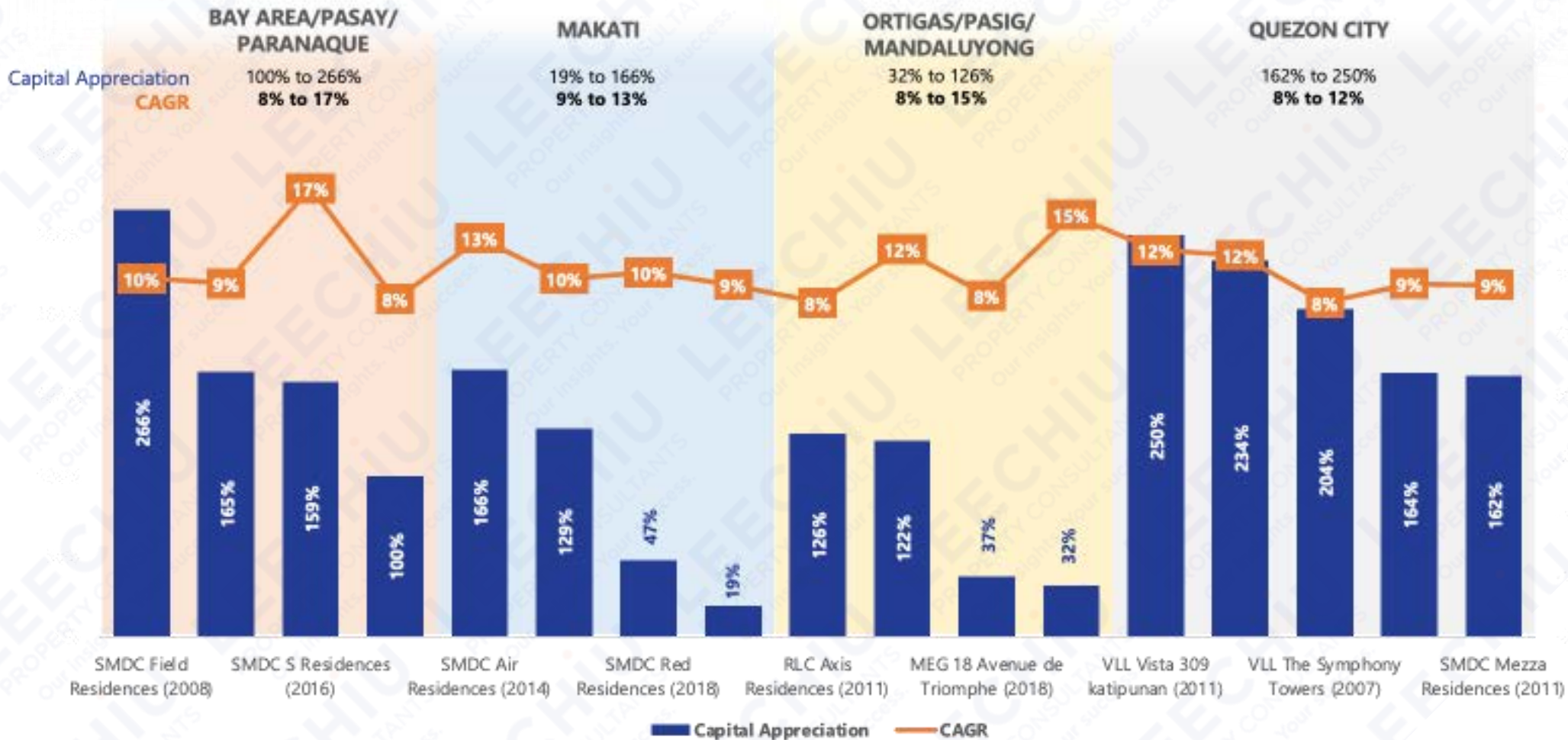


\* Gross Leasable Area in thousands (sqm)

# CONDOMINIUMS IN METRO MANILA

## Launch Price and Current Price | Top Residential Developers

- Despite economic uncertainties due to the lockdowns in China and the Russia-Ukraine War, capital appreciation and price growth for residential property values continue to increase, demonstrating that prime real estate remains as a hedge against rising inflation rates.



# CONDOMINIUMS IN KEY PROVINCIAL DISTRICTS

Launch Price and Current Price | Top Residential Developers

- Steady growth for key provincial district with capital appreciation reaching as high as 136%



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(02) 8888-8111

2/F Makati Shangri-La Arcade,  
Ayala Avenue corner West Street.  
Makati City, 1200

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