Havitas Properties to enter affordable housing segment

HAVITAS PROPERTIES, INC. plans to enter the affordable housing segment this year with the launch of a residential project in Quezon province, according to its chief executive officer (CEO).

The project will target the "dollar-earning demographic," including overseas Filipino workers and local digital nomads, Havitas Properties President and CEO Jonathan F. Caro said in an e-mailed reply to questions.

"These are the ones continuing to drive housing demand, which our company is getting into by 2026," he added.

Havitas has focused on leisure and resort-style developments catering to the high-end market. In February last year, the company launched Aya Hills, a two-hectare resort-style townhouse development.

The developer is backed by director Michael G. Tan, son of tycoon Lucio C. Tan, Sr. and president and chief operating officer at Asia Brewery, Inc.

This year, Havitas is scheduled to launch a seaside leisure-themed development in San Juan, La Union.

Its broader project pipeline includes income-generating vacation homes and mid-rise residential condominium projects, according to information posted on its website.

Despite its planned move into the affordable housing segment, Havitas will continue to focus on wellness-oriented developments, which Mr. Caro said remain in demand among high-end buyers investing in luxury real estate.

Data from property consultancy firm Colliers Philippines showed that only 5% and 3% of unsold residential units come from the upscale and luxury segments, respectively. Units in these categories typically cost P12 million and above, indicating relatively tight supply.

"Wellness real estate will be one of the bright spots in 2026, where the high net-worth market will combine their work with leisure," Mr. Caro said.

The Global Wellness Institute defines wellness real estate as residential, commercial or institutional properties designed to support the health and well-being of occupants. The institute expects this segment to grow at an average 15.8% from 2023 to 2028, based on its latest report.

Demand for wellness-focused developments would also be supported by the continued expansion of the local tourism industry, Mr. Caro said, citing the importance of sustained collaboration between the government and private sector to support long-term growth. — **Beatriz Marie D. Cruz**

Developers urged to revamp aging offices to boost take-up

By Beatriz Marie D. Cruz
Reporter


A VIEW of buildings in Makati City.
PHILIPPINE STAR/MICHAEL VARCAS

OFFICE DEVELOPERS with aging buildings should invest in redevelopments and green upgrades to sustain tenant demand, as occupiers increasingly favor higher-quality workspaces, property consultants said.

"Older buildings do not necessarily require full redevelopment to remain competitive," Mikko Barranda, director for commercial leasing at Leechiu Property Consultants, said in an e-mailed reply to questions.

"Submarkets like Makati central business district and Ortigas Center, which have a higher concentration of aging office stock, will increasingly require thoughtful repositioning strategies to defend both occupancy and rental levels," he added.

In Makati alone, about 320,000 square meters of vacant office space sits in buildings aged 20 years and older, according to Leechiu's fourth-quarter property market report.

Consultants said this segment faces the strongest pressure as tenants reassess space requirements and operating costs.

Mr. Barranda said developers could preserve appeal by upgrading lobbies, elevators and common areas, while improving air-conditioning efficiency and building systems. These measures can help narrow the gap with newer offices without requiring a complete rebuild.

Sustainability upgrades are also becoming more important as tenant requirements evolve. Developers are gradually adopting green building certifications as occupiers place greater weight on environmental and workplace standards.

Certifications drawing tenant interest include the Philippine Green Building Council's Building for Ecologically Responsive Design Excellence, the International Finance Corp.'s Excellence in Design for Greater Efficiencies and the International WELL Building Institute's WELL Health-Safety Rating.

"We're observing flight to quality by tenants from aging assets to newer quality-grade buildings," Janlo C. De Los Reyes, head of research and strategic consulting at JLL Philippines, said in a Viber message. "Landlords can address this by investing in their buildings to help retain and attract tenants."

Joey Roi H. Bondoc, director and head of research at Colliers Philippines, said proposed legislation could help accelerate redevelopment activity.

The Condominium Redevelopment bill seeks to set clearer rules for maintaining, repairing and redeveloping condominium projects, including office buildings.

"If passed into law, it would provide an easier process for tearing down old condominiums and redeveloping them," he said by telephone.

Several measures have been filed in Congress, including House Bill No. 2286 and Senate Bill Nos. 235, 922 and 1442, though these remain pending at the committee level.