

Cebu office space vacancy seen to stay elevated – Colliers

CEBU's office space vacancy rate is forecasted to persist at elevated levels this year, property consultancy firm Colliers Philippines said.

"Despite a strong net take-up, vacancies remain elevated due to new supply which is expected to persist in 2024," Colliers said in its 2024 annual report.

The property consultancy firm projects vacancy to reach 21.3% from 20% in 2023 due to the expected delivery of 107,900 square meters (sq.m.) of new office space.

This is an improvement from the 27% vacancy rate in 2022.

"Colliers Philippines observed that outside of Metro Manila, Cebu remained the top choice for outsourcing firms and multinational companies," Colliers said.

It projects net take-up to rise 9.42% to 72,000 sq.m. Cebu recorded the highest provincial office space take-up with 65,800 sq.m. in 2023.

However, these are all lower than the net absorption of 109,200 sq.m. in 2022.

"We expect greater absorption of office space from third-party outsourcing and shared services firms looking to set up and expand their operations," the report said.

In 2023, Cebu accounted for 54% to 112,900 sq.m. of deals outside Metro Manila, the highest office deals outside the Philippine capital.

This was buoyed by the business process outsourcing firms, covering nearly 75% of total deals.

Concentrix, OfficePartners 360, Avant, TOA Global, and Optum, mostly situated in Cebu IT Park, were attributed to the mentioned deals.

Colliers said it also recorded 60,200 sq.m. of new office space in Cebu due to the completion of Faustina Center in CBP Fringe, Johndorf Tower in Cebu Business Park, and Skyrise 3B in Cebu IT Park.

The developments in the province's pipeline are Filinvest Cyberzone Tower 3 in IT Park, Astra Corporate Center, Excelsior Corporate Tower in Banawa Cebu, Filinvest Cyberzone Tower 3, Grand Tower Cebu Condo Office, Il Corso, Mahi Center, Patria de Cebu, and Northwing Tower 1.

Colliers sees a marginal rise in rent and expects it to be "flattish" due to the completion of new offices built before the pandemic but only launched now.

The average rent in Metro Cebu rose 0.4% to P651 per sq.m. in 2023.

"Colliers believes that shared services, healthcare companies, and other multinational firms are likely to occupy more office spaces in this location," it said.

The firm said despite the positive performance of the province, rationalization of office real estate is still happening.

Colliers still expects a tenant-leaning market for the province, and tenants should seize the opportunity to access better quality office buildings, a skilled labor pool, and improved infrastructure.

Recently, the Philippine Statistics Authority reported Cebu as the sixth richest city in the country outside Metro Manila in 2022, with a per capita gross domestic product of P293,426. — **Aubrey Rose A. Inosante**

FTC Group of Companies planning to open 5-star hotel Aria in Davao

FTC Group of Companies, an operator of commercial buildings and real estate developments, is planning to open Aria Hotel and Residences in Davao City later this year.

Occupying the five floors and the top floor of Aeon Towers, Aria Hotel Residences will be managed by Aeon Luxe Hotel Management Co. Aeon Towers is the tallest building in Mindanao.

"We are currently completing the furnishing and we will be

doing a soft launch later of this year," Augustine Silva, chief operating officer and general manager of Aeon Luxe Hotel Management Co. told *BusinessWorld*.

Aria Hotel and Residences is positioned as a five-star luxury hotel and is the first of the three planned hospitality assets of the FTC Group of Companies.

It will feature 64 superior rooms, 64 club rooms, and 16 suites.

The club rooms are on the two top floors of the building.

Mr. Silva said Aria will also have 30 fully serviced residence suites equipped with kitchens.

The serviced residences will include eight studios, 18 one-bedroom suites, and four two-bedroom residences.

The company is targeting local corporate and government businesses from within Mindanao, Manila, and other cities.

Mr. Silva noted key features: rooms are large, starting at 45 square meters, with six fixtures in

each bathroom, including a bathtub and a separate shower.

The rooms will also have smart controls, and fast internet, over 200 megabits per second, will be available in every room, he added.

Aria will also have a rooftop bar and a fine dining western restaurant.

The company, Mr. Silva said, is also adopting sustainability measures: solar panels for hot water and kitchen, along with double-glazed energy-saving windows. — **Maya M. Padillo**

Malipano Island undergoes upgrades to enhance guest experience

ISLAND GARDEN CITY OF SAMAL – Malipano Island, located just a five-minute speedboat ride from Pearl Farm Beach Resort, is undergoing upgrades to offer luxury experiences to its clientele.

The seven-hectare private island houses seven luxurious villas and an exclusive three-storey villa.

Facilities on the island include a three-hole golf course, a small chapel, and the Malipano clubhouse featuring a swimming pool, bar, and pavilion.

The pavilion showcases Mindanao-inspired designs, including chandeliers made of *abaca* and ceilings adorned with *anahaw* leaves.

It also features Capiz lights, firewood tables, *balangay*, which is sometimes used as a buffet table, and several jars from different parts of Mindanao.

Interior designs are a collaboration between Mañosa Architect and Maricris Floirendo-Brias, head of hospitality, designer, and creative director of Tadeo Home and Tnalak Home, said Josu Mikel Villaverde, vice-president and general manager of Pearl Farm, in an interview with *BusinessWorld*.

With the existing seven three-bedroom villas, the management is adding six more villas, which



could accommodate four persons each.

These will be two-bedroom villas with two large rooms and a living room in the middle, fully air-conditioned. Each villa will have a deck leading to its swimming pool and will include butler service.

Construction of three villas is scheduled to begin this month, with a focus on sea-facing views of Samal Island.

"But this will not affect the operations on the island as that is



located on the northern tip," Mr. Villaverde said. He said the villas will cater to different markets. The three-bedroom villa is for larger groups like family. Other villas will be for the executives, entrepreneurs, and professionals.

Mr. Villaverde said they are extending another hectare for other services.

He said the management is leasing the one-hectare Dela Paz Island and will connect it to Malipano Island through a bridge so that guests can explore and experience adventure.

"We are very proud of this project and have been working on it for months already. This will be the pinnacle of our accommodation nowadays. We aimed at Malipano as an upscale resort separated from Pearl Farm Beach Resort in terms of experience and services, with butler services available. It's very high-end, and guests of Malipano will have access to Dela Paz Island," Mr. Villaverde said.

He also said that the guests of Malipano Island can also access facilities at Pearl Farm Beach Resort for added convenience.

"Nevertheless, we are thinking of the Filipino market not only the foreign market for the island. In terms of pricing, there will be a proportion, but not so expensive as we want the market to enjoy our resort," he said.

"By adding more villas, we envisioned a private luxury experience for those who are looking for something really special," Mr. Villaverde added. — **Maya M. Padillo**

AirAsia PHL expects 100,000 travelers during Holy Week

AIRASIA Philippines is expecting stronger demand for travel as it anticipates 100,000 travelers this week alone, the low-cost carrier said on Monday.

With this, AirAsia Philippines is ramping up its operations and deploying additional manpower to cater to higher passengers during the Holy Week.

The airline said its president and chief executive president, Ricardo P. Isla, personally inspected check-in counters to ensure operational efficiency and readiness.

"All counters are fully operational, with additional manpower and standby team deployed to accommodate the expected influx of tourists during this period," AirAsia Philippines said.

"Beyond safety, the airline is also focused on enhancing customer experience by partnering up with Locally PH. Hundreds of Locally products have been handed out to guests, adding a refreshing touch to their journeys," it added.

"A dedicated customer help desk has been established to provide additional assistance to travelers with rebooking and flight change concerns."

Data provided by the Department of Transportation (DoTr) showed about one million travelers both for domestic and international are expected this Holy Week, 7.9% higher than the 926,755 travelers logged during Holy Week last year.

On Sunday alone, the DoTr recorded a total of 134,660 pas-

sengers, of which 62,097 are inbound passengers while 72,563 are outbound passengers.

Sought for comments, budget carrier Cebu Pacific said it expects "high demand" for travel as the Civil Aeronautics Board (CAB) kept fuel surcharge for April unchanged.

"With fuel surcharges holding steady, we anticipate that high demand for air travel will be sustained. We continue to encourage guests to book early to avail of affordable fares," Alexander G. Lao, Cebu Pacific president and chief commercial officer, said in a Viber message.

For April, CAB has retained the airline fuel surcharge at Level 6. — **Ashley Erika O. Jose**

Metro Pacific Tollways South sees 10% traffic volume surge this week

METRO Pacific Tollways South (MPT South), a unit of Metro Pacific Tollways Corp. (MPTC), is expecting traffic volume within its network to rise by up to 10% this week.

With the expected traffic influx, the toll road operator will reactivate its motorist assistance program and will deploy additional manpower like traffic management, toll collection officers as well as emergency and incident response teams.

The surge of about 8% to 10% in traffic volume is expected from Monday until Sunday, MPTC said in a media release.

Typically, around 43,000 motorists daily traverse along Cavite-Laguna Expressway (CALAX), about 170,000 motorists on Manila-Cavite Expressway (CAVITEX), and 12,300 motorists travel along MPTC's C5 Link segment.

Raul L. Ignacio, president and general manager of MPT South, said motorists should utilize RFID or radio frequency

identification system for seamless toll transactions during this time.

"Utilizing Easytrip RFID at MPTC Toll Plazas significantly reduces travel time compared to waiting in long cash lanes," he said.

Easytrip is used on MPTC's North Luzon Expressway, Subic-Clark-Tarlac Expressway, CAVITEX, and CALAX.

The toll road developer and operator will also suspend the construction and lane closures along its roadway during this time unless repairs are necessary, it said.

MPTC is the tollways unit of Metro Pacific Investments Corp., which is one of three key Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Philex Mining Corp. and PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**



SM INVESTMENTS

Notice of Annual Stockholders' Meeting

April 24, 2024 at 2:30 p.m.

Forbes Ballroom 1 and 2, Conrad Manila
Seaside Blvd. corner Coral Way, Mall of Asia Complex, Pasay City

To all Stockholders:

The 2024 Annual Stockholders' Meeting (ASM) of SM INVESTMENTS CORPORATION (the Company or SMIC) will be held on **April 24, 2024 (Wednesday), 2:30 p.m.** at **Forbes Ballroom 1 and 2, Conrad Manila, Seaside Blvd. corner Coral Way, Mall of Asia Complex, Pasay City**, and will be livestreamed for stockholders participating remotely. The agenda of the meeting is set forth below:

AGENDA

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of Minutes of the Annual Meeting of Stockholders held on April 26, 2023
4. Approval of Annual Report for 2023 (Open Forum)
5. Ratification of the acts of the Board of Directors, Board Committees and the Management from the date of the last annual Stockholders' meeting up to the date of this meeting
6. Approval of the Amendment to the Sixth Article of the Articles of Incorporation to Increase the Number of Directors from Eight (8) to Nine (9)
7. Election of Members of the Board of Directors for 2024-2025
*Including an Independent Director for the additional Board seat upon approval by the Securities and Exchange Commission of the increase in directors
8. Appointment of External Auditor
9. Other Matters
10. Adjournment

The Board of Directors has fixed the end of trading hours of The Philippine Stock Exchange, Inc. (PSE) on **March 25, 2024** as the record date for the determination of Stockholders entitled to notice of, to participate, and to vote in absentia, at such meeting and any adjournment thereof.

Stockholders who wish to participate in the meeting remotely must register at the SMIC 2024 ASM registration portal <<https://asmregister.sminvestments.com>> and submit the required information on or before **April 15, 2024**. All information received will be subject to verification by the Company.

Stockholders who wish to appoint a proxy may accomplish the attached proxy form (which need not be notarized) and submit the original to the Office of the Corporate Secretary on or before **April 15, 2024** at No. 1105 Tower 2 High Street South Corporate Plaza, 26th Street Bonifacio Global City, Taguig City 1634, as provided in the By-laws. Validation of proxies will be conducted on **April 17, 2024** at the Office of the Corporate Secretary.

Stockholders participating remotely can then cast their votes in absentia through the Company's secure online voting facility and will be provided access to the live streaming of the meeting. For the detailed registration and voting procedures, please refer to the **"Guidelines for Remote Participation and Voting in Absentia"** appended to the Information Statement to be posted on the Company's website and PSE EDGE.

A copy of the Information Statement, Annual Report (once available) with the Audited Financial Statements of the Company for the period ended December 31, 2023 and other pertinent materials related to the 2024 ASM shall be posted on the Company's website and PSE EDGE.

For further information, please visit <https://www.sminvestments.com/asm2024>. Thank you.



BY THE ORDER OF THE BOARD OF DIRECTORS

(SGD.)
ELMER B. SERRANO
Corporate Secretary
SM INVESTMENTS CORPORATION