



Seda Hotels opens 12th property in the Philippines

SEDA HOTELS recently opened its 12th property in the Philippines.

Seda Manila Bay, located in Entertainment City, Parañaque City, offers 350 rooms ranging from deluxe rooms to suites.

"We are proud to see Seda Hotels flourish and continue to expand its footprint in the Philippines. Seda Manila Bay will carry on the brand's commitment to providing unparalleled Filipino hospitality combined with service at par with global standards," Javier Hernandez, president and CEO of Ayala-Land Hotels and Resorts, said in a statement.

Hotel amenities include a water playground, a children's playroom, a game room, and a gym. Guests can relax at the Seda Spa, which has private massage rooms. The hotel is also planning to open a mini-golf area.

Seda Manila Bay General Manager Jeffrey Enriquez said the hotel has a ballroom with a capacity of up to 350, as well as smaller meeting rooms.

"Guests can also expect a diverse and flavorful dining experience at Seda's signature outlets, Misto restaurant, which serves a medley of international and local dishes, and very soon, Straight Up rooftop bar — perfect for catching the world-famous Manila Bay sunset," Mr. Enriquez said.

The hotel's location is perfect for business travelers, as it is only 15 minutes away from the Ninoy Aquino International Airport and a 30-minute drive to the Makati and Bonifacio Global City central business districts.

SMIC wins Stevie Award

SM INVESTMENTS CORP. (SMIC) recently received another international business award.

In a statement, SMIC said it was given the Stevie Award as the bronze winner for the best annual report — privately-owned companies category in the 20th Annual International Business Awards.

"We are pleased to receive this award for our 2022 Integrated Report that reflects how we continue to serve communities. We are mindful that with transparent reporting, we can demonstrate that our business performance and sustainability efforts continue to create value for all our stakeholders," Frederic C. DyBuncio, SMIC president and chief executive officer, said in a statement.

The International Business Awards are the world's premier business awards program.

Bucking headwinds:

Landlords and tenants navigate an evolving work landscape in PHL

By Kevin Jara

LIKE the Philippine property market in general, Colliers is seeing positive trends for the Metro Manila office market.

Occupiers can benefit by re-thinking their workplace as an investment that can help achieve their company's vision and goals. In our view, the office can be maximized not only in terms of space utilization but also in terms of its value in talent recruitment and retention, and how it can align both employee and company values.

Metro Manila saw a marginal decline in office vacancy due to improved transaction activity and a slowdown in non-renewals in the first half of 2023.

Uneven recovery in rents is still being experienced across Metro Manila submarkets, with rental recovery noted in Makati central business district (CBD), Fort Bonifacio and Ortigas CBD.

Net absorption for the second quarter has improved, mainly driven by higher transactions volume coupled with the slowdown in vacated spaces.

With these new developments in the market, we project a higher net take-up by year-end. However, vacancy is still expected to remain elevated with more supply coming online in the latter part of 2023.

Colliers believes that landlords and tenants should continue seizing opportunities given the current tenant-leaning market. Occupiers may consider implementing flight-to-value or incorporate flex workspace in their real estate strategies.

With the increased interest in ESG (environmental, social, and corporate governance) and DE&I (diversity, equity, and inclusion), landlords can work with tenants on office

renovations and incorporate these elements within building amenities and common areas to help align corporate and employee values.

INVEST IN A WORKPLACE THAT 'WORKS'

Amid the ongoing transformation of the workplace and the workforce, occupiers should facilitate continuous dialogue with their stakeholders to determine how best they work and what can retain and attract talent to the organization.

Occupiers continue to see the office as critical to employee engagement, especially for new hires. More are using the office as a recruitment tool and training floor, as it now becomes a company's platform to encourage people to come together.

With the renewed interest in DE&I and ESG, occupiers should consider these in their real estate strategies. Reflecting this in workplace strategy and design helps in differentiating the company and ensures talent retention.

CONSIDER PROVINCIAL STRATEGY TO CLOSE GAP BETWEEN WFH AND RTO

One of the major employee concerns on return to office (RTO) is the cost of moving back to their Metro Manila head offices. Implementing full RTO increases the risk of employee attrition, which can be costly for companies.

To address this, opening sites in provincial areas may be a viable strategy to address the gap between work from home (WFH) and RTO for employees.

SUBSTANTIAL SUPPLY FOR 2ND HALF 2023

In the second quarter of 2023, Colliers recorded the delivery of 80,400 square meters (852,200 square feet) of new office space, with the

completion of Primex Tower in San Juan and Parqal Buildings 1-9 in the Bay Area.

In 2023, Colliers expects the completion of 668,400 sq.m. (7.2 million sq.ft.), higher than our previous estimate of 569,100 sq.m. (6.1 million sq.ft.) as some landlords are on track to meet their buildings' completion timelines to accommodate upcoming demand.

We project 538,900 sq.m. (5.8 million sq.ft.) of additional supply coming online in the second half of 2023, with Fort Bonifacio, Ortigas CBD and Quezon City likely accounting for nearly two-thirds of the new supply.

Meanwhile, 402,000 sq.m. (4.3 million sq.ft.) in the pipeline were put on hold or shelved by developers as of the first half of 2023, higher than the 166,000 sq.m. (1.8 million sq.ft.) in the first quarter of 2023. In our view, these projects may be redeveloped or reactivated by developers in the future.

From 2023 to 2025, Colliers sees the completion of 492,400 sq.m. (5.3 million sq.ft.) annually. This is only half of the one million sq.m. (10.8 million sq.ft.) completed annually from 2017 to 2019, a period wherein office completion was heavily influenced by the Philippine Offshore Gaming Operators' (POGO) demand.

TRANSACTIONS DOWN 5%

In the first half of 2023, office deals in the capital region reached 306,000 sq.m. (3.3 million sq.ft.), down 5% year on year. Traditional firms including government agencies, telcos, insurance firms, and flexible workspace operators logged transactions of 125,700 sq.m. (1.4 million sq.ft.).

In the second quarter of 2023, outsourcing and shared services firms dominated transactions with 73,000 sq.m. (785,500 sq.ft.) of closed deals. Colliers has observed that most outsourcing firms are still actively ex-

panding and are employing flight-to-value strategies despite hybrid work arrangements, transferring to new, high-quality towers in Makati CBD, Fort Bonifacio, and Ortigas Center.

Per submarket, the Bay Area, Ortigas CBD and Makati CBD recorded the largest volume of transactions in the first half of 2023, covering 57% of total office deals in Metro Manila.

Among the notable transactions in the first half of 2023 include spaces leased by Telus, 24/7 Intouch and Reed Elsevier in Quezon City; IGT Solutions in Alabang; Chevron and Opentext in Makati CBD; and Transparent BPO and the Department of Transportation (DoTr) in San Juan City.

SUSTAINED PROVINCIAL DEALS

Office transactions in key provinces rose quarter on quarter as deals in the first quarter of 2023 reached 60,400 sq.m. (649,900 sq.ft.), from 29,300 sq.m. (315,300 sq.ft.) a quarter ago.

In the first half of 2023, these deals totaled 89,700 sq.m. (961,900 sq.ft.), a marginal drop from the 90,700 sq.m. (975,900 sq.ft.) recorded a year ago. Cebu accounted for 48% of total provincial deals, mostly from outsourcing firms, followed by Pampanga (26%) and Davao (11%).

Colliers is optimistic that gains in the Metro Manila office sector will be sustained for the remainder of the year. The profile of tenants occupying physical space remains diverse while key office hubs outside Metro Manila continue to record transactions. Optimistic business sentiment and robust macroeconomic growth forecast should support firms' expansion over the next 12 months.



KEVIN JARA is the associate director for office services — tenant representation at Colliers Philippines.

Groundbreaking for One Crown Suites

MEGAWORLD CORP. recently broke ground on a new residential condominium tower, One Crown Suites, in Sta. Cruz, Manila.

Located within the three-hectare Winford Resort, the 17-storey tower offers 389 "smart home" units each with their own balcony.

The groundbreaking ceremony was led by Wilson Sy, special adviser on Chinatown Affairs, Megaworld (center). Also

joining him were (left to right): Paul Chan, Megaworld Manila marketing manager; Steve Velmonte, Megaworld Manila sales director; Victor Solidum, Megaworld Manila senior assistant vice-president and head of training and digital; Jennie Torio, Megaworld senior construction manager; Carlo Cuenco, One Crown Suites project manager; Ken Tee, Megaworld Manila sales director; Paulo Guevara, Megaworld Manila sales director; and Dominique Olandesca, Bauer Foundation Philippines project manager.



McDonald's Philippines aims to have 130 Green & Good stores by yearend

MCDONALD'S Philippines is aiming to end the year with a total of 130 Green & Good stores, from the current 25.

"With more than 700 stores nationwide, McDonald's Philippines carries a strong commitment to environmental responsibility. We will continue to find solutions to make our operations more efficient and better for the planet. With the results of our Green & Good initiatives so far, we believe that it is possible to grow sustainably. Our stakeholders can look forward to enjoying more McDonald's stores that are Green & Good in the future," Kenneth S. Yang, McDonald's Philippines president and CEO, said in a statement.

The first Green & Good store is the McDonald's branch along UN Del Pilar Avenue in Manila City which opened in 2020.

There are 25 Green & Good stores with solar-powered rooftops are able to save a total of 546,000 kWh, which McDonald's said cuts its electricity consumption by as much as 36% versus stores that do not use solar power.

With its first six flagship Green & Good stores, McDonald's said it was able to realize an annual reduction of 52,500 kg of carbon



dioxide (CO2e) and 102,000 (H2O) liters of water reduction for each store.

McDonald's also uses rainwater harvesting tanks collecting run-off to decrease water consumption, as well as inverter air-conditioning technology, LED lights and photo and motion sensors inside its stores.

McDonald's said it now uses 60% paper- or fiber-based packaging and strawless lids for cold beverages, which have reduced plastic waste by 273 metric tons.

McDonald's stores also have Bike and Dine areas, and have e-charging stations for two-wheeled electric vehicles.

Leyte couple grows success with LANDBANK's support



Spouses Leonilo and Bella Basister from Mayorga, Leyte grew their palay trading business with support from LANDBANK, now running two rice mills that produce more than 100,000 sacks of milled rice per year.



Kiloy and Bella have been managing the L.K. Basister Rice and Palay Trading over the years, with the former supervising the overall operations and the latter handling the financial side of the business.

MAYORGA, Leyte — As someone who was not able to pursue higher education due to financial constraints, Leonilo "Kiloy" Basister only had limited opportunities to make ends meet, especially after getting married at the young age of 21.

With a seed money of only P270, Kiloy initially ventured into selling fish and live piglets in the market, while taking side jobs in between. He also borrowed resources from relatives and friends to expand his capital.

After years of hard work, he and his wife, Bella, earned enough to start the L.K. Basister Rice and Palay Trading in 1998, with Kiloy supervising the overall operations and his wife handling all financial aspects of the business.

From buying and selling only about 17 sacks of palay, the couple saw their business expanding year after year, until they were challenged to look for local rice mill operators

that can accommodate their growing stocks. This pushed them to establish their own rice mill in 2010 that can process up to 30,000 sacks per year.

The big break for their business came in 2012 when Kiloy and Bella secured a P3-million credit line from the Land Bank of the Philippines (LANDBANK). With a bigger working capital, the couple was able to buy more palay from local farmers in Mayorga and neighboring towns, providing a sure market for their produce.

"Malaking tulong talaga ang LANDBANK sa paglago ng aming business at kung nasaan kami ngayon. Nagkaroon kami ng mas malaking pondo na nagagamit para makabili ng palay na gigilingin namin sa buong taon. Dahil dito ay patuloy na tumaas ang aming kita at talagang nakaahon kami sa hirap," Mr. Basister shared.

Through the bank's constant support over the years, the L.K. Basis-

ter Rice and Palay Trading has now grown into a multi-million enterprise, producing more than 100,000 sacks of milled rice per year.

And as their profits steadily increased, the couple's credit line with LANDBANK likewise expanded to P100 million due to their good credit standing.

Kiloy and Bella are currently running two rice mills with whitener and mist polisher, complemented by two warehouses and 14 mechanical dryers. They also have 14 delivery equipment for logistics support, and an outlet in Tacloban City to facilitate the disposal of the milled rice.

Aside from contributing to the town's food security, the business has been providing employment opportunities to 70 local residents involved in drying, milling, hauling, sacking and delivery of products. An additional workforce is also employed during harvest season when there is an expected higher volume of production.

More than anything else, Kiloy and Bella now enjoy a comfortable life with their six children. They are able to send their kids to school, with four of them already graduated from college and are now helping in running the family business.

Despite all their success, the couple is not taking it easy, as they continue to manage their business with the same persistence as when they were starting. They have also expanded and diversified into other fields such as poultry farming.

It was indeed a long journey for Kiloy and Bella, and they remain thankful to LANDBANK for pushing them to their limits as entrepreneurs. "Ang masasabi ko sa mga gustong mag negosyo ay magtiyaga lang kayo. Mangutang kung kailangan basta marunong magbayad at alam ninyo kung saan ito gagamitin," Mr. Basister said.

LANDBANK has been extending financial support to micro, small and medium enterprises (MSMEs), as part of its commitment to assist key economic sectors in building stronger and more inclusive local communities. As of end-June 2023, the bank's outstanding loans to the MSME sector reached P49.5 billion for the benefit of over 6,100 borrowers nationwide.