

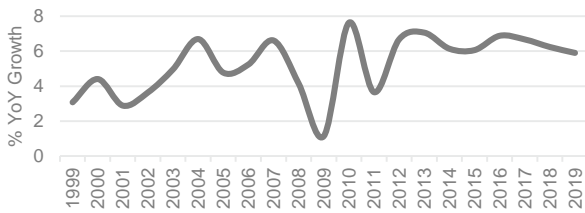


GENERAL PROPERTY

- The Philippines has presented the new guidelines for Real Estate Investment Trusts (REITs) which include the easing of the minimum public ownership (MPO) requirement from 40% at year 1 up to 67% within 3 years to just 33% as long as the funds raised from a REIT listing will be reinvested in the domestic market within a year. Also, the BIR has updated the tax treatment of REIT transactions to exempt from 12% VAT the transfer of property to a REIT company in exchange for its shares. The country's first REIT issuance is expected at least 2 months after the new guidelines are set to take effect in February. Developers that have expressed the interest to launch REIT include Ayala Land, Inc., Megaworld Corp., Century Properties Group Inc., Robinsons Land Corp., and Double Dragon Properties Corp.
- A consortium led by Filinvest group purchased a 19.2-hectare reclaimed land in South Road Properties (SRP) owned by the local Government of Cebu City for PhP 6.7 billion. The acquired land is intended for a mixed-used development with residential, office, commercial, and retail components.
- Fitch Ratings has pointed out in their report the risks posed by Philippine Online Gaming Operators (POGOs) activities, which brought up prices of condominium in Metro Manila to an unsustainable 34% YoY. The rapid growth in prices could stimulate speculative price appreciation and disrupt the property and banking sectors.

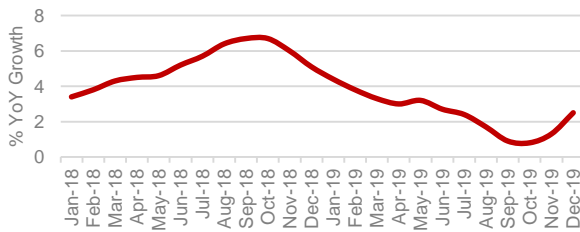
5.9% YoY

2019 Annual Real GDP



2.5% YoY

Dec 2019 Headline Inflation



Source: Philippine Statistics Authority

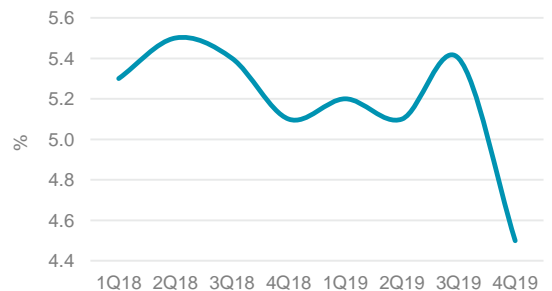
OFFICE



- AppleOne Properties Inc. (API) has ventured into the co-working segment through an exclusive franchise partnership agreement with International Workplace Group (IWG). The agreement is the first franchise agreement of IWG in Southeast Asia. The partnership targets to develop at least 2,500 co-working and flexible workspace stations in the Visayas region particularly in the cities of Cebu, Lapu-Lapu, Mandaue, Dumaguete, Iloilo and Bacolod.
- hectare Iloilo Business Park. The new office towers—Enterprise One and Enterprise Two—will up Megaworld's office stock by 78,000 square meters of additional office spaces, bringing its total office supply in Iloilo City to around 175,000 square meters by the end of 2022.
- The Aspire Corporate Plaza being developed by Golden Bay Land Holdings in Pasay City is set to be turned over by the first half of 2020, a year earlier its original turnover date.
- To cater to the steadily growing demand for office spaces in Iloilo, Megaworld Corp will be adding two new office buildings in its 72-

4.5%

4Q 2019 Unemployment Rate



Source: Philippine Statistics Authority



RESIDENTIAL

- The quarterly Residential Real Estate Price Index (RREPI), which measures the average change in the cost of acquiring various types of housing units in the Philippines, exhibited a double-digit YoY growth of 10.4% to hit a record 128.7 in 3Q 2019 from the 116.6 level in 3Q 2018. The growth in prices of condominiums and duplexes largely contributed to the increase, concluding with a YoY growth of 29.1% and 24.8% in 3Q 2019 respectively.
- A joint condominium venture between DMCI Homes and Robinsons Land Corp is recently launched and will soon rise in Las Piñas City. The Sonora Garden Residences will feature 1-, 2-, and 3-bedroom unit configurations in the planned three-building development near Alabang-Zapote Road.
- Aseana Residential Holdings Corp, a unit of D.M. Wenceslao and Associates, Inc., completed in 4Q 2019 its first residential project, Pixel Residences, located in its Aseana City estate in Parañaque City.
- Megaworld Corp is expanding its footprint in Cebu and Negros Occidental with the launch of new residential developments in Lapu-Lapu City and Bacolod City. The Pearl Global Residences that is slated for completion by 2025 will add 222 units in

Mactan Newtown's current inventory while Two Regis targeted for turnover in 2022 will add 310 units in the 34-hectare township in Bacolod City.

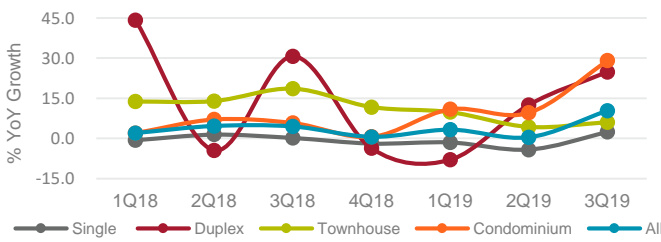
USD 2.64B

Nov 2019 OF Personal Remittances



10.4% YoY

3Q 2019 Residential Real Estate Price Index (Q1 2014 = 100)



Source: Bangko Sentral ng Pilipinas

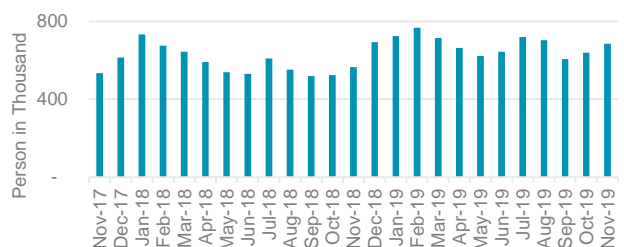
HOSPITALITY

- Zen Rooms, a budget hotel network, has moved its headquarters from Singapore to the Philippines as it bets in the country's rapid economic growth. The group is looking into transforming the local accommodation market with technological and operational solutions to improve safely and value for money.
- Sta. Lucia Land, Inc. (SLI) is aiming to expand its hotel portfolio to about 2,000 from its current 1,600 rooms, which would entail the completion of at least 3 of its current projects namely Sotogrande Palawan in Puerto Princesa,
- Sotogrande Baguio in Baguio City, and Sta. Lucia Residence Tower 3 in Cainta Rizal. The firm capitalizes in the country's booming tourism sector and growing visitor arrivals.
- Astoria Hotels & Resorts (AHR) is allotting a PhP 650 million investment for a 52-room building in Palawan to accommodate the growing tourists in Puerto Princesa area on expectations that the development of Puerto Princes International Airport will further boosts the influx of tourists in Puerto Princesa.



684,063 Person

Nov 2019 Foreign Visitor Arrivals



Source: Department of Tourism

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