

Let's talk about the  
**PHILIPPINE**  
*Economy*



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# THE PHILIPPINES PROJECTED GROWTH

THE FASTEST GROWING ECONOMY ACROSS SOUTH EAST ASIAN COUNTRIES

- 2021** GDP growth of 7.1% in Q3. Expected to end year with 4.5% growth
- 2023** Philippines' economy back on track to pre pandemic level.
- 2025** The Philippine Internet Economy will be \$40B, 5.3% of the Philippine GDP
- 2030** The economy will grow to \$1 trillion, with a population of 128M
- 2050** 18th largest economy in the world, with a projected GDP of \$4.862 trillion

# WHY INVEST IN THE PHILIPPINES?



- The Philippine Economy's strong fundamentals will assure sustained economic growth past the health crisis
- Continuous inflow of remittances expected to grow by 7.3% in 2021
- In a demographic sweet spot – increasing young competent and reliable human resources. This translates to strong local consumption
- Booming infrastructure development for inclusive growth. Several operating economic zones and IT parks today, offering attractive tax incentives, and equipped with support capabilities
- Critical entry point to over 600 million people in the ASEAN Market and a natural gateway to the East-Asian economies.





# **DRIVERS OF GROWTH**

## **INFRASTRUCTURE DEVELOPMENT**

**Increased economic  
activity and create jobs**

**105 flagship high-impact  
infrastructure projects**

**38 projects to be  
Completed in 2022**





# **DRIVERS OF GROWTH**

## **OVERSEAS FILIPINO WORKERS**

**More than 2M OFWs**

**\$33.2 B Total Remittances  
remained stable in 2020**

**Remittances Account  
for 9.2% of GDP**

**Remittances  
forecasted to grow by  
7% in 2021.**





**DRIVERS OF  
GROWTH**

**BUSINESS  
PROCESS  
OUTSOURCING**

**1.35 Million Jobs\***

**Virtually Zero Job Loss  
for 2020\***

**18% of Global BPO  
Industry**

**\$23B Contribution to  
the economy**





A total of **248 kilometers** of roads, bridges, and railways is set to be completed in the **next five years**.

ROADS				
	PROJECT	PROPONENT	LENGTH	TARGET COMPLETION
1	SKYWAY STAGE 3	SMC	18.7 KM	2020
2	NLEX-SLEX CONNECTOR ROAD	MPIC	8 KM	2021
3	CS SOUTH LINK	MPIC	7.7 KM	2021
4	CAVITE-LAGUNA EXPRESS WAY (CALAX)	MPIC	45.3 KM	2022
5	CAVITE-TAGAYTAY-BATANGAS EXPRESS WAY (CTBEX)	MPIC	50.4 KM	2022
			<b>130.1 KM</b>	

CAVITE TAGAYTAY BATANGAS EXPRESS WAY (CTBEX)				
5	SILANG TO NASUGBU		50.4 KM	2022

NLEX – SLEX CONNECTOR ROAD				
2	C3 ROAD, CALOOCAN CITY - PUP STA. MESA - SKYWAY STAGE 3		8 KM	2021

SKYWAY STAGE 3				
1	BALINTAWAK TO OSMENA/BUENDIA		18.7 KM	2020

CS SOUTH LINK				
3	R-1 EXPRESSWAY TO CS		7.7 KM	2021

LRT 1 EXTENSION CAVITE				
4	BACLARAN TO CAVITE		11.7 KM	2022

CAVITE LAGUNA EXPRESS WAY (CALAX)				
4	CAVITE KAWIT TO SLEX BINAN		45.3 KM	2021

MRT 7				
3	SAN JOSE DEL MONTE TO NORTH AVENUE		22 KM	2022

NSCR-PNR CLARK PHASE 1				
2	TUTUBAN TO MALOLOS		37.6 KM	2021

LRT LINE 2 MASINAG EXTENSION				
1	MANILA TO ANTIPOLLO		3.8 KM	2020

MRT 4				
5	N. DOMINGO TO TAYTAY		15.6 KM	2025

METRO MANILA SUBWAY				
6	MINDANAO AVENUE TO NAIA		25.3 KM	2025

RAILWAYS				
	PROJECT	PROPONENT	LENGTH	TARGET COMPLETION
1	LRT LINE 2 MASINAG EXTENSION	MARUBENI CORP. / DMCI	3.8 KM	2021
2	NSCR-PNR CLARK PHASE 1	DMCI	37.6 KM	2021*
3	MRT 7	SMC	22 KM	2022*
4	LRT 1 EXTENSION CAVITE	AYALA CORP. / SUMITOMO / MPIC / MIC	11.7 KM	2022
5	MRT 4	DOTR	15.6 KM	2025
6	METRO MANILA SUBWAY	JICA	25.3 KM	2025
			<b>116 KM</b>	

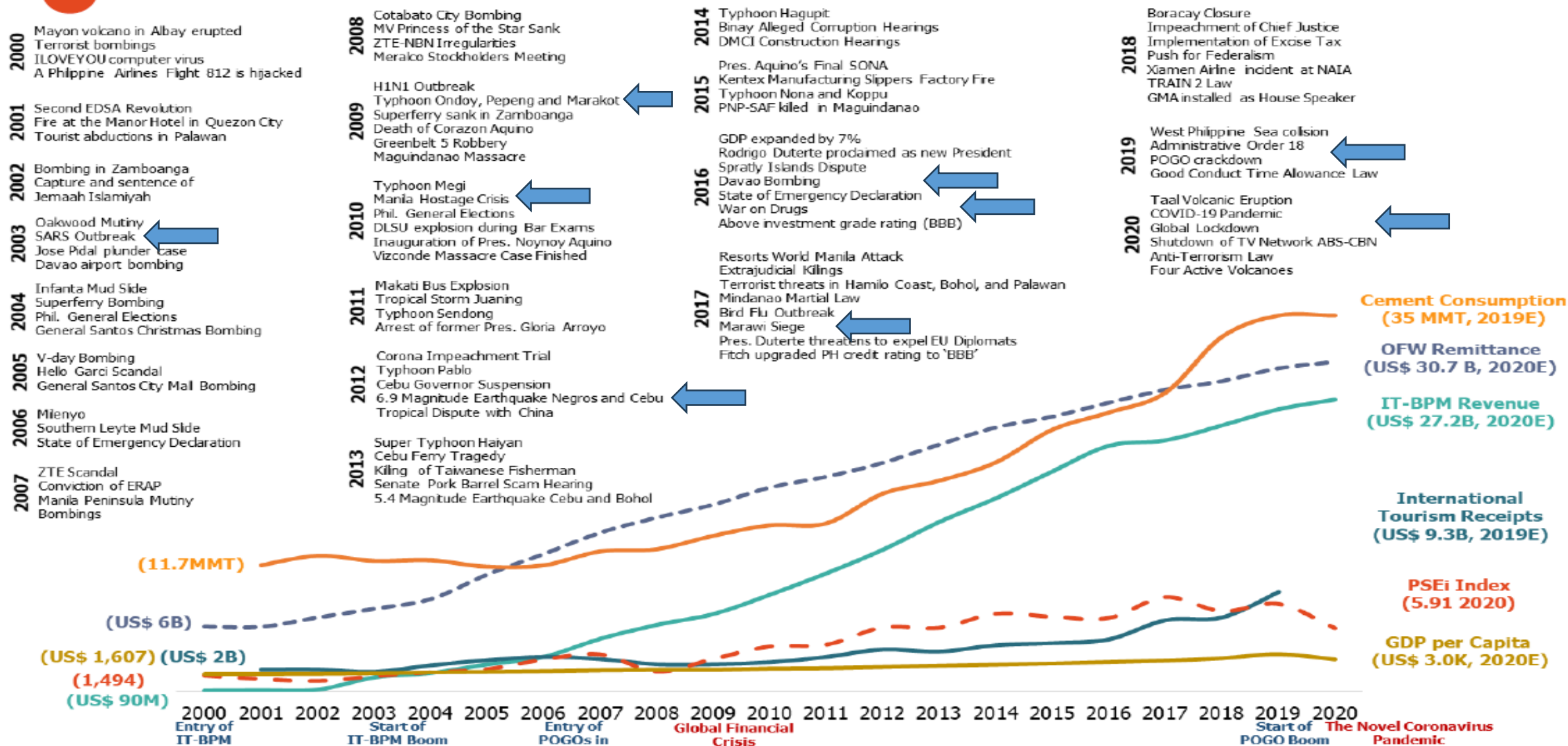
BRIDGES				
LEGEND	PROJECT	LOCATION	LENGTH	TARGET COMPLETION
1	SANTA MONICA-LAWTON BRIDGE	PASIG RIVER	0.613 KM	2021
2	ESTRELLA-PANTALEON BRIDGE	PASIG RIVER	0.506 KM	2020
3	BINONDO-INTRAMUROS BRIDGE	PASIG RIVER	0.725 KM	2021
			<b>1.8 KM</b>	



# THE PHILIPPINES: A CHAMPION OF GROWTH



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Let's talk about  
**PHILIPPINE**  
*Real Estate*

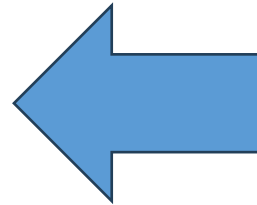


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# WHY INVEST IN PHILIPPINE REAL ESTATE?

- Resilient nature of Philippine real estate
- Infrastructure projects expected to boost property values
- Steady increase in property values
- Significant real estate demand from Overseas Filipinos, local buyers, and foreign investors
- Local Housing backlog of more than 6M

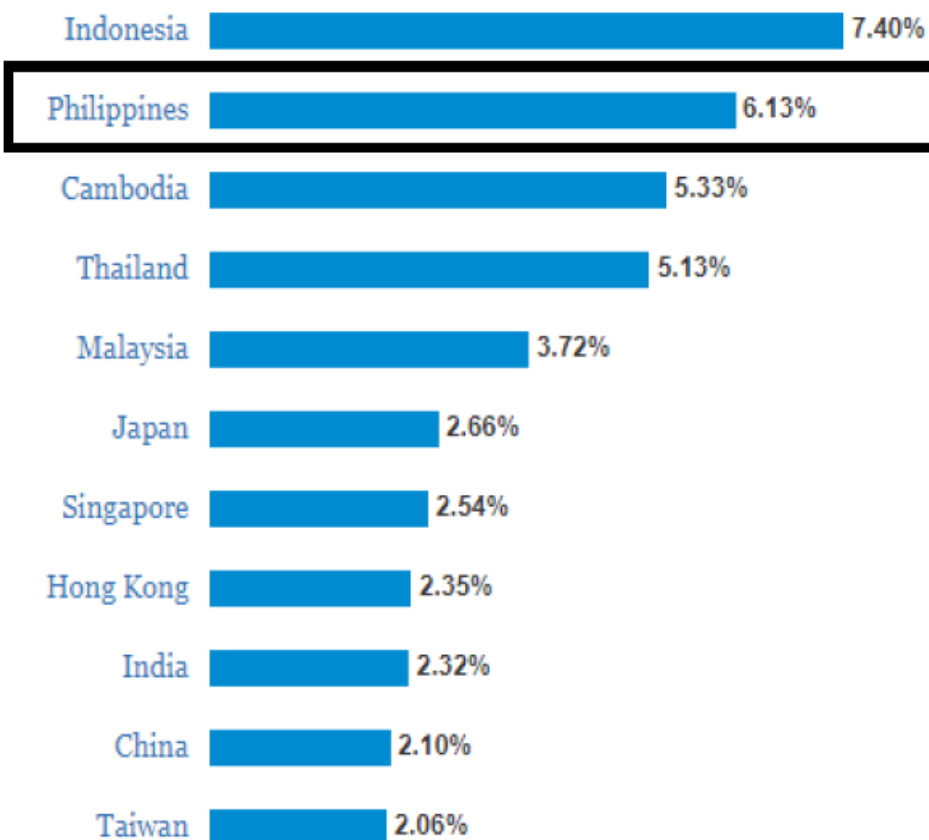


# PHILIPPINE PROPERTY PRICES & RENTAL YIELDS REMAIN ATTRACTIVE

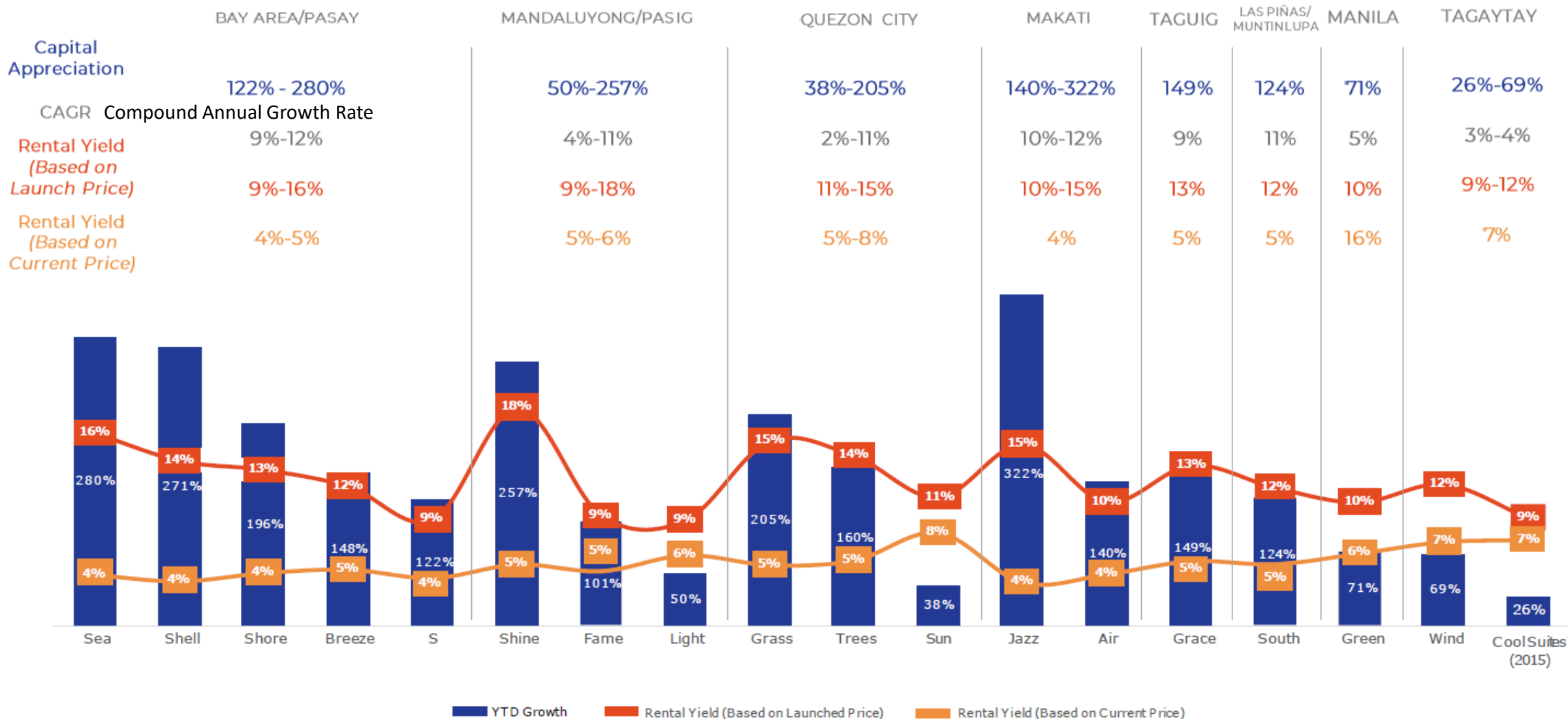
## Property Prices in Asia (sq.m.)



## Rental Yields in Asia (%)







# METRO MANILA CITYSCAPE

- Most of these districts will be **fully developed by 2020**.
- Metro Manila may see a **deficit in office supply by 2022** 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**

## 51 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. BONIFACIO CAPITAL DISTRICT. MCKINLEY HILL. MICKINLEY WEST. **LAS PINAS.** 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 **1,891.5 hectares** spread across **50 business parks**

## 4 UPCOMING RECLAMATION PROJECTS

1. New Manila Bay International Community (UAA Kinming Group)
2. Manila Waterfront City (WMPD)
3. Solar City Urban Center (MGDC).
4. Coastal Bay Project (SMPH).

**1,508 hectares** of upcoming reclaimed land shared across **4 projects**





**PROPOSED HORIZON MANILA RECLAMATION PROJECT**  
 City of Manila Government  
 Along Coast of Manila Bay in the territorial jurisdiction of the City of Manila

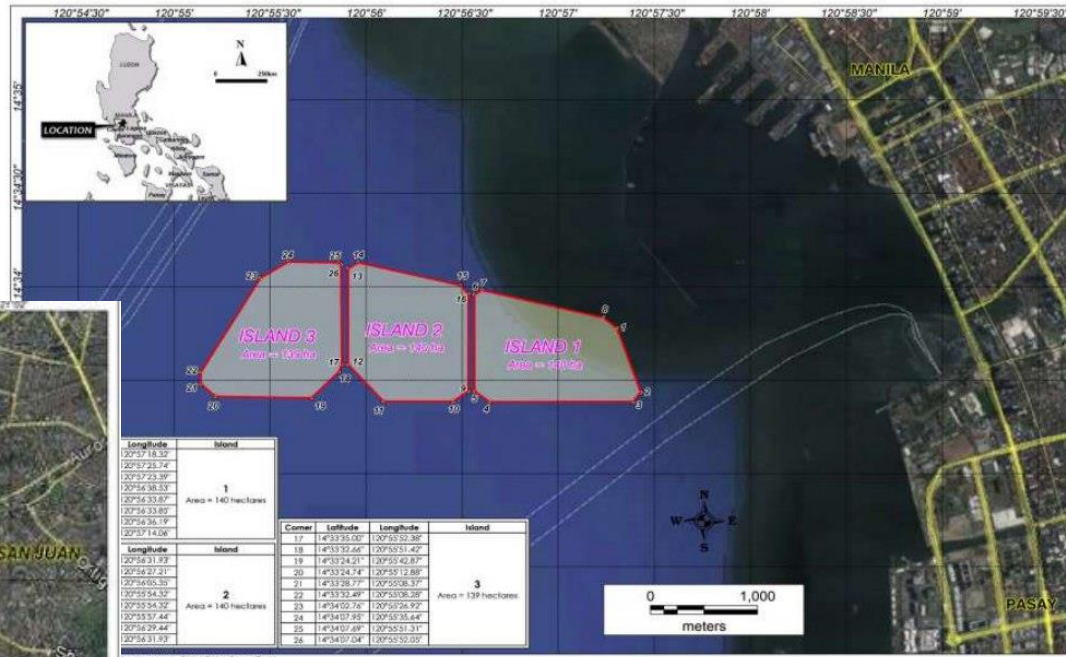
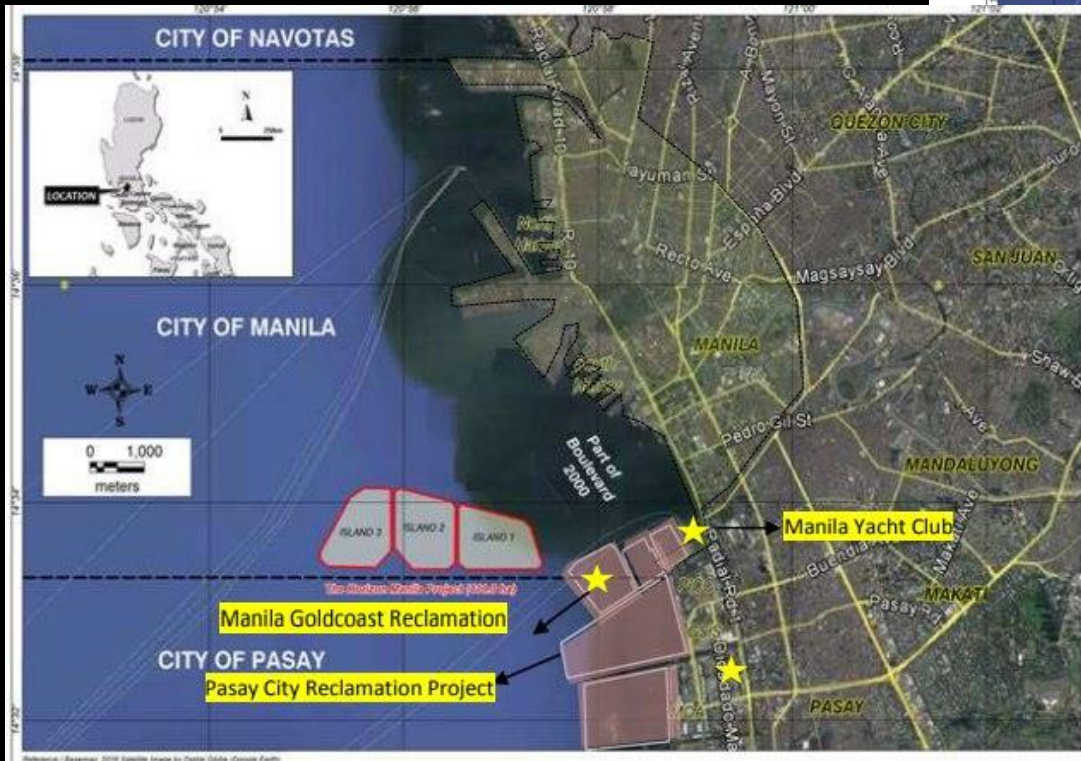


Figure ES-2. Final Considered Design for the Three (3) Islands



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# CONDOMINIUM PRICES ARE HOLDING

3Q2020 Price Per Sqm of Current Supply



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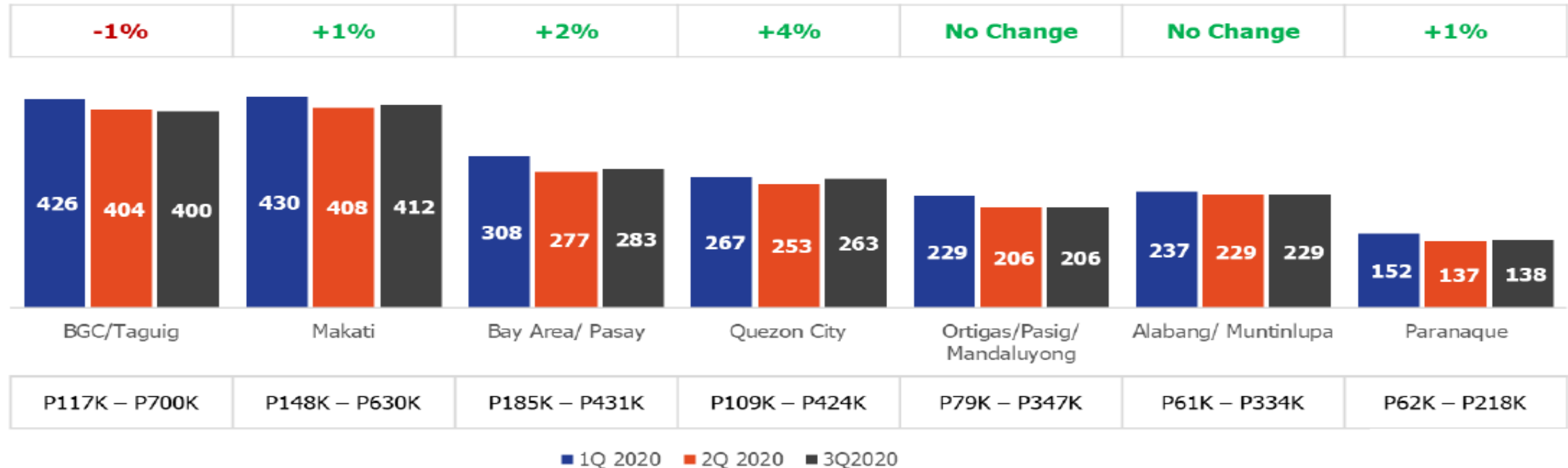
- Average price of primary units in major CBDs are increasing by **1% to 4%** from major price decrease in 2Q2020
- Developers are extending their **lower reservation fees, lower down payment and flexible payment scheme**

PROOF THAT PHILIPPINE PROPERTIES ARE VERY RESILIENT

## RESIDENTIAL CONDOMINIUM AVERAGE PRICE/SQM

Ave. QOQ % Change

Average Price/sqm (In Thousands)







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**SMDC**

**TAKA HASEGAWA**

**Property Investment Director**

SM Development Corporation



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