

Happy Holidays  
and Blessed New Year 2020!

Over  
**45 Years**

Finest Quality & Affordable Real Estate for every Filipino...  
Luzon. Visayas. Mindanao.

## SLI Seals of Excellence 2019

November 21, 2019

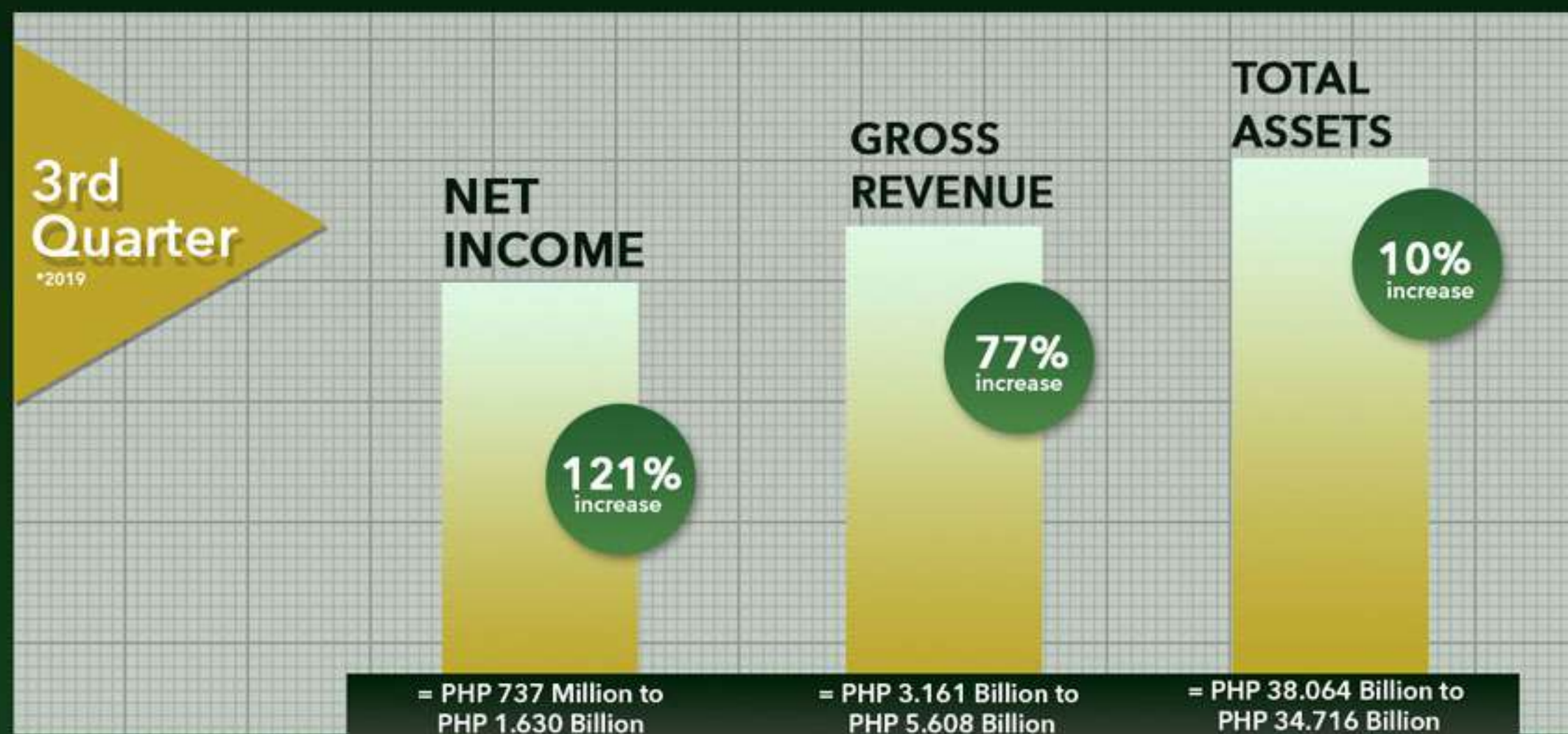
SLI was once again recognized as one of the best in the recently concluded. The Outlook Awards 2019 by Lamudi which was held at the Makati Shangrila. The following were the highly commended award categories:

- Monte Carlo: Highly Commended Best Affordable Condo 2019
- Sta. Lucia Land Inc.: Highly Commended Best Developer in Luzon 2019
- Sta. Lucia Land Inc.: Highly Commended Best Developer in Visayas & Mindanao 2019



## SLI 3Q 2019 Net Income Up by 121%

December 31, 2019



Sta. Lucia Land Inc.'s (SLI) 3rd Quarter 2019 net income increased by more than 121% from PHP 737 Million to PHP 1.630 Billion for the same period last year while gross revenues increased by 77% from PHP 3.161 Billion to PHP 5.608 Billion.

Meanwhile, total assets topped P 38.064 Billion which was a 10% increase from P 34.716 Billion from 3rd Quarter period of last year.

## SLI Financial Snapshot

December 31, 2019

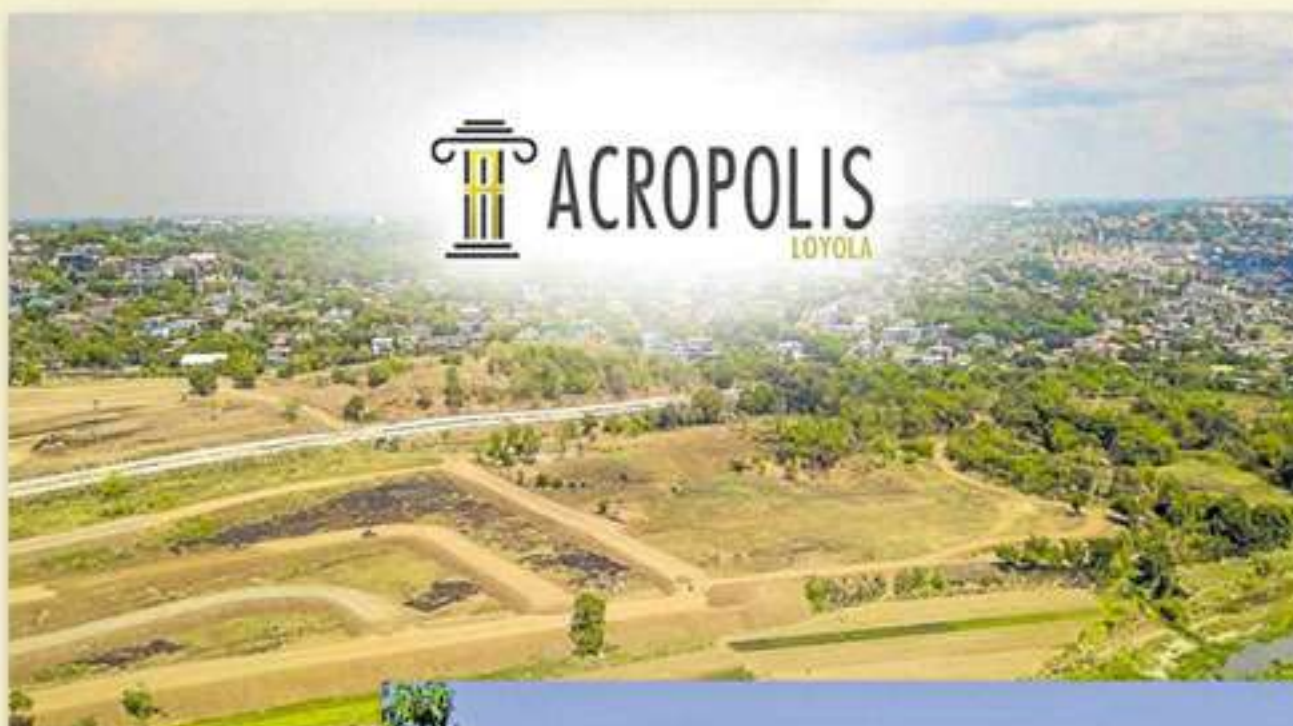
P2.48 / share	Stock Price	P8.197 Billion	Outstanding Shares	18.22%	Free Float Level (%)
P20.327 Billion	Market Capitalization	P10.796 Billion	Listed Shares		

### FOREIGN EXCHANGE (SLI International Markets) as of Dec 27, 2019

	US \$1.00 Dollar Rate = P50.74		UAE AED 1.00 Dirham Rate = P13.52
	UK GBP 1.00 Pound Rate = P65.99		EURO €1.00 Euro Rate = P56.35
	SINGAPORE \$1.00 Singapore Dollar Rate = P37.49		AUSTRALIA \$1.00 Australian Dollar Rate = P35.25

## Acropolis Loyola rises in vibrant north

By: Vaughn Alviar - Philippine Daily Inquirer December 31, 2019



The Grecian acropolis is a complex built on an elevated area. The term combines two Greek words: "akron" and "polis," which literally mean "the highest point or extremity" and "city," respectively. For many large ancient cities, the acropolis served as the nucleus. Sta. Lucia Land Inc. guns for a modern interpretation of that concept with Acropolis Loyola.

This project will transform a 40-hectare property into one vibrant nucleus glorifying the benefits of residing north of Metro Manila: laid-back living that isn't cut off from all the modern offerings of the metropolis. The address will, thus, attract a clientele that aspires for a life that strikes a balance between the rush of the city and the repose of home.

The property nestled on rolling hills at the border of Quezon City and Marikina City will sell up to 308 residential lots and 14 commercial lots. It will afford dwellers, business owners and visitors a spectacular panoramic view of Marikina Valley. The residential homes will be sold starting at P7 million, promising premium living to interested buyers. Commercial buildings, on the other hand, will cost P40 million minimum.

The strongest selling point on this front is the very location of the project: in a few years, it might even become an economic epicenter on its own. In amenities, the mixed-use development will have a swimming pool, covered courts for basketball and tennis, and two community clubhouses (one on the Marikina City side and another on the Quezon City side, that is). Acropolis Loyola will also feature an underground drainage system, electrical facilities, a centralized water system and a guarded gate. The roads will be wide, lined with mercury lamps and trees. Sidewalks will be friendly to pedestrians—paved, with concrete curbs and gutters.

It would not be an exaggeration to say that a property within Acropolis Loyola is accessible to everything the metro has to offer. The site is a few minutes away from major establishments along Katipunan, Marikina and even Commonwealth. It is also accessible to prestigious learning institutions like the Ateneo de Manila University, University of the Philippines Diliman, Miriam College and St. Scholastica's Academy in Marikina. A few minutes away would be the shopping hubs, nearest among them are UP Town Center, SM City Marikina and Ayala Mall Feliz, all just about 20 minutes away.

Recreational spaces are just 30 minutes away: Art in Island in Cubao for art appreciation; Quezon Memorial Circle for a jog; Ninoy Aquino Parks and Wildlife Center for nature appreciation; and La Mesa Ecopark for a weekend picnic. Hospitals and churches in both Marikina and Quezon City are nearby as well. Seeing increased accessibility in the near future, Acropolis Loyola is part of the ongoing Katipunan Avenue Extension project that will traverse major Quezon City subdivisions, such as Loyola Grand Villas, Capitol Hills, Capitol Homes, Vista Real Classica and Northview Subdivision. Upon completion, it will drastically cut the travel time from Rizal to Quezon City. Furthermore, a four-lane Marikina-Vista Real Bridge is in the works, scheduled for completion in 2023. At the same time, the JP Rizal-Lopez Jaena Bridge will be built. Two years later, in 2025, the 28.3-kilometer Mega Manila Subway will connect North and South Metro Manila, definitely benefiting residents in the area. Those are only some of the many public works in the pipeline. All things considered, Sta. Lucia's undertaking will be a great address for young professionals, couples starting out, even families relocating to a home within the metropolis. Come to think of it, Acropolis Loyola is ultimately a dream address for all city dwellers. After all, when we leave work, our "highest point" is getting home to people who give us reason to work hard so we may rest by their side. With premium homes and laid-back living in the city, that is an option Sta. Lucia Land's modern-day acropolis gives us.

Source: <https://business.inquirer.net/285891/acropolis-loyola-rises-in-vibrant-north#ixzz68ubdYTsy>





# The President's Report

## Sta. Lucia Land powers up the East

By: Vaughn Alviar - Philippine Daily Inquirer 03:40 AM October 19, 2019



It takes only a spark to start a fire—proves a sprawling development in the eastern side of the metro whose genesis it owes to Sta. Lucia Land. We refer to Sta. Lucia City in Cainta—a community at the corner of Felix Avenue and Marcos Highway that has soared into a dynamic hub thanks to a jolt from its eponymous developer. With a large shopping complex, towering residential condominiums and a future offering of premium office spaces, it is committed to continually electrify the eastern corridor of Mega Manila. This hub has also become an anecdotal example for peri-urban progress or headway in areas where urban sprawl has spilled over. Much has changed in this area,” mused Sta. Lucia Land president Exequiel Robles. “We started with just one building here in 1991, which was the Sta. Lucia East Grand Mall.” The Sta. Lucia East Grand Mall, which has a gross for area of over 230,000 sqm, has provided a respite from the distress of work and life in the metropolis. It offers a curated mix of homegrown and international brands, as well as cinemas and a bowling alley.

Seeing then the positive, warm reception not only from the residents of Rizal but also from those” living in neighboring cities such as Marikina and Pasig, we then decided to further expand the mall which is now comprised of four buildings and later on, add residential condominiums as well,” Robles further said. Sta. Lucia City is a thriving center where Sta. Lucia was able to put up a sprawling mall complex, residential condominiums and soon, an office building that will continue to generate fresh jobs and spur economic growth in the eastern corridor. In the same complex is Sta. Lucia Residenze, which offers a vibrant lifestyle with five Mediterranean-inspired residential towers. It offers a swimming pool, an open gazebo, Wi-Fi connectivity and smoke detectors to residents, among others. Homebuyers may opt to lease out their units under the “condotel” offering of Sta. Lucia Land, in which the developer manages and leases out one’s unit. It is another stream of income for the unit owner.

### Further Expansion

Further harnessing the complex’s potential, Sta. Lucia is leaping forward with ventures in office spaces and hospitality. Once the Sta. Lucia BusinessCenter is completed, the complex will be even more attractive for businesses. It will offer over 10,000 sqm of leasable office space and two oors for retail. All that will undoubtedly translate to more job opportunities and economic activity. Sta. Lucia East Grand Mall is filled with a curated mix of local shops and dining options, as well as cinemas and a bowling alley. “Nearby, we also have the Stradella Hotel, which is perfect for both business travelers and staycationers,” added Robles. Accessibility is a strong suit of Sta. Lucia City, thanks to its developer’s foresight. It is near major thoroughfares and transport nodes. The business center will also be connected to the ongoing LRT-2 extension project. The existing and the soon-torise features of Sta. Lucia City make the complex a picture of modern dynamism and livability. Because of this shining success, many other developers are beginning to enter the east.

### Il Centro is an expansion of the Sta. Lucia Grand Mall

But, everything began with Sta. Lucia Land. It invested both confidence and resources to see a vision through—one that has further made it a prime mover in the real estate industry. The continuing growth of Sta. Lucia City is also a testament that homebuyers and investors continue to trust this publicly listed company as a partner for their investments. Sta. Lucia Land has no plans of leaving the east despite the swarm of developments. In fact, it plans to “spark” more areas. “Having been in the Rizal area for decades now, we believe that there’s still much that we can do and offer to continue being a catalyst for growth. We remain committed and we will continue to work hard to provide what our market needs,” Robles concluded.



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# The President's Report

## Riding on the wave of strong tourism sector

By Business Mirror October 20, 2019



Sotogrande Davao

THE country continues to gain prominence among many international travelers and tourists.

With more than 7,000 islands offering numerous, yet, distinct flavors and thrilling adventures, it is not at all surprising to see the country's tourism sector steadily thriving and consequently fueling progress across regions. As Tourism Secretary Bernadette Romulo Puyat herself said, Philippine tourism is at its "most exciting times and is currently among the sought-after destinations by many foreign travelers."

### Arterra Resort and Residences offer stunning views of Magellan Bay

In fact, recent reports have shown that international arrivals reached an all-time high of 7.2 million in 2018, up from the 6.62 million recorded the previous year. This is a clear indication that world travelers have already started to take notice of the Philippines and deem it to be a part of their own bucket list. As the Department of Tourism remains optimistic of hitting its goal of 10 million foreign tourist arrivals by 2022, Philippine real-estate developers are, meanwhile, encouraged to take a more active part and look into creating resort facilities and accommodations that would allow for the perfect vacation for tourists. "Santa Lucia Land believes in the country's strong potential to become one of the preferred destinations of many thrill-seekers, vacationers and backpackers from all over the world, and hence, we have diversified our portfolio to meet such a growing demand.



As the Department of Tourism remains optimistic of hitting its goal of 10 million foreign tourist arrivals by 2022, Philippine real-estate developers are, meanwhile, encouraged to take a more active part and look into creating resort facilities and accommodations that would allow for the perfect vacation for tourists. Santa Lucia Land believes in the country's strong potential to become one of the preferred destinations of many thrill seekers, vacationers and backpackers from all over the world, and hence, we have diversified our portfolio to meet such a growing demand. In fact, we have long recognized the need to build such facilities and developments, that's why we have ventured and invested early on in resorts, condotels and hotels. We can say that we have long prepared for the steady influx of tourists," said Santa Lucia Land President Exequiel Robles.

## Build your dreams in the north

By: Vaughn Alviar - Philippine Daily Inquirer November 16, 2019

Big words carry no weight without anything to show for them. Good thing when it claims to "build dreams," Sta. Lucia Land Inc. has a portfolio of literally hundreds of projects to back it up—over 220 projects developed on 10,000 hectares of land across 70 cities and municipalities in 10 regions and 15 provinces. With undertakings in residential, commercial, leisure and retail spaces, the developer has been spreading growth well beyond Mega Manila, even as far south as Davao and as far north as Pangasinan. Sta. Lucia Land takes extraordinary strategy, vision and leadership to spark development where it endeavors to make dreams reality. Its projects north of Manila now offer unique experiences to homeowners and visitors alike, proving the company's resolve to provide quality and affordable options for every Filipino.

### Important spot

In Cabanatuan City is an address built to fit a discerning buyer's individual taste and unique lifestyle. Sta. LuciaLand brought The Villages at Lakewood City to Nueva Ecija as a citadel for modern and masterplanned living. It features three first-class villages namely, Bel Air, Bellevue and Belgrove—each with distinctly themed landscapes. The project also has a central business district with a shopping center, supermarket, hotels, cathedral and an exclusive school. The country club onsite has a grand ballroom, beauty salon and bar. Active residents can sweat the calories out at the basketball, tennis and badminton courts. Wide concrete roads ensure better mobility and an underground drainage helps with flood control. The swimming pool can cater laidback family outings. The development is also near enterprises and institutions in the city. With such offerings, it is indeed poised to be the next important spot in Cabanatuan.



Bauan Grand Villas

### Flexibility of choice

Live where you work, promises Beverly Place in Mexico, Pampanga. This development features residential estates and a golf and country club. Three estates—Lopez, Luciano and Santa Lucia—offer the flexibility of choice. The first two have landscaped open spaces and pocket gardens. The second has an expansive view of the golf course. Amenities include tennis and basketball courts, a swimming pool and a driving range. Golfers will also enjoy the 18-hole championship course. With this self-contained community, Sta. Lucia Land is giving the younger set an opportunity to adopt the global trend of home offices, telecommuting and the alternative workplaces. It is also perfect for individuals who want an escape from the urban mayhem when they are off work as it is only 45 minutes away from Balintawak Toll Gate. Furthermore, it is 30 minutes away from Clark Special Economic Zone and Diosdado Macapagal International Airport; and 3 minutes from San Fernando City Exit.

### Glorious address

Also lending the benefit of accessibility and strategic location is Glory Heights in Santo Tomas, Pampanga. It is the first full-scale modern subdivision in the town, accessible through McArthur Highway, San Simon Exit and North Expressway. It is also near San Fernando City, and a few minutes' drive to banks, public market, hospitals, schools and commercial centers. Residents can enjoy early morning jogs or after-dinner strolls around the green neighborhood, along paved walkways. Its clubhouse has basketball and tennis courts, a swimming pool, as well as a children's park and playground.

### Mediterranean dreamscape

In Subic, Zambales, Sta. Lucia Land gives a slice of the Mediterranean through Club Morocco, a luxury resort, country club and residence just 2.5 hours away from Metro Manila. Dwellers and guests will enjoy the Moorish, French and Spanish influences infused with Filipino culture and aesthetic. The holiday-style residences near the beach provide an unparalleled view of nature. The neighborhood features park and open spaces, manicured gardens and a trusty drainage system, among others. Club Morocco Resort and Country Club is ideal for meetings and social banquets, as well as for intimate moments with loved ones. It has cottages, rooms, villas and suites for overnight stays. It has a fine-dining restaurant, a coffee shop and a function room, too. Those who love aquasports can jet-ski, wind-surf and more.

### Elegant living

The Woodside Garden Village in Urdaneta City in Pangasinan is the choice for property buyers who want an elegant lifestyle. The project is inspired by the picturesque American-Californian theme, embracing the color and texture of the North. The community has pocket parks, the finest clubhouse development in the area, a multipurpose hall, Olympic-size pool, courts for tennis and basketball. Avenues are fully landscaped; roads are tree-lined. The village even has a fishing lagoon. Essential establishments such as places of worship, schools and retail hubs are just outside the village gates.





## Chairman's Corner

### 800 bets vie in Founders Cup Invitational

November 21, 2019



The Orchard Golf and Country Club in Dasmariñas City, Cavite welcomes 400 of its members and their guests this week for the 23rd edition of the Founders Cup Invitational, a four-day golf fiesta starting today and is renowned as the country's biggest memberguest tournament. Orchard is making sure that it's going to be the year-end party that it has always been with a bonanza of prizes totaling over P2 million for the tournament, and a Grand Raffle where two Mercedes Benz cars and many other items worth over P6 million will be given away. The four-day competition co-presented by Sta. Lucia Land Inc. and the Philippine Amusement and Gaming Corp. (Pagcor) will see the 800 players competing for team and individual awards on the Orchard's Palmer and Player championship courses.

The participants will also have eight chances to win awesome hole-in-one prizes worth over P7 million. At the Palmer course, a hole-in-one on the seventh and 16th holes will be rewarded with a 2019 Mercedes Benz A180 Progressive. A 2019 Kia Picanto 1.0 LX MT will be at stake for an ace on No. 5, and an Ogawa Massage Chair combined with a Cobra set and a Puma stand bag on the 12th. On the Player course, a Mercedes Benz B180 Progressive will be offered on Holes 5 and 14, while a Delta Airlines Business Class ticket and a Pagcor bet certificate worth P100,000 on Hole 11, and a MG ZS car and a Vespa Primavera scooter on Hole 3 are the prizes awaiting the lucky golfer who can shoot an ace.

Orchard Chairman Vicente Santos lauded Club president Conrad Benitez, the club's board of directors and the management team headed by manager Nilo Famy for their tireless efforts in making sure that all bases are covered for the much-awaited event.

### First Ever Lake Community in Puerto Princesa Palawan, Catalina Lake Residences Palawan!



Enjoy the perks of lakeside living and experience serendipity at its finest. 33 hectares with 661 residential lots with a 120 sqm average lot size. Facilities include swimming pool, basketball area, fitness gym and water activities.

Nearby establishments include San Jose Church, Robinson's Place Palawan, Adventist Hospital, Western Philippine University, Palawan State University, SM City Palawan and Puerto Princesa International Airport.

### Pinewoods Baguio Opened Holes 1 & 2

December 1, 2019



Hole 1



Hole 2

Pinewoods Golf Club opened its first two holes for play last December 1, 2019. With the two holes now playable, Pinewoods is now a full 18-hole layout and at par-72 with a total length of about 6,900 yards is now the longest of the three courses in Baguio.



# Chairman's Corner

## Santiago Cua Golf Cup launch and South Pacific Golf and Leisure Estates grand opening

November 30, 2019

Davao City - According to Peter Lavina, former President of the Davao City Sports Council, the tournament aims to promote golf and sports in general and named in honor of businessman Santiago Cua, Chairman of the Davao New Town Development Corporation, land owner of the sprawling South Pacific Golf Estate Subdivision.



(From L-R: Mr. Santiago Cua Jr. - PRC Chairman, Mr. Exequiel Robles - SLI President, Mr. Simeon Cua - PRC President and Mr. Vicente Santos - SLI Chairman)



Ribbon Cutting



Mr. Vicente Santos - SLI Chairman (second from the left) with the Sta. Lucia Group golf General Managers

Fondly called Commander by his friends in Davao, Santiago Cua passed away at 94 last year after his regular visit to the city, which he considered as his second home. His first venture in Davao was to acquire lands after the Second World War in Bunawan, Sasa and Chinatown.

He is the owner of the Pacific Oil Products, Inc. coconut oil mill located in Bunawan. He also served as Chairman in both Manila Jockey Club and Philippine Racing Club, two of the country's oldest horseracing clubs. Lavina said the inaugural tournament is by invitation only and sponsored by Sta Lucia Group, developer of the subdivision and golf estate located in Catalunan Pequeño.



"It was a fun-filled golfing activity for our guest and dignitaries which had a hole-in-one prizes and many raffle prizes," said South Pacific Golf and Leisure Estates tournament coordinator Mariel Perono. The activity opened with a mass and clubhouse blessing at 10 a.m. followed by lunch at 11:30 a.m. Tee off time for the tournament was 11 a.m. timely for the awarding rites at 4:30 p.m.

Dignitaries who were present were Simeon Cua - CEO of PRC, Vicente Santos - SLI Chairman, Exequiel Robles - SLI President, Santiago Cua Jr. - Exectuve Chairman of PRC, Bobby Dy - ALI President & CEO, Joseph Ng, Leo Magno, Anthony Sasin, Conrad Benitez, Renato Dychangco Jr., Joe Marfori, Fred Pareja and Ten Valenton. The 160-hectare all weather course under Sta. Lucia Group opened its first nine holes in 2016 then completed the 18-hole full-length layout designed by Mike Singgaran in 2018 which included its tricky greens within a natural setting of ponds and creeks plus its signature island green on hole no. 15.

On grand opening day will also present its elegant clubhouse which is fit to hold golf awarding ceremonies together with its sumptuous food and friendly personnel. The Santiago Cua Golf Cup is now part of South Pacific Golf and Leisure Estates last quarter tournaments which included the UM College of Law Par for the Bar (October 26), the ICTSI South Pacific Classic (October 8-12), the 11th Eaglemasters golf tournament (September 19-22), 3rd PhilSan VisMin Davets Open (September 13), Davies Paints Golf (September 12), 2nd SB (Stella Barnes) Golf Cup (November 16) and the coming UPLB Alumni Association Davao Inc. Golf (November 24).

Source: <https://mindanaotimes.com.ph/2019/11/19/santiago-cua-golf-cup-to-coincide-with-south-pacific-golf-and-leisure-estates-grand-opening/>



# Our People

## Congratulations to our SLI Awardees!



### 5 Years Awardees



Mark Jayson Santos  
(Sales Officer)



Ma. Harlene Macasil  
(Sales)



Mabel Radan  
(Treasury)



Angelico Joshua Mateo  
(Commission)



### 10 Years Awardee



Michelle Robles - De Castro  
(VP Advertising & Promotions)



### 5 Years Awardees



John Mark Agoncillo  
(Sta. Lucia - Leisure)



Leonardo Dacara  
(Sta. Lucia - Leisure)



Roberto Sison  
(Sta. Lucia - Leisure)



## SLI Thanksgiving Party 2019

2019 was a year of thanksgiving for SLI officers and employees as we celebrated another breakthrough year of success and project developments. The Thanksgiving Party was celebrated on December 20, 2019 at the newest club called "Black Brick Club Lounge" located at the Unit G-13, The Brick Road Compound, Sta. Lucia City Complex in Cainta, Rizal.

The program included welcoming remarks by SLI EVP & CFO Mr. David Dela Cruz, all female band "Rouge", special performances (new employees of SLI Cainta & Ortigas offices, RC Roquero, JM Agoncillo and Glenda Lopez), messages from the Sta. Lucia Lady Realtors Volleyball Team (led by Pam Lastimosa), Sta. Lucia Pasig Realtors Basketball Team (led by Jeric Teng) and recognition of 5 & 10 year service awardees. The night was capped of with major raffles prizes while everyone danced to the music of the DJ. Thanks to our owners and organizers for making this memorable event possible.



SLI Employees Celebration



"Rouge" All Female Band

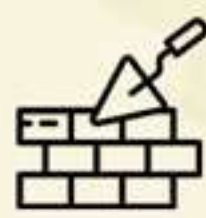


SLI 5 & 10 year Service Excellence Awardees



SLI Basketball & Volleyball Team





# Sta. Lucia Land banks on government's 'Build, Build, Build'

By: Vaughn Alviar - Philippine Daily Inquirer November 23, 2019



Heralding the "Build, Build, Build" initiative, the Philippines is raring to raise the quality of life for millions of Filipinos by building infrastructure that will improve connectivity and spread development, among others. As a proven visionary in the real estate industry, Sta. Lucia Land Inc. now wants to complement the government's herculean works by building dream homes and destinations for those living (or wanting to relocate, or just relax) in parts set to benefit from the nationwide initiative. Case in point is the 50.3-kilometer Cavite-Tagaytay-Batangas Expressway (CTBEx), a P22.4-billion tollway project that will connect Metro Manila, Cavite and Batangas. The megaproject will create roads linking Silang, Tagaytay, Amadeo, Mendez, Alfonso and Magallanes in Cavite to Nasugbu in Batangas. With travel time effectively cut in half, the municipality's popular seaside attractions are closer than ever.

At the end of the trip down CBTEEx, Sta. Lucia Land Inc. offers Nasacosta Resort & Residences which champions the ultimate resort lifestyle enriched by the relaxing sounds and stunning sights by the coast, as its name connotes. The name Nasacosta is a combination of the Filipino word "nasa" which means "at the" and "costa" is as Spanish word for coast. Nasacosta—which is situated along a strip of carved beachfront adjacent to high-end developments—is composed of residential lots at The Ridge; condominium units at The Peaks; condotel units at Nasacosta Hotel; and membership beach club, The Sands. Central and Northern Luzon, too, are gaining prominence because of an increased accessibility to both business and leisure brought on by the government's projects to connect the areas to Metro Manila.

As the North Luzon Expressway (NLEEx), Subic-Clark-Tarlac Expressway (SCTEx) and Tarlac-Pangasinan-La Union Expressway (TPLEEx) opened, so too has the windows of opportunity for the residents of Pampanga, Tarlac and the Ilocandia. A new airport terminal opening in Clark in mid-2020 only further adds to the excitement. Sta. Lucia Land Inc. was one of the first national developers to set its sights on the areas north of Mega Manila for their potential to spread development. These projects have only affirmed the company's inference. Of course, as government pours in more capital, it will also continue to bet big.

In Pampanga, it boasts of Beverly Place Residences and Business Estates in Mexico town. The project is just a two-hour drive away from Manila, accessible via NLEEx, and near Clark Special Economic Zone and the Diosdado Macapagal International Airport. Making it an even wiser investment is its proximity to the Subic Seaport and the exciting New Clark City, where the National Government Administrative Center and a new world-class sporting facility will be located. Furthermore, it is near manufacturing, commercial and business zones. Dwellers can literally take business deals home, as the Beverly Place Residential and Business Estates features a world-class 18-hole championship golf course.

They can build connections and close deals at the clubhouse, golfer's lounge, function rooms, even in less formal arenas like the tennis or basketball court and swimming pool. One of Sta. Lucia Land's projects farther north is a mixed-use development called Woodside Garden Village, located in Urdaneta, Pangasinan.

Down south, in Davao Region, Sta. Lucia Land is not one to miss an economic surge. The renowned fruit basket is now undeniably an "apple of the eye" for many investors—what with sustained economic growth and of course, the monumental infrastructural developments in the area—to be exact, the P40.75-billion Davao International Airport, P35.26-billion Mindanao Rail Project, P29.81-billion Davao bypass construction project, P2.67-billion Tagum-Davao-General Santos High Standard Highway, and P18.7-billion Davao Sasa Port Modernization Project, among others.

Ever ahead of the pack, Sta. Lucia Land began operating in the region as early as 1997. It currently has 18 different projects, including Ponte Verde, Rancho Palos Verdes, Alta Monte Residential Estates, Ciudad Verde, Valle Verde Residential Estates, Centropolis and South Grove.



Steadfast and optimistic about the growth in Mindanao, it has invested in Las Colinas at Eden. Without great foresight and commitment, Sta. Lucia Land would not have created such a strong profile of residential, commercial, leisure and retail spaces in over 220 projects across 10 regions and 15 provinces. The developer only sees the government's "Build, Build, Build" program as a huge opportunity to build dreams for the Filipino people.



# Market Reports

## COLLIERS FLASH

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Source: Colliers International. Note: USD1 to PHP52 as of the end of Q3 2019. 1 sq m = 10.76 sq ft. The Philippine Economic Zone Authority is also known as PEZA.

\*Also known as Philippine Offshore Gaming Operators (POGOs). \*\*Includes companies in various sectors including legal, engineering and construction, government agencies and flexible workspace operators.

## Opportunities in Amidst Uncertainties

November 06, 2019

Landlords and occupants recalibrate amid a precarious office market



Demand

While the outsourcing sector remains a key demand driver, firms would have expanded more if not for concerns on taxation and availability of economic zones. We also see POGOs driving the market.

Q3 2019	Full Year 2019	2018-21 Annual Average
271,800 sqm	860,500 sqm	919,700 sqm



Supply

We project the completion of 1 million sq metres (10.8 million sqft) of new office space per year from 2019 to 2021. The Bay Area and Makati fringe are likely to show the largest increases in stock during the period.

Q3 2019	Full Year 2019	2018-21 Annual Average
291,000 sqm	1.06mn sqm	1.03mn sqm



Rent

We see rental growth slowly decelerating from 2019-2021 due to a slower GDP forecast in 2019; outsourcing firms taking a wait-and see attitude; and lingering concerns over the sustainability of Chinese POGOs.

Q3 2019	Full Year 2019	2018-21 Annual Average
+2.0%	+7.2%	+5.6%
PHP1,005	PHP1,010	PHP1,110



Vacancy

Colliers retained its vacancy forecast of 6% for 2019 to 2021. While take-up from offshore gaming and traditional firms remains strong, outsourcing firms are likely to wait-and-see due to income tax concerns.

Q3 2019	Full Year 2019	2018-21 Annual Average
+0.1pp	+1.3pp	+0.0pp
5.0%	6.0%	6.1%

## Summary & Recommendations

Uncertainty surrounding the approval of the tax reform measure continues to stall the expansion plans of outsourcing firms, resulting in slower office absorption. Meanwhile, POGOs\* and traditional\*\* occupiers continue to expand and occupy space across Metro Manila. We encourage landlords and tenants to tap opportunities amidst uncertainties in the market by -

> Participating in dialogues with government agencies regarding the final version and approval timeline of the proposed tax reform bill

> Exploring alternative sites for cost-sensitive outsourcing tenants

> Identifying sites for offshore gaming firms outside Manila

## Recommendations

### Continued dialogue with government and stakeholders

Concerns regarding uncertainty of the government's tax reform program continued to stall the expansion plans of tenants in the outsourcing industry. The government's tax proposal rationalizes tax perks granted to outsourcing tenants, which some industry groups believe could result in a 130-170% increase in taxes and cut the sector's growth by as much as 50%\*.

The sector's growth prospects are further weighed down by the government's imposition of a ban on the approval of economic zone (ecozone) applications in Metro Manila as it intends to encourage investments in the countryside. Outsourcing tenants operating within ecozones are granted tax breaks.

### Explore alternative sites for BPOs

Both landlords and business process outsourcing (BPO) tenants should start looking for expansion sites outside of Metro Manila, especially as the government encourages businesses, including outsourcing firms, to set up outside Metro Manila. Colliers believes that among the feasible hubs for BPOs are Cebu, Pampanga, Iloilo, and Davao. Hence, we encourage outsourcing tenants to further explore the viability of these locations.

### Identify expansion sites for offshore gaming operations

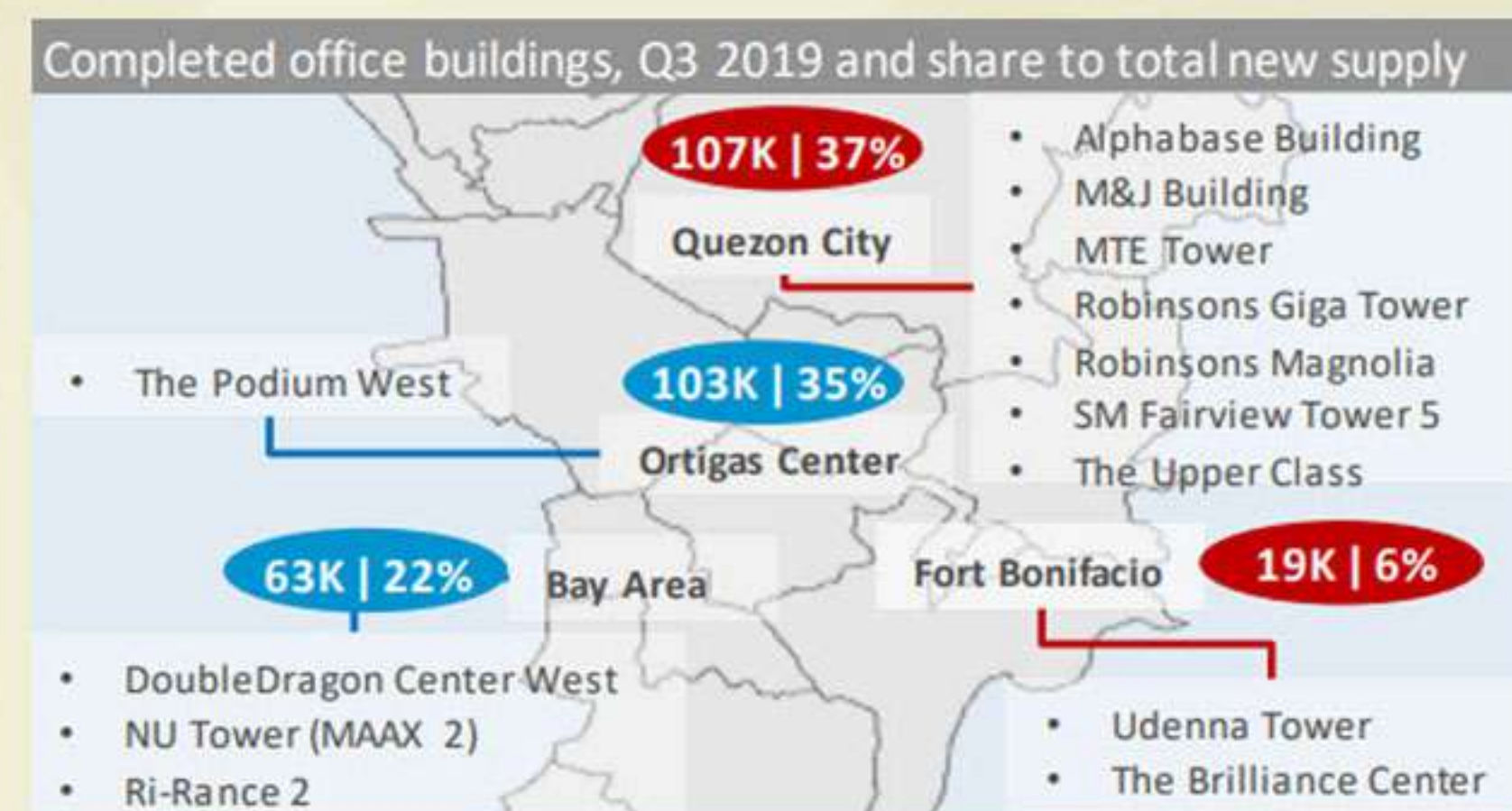
Relentless take-up of space by Philippine Offshore Gaming Operators (POGO) has done much to dispel concerns about the sustainability of offshore gaming operations. But with tight office vacancy across Metro Manila, these firms are compelled to look for space outside the capital. In our opinion, Clark in Pampanga, Cebu, Cavite, and Laguna are among the viable options.

### Landlords and tenants to explore flexible workspace

The Philippine government's tax reform proposal includes a reduction of corporate income tax to 20% from the current 30%. This should complement the Innovation Act and implementation of laws that support the expansion of micro, small, and medium enterprises (MSMEs). We expect growth of these firms to support the take-up of flexible workspace across Metro Manila. We encourage traditional firms and multinational corporations with client-facing teams to explore flexible workspace.

## Supply to breach 14 MN SQ M

In Q3 2019, Metro Manila's office supply increased by about 291,000 sqmetres (3.1 million sq feet) to 11.7 million sq metres (126 million sq feet). Quezon City covered 37% of new supply during the period followed by Ortigas Center (35%), Bay Area (22%), and Fort Bonifacio (6%).



Colliers sees Metro Manila's leasable office stock reaching 14.1 million sq metres (152 million sqfeet) by the end of 2021. This is 28% higher than the metro's stock of 10.9 million sqmetres (118 million sqfeet) at the end of 2018. This translates to about 1 million sq metres (10.8 million sq feet) of new supply each year from 2019 to 2021, about triple the annual average of 382,000 sq metres (4.1 million sqfeet) recorded during the 2010 to 2015 time period, prior to the entry of offshore gaming firms from China and further diversification of Manila office's demand base.

## VACANCY STABLE AT 5.0%

Despite the completion of 291,000 sq metres (3.1 million sqfeet) in Q3 2019, we observed vacancy of only 5% in Q3 2019, nearly unchanged from the 4.9% recorded in Q2 2019. Absorption was strong across almost markets, especially in Quezon City, Fort Bonifacio, Bay Area and Alabang. Demand was driven outsourcing, offshore gaming, and traditional sources.

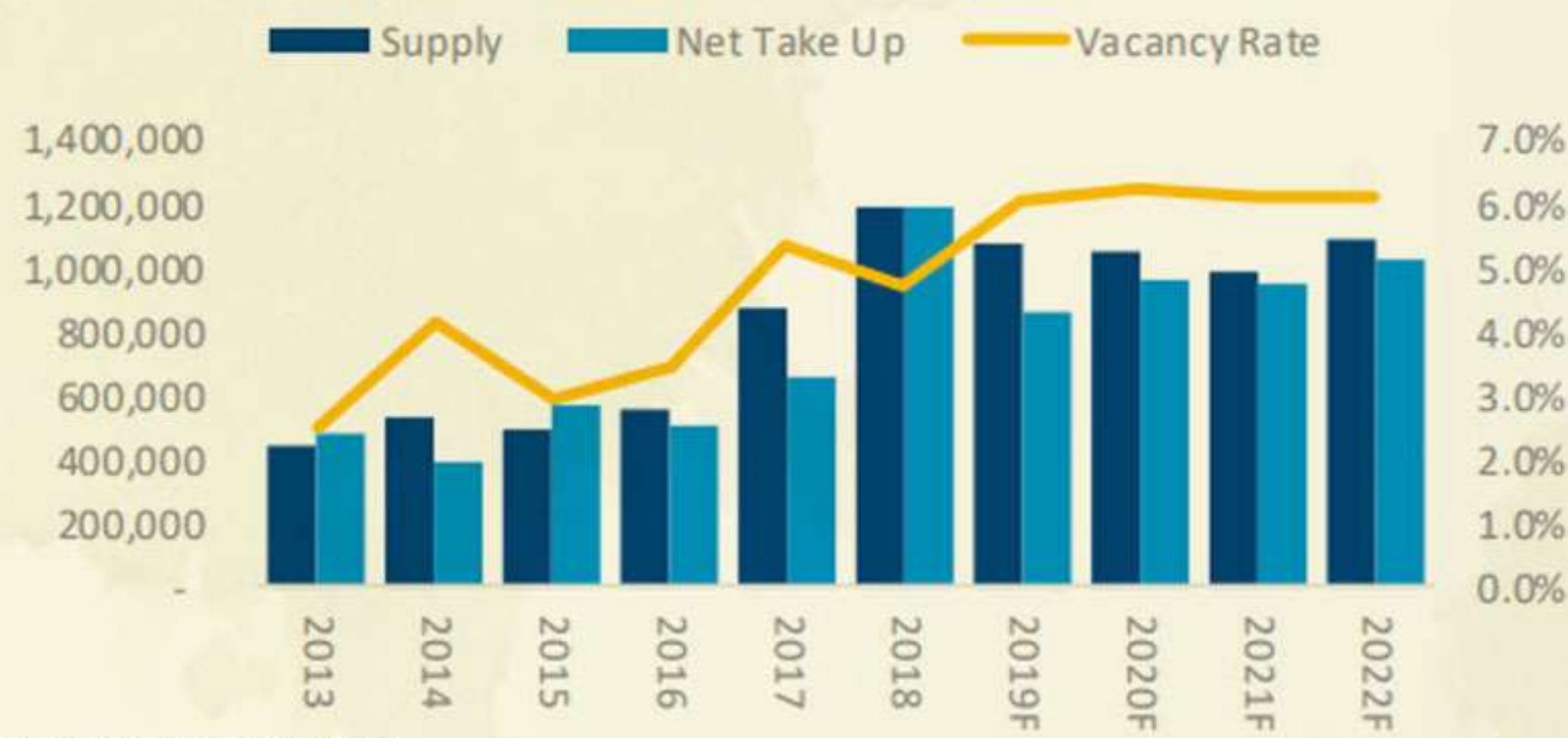
\*Source: Desiderio, L. (2019, September 10). Shift to CIT seen to substantially cut IT-BPM growth.



# Market Reports

Among the occupants that took up space during the period included Huawei, Henkel, Clock In, WeWork, and the Philippine Economic Zone Authority (PEZA). We recorded a marginal rise in vacancy in Ortigas CBD due to the delivery of 102,700 sq metres (1.1 million sqfeet) of new leasable space. For the remainder of 2019, we project stronger absorption in Ortigas Center, Fort Bonifacio and Bay Area given the strong progress of negotiations and preleasing in these areas.

Metro Manila office forecast, (sq m)



Source: Colliers International

While Metro Manila office's demand drivers remain diversified, the offshore gaming sector continues to outpace others in terms of its share of total leasing transactions.

For the first nine months of 2019, offshore gaming companies continued to expand in Metro Manila, accounting for 37% of all closed deals. Among the areas where we saw a significant deals from offshore gaming firms were the Bay Area and the fringes of Makati and Ortigas.

Meanwhile, the traditional occupants comprised 35% of transactions for the first nine months of 2019, sustaining a 34% share in the same period in 2018. The traditional segment has also been a major driver of office space absorption over the past nine months.

Colliers is forecasting a slightly slower take-up from this segment over the next 12 to 24 months, especially with the slower economic growth projection of multinational banks, credit rating firms, and multilateral aid agencies.

The Philippine government's growth forecast has been further trimmed to 6% from the already downgraded projection of 6.2%. This is at the low-end of the 6% to 7% range initially projected by the government's economic team.

The comprehensive tax reform program may provide a boost for tenants, as it proposes to reduce corporate income tax to 20% in from the current 30%. If passed into law, we see the tax measure providing stimulus for the further expansion of micro, small, and medium enterprises (MSMEs) and we see this eventually contributing to greater office space take-up.

## Rental Growth to Decelerate

Ortigas Center is likely to show faster rental growth due to a low base. Over the past few years, rates in Ortigas were outpaced by other submarkets due to old buildings but the completion of new towers should result in higher rental rates over the next 12 to 36 months. Improved tenancy mix as well as the entry of POGOs in Ortigas should help contribute to leasing volume acceleration. We see Bay Area lease rates rising the fastest versus other submarkets in Metro Manila, although we see some moderation in growth rates as offshore gaming firms start to negotiate lower rental rates and cost-sensitive traditional occupants, including government agencies, continue to gravitate towards the business district.

Overall, rents are still growing but we might see a deceleration over the next 12 to 36 months for several reasons:

- > A slower GDP growth forecast, which should affect traditional and non-outsourcing tenants.
- > Outsourcing firms taking a wait-and-see stance due to uncertainty over tax breaks.
- > Lingering concerns over the sustainability of operations of offshore gaming firms from China.

## Opportunities in Traffic Crisis

November 06, 2019

### Developers tap rising demand for co-living facilities amidst worsening traffic in Metro Manila

		Q3 2019	Full Year 2019	2018-21 Annual Average
Demand	Colliers sees sustained residential demand from investors and local employees with the Bay Area, Quezon City, Ortigas Center and its fringe area dominating take-up across the country's capital.	1,400 units	8,200 units	9,200 units
Supply	By the end of 2021, we see Metro Manila's stock breaching 152,000 units. Fort Bonifacio and the Bay Area should dominate, covering more than 80% of new supply.	1,900 units	9,600 units	11,100 units
Rent	With continued demand from foreign and local employees, we upgraded our 2019 rental growth forecast from 1.5% to 5.8%. However, we see a slower pace of growth in 2020 due to substantial new supply.	2.7%	5.8%	6.8%
		PHP750	PHP763	PHP879
Vacancy	We project sustained leasing across Metro Manila from 2019 to 2021 on the back of demand from local and foreign workers. Hence, Colliers sees only a marginal rise in vacancy from 2019 to 2021.	+0.2pp	+0.1pp	+0.3 pp
		10.8%	10.9%	11.9%
Capital Values	Colliers sees stable take-up in Rockwell Centre, Makati CBD, Bay Area and Fort Bonifacio and this should ensure a steady rise in Metro Manila capital values over the next 12 to 36 months.	4.9%	18.1%	13.6%
		PHP212,000	PHP218,000	PHP269,000

Source: Colliers International. Note: USD1 to PHP52 as of the end Q3 2019. 1 sq m = 10.76 sq ft. Demand represents completed condo units that are for lease or resale. Rent and capital values are per sq metre.

## Summary & Recommendations

The worsening traffic in Metro Manila is raising the demand for co-living facilities near central business districts (CBD). This has been compelling developers to partner with existing operators of co-living projects or implement creative leasing models, especially those with a significant number of ready for occupancy (RFO) units. With a constantly evolving demand, Colliers recommends that developers -

- > Tie-up with shared living developers and operators with projects near business districts and further differentiate by offering childcare facilities, among others, given the proliferation of these projects.
- > Explore peripheral areas such as Quezon City South and Manila North as areas for future condominium projects.



## Recommendations

## Aggressive development of co-living...

The construction and rehabilitation of railway and expressways across Metro Manila has resulted in unbearable traffic jams across the capital's major roads. This has compelled developers to build co-living projects near key business districts which primarily cater to young professionals who want to live near their places of work but cannot afford to buy or lease out condominium units within the major CBDs. Colliers believes that these types of housing are likely to remain popular among employees of both outsourcing and non-outsourcing companies. In our opinion, this is also an opportunity for major developers to expand their presence in the co-living segment especially if they intend to build similar projects outside Metro Manila.

This indicates that there is a steady stream of demand from local employees either living in shared units (similar to Ayala Land's The Flats and SM's MyTown) or pooling funds to lease out studio or one-bedroom units near CBDs. Colliers believes that developers should continuously tap the pent up demand for co-living units. Colliers sees a more pronounced development of these projects and developers should start incorporating differentiating features such as childcare facilities and private lounges to be used for Skype, for example.

### ...and student-centric facilities

College students in Metro Manila are not spared from the worsening traffic. Aside from the mom-and-pop dormitories, the need for condominium projects near universities has also been rising. We encourage developers to continue tapping this market and further explore developable areas near university areas in Manila, Pasay, and Quezon City. Moreover, these projects should feature typical commercial tenants, fitness centers, and student lounges with strong WiFi connections.

## Explore fringe areas for new residential projects

The lack of developable land in major CBDs such as Makati, Fort Bonifacio, and Ortigas Center has resulted in slower launch of residential projects in Metro Manila.

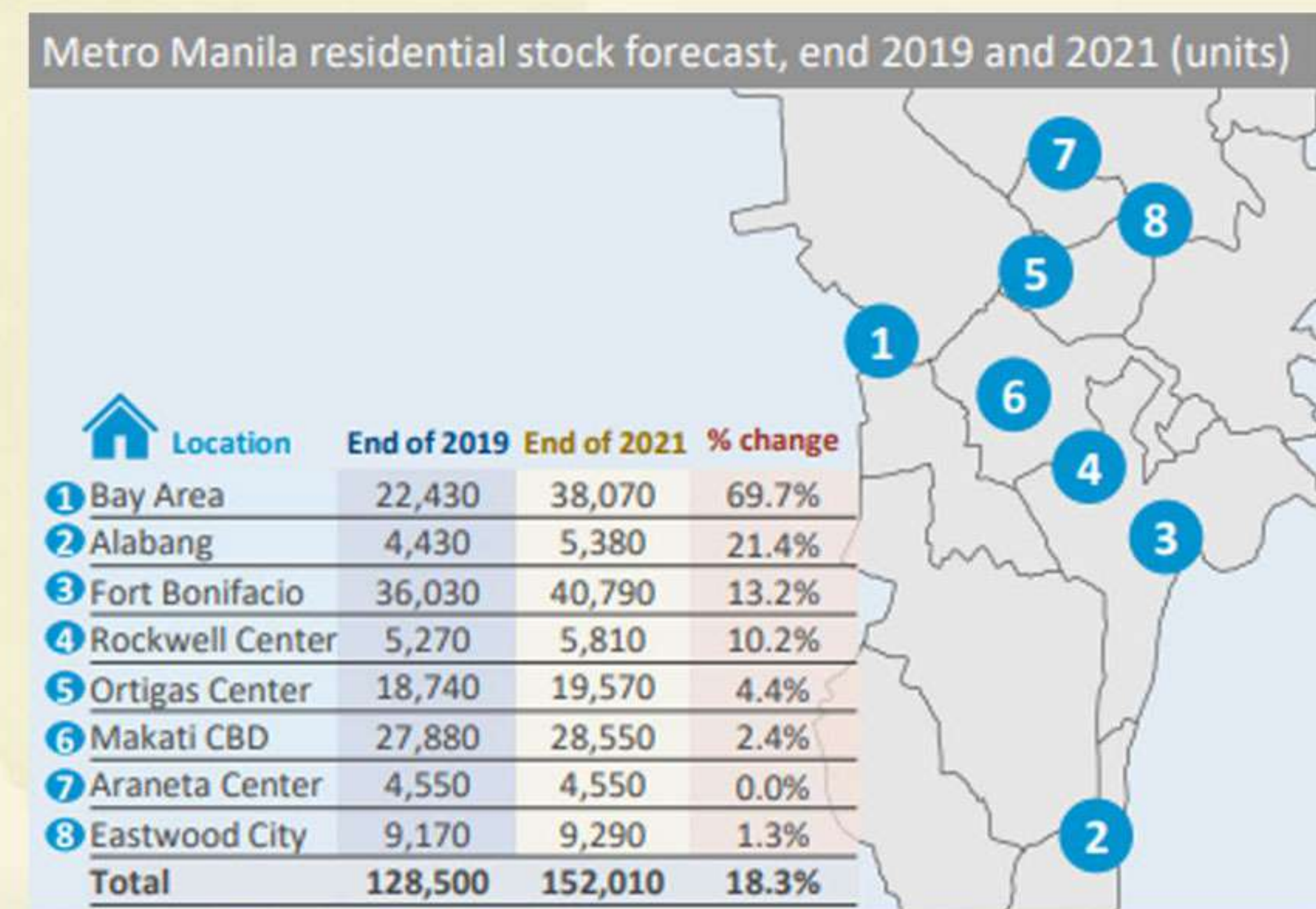
Colliers encourages developers to constantly look for fringe areas ripe for construction of new units due to availability of land or redevelopable facilities, including those previously used for industrial purposes. Given these prerequisites, Colliers recommends developers to further explore the viability of Quezon City north and south; Ortigas fringe; and Manila.

## Leasing Holds Firm

The secondary market, which covers completed units in key business hubs across Metro Manila, will likely be sustained by a mix of demand from foreign and local investors and professionals.

The completion of additional units across Metro Manila resulted in a slightly higher overall vacancy in the Metro Manila secondary residential market of 10.8% in Q3 2019 from 10.6% in Q2 2019. We see a marginal increase in the secondary residential market's vacancy (10.9%) in 2019 as we project sustained absorption of completed condominium units particularly in business hubs (such as Quezon City and Ortigas CBD) that started accommodated offshore gaming operators over the last three quarters.

The demand for residential units in the Bay Area has been driven mainly by Chinese offshore gaming firms as it has become a hotbed for offshore gaming operations in Metro Manila. From 2017 to H1 2019, we estimate 67% of office space transactions in the Bay Area covered offshore gaming operators.

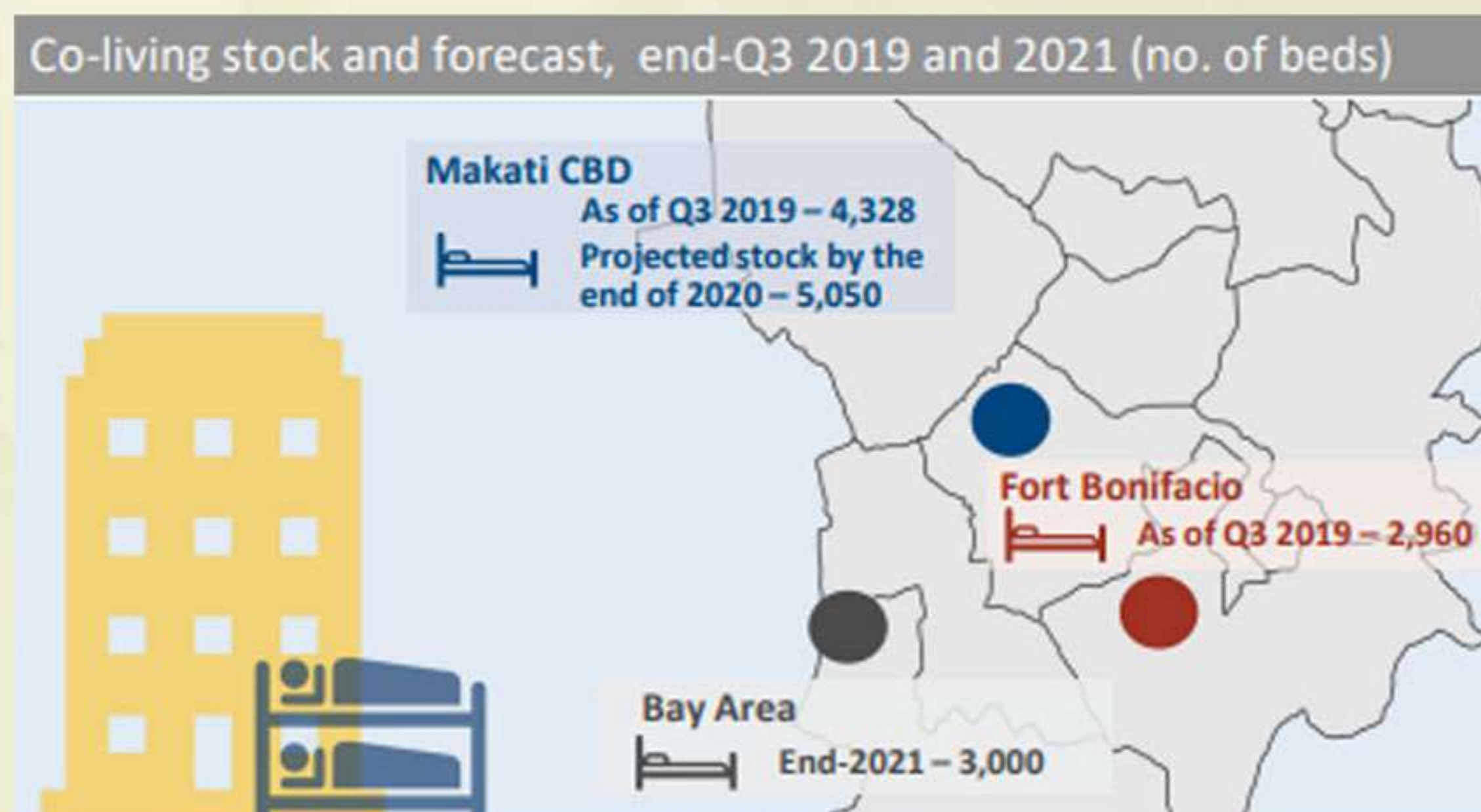


Source: Colliers International. \*Consists of companies in various sectors including legal, engineering and construction, government agencies and flexible workspace operators.

## Fort Bonifacio, Bay Area cover 80% of new supply

In Q3 2019, Colliers recorded the completion of 1,900 units, bringing the total completions for the first nine months of 2019 to 8,200 units. Fort Bonifacio dominated other submarkets in terms of completions during the period, covering 61%, followed by Ortigas Center's 22% and the Bay Area's 17%.

We now project condominium stock to reach 128,500 units by the end of 2019, higher than our earlier forecast of 128,050 units as three projects in the Bay Area and Fort Bonifacio were turned over ahead of schedule. Metro Manila's condominium stock should expand to 152,000 units by the end of 2021, a 28% rise from about 118,900 in 2018. Colliers sees Fort Bonifacio and the Bay Area covering more than 80% of new supply from 2019 to 2021. In our opinion, the pace of residential completion continues to move in step with the expansion of business activities in these business districts.



Source: Colliers International

Meanwhile, Fort Bonifacio remains a key business and knowledge process outsourcing hub, housing some of the largest outsourcing occupants in Metro Manila such as Google, Facebook, Tenet Health, and JPMorgan. The influx of these firms, complemented by the presence of finance and equity firms has propelled demand from foreign and local employees. Leasing demand in Makati CBD should continue to be propelled by local and foreign workers.

From 2017 to H1 2019, traditional\* and outsourcing firms accounted for more than 80% of office space deals in the business hub. Colliers sees a slight rise in vacancy in the secondary market in 2020 as we project the completion of about 15,600 units. This is 73% higher than the annual average of 9,000 units delivered from 2010 to 2018.

## Slight Uptick in Rents

Average rents in prime three-bedroom units in Rockwell, Makati CBD and Fort Bonifacio rose by 3.6% QOQ. For Metro Manila, we expect rents to increase by 6.8% annually from 2019 to 2021. We still see sustained rental growth, especially in key CBDs and their fringes that have recently housed offshore gaming operators from China. This should be complemented by demand from local employees constantly looking for units to lease out amid the worsening traffic in Metro Manila.

## Prices Continue to Increase

Capital values continue to increase with average prices of prime threebedroom units in the secondary markets of Rockwell, Makati CBD, and Fort Bonifacio ranging between PHP191,000 and PHP339,000 (USD3,700 and USD6,500) per sq metre as of the end of Q3 2019, increasing by an average of 6.2% QOQ. For Metro Manila, Colliers projects prices increasing by an annual average of 13.6% from 2019 to 2021, faster than our initial forecast of 5.2% as we see faster take-up of completed units especially in Makati CBD and Rockwell where there will likely be limited completions through 2021.





"Every successful individual knows that his or her achievement depends on a community of person working together."

*Paul Ryan*



## Sta. Lucia hosts World Para Bowling 2019

November 13, 2019

The third leg of the World Para Bowling Tour 2019 was held in the Philippines in coordination with the Philippine Para Tenpin Bowling Association (PPTBA) on Nov. 14 to 22 at Sta. Lucia East Grand Mall Bowling Center in Cainta, Rizal.

At least 100 Para bowlers from the Philippines and various Asian countries will participate in this tournament. The country was represented by the National Para Bowling Team, whose members have had remarkable achievements despite limited resources.

The team garnered 17 medals, including a gold, in the 2017 South East Asian Para Games in Kuala Lumpur, Malaysia, and another gold medal in the 2018 Asian Para Games in Jakarta, Indonesia. The PPTBA is seeking support from groups and individuals for this event as it hopes to train more para bowlers for future competitions.



## Special Feature: Lessons from my Dad Series

### Lessons from My Dad Series: SLI Chairman Mr. Vicente "Sir Enteng" Santos

By Ma. Rosario "Rose" Santos

- 1. Hakbangan:** This is a word I have learned from my Dad and he learned it through our Lolo Felipe Santos. It is to walk through things or *hakbangan* so that one knows the project or situation. Especially in the real estate industry, you have to see and go over the property and projects in order to fully understand the environment. Not just relying on reports, pictures and analysis. In life, you simply have to go through things, be strong and persistent.
- 2. Continuous Learning & Improvement:** Always have an open mind to learning new things because our world is evolving. Hone your craft by engaging in similar activities, continue to learn and improve oneself by learning through news, videos and most of all—people. My dad was always updated with the latest technology, trends and news. We call him Millenior (Senior na Millennial) because he knew so many things.
- 3. Commitment to the future:** When my dad says or does something, he commits to it with integrity. He gives his time and talent for the future of Sta. Lucia's growth and hopefully we can do the same for the company. His commitment to our employees, clients and society is endless!

Watch out for the next feature article for the "Lessons from my Dad" series.





# Sta. Lucia Sports

## Congratulations to the Sta. Lucia Pasig Realtors Men's Basketball Team!



Sta. Lucia Pasig Realtors Men's Basketball Team with Mr. Buddy Encarnado - Team Manager (standing 5th from left) and Mr. Exequiel "Sir Exy" Robles - SLI President & Team Owner (standing 5th from right)

<https://www.facebook.com/pasigrealtors/>

## Congratulations!

Sta. Lucia Centro Verde's DM Demontaño and Jackie Estoquia are your Pintaflores National Women's Beach Volleyball Invitational champions!!! Woohoooo!!! Good job, you two.



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