

PHL demand for cold storage facilities heating up

By Keren Concepcion G. Valmonte Reporter

DEMAND for cold storage facilities in the Philippines is expected to continue growing this year, as companies need space to store coronavirus disease 2019 (COVID-19) vaccines and food imports. KMC Savills Senior Director for Industrial & Logistics and Transactions & Advisory Services Karen Golez said cold chain facilities, along with data centers, will be “game changers.”

“This [poses] a challenge for developers to build better quality specs of warehouses that will cater to sustain the appetite from these industries,” Ms. Golez said in an e-mail on Jan. 19.

JLL Philippines said more investments are needed in the sector, noting that the Philippines is lagging behind other Southeast Asian countries.

“Due to the limited cubic meter of space, [the] cost to rent these facilities are high. Restriction of ammonia versus refrigerant also affect [the] cost,” JLL Philippines Head of Capital Markets P. Ryan

Isip told *BusinessWorld* in a separate e-mail on Jan. 12.

Building large cold storage facilities would help improve efficiency, and lower electricity costs, Mr. Isip said.

Most of the existing facilities are owned by companies that they use for their own products. There are a limited number of third-party cold storage facility providers, he added.

KMC Savills’ Ms. Golez said the country’s cold storage market remains fragmented, with only a handful of small players.

“However, it may [become a consolidated industry] as more

international players participate and merge with the local ones to fulfill the sophisticated demand requirements, especially the need for advanced technologies and larger facilities,” Ms. Golez said.

Meanwhile, Colliers Philippines is expecting the industry to further expand within the next 12 to 36 months, thanks to demand from the booming e-commerce companies and the need to store COVID-19 vaccines.

“This is one sub-segment of the industrial sector we see expanding in the near to medium term. More investments are also

needed to bridge [the] supply gap especially in areas outside Metro Manila,” Colliers Philippines Associate Director Joey Roi H. Bondoc said in an e-mail on Jan. 7.

JLL Philippines’ Research Manager Karisse N. Garcia said there may be a need for more cold storage facilities as the pandemic continues.

“Cold chain’s role in the handling of vaccines and other pharmaceutical items is also evident and more spaces may be needed, especially with the Philippines in full gear in combating the pandemic,” she said.

The long-term growth of the industry is expected to be sus-

tained by the demand from food and beverage companies.

JLL Philippines’ Ms. Garcia said the establishment of more cold storage facilities can help stabilize food prices and ensure food security.

“However, post-pandemic, there might be a bit of lower, but sustainable, growth to be driven by the growing e-commerce for food and other perishable goods as part of the next normal,” KMC Savills’ Ms. Golez said.

The Cold Chain Association of the Philippines earlier projected an 8-10% annual growth for the industry over the next five years.

BRIEFS

RLC, DMCI team up for Las Piñas condo

ROBINSONS LAND Corp. (RLC) and DMCI Homes have partnered to develop a condominium project in Las Piñas City.

Sonora Garden Residences is a 1.45-hectare project within Robinsons Place Las Piñas complex along Alabang-Zapote Road. It will have three buildings — Cadence, Liran, and Stellan — that will offer unit cuts ranging from 28 to 81.5 square meters (sq.m.) with balcony.

It will also adopt DMCI Homes’ Lumiventt Technology healthy building design, which cuts electricity usage and uses cross-ventilation and natural illumination.

Around 70% of the project’s land area is devoted to open spaces, gardens, and various resort-inspired amenities such as pools, gym, basketball court and play area.

The condominium will have facilities like high-speed elevators, card-operated laundry system, convenience store, and water station.

Units at Sonora Garden Residences are now pre-selling at P4 million onwards.

Amia Scapes rises in Bulacan

AMAIA LAND is developing a 20.4-hectare residential estate in Sta. Cruz, Bulacan. Amia Scapes Bulacan is located along the Sta. Maria-Pandi Road in Barangay Manggahan, Sta. Cruz.

The developer is offering a new Single Home 80 model, which is a three-bedroom unit with an average floor area of 80 square meters (sq.m.) and a lot area of 100 sq.m.

Other options include Multi-Pod (approximately 28 sq.m. floor area); Bungalow Pod (approximately 34 sq.m. floor area); Twin Pod (approximately 56 sq.m. floor area); Twin Homes (approximately 47 sq.m. floor area); Bungalow Pod New Gen (approximately 31 sq.m. floor area); and Starter Homes (approximately 50 sq.m. floor area).

Amenities include a swimming pool, multi-purpose hall, basketball court, village pavilion, play area, and green spaces.

The property is near the NLEX Bocaue exit and the Skyway Stage 3.

High land prices drive warehouses out of Metro Manila

RESIDENTIAL property firms are competing with warehouse developers for limited land within Metro Manila, Leechiu Property Consultants (LPC) said.

This has pushed land prices higher in Metro Manila, forcing developers to look for warehouse spaces in nearby areas such as Laguna, Bulacan, Cavite, and Rizal.

“What used to be industrial locations like Pasong Tamo Extension,

Pioneer, C-5, C-6, wherever — land has become so expensive, it’s driving warehouses out to places that were not accessible before,” LPC Chief Executive Officer David T. Leechiu said in a briefing on Thursday.

However, the real estate consultancy firm said this is only “temporary” and is warehouses will move to other places in the next five to six years.

“That is a temporary migration because very soon, the residential market will compete for the use of those lands and [warehouses] will have to move further out,” Mr. Leechiu said.

Land prices in areas such as Nuvali in Laguna are also becoming more expensive.

Mr. Leechiu noted that some commercial lots in the area are now priced at over P110,000 per square meter. Soon, warehouse locators taking up

hectares of land will realize taking up that much space for the price “doesn’t make sense.”

“There’s an inflection point when that’s going to happen when the movement of prices go up because of the improvement of per capita income in the Philippines and the need and the affordability to be able to have the warehouse 20 minutes out versus two hours out,” Mr. Leechiu said. — **Keren Concepcion G. Valmonte**

Sta. Lucia Land designs model farm house for La Huerta

STA. LUCIA Land, Inc. partnered with Lapanday Properties Philippines, Inc. (LPPD) to design a model farm house for La Huerta Farms and Residences in Calamba, Laguna.

“We understand the importance of model units for our homebuyers as it will not only inspire them as they design their homes, but it will also give them a preview of the life that awaits them in a Sta. Lucia

Land community. When we create our model units, we make sure that we are able to present an array of designs and configurations that would suit their varying lifestyles,” Sta. Lucia Land President Exequiel D. Robles said in a statement.

The model farm house is targeted for completion by August.

Mr. Robles noted many clients want wide open spaces and farm lots.

“For La Huerta, we will ensure that our model farm house unit will give buyers a feel of how beautiful, cozy yet still modern their homes can be in a farm setting,” he said.

LPPD President Tomas Lorenzo said the model will adopt a classic American farmhouse architecture, with a front porch and rail, airy interiors, and a dark gable roof.

“This design is highly suited to the new normal as there will be expansive spaces within the house, as well as large windows and doors to allow for cross ventilation. The porch is an area where guests can be received without having them enter the house. It can also function as a sanitation area for residents before entering the home,” he said.

LPPD is an affiliate of Torre Lorenzo Development Corp.



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