Aboitiz InfraCapital to add mall, terminal, park in West Cebu Estate

ABOITIZ InfraCapital, Inc. plans to break ground next year on a new commercial complex within its 540-hectare mixed-use development West Cebu Estate (WCE) in Balamban, Cebu, the company said on Monday.

"In 2025, WCE will break ground on a new commercial complex featuring a neighborhood mall, transport terminal, communal park, and commercial lots," Aboitiz InfraCapital said in an e-mailed statement.

"These amenities are designed to enhance the quality of life for the estate's workforce and residents, fostering a supportive, well-rounded environment that will make WCE an even more attractive destination for businesses and employees alike," it added.

West Cebu Estate is a Philippine Economic Zone Authority (PEZA)-registered economic estate hosting 14 locators and 14,000 employees.

WCE has embarked on a 39-hectare expansion, supported by an initial investment of P1.4 billion, according to the company. The expansion will accommodate light to medium manufacturing industries, including automotive, semiconductor, and electronics, further diversifying WCE's locator base and generating an additional 14,000 jobs, it added.

WCE is also known as the shipbuilding capital of the Philippines, according to the company.

Established in 1992, the estate now hosts 12 key locators from medium to heavy industries, including globally recognized shipbuilders such as Tsuneishi Heavy Industries of Japan, Advanced Catamaran Composites of the United States, and Cebu Marine Industry, Inc. of Taiwan.

Aboitiz InfraCapital also said that WCE has directly generated over 14,000 jobs and attracted more than P32 billion in investments. In 2023 alone, the estate's locators exported goods valued at over $545 million, the company noted.

It said that Austal Philippines, a global shipbuilder that has been operating in West Cebu Estate for 12 years, has secured a contract to construct a 32-meter catamaran for Rottnest Fast Ferries, which operates ferry services to Rottnest Island, a popular tourist destination off the coast of Western Australia.

"Austal Philippines' growth within WCE highlights the estate's robust industrial ecosystem, which provides a comprehensive suite of infrastructure," Aboitiz InfraCapital said.

"WCE is home to a skilled local workforce. The estate's dedicated seaport optimizes logistics, enabling efficient goods movement, while regulatory services — including a one-stop shop for PEZA and Bureau of Customs support — streamline processes for all locators," the company added. — **Beatriz Marie D. Cruz**

Office space demand outside Metro Manila weakens — JLL

DEMAND for office space outside Metro Manila has been "less robust" as office occupiers now have smaller space requirements, real estate services firm JLL Philippines said.

"After the pandemic, I think the demand has weakened in general because for the key cities outside Metro Manila like Cebu and Iloilo, we're still seeing a bit of takeup, but for the other peripheral areas, it's not as robust anymore," JLL Philippines Head of Research and Strategic Consulting Jan-Loven C. de los Reyes said at a briefing last week.

Many occupiers are optimizing their spaces or reassessing their office footprint, he said.

"For some of them, the challenge that they're facing now is because they have smaller requirements in general," Mr. De los Reyes said. "It's difficult for them to find a landlord that will accommodate that space requirement."

Office space requirements now average between 1,000 and 5,000 square meters (sq.m.), compared to the pre-pandemic average of 5,000 to 10,000 sq.m., Mr. De los Reyes told *BusinessWorld*.

According to JLL Philippines, office vacancy is expected to reach around 19.2% to 19.7% by yearend due to an additional 125 sq.m. of stock with low precommitment levels.

In the third quarter, the vacancy rate for Metro Manila offices dropped by 55.6 basis points (bps) to 19% from 19.5% in the same period a year ago.

It also declined by 37.5 bps from 19.4% in the second quarter.

Parañaque City had the highest vacancy rate at 38.2%, followed by Manila City (36.3%) and Pasay City (23.3%).

Leasing volumes in the office market jumped by 32.1% to 513,624 sq.m. in the third quarter from 388,952 sq.m. last year, driven by take-ups from business process outsourcing and government agencies, JLL Philippines said.

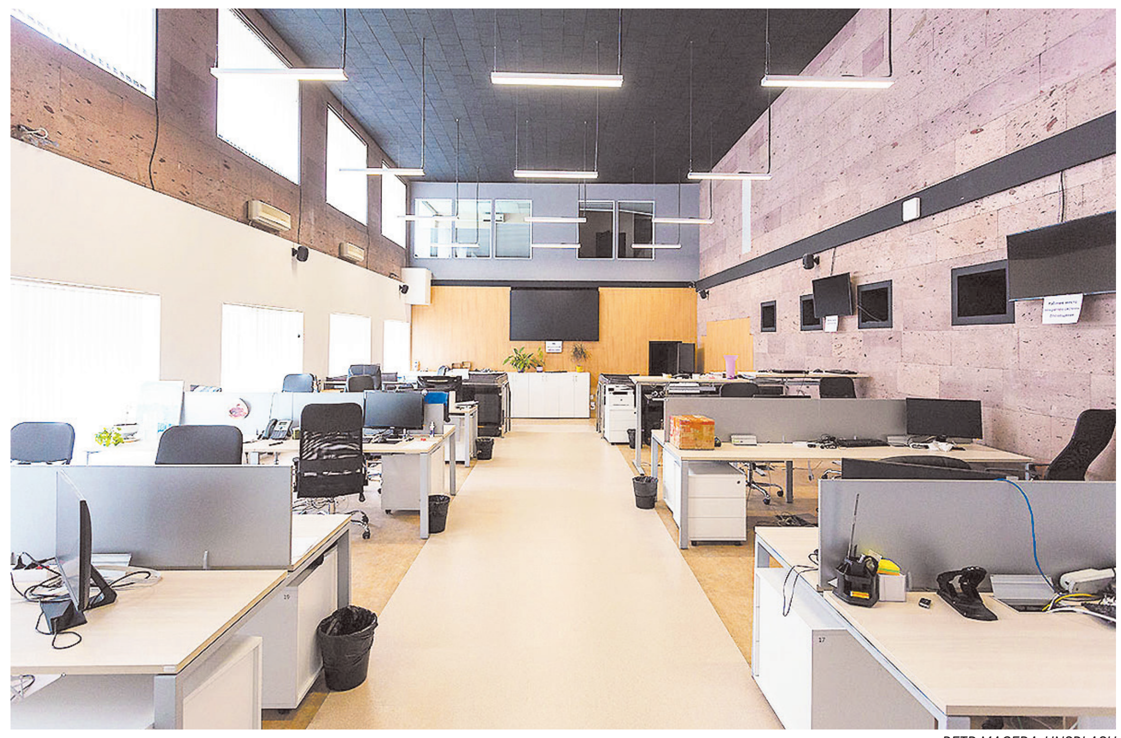
Meanwhile, real estate services and investment firm CBRE expects leasing activity to be tepid in 2025 amid the slow growth this year.

"When we did our planning this year, looking at 2025, we didn't provision a very aggressive growth number," CBRE Philippines Country Head Jie C. Espinosa said in a separate briefing late Tuesday.

"We essentially just provisioned minimal growth, primarily because we were expecting a much better year this year from the market, but as we look at the numbers, it looks like it's not gonna even match last year's number. So we're trying to be conservative about it."

CBRE noted that office vacancy rose to 19.9% in the third quarter from 18.8% in the same period last year.

For 2025, CBRE expects provincial office supply at 339,100 sq.m., 142,400 sq.m. in 2026, 97,400 sq.m. in 2027, and 77,700 sq.m. in 2028. — **Beatriz Marie D. Cruz**



PETR MAGERA-UNSPLASH

OFFICE SPACE requirements now average between 1,000 and 5,000 square meters (sq.m.), compared to the pre-pandemic average of 5,000 to 10,000 sq.m., according to JLL Philippines Head of Research and Strategic Consulting Jan-Loven C. de los Reyes.

MAX RAHUBOVSKIY-PEXELS

LANDERS VERMOSA comes months after Reytech turned over Landers Naga, the first in the Bicol region, which opened in July 2024.

Reytech targets to finish Landers in Vermosa estate before yearend

REYTECH CONSTRUCTION & Development Corp. (Reytech) targets to turn over the new Landers branch in Vermosa estate in Cavite before the end of the year, the retail builder said on Monday.

"Reytech is scheduled to finish construction and turn over the site in Q4 (fourth quarter) of 2024, marking Landers Vermosa as the first branch of the fastest-growing exclusive membership shopping store in the province of Cavite," the company said in an e-mailed statement.

The Vermosa estate branch is set to be the largest Landers branch in the country, with a store footprint of 1.3 hectares, it added.

Vermosa estate, developed by Ayala Land, Inc., is a 700-hectare growth center in Cavite.

This is also the retail builder's second branch constructed for the exclusive membership shopping store within an Ayala Land township, the first being Landers Nuvali in August 2023. It is the fourth branch completed by Reytech as a general contractor.

In July, Reytech handed over Landers Naga, the first branch in the Bicol region.

"The construction of both developments supports the retail chain's drive to bolster its presence across the country and serve more Filipino consumers with Landers' global product offerings and best-in-class membership shopping experience," it said.

For Landers Vermosa, Reytech employed off-site fabrication of both structural and architectural requirements to support faster implementation and reduced cost, the company said.

"For future Landers projects, we plan to use more streamlined and higher end wall paneling systems and introduce the use of pre-engineered building (PEB) materials for the structural requirements of the project coming from Reytech's partnership with Kirby Systems, a leading global PEB system provider," said Jay Pantangco, commercial director at Reytech.

"Both will enable us to decrease the duration of the project by more than 75 days and reduce the cost of structural scope of the project by at least 10%," he added. — **Beatriz Marie D. Cruz**

Career Program by SM Offices and National University bridges academia and industry

SM Prime's SM Offices Business Unit recently held the Bridges to Success Career Program in partnership with the National University (NU) on Oct. 16 and 18 at the NU Fairview and NU Baliwag campuses, respectively.

This pilot collaboration is a key initiative of SM Offices to support their tenant-partners' growth by connecting hundreds of NU alumni and students with top-tier employers from various industries, including IT and business process management (IT/BPM), hospitality, and real estate.

"Distinct from a typical career fair, the Bridges to Success Career Program is a dedicated platform that allows NU students to seamlessly transition from academic life to their first job," shared SM Prime Holdings Vice-President and SM Offices Head Alexis Ortiga.

Inspired by how US-based universities arrange their career programs, the fair allowed students to gain insights from industry leaders through panel discussions and engage in career workshops, while providing employers with the opportunity to network, interview, and even hire students on the spot.

The keynote address was delivered by IT & Business Process Association of the Philippines Academe Linkages & Talent Attraction Lead Zoe Diaz de Rivera. Her talk, titled "Insights on the IT/BPM Industry," provided a comprehensive overview of the growing IT/BPM landscape, emphasizing the critical skills and competencies students need to thrive in this competitive sector.

Afni, Concentrix, Emerson, iQor, Teleperformance, and other SM Offices' tenant-partners were present at the fair to meet potential recruits and offer internships and full-time career opportunities. Also in the event were SM Supermalls, SMDC, SM Hotels and Conventions, Tagaytay Highlands, Hamilo Coast, and Park Inn by Radisson.

The job fair offered companies a cost-effective recruitment solution, granting access to a pre-vetted talent pool of onboarding-ready candidates who can enhance productivity. Additionally, it provided increased brand recognition among students and faculty, as well as opportunities for long-term talent development by mentoring future leaders aligned with their organizational culture.

For SM Offices' tenant-partners, the Bridges to Success program is a direct line to ensure a robust talent pipeline to support their growing businesses. "This program is a win-win for everyone involved," Mr. Ortiga said. "NU can proudly offer a program designed to secure internships and jobs for students even before they set foot on an NU campus; while SM Offices tenant-partners now have a steady annual pool of highly capable graduates equipped to contribute immediately to their organizations."

IBPAP Academe Linkages & Talent Attraction Lead Zoe Diaz de Rivera discusses the evolving IT/BPM sector and the crucial skill sets needed.

NU Alumni and Students connect with SM Offices tenant-partners.