



Metro Cebu Market Update

Research, 2H 2019



COVER STORY

CEBU'S MIXED-USE LAND DEVELOPMENTS OFFER AN ALTERNATIVE TO EXISTING BUSINESS DISTRICTS

SNAPSHOTS

Economic Indicators

6.4% ▲
GDP
Q4 2019

2.5 ▼
Inflation Rate
March 2020

7.3% ▲
OFW Remittances
January 2020

6.5% ▼
Avg. Bank Lending
December 2019

3.02 ▼
91-Day T-Bill
March 2020

₱50.9 ▲
Avg. PhP-USD
January 2020

Accolades attest to the City's competitiveness and creativity

The Queen City of the South is again put into the spotlight as one of the hottest real estate markets in the country. Lamudi, a digital real estate portal, has tagged Cebu as one of the Top 5 Preferred Cities by Filipino online property seekers. The study cited the influx of tourists as well as the demand for office spaces as the reason for burgeoning real estate market in the area.

The United Nations Educational, Scientific and Cultural Organization has also named Cebu City as one of the Creative Cities by Design, a distinction held only by 246 cities around the world and shared only with Baguio City in the country. The award was a testament to the city's push for creativity and innovation as major factors in urban development. This award also comes just in time as the Phase 1 renovation works for Mactan-Cebu International Airport Terminal 1 has been completed with

its overall ambiance complementing the nearby Terminal 2's resort-oriented design.

Cebu's accolades are but a manifestation of the local economy's vibrancy. The Real Estate Market in the area reveal an ever-growing opportunity for investment. Office lease rates have been going up every quarter despite the addition of office spaces. Average residential condominiums' selling prices have shown the same trend as more BPO companies expand and take in more employees from Cebu and nearby provinces. Average mall vacancy rates have dipped exposing an expanding retail sector while the country's largest developers are building luxury hotels and casinos in Mactan.

Mixed-use developments have sprung up in Metro Cebu and are expected to

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OFFICE RESEARCH

CEBU OFFICE MARKET OPENS UP MORE SPACE AS LEASE RATES RISE

Property Specialists Bet on Metro Cebu as Office Market Continues to see Demand

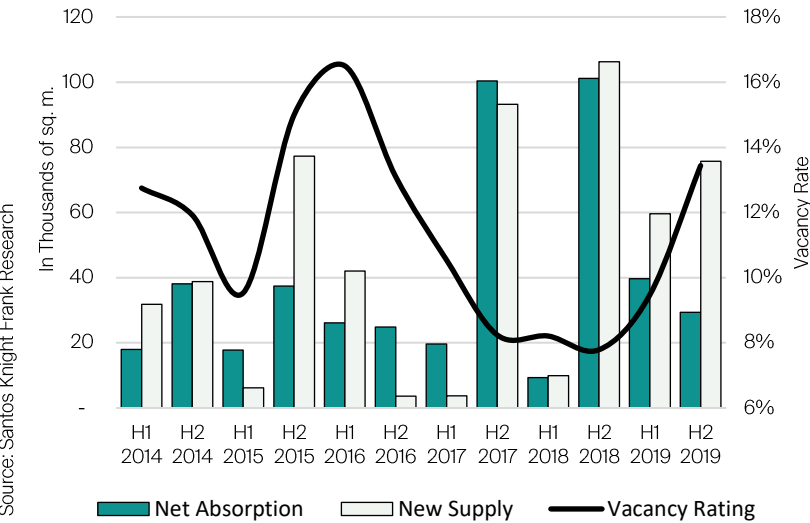


The Cebu City Office Market remains robust with 75,000 square meters (sq. m.) of new office space turned over in the market. Innoland has completed its largest development to date, One Montage, which is located beside Cebu Business Park (CBP). One Montage is a LEED pre-certified Silver Category office building and is PEZA Certified as well. Central Bloc 1, one of 2 office

towers in Ayala Land’s Central Bloc Corporate Center in Cebu IT Park (CITP), came online together with the Ayala Malls Central Bloc in the second half of 2019.

The weighted Average Lease Rates in Metro Cebu have continuously increased. Year-on-year (y-o-y) growth rate is at 6% with lease rates at Php650 per sq. m. per month on the average. This increase happened even with the newly turned over space mentioned earlier. Net Absorption for the period was at 29,300 sq. m.

FIGURE 1
Metro Cebu Net Absorption and Vacancy Rate



The Metropolitan Area of Cebu has always been regarded as one of the Philippines’ centers of growth. The extensive efforts to promote a better business environment across the country has made Metro Cebu’s office market more attractive. With Administrative Order No. 18 in place, Metro Cebu becomes one of the best alternative sites for BPO companies with planned

OFFICE RESEARCH



expansions given the limited supply of PEZA Accredited office spaces in Metro Manila.

The addition of 260,000 sq. m. of office space in Metro Cebu is expected in 2020. Apart from the major business districts of CBP and CITP, pocket commercial developments have sprung up in other parts of Cebu City as well as in the cities of Mandaue and Lapu-Lapu. These offer office spaces comparable to those in CBP and CITP generally at a lower price.

combined with the lower net absorption has increased CITP vacancy rating to 11.5%. The newly turned over space, however, did not dampen rental rates as the weighted average lease rate grew by 7.94% y-o-y registering at PhP680 per sq. m. per month. This gives an indication of the high demand for space in the district and that newly turned over space will be taken up in a short period of time.

FRINGES

Vacancy rate in the fringes have reached its lowest level in 10 years at 10%. Lease rates in the fringes have also grown by 4.49% y-o-y at PhP550 per sq. m. per month. These developments along the fringes have gained popularity as they are able to offer the same office facilities at a relatively lower rate compared to CBP and CITP. On top of this, the current traffic situation in the whole of Metro Cebu have made these developments more accessible and more practical sites for some companies to operate from. 🚦

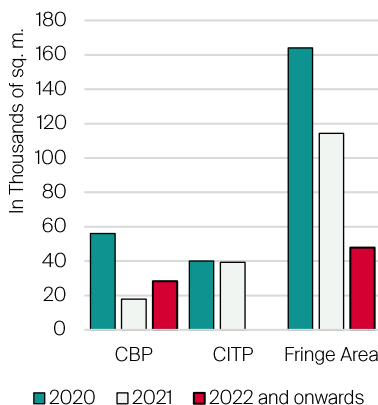
CEBU BUSINESS PARK

Weighted Average Lease Rate in CBP has now reached more than PhP700 per sq. m. per month, a 3% y-o-y growth. A net absorption of more than 9,500 sq. m. was recorded during the 2H 2019. This accounts for 33% of the total net absorption for the period.

CEBU IT PARK

The overall gross leasable office space in CITP, now stands at more than 320,000 sq. m. The addition to the office space

FIGURE 2
Metro Cebu Upcoming Office Space



Source: Santos Knight Frank Research

RESIDENTIAL RESEARCH

UPBEAT METRO CEBU RESIDENTIAL SECTOR OBSERVED IN THE FINAL STRETCH OF 2019

Metro Cebu Residential Sector remains lively in the 2nd Half of 2019



METRO CEBU RESIDENTIAL DEMAND & SUPPLY

The Metro Cebu residential market grew by 10% due to the continuous residential development activities in the area. The supply of residential units among various condominiums have reached a total of approximately 50,000 units, as of the second half

of 2019. Growth of residential supply was due to recent market launching of residential projects from various developers in Cebu.

Studio units remain to be the most common type of unit in all of residential developments in Metro Cebu, consisting of almost 54% of the overall market share, followed by one-

bedroom units comprising of almost 30% of the overall market share. In terms of supply per classification, mid-end condominiums in Metro Cebu comprised of 62% of the overall condominium supply in the area. In terms of supply by area, 72% of residential condominiums in Metro Cebu are located in Cebu City, this due to the large land area of the city and also, most of the premiere developments in the island are located in Cebu City, particularly in Cebu Business Park and Cebu IT Park.

More than 3,100 units of newly launched projects in Metro Cebu are mostly made up of affordable to mid-end type of developments to cater to the growing working-class and young professionals residing in city centers. During the second half of 2019, Cebu Landmasters launched a series of residential towers named, Mivela Garden Residences and One Astra Place located in Cebu City and Mandaue City, respectively.

RESIDENTIAL RESEARCH

Acropolis Land has also launched an affordable type of condominium project called, Bloq Residences – Lahug, situated near the bustling Cebu IT Park.

Demand for residential developments in Metro Cebu was upbeat during the second half of the year as it showcased an overall absorption rate of 91% with an average of 12 units per month taken up during the period. Residential condominium demand was mostly driven by young professionals, long-staying tourists, BPO workers, and investors anticipating capital appreciation.

During the second half of 2019, Mandaue City recorded the highest average monthly take-up rate of 33 units per month. High absorption rate of high-end developments in Mandaue City were also recorded in the city with 94% absorption in the same period of the year. High-end developments in Lapu-Lapu City were recorded to be the most saleable developments in Metro Cebu as these type of developments in the city are 98% sold.

The sale of studio units in Metro Cebu recorded to be the highest in the second half of 2019, with more than 10 units per month are taken up during the said

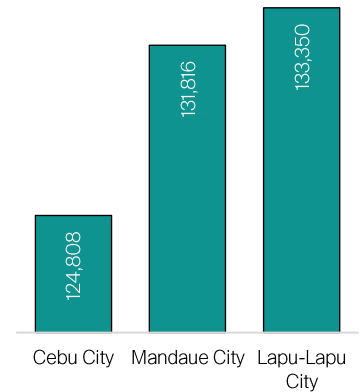
period. Absorption of studio units in Metro Cebu also recorded to be the highest at 92% sold. Studio units are the most flexible unit type in residential condominiums; aside from its price point, studio units were the primary choice of buyers as it is suitable for workers and young professionals.

Demand for residential condominiums was amplified by the worsening traffic conditions in Metro Cebu. Similar situation to Metro Manila, workers in Cebu would want to relocate their place of residence near to their workplace due to the congestion in the main thoroughfares in the city center. The enhancement of transport infrastructure can also solidify the demand and increase the supply of residential developments in Metro Cebu as connectivity will further improve especially to the fringe areas.

METRO CEBU INDICATIVE SELLING PRICES

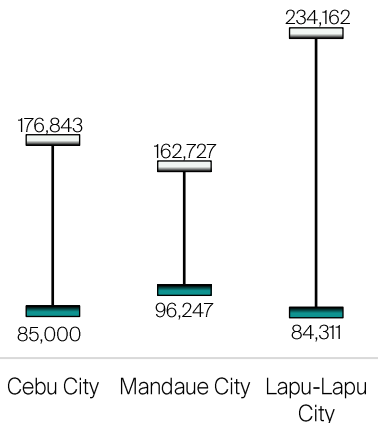
Indicative Weighted Average Selling Prices of condominium properties in Metro Cebu increased by 6.29%, y-o-y and increased by 3.62%, h-o-h which translates to the selling prices amounting to PhP129,991 per sq. m. in the second half of 2019.

FIGURE 3
Weighted Average Prices
per sq. m. (in PhP)



Source: Santos Knight Frank Research

FIGURE 4
Weighted Average Selling
Prices per sq. m. (in PhP)



Source: Santos Knight Frank Research

The continuous growth in demand for residential units were the driving force for the selling prices to increase.

Continued in page 15

RETAIL RESEARCH

TIGHTER RETAIL VACANCY IN METRO CEBU DESPITE INTRODUCTION OF NEW SUPPLY

Brick & mortar establishments seen to increase in the coming years



CONSUMPTION EXPENDITURE INCREASED IN 2H 2019

In the latest report by the Philippine Statistics Authority (PSA), the Household Final Consumption Expenditure (HFCE) showcased a y-o-y increase of 7.06% as well as h-o-h increase of 8.64% in the second half of 2019. The increase in spending in the second half of the year was associated with the upcoming holiday season.

Food and Non-Alcoholic Beverages with shares of 42.20% in the overall household expenditure grew by 4.7% in the final stretch of 2019. Filipinos have also reportedly spent their money on Recreation

and Culture, as well as in Restaurants and Hotels as it presented a notable y-o-y increase of 6.44% and 8%, respectively.

The Philippines, being a highly domestic consumer-driven economy, has been the main reason for the expansion of retail establishments in the country. Catering to the increasing demand of Filipinos for better delivery of goods and services has been the utmost priority of retail developers.

METRO CEBU RETAIL SUPPLY

Metro Cebu's retail supply continues to exhibit rapid

growth during the second half of 2019. The industry's bullish growth in Metro Cebu can be attributed to the increasing purchasing power of the consumers, the thriving Business Process Outsourcing (BPO) sector, the constant influx of tourists in Metro Cebu and the overall improving economy.

The bulk of the retail market in Metro Cebu mainly consists of commercial strips and neighborhood malls, which are significantly smaller than the usual large-scale retail establishments in Metro Cebu. The concentration of commercial strips in Metro Cebu is located within the areas of Kamputhaw, Kasambagan, Banilad, and Tipolo, located in Cebu City and Mandaue City.

District and Regional shopping malls are on the rise as continuous urbanization is evident in the key areas of Metro Cebu. The opening of Ayala Land's second mall, Ayala Malls: Central Bloc located in Cebu IT Park, added 45,000 sq. m. of gross leasable area (GLA). This increased the retail supply

RETAIL RESEARCH

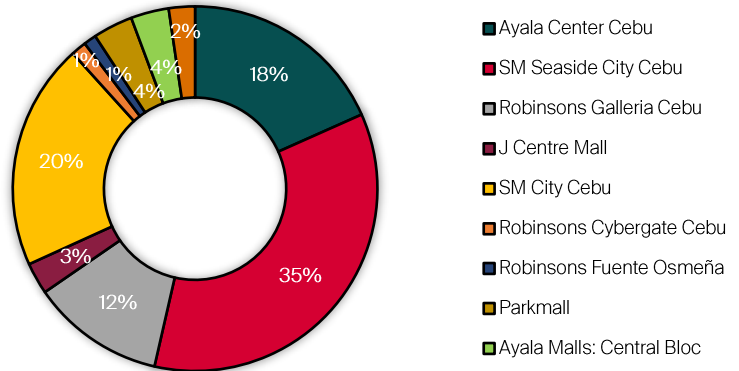
in Metro Cebu by 6% to 1.34 million sq. m. during the second half of 2019.

Property developers strive to have their own share in Metro Cebu's bustling retail sector. As of the second half 2019, the country's biggest retail players cover most of Metro Cebu's retail supply. SM Prime Holdings cover the largest retail market share in Metro Cebu in terms of retail GLA with a total area 739,000 sq. m. which comprise of SM Seaside and SM City Cebu. Ayala Land has the second largest market share in Metro Cebu with a total area of 290,000 sq. m. coming from their shopping malls located in Cebu Business Park and Cebu IT Park. Robinsons Land grew their market share with the addition of Robinsons' Galleria Cebu located in North Reclamation Area. Robinsons Land's market share is the third largest in Metro Cebu with a total area of 191,000 sq. m.

METRO CEBU RETAIL VACANCY & LEASE RATES

Entrance and expansion of of local and foreign brands caused the overall vacancy in Metro Cebu to drop below 2%. Despite the addition of Ayala Malls: Central Bloc in Cebu IT

FIGURE 5
Metro Cebu Retail Supply Distribution



Source: Santos Knight Frank Research

Park, vacancy levels in Cebu City was recorded at 1.98%, while vacancy rates in Mandaue City was recorded at 0.98%.

Overall retail lease rates in Metro Cebu is currently averaged at PhP1,226.84 per sq. m. per month. Retail lease rates in Metro Cebu vary depending upon the size, location, target market, and classification of the shopping malls. Average lease rates in Cebu City was recorded at PhP1,256.55 per sq. m. per month.

Lease rates in Cebu City was the highest in Metro Cebu as most of the largest and newly-built premiere regional malls are located in the area. Meanwhile, average lease rates in Lapu-Lapu City and Mandaue City were recorded at PhP950 per sq. m. per month and PhP900

per sq. m. per month, respectively.

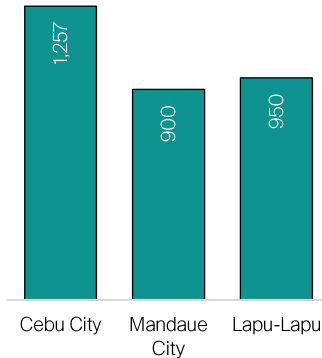
METRO CEBU RETAIL OUTLOOK

The retail sector in Metro Cebu is anticipated to flourish in the coming years with a pipeline of upscale shopping malls and mixed-use establishments will soon rise in Metro Cebu, further heightening the urbanization and gentrification in Metro Cebu. Approximately 320,000 sq. m. of leasable retail area are expected to commence their operations in the next three to four years.

In partnership with AboitizLand, Ayala Land will soon open its third Ayala Mall in Metro Cebu, situated within the Gatewalk Central. Dubbed as "The Dynamic Center of Mandaue," Gatewalk Central

RETAIL RESEARCH

FIGURE 6
Metro Cebu Retail Lease
Rate per City (in PhP)



Source: Santos Knight Frank Research

is a 17.5-ha integrated mixed-use development in Subangdaku, Mandaue City.

Megaworld Corporation will soon open an upscale shopping mall in Lapu-Lapu City called, Plaza Magellan, located in Mactan Newtown. Plaza Magellan is a 5-hectare retail complex named after the famous Portuguese voyager, Ferdinand Magellan. The construction of the upcoming retail complex is situated within the 30-ha Mactan Newtown. The retail complex is anticipated to open in 2021 which will soon add 168,000 sq. m. of leasable retail space in Lapu-Lapu City.

Cebu homegrown developer, AppleOne Properties recently broke ground their mixed-use development called

Mahi by AppleOne Properties, the country's first mixed-use development located in an export processing zone. The Mahi project is located within the Mactan Export Zone 1 (MEZ1) in Lapu-Lapu City, the project will be part of the early stages of re-development of the economic zone. Mahi will soon be situated in a 7,500 sq. m. lot with spaces allotted for offices catering to the IT-BPO sector, commercial and retail spaces, and a hotel that will be managed by Marriott.

The country's top real estate players are poised to reap their investments in the 300-ha South Road Properties (SRP). Spanning from the coastal area of mainland Cebu City to the nearby Kawit Island, SRP will soon house mixed-use developments that will reshape the Metro Cebu skyline.

Top property conglomerates in the Philippines, SM and Ayala Land, unveiled their plans to develop a portion of the reclaimed land to build a business district in the south of Metro Cebu. The SM-Ayala consortium is a 45-ha development worth PHP300 billion which will primarily consist of office, retail, hotels, resorts, and premiere residential

projects along the coast of Cebu.

Gotianun-led company, Filinvest, will soon commence the operations of Il Corso. Il Corso is a 10-ha al fresco shopping mall located within the 50-ha seaside estate called, City de Mare. Il Corso shopping mall will soon add approximately 36,000 sq. m. of GLA in Cebu City once it starts to become fully-operational.

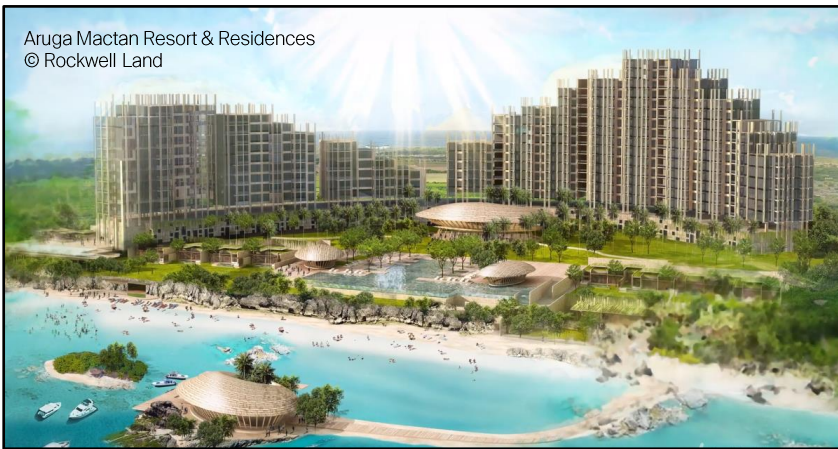
The retail sector of Metro Cebu also sees the increase in upcoming local and foreign brands, expanding their business operations in the Queen City of the South. Most of the upcoming stores slated to open in various shopping malls in Metro Cebu were Food & Beverage (F&B) brands. F&B brands have the largest market share in the upcoming stores which comprise of 39%.

Clothing & Apparel brands were the second-largest market share in the upcoming brands which represents 24% of the upcoming market. Upcoming stores classified as Service brands (i.e. barber shops, salon, pawnshops, service centers) account for 19% and will give additional convenience to the future mall patrons. 🍷🍷

HOSPITALITY RESEARCH

CEBU'S TOURISM SECTOR AIMS TO EXPAND EVEN FURTHER VIA A TOURISM MASTER PLAN

Investments persists as foreign tourist continue to flock in Cebu



Million by 2022 under the National Tourism Development Plan.

As Cebu's tourism industry expands, airlines have taken steps to broaden Cebu's reach within the country and the world. Philippine Airlines, the country's flag carrier, has announced direct flights from Cebu to Los Angeles will be available starting May 2020, linking Visayas directly with mainland USA. The flight will be utilizing Terminal 2 of the Mactan-Cebu International Airport (MCIA), which bagged the World Architecture Award for the Completed Buildings Transport Category. AirAsia, on the other hand, will be launching its direct flights from Cebu to General Santos on March 31.

Metropolitan Cebu is, again, in the spotlight as it was recently named by the Department of Tourism (DOT) as a top foreign tourist destination in the country, right behind Boracay. Tourism Secretary Bernadette Romulo-Puyat was quoted on saying that Cebu had 1.4 Million foreign guests in 2019, 200K short of Boracay's 1.6 Million.

Capitalizing on Cebu's tourism industry, DOT-7, in partnership with NEDA, has embarked on creating a Tourism Master Plan for Central Visayas. The plan will be covering infrastructure, power, investment opportunities,

sustainability and environmental protection, transportation, an area's carrying capacity, and easement rules. The Tourism Master Plan will be a roadmap to boost Cebu's tourism industry while ensuring that sustainable practices and policies are in place.

Despite having an influx of foreign tourists, the DOT is seeking more investors in the domestic tourism sector arguing that it is what really drives the growth in the country. Latest count shows that 111 Million Filipino tourists were recorded in 2018, exceeding the target of 86

HOTEL DISTRIBUTION

Being the largest and center of economic development, Cebu City holds the bulk of Metro Cebu's room capacity at 51%. The hospitality industry of Cebu offers a wide array of accommodation and services to the market;

HOSPITALITY RESEARCH

from the affordable dormitory bunk-type bed to luxury accommodations in some of the city's largest hotels.

The city of Lapu-Lapu, meanwhile, boasts the agglomeration of 5-Star Hotels in its shores, even higher than Cebu City, owing to the majestic view of Mactan, its beaches and its proximity to the MCIA. As such, most of the city's luxurious hotels are located on its shores facing Hilutungan Channel.

AVERAGE DAILY RATES

Average Daily Rates (ADR) in Lapu-Lapu City are considerably higher than the cities of Cebu and Mandaue with the former costing more than twice the weighted average rates of the latter cities. The 5-Star Hotels in Lapu-Lapu City has the highest ADRs and is separated by a big margin in comparison to the hotels in the other cities.

It is clear that the hospitality industry in Lapu-Lapu is aimed at the at the foreign tourists that frequent the area thereby exposing it to external vulnerabilities. DOT-7's move to boost domestic tourism in Cebu is a step in

the right direction to grow their clientele.

UPCOMING DEVELOPMENTS

The hospitality industry in Metro Cebu is expected to open around 3,000 rooms in the coming years where more than 1,900 will be located in Lapu-Lapu City. The ability of the hospitality industry in the city to command higher rates yet maintain high occupancy levels are due to the influx of foreign tourists and this has enticed developers to venture into developments in the area. Notable developments in the area include Rockwell's Aruga Resort and Residences, Apple One Properties' Sheraton Cebu Mactan Resort, LapuLapu Leisure Inc.'s Emerald Resort & Casino and Megaworld's Mactan Belmont Luxury Hotel.

Cebu City will also be adding another 740 rooms by 2020. Noteworthy of these hotels include Grand Land's Dusit Princess Cebu and the joint venture of Intercontinental Hotel and Erawan Group's Holiday Inn. The former will be located near the North Reclamation Area while the latter will be within Cebu Business Park. 🏨🏨

FIGURE 7
Metro Cebu Hotel Room Distribution

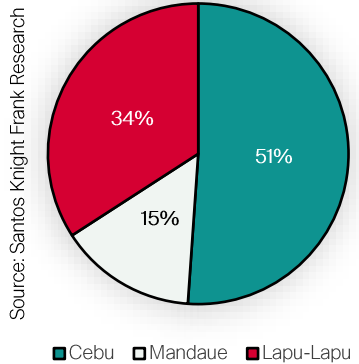


FIGURE 8
Metro Cebu ADR of Hotels (in PHP)

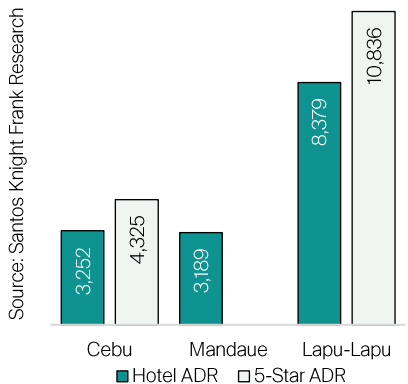
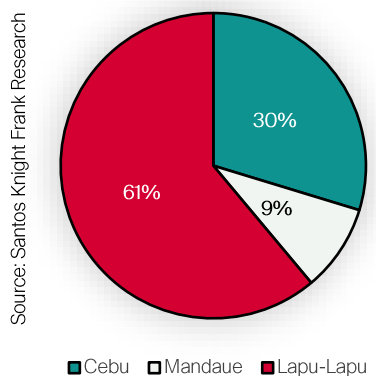


FIGURE 9
Metro Cebu's Upcoming Hotel Room Supply for 2020



INDUSTRIAL RESEARCH

Robust Industrial Activity Solidifies Cebu as the Trading Hub of the South

Upcoming Industrial-related Activities further strengthen Metro Cebu Industrial Sector



In the latest report by the Philippine Statistics Authority (PSA), the manufacturing sector of the country grew at a rate of 3.7% y-o-y during the fourth quarter of 2019. The growth in manufacturing of goods can be associated to the anticipation of the holiday season, wherein consumption is heightened during the period.

Manufacturing growth was caused by the increase in the production of Chemical Products which grew by 14.5%, faster than the recorded decline of 7% during the same period in 2018. Production of Machineries, as well as Electrical Machineries also

exhibited growth which increased its output by 10.9% and 10.4%, respectively. Expansion in Food Manufactures during the period was also evident as it increased by 8%.

METRO CEBU INDUSTRIAL SECTOR REVIEW

Metro Cebu is recognized as the regional center and trading hub in Central Visayas. The industrial sector in Cebu is recognized to be one of the busiest in the country. Managed by the Cebu Port Authority, Port of Cebu is the largest domestic seaport in the country

which serves as a gateway to Visayas and Mindanao. Strong port activity in Metro Cebu was observed in 2019 as the economy in the region are becoming more consumer-driven.

According to the National Economic Development Authority (NEDA) Central Visayas, increase in purchasing power and consumer demand for goods were observed in the region. Latest data from Cebu Ports Authority (CPA) showed that cargo traffic in Cebu increased by 37.46%, translating to 60.02 million metric tons of cargo shipments in 2019.

CPA also mentioned that 70% of the cargo traffic were domestic cargo and 30% of which comes from foreign shipments.

In order to handle the increasing cargo traffic in Cebu, a PhP1 billion finger pier port located in the northern part of the Cebu International Port recently commenced its operations. Finger pier is a smaller pier extending from a larger dock. The 1.25-ha finger

INDUSTRIAL RESEARCH

pier is expected to alleviate congestion and to accommodate small to medium cargo vessels, carrying shipments containing essential commodities such as rice, salt, steel, and cement.

Supply gaps in the region presented an economic opportunity to locally produce goods. Majority of the economic zones accredited by Philippine Economic Zone Authority (PEZA) in Region VII (Central Visayas) are located in Metro Cebu. There are 7 identified Manufacturing Economic Zones and 1 Agro-Industrial Economic Zone located in Cebu, with a total land area of 833-hectares and more than PhP6.5 billion of approved investments.

Industrial spaces in Metro Cebu are concentrated in Mandaue City and Cebu City due to its proximity to Port of Cebu as well as to distribution centers in the mainland. Approximately 72,000 sq. m. of industrial space were opened for lease in the market during the second half of 2019, most of which are available for storage of food and other dry goods

Average warehouse rents in Metro Cebu now cost PhP198.21 per sq. m. per month, citing a h-o-h increase of 17% during the

second half of 2019. Industrial lease rates in Mandaue City were recorded to be the highest in Metro Cebu at PhP201.68 per sq. m. per month, followed by Cebu City at PhP196.00 per sq. m. per month. As of the second half of 2019, rental rates in Mandaue and Cebu City increased by 5% and 4%, respectively.

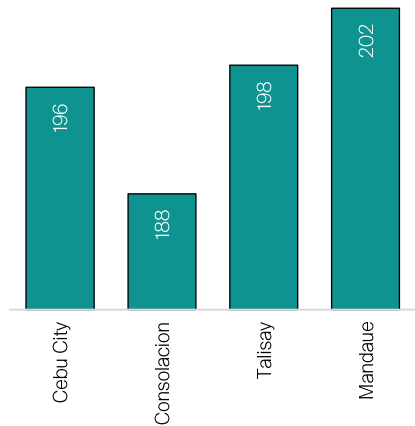
METRO CEBU INDUSTRIAL SECTOR OUTLOOK

The upbeat performance of the manufacturing sector in 2019 will drive demand for industrial parks and Standard Factory Buildings (SFB). Active developments in Luzon will give investors and developers options to venture in other parts of the Philippines. Cebu is a major industrial hub outside Luzon.

Conglomerates and Cebu-grown developers have already expressed interest in putting-up industrial parks as industrial spaces located in PEZA-accredited industrial parks are fully-occupied. Cebu Landmasters, DoubleDragon Properties, and Priland Development Corp., are eyeing to develop industrial parks in Metro Cebu.

A consortium led by Cebu Landmasters have

FIGURE 10
Metro Cebu Weighted Average Warehouse Lease Rates per Month (in PhP)



Source: Santos Knight Frank Research

announced their plans to develop a 100-ha reclamation project in the first-class municipality of Minglanilla, in the south of Cebu. The project is a Public-Private Partnership (PPP) with the local government which has been approved by the Cebu Provincial Reclamation Authority. The proposed project is envisioned to have 51-ha allotted for industrial zone which will house Japanese occupiers while the remaining 49-ha will be allotted for commercial and residential developments.

DoubleDragon Properties expanded their industrial warehouse operations in Danao City, Cebu. CentralHub-Cebu is

INDUSTRIAL RESEARCH

Proposed 4th Cebu-Mactan Islands' Bridge
© DPWH-7, Cebu Daily News



planned to be a 5.2-ha development with industrial capacity of 27,000 sq. m. The completion of CentralHub will be the second industrial development of DoubleDragon Properties in Visayas, following CentralHub-Iloilo.

Priland Development Corporation announced plans to develop a 50-ha light industrial park in Consolacion, Cebu as part of their plans to diversify their real-estate portfolio.

Active infrastructure developments in Cebu was heightened in order to boost socio-economic development in Central Visayas, decongest main thoroughfares in Metro Cebu, and enhance

connectivity between different towns in the island to contribute to the gentrification and future developments in other areas of Cebu.

One of the big-ticket infrastructure projects in Cebu pipeline is the Metro Cebu Expressway (Cebu Circumferential Road). The Metro Cebu Expressway is a 73.75-kilometer arterial road which plans to connect the northern and southern parts of Cebu. The expressway will traverse along the mountain ranges of Cebu province, connecting Danao City to Naga City, Cebu.

According to the Department of Public Works and Highways in Central

Visayas (DPWH-7), the feasibility study for the fourth link bridge in Cebu has been completed is now under National Economic Development Authority (NEDA) approval. The fourth Mandaue-Mactan link bridge is a 402-meter linear bridge with a coastal road named, Mandaue Coastal Road. The proposed project aims to further improve connectivity between the northern part of Cebu and Mactan Island. Currently, there are two existing bridges providing access between mainland Cebu and Mactan Island, the Sergio Osmeña Bridge (Old Mandaue-Mactan Bridge) and the Marcelo Fernan Bridge. 🗺️📍

CONTINUATION OF RESEARCH ARTICLES

COVER STORY

RESIDENTIAL RESEARCH



become major metropolitan business districts once completed. Mandani Bay, a 20-ha mixed-use project in the city of Mandaue, will soon be hosting a number of office buildings, residential condominiums, hotels and retail spaces. It's first block, composed of two residential condominiums and an office building, is expected to be operational within the year. Another mixed-use project to rise in Cebu is located in the South Road Properties and will be developed by the SM-Ayala consortium. After much controversy, the ground breaking ceremony for the 26-ha "soon-to-be" business district was finally held last January 29.

Envisioning this sustained growth, NEDA emphasizes on the inter-connectivity of Central Visayas from Metro

Key infrastructure projects seen to give more access to the metropolitan have been formulated with some in the process of being built. The Cebu-Cordova Link Expressway (CCLEX) is seen not only to alleviate the traffic congestion in the two existing bridges of Cebu but also to give a closer access for the southern cities and municipalities to the lone airport serving the entire province. CCLEX officials have disclosed that the project is on-track to be completed by August 2021. Another study by the Japan International Cooperation Agency was also conducted for the proposal of a fourth bridge connecting Lapu-Lapu to Brgy. Paknaan in Mandaue to give closer access as well to Cebu's northern neighbors. 📍📍

Average selling prices of residential units in Lapu-Lapu City was recorded to be the highest in Metro Cebu at PhP133,350 per sq. m. The reason behind the capital appreciation is the gentrification of certain areas in the island as premiere real estate developments of homegrown and national property developers will soon to rise in the area. Lapu-Lapu City also boasts of the most expensive residential development which is currently selling at PhP234,162 per sq. m.

Condominium properties in Mandaue City recorded the second highest in Metro Cebu at PhP131,816 per sq. m. Selling prices in Mandaue City appreciated by 20.9% y-o-y during the second half of 2019. Units in Mandaue City are being sold at a range of PhP96,247 per sq. m. to PhP162,727 per sq. m.

Average selling prices of residential units in Cebu City dropped to PhP124,808 per sq. m. as most of the upscale developments have been fully sold. The actively selling units in Cebu City are in the price range of PhP85,000 per sq. m. to PhP176,842 per sq. m. in the second half of 2019. 📍📍

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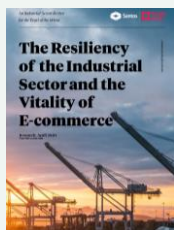
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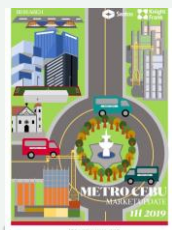
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