



85,000 sq.m. of Grade A office space to enter Davao by 2029 — PRIME

DAVAO'S office sector will see an influx of office space with approximately 85,000 square meters (sq.m.) entering the market in three years, according to property consultancy firm PRIME Philippines.

Around 85,000 sq.m. of Grade A office space will be introduced from 2026 to 2029, the firm said in its special market report. It will largely be driven by the business process outsourcing segment, accounting for 35% of demand, and information technology segment (25%).

The report said Gokongwei-led Robinsons Land Corp. is projected to lead the 322,000-sq.m. office space expansion in 2027, with the launch of Cybergate Victoria in April bringing over 25,000 sq.m. of gross leasable space.

Sy-led SM Prime and Tanded Megaworld are also slated to launch office properties that would put Davao's supply at a record-high of 381,000 sq.m. in 2029.

These developments were driven by the province's fiscal revenue of P3.13 billion as of 2024, placing Davao as the second most fiscally productive for highly urbanized cities in Mindanao behind Cagayan de Oro, Misamis Oriental at P4.31 billion.

PRIME Philippines said further rent segmentation will follow the introduction of new of-

fice spaces from major real estate developers.

Davao province's office market recorded an occupancy rate of 96% in 2025, with estimated 12,000 sq.m. of vacant spaces left. It is 3,000 sq.m. lower than 2024's record of 15,000 sq.m. in vacant spaces with 95% spaces occupied.

The firm said total net take-up in 2025 was around 10,000 sq.m. with no additional supply. The last recorded peak was in 2022 with around 58,000 sq.m. in net take-up and 35,000 sq.m. in additional supply, totaling to 93,000 sq.m. in office supply.

In the first quarter, information technology and business process management (IT-BPM) expansions from companies like Alorica, Concentrix, Connex, ibex, iQOR, Ingenuity, Sixeaven, Smart Solutions, and VXI took up a combined total of 284,000 sq.m. in office occupancy, or 75% of the total supply. The remaining 25% of supply went to traditional offices.

The consultancy firm projected that the lease rate will range from P500 to P900 per square meter, up by roughly P100 from 2025's reported P500-to-P800 rate. Average rates projected for the rest of the year stand at P640, up by around P30 from last year's P610 average. — **Juliana Chloe A. Gonzales**

Metro Manila developers stall expansion plans amid headwinds

METRO MANILA real estate developers are pushing back expansion plans as they prioritize liquidity and safeguard their balance sheets, property consultancy firm Cushman & Wakefield said, amid elevated inflation and higher policy rates.

In its Q1 Market Beat report for Metro Manila, Cushman & Wakefield said current economic headwinds have placed capital values under "significant downward pressure," driving developers to delay new project launches and stall high-risk investments.

"Several have taken decisive steps that signal caution hardening into a structural shift: expansion timelines are being pushed back, portfolio decisions placed firmly on hold, and operational priorities redirected toward cost containment," the report read.

"For investors, heightened risk perceptions reinforce the imperative of disciplined financial management, with adaptive planning replacing growth ambitions and positioning resilience as the defining strategy in real estate."

The Philippine economy grew by 2.8% in the first quarter, the weakest pace since the pandemic, while April inflation accelerated to 7.2%, exceeding market expectations.

Inflation is also projected to breach the central bank's 2%-4% target, driven by rising oil prices and a weak peso.

The Bangko Sentral ng Pilipinas (BSP) also increased its benchmark interest rate to 4.5%,



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signaling more hikes as inflation remains elevated.

Cushman & Wakefield also noted that rising energy costs, supply disruption and construction inflation have weighed occupier optimism.

"Occupiers, confronted with rising expenses and uncertain delivery timelines, are reassessing expansion strategies — delaying relocations, scaling back fit-outs, and renegotiating leases to maintain flexibility," it said, adding other local challenges such as the corruption linked to flood control projects add up to the heightened risk perception.

"If the crisis extends over a prolonged period, expansion timelines may be re-evaluated,

portfolio decisions deferred, and operational strategies adjusted toward cost containment and resilience."

Average gross office yields decreased to 6.70% in the first quarter of the year, dropping by 110 basis points (bps) quarter on quarter and 112 bps year on year.

Prime assets in Makati, Bonifacio Global City, and Ortigas remained stable, while non-prime assets faced higher vacancy risks and weaker demand.

"With the BSP raising policy rates, borrowing costs are higher, but the resilience of prime offices underscores investor preference for quality, while non-prime assets remain more exposed to cyclical pressures," the report read.

Warehousing and industrial spaces remained resilient, underpinned by steady logistics demand and domestic supply chain requirements, Cushman & Wakefield said, while essential retail properties hold firm, with stable occupancy and reliable rental income.

"Concentrating on these asset classes enables investors and landlords to safeguard cash flow and mitigate risk when broader market conditions weaken," it said.

"This shift highlights how defensive property types are increasingly viewed as safe havens, offering stability amid prolonged economic uncertainty." — **Juliana Chloe A. Gonzales**

Federal Land NRE Global bags five int'l awards

TWO of Federal Land NRE Global, Inc.'s residential properties, Yume at Riverpark and The Observatory, were recognized by the International Property Media during the Asia-Pacific edition of the International Property Awards 2026-2027.

The awards, held from May 6 to 7 at the Bangkok Marriott Marquis Queen's Park, recognized Yume at Riverpark, the developer's flagship property within its Riverpark estate in General Trias, Cavite. It was awarded five stars under the Best Residential Interior Show Home category.

Once completed, the 18-hectare horizontal residential project will house 296 lots ranging from 300 to 257 square meters (sq.m.). It will be strategically located near major roads like the Cavite-Laguna Expressway and transit

systems like the future Light Rail Transit Line 6A Cavite Extension and the Philippine National Railway Southrail. It is expected to be turned over within 2026.

Yume at Riverpark was also recognized in the Residential Development 20+ Units category.

Federal Land NRE Global's The Observatory was also awarded five stars for the Best Residential High Rise Architecture category.

The Observatory, located in Barangay Barangka Ilaya, Mandaluyong, is near hospitals like The Medical City in Ortigas and corporate head offices like the Asian Development Bank.

It will offer studio units, spanning from 28 to 33.5 sq.m., one-to-three-bedroom units from 45.5 to 148 sq.m., and penthouses from 155.5 to 202 sq.m.

The Observatory was also given accolades in the Residential High Rise Development and Apartment/Condominium Development categories. Target completion for this project is in December 2030.

Federal Land NRE Global brought home five out of 23 awards won by Philippine companies, the most awards given by the organizer.

The International Property Awards is a globally recognized award-giving body that celebrates the highest levels of achievement from companies in all sectors of the property and real estate industry. The awards are divided per region across Africa, Asia-Pacific, Arabia, Canada, Caribbean, Central & South America, Europe, UK and USA. — **Juliana Chloe A. Gonzales**

ABS-CBN widens net loss on weaker advertising revenues

ABS-CBN CORP. posted a wider attributable net loss for the first quarter (Q1) as revenues fell due to weaker advertising revenues and softer consumer spending.

For the January-to-March period, ABS-CBN posted an attributable net loss of P689.34 million, wider than a year earlier, as revenues fell 21.28% to P3.33 billion from P4.23 billion.

The company said advertising revenues weakened during the quarter due to the absence of election-related advertisements that boosted revenues in the comparable period last year.

"In addition, global developments this year have had a negative impact on consumer sentiment and the domestic economy. The absence of movies and major events during the first quarter of 2026 also resulted in weaker overall revenue performance versus last year," ABS-CBN said.

For the period, the company's content production and distribution business generated

P2.76 billion in revenues, consisting of P1.23 billion from advertising and P1.53 billion from consumer revenues.

Its cable television and broadband segment posted revenues of P571 million, down from P1.06 billion a year earlier.

ABS-CBN's total expenses declined 12.53% to P4.05 billion from P4.63 billion in the same period in 2025.

The listed media company said capital expenditures and program rights acquisition totaled P125 million as of end-March.

ABS-CBN said its 2025 capital expenditures and program rights acquisitions totaled P473 million, primarily supporting content production and distribution activities.

Last year, ABS-CBN said it was targeting a return to profitability within 18 months, driven by stronger advertising revenues and higher contributions from its digital, film, and music segments.

Shares in ABS-CBN fell three centavos or 1.12% to close at P2.64 apiece on Monday. — **Ashley Erika O. Jose**



Metro Retail Q1 profit rises on stronger sales

LISTED RETAILER Metro Retail Stores Group, Inc. (MRSGI) reported a 92.54% increase in first-quarter (Q1) net income to P25.8 million from P13.4 million a year earlier, driven by higher sales and improved margins.

In a statement on Monday, the company said consolidated net sales rose 5.39% to P9.38 billion from P8.9 billion a year earlier.

Food retail remained the company's main growth driver, with sales in the segment rising 6.3%. General merchandise sales increased 2.5%, while same-store sales grew 2.9%.

"MRSGI delivered a steady start to 2026, supported by continued sales growth and improved margins across our core categories," MRSGI President and Chief Operating Officer Joselito G. Orense said.

"During the quarter, we continued to strengthen our network in key growth areas, while managing costs and improving operational



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efficiency. These results reflect the sustained efforts of our teams on the ground as we build scale and expand our reach nationwide," he added.

Gross margin improved to 21.7% from 21.3% a year earlier, which the company attributed to a more favorable product mix and stronger food retail performance.

Operating expenses rose 6.6% to P2.15 billion as the company ex-

panded and renovated stores and scaled up its network.

Despite higher expenses, earnings before interest, taxes, depreciation, and amortization increased 14.9% to P474.7 million.

The company said it expanded its in-store offerings through new partnerships during the quarter, including the pilot rollout of Generika Drugstore branches in selected Metro Retail locations.

The first two pilot branches opened in Ayala Feliz and Tagaytay, with about a dozen more stores scheduled for rollout by yearend.

Metro Retail operates 81 branches across Luzon and the Visayas under formats that include Metro Supermarket, Metro Department Store, Super Metro Hypermarket, Metro Value Mart, and Metro Home and Lifestyle.

MRSGI shares closed unchanged at P1.12 on Monday. — **Alexandria Grace C. Magno**

MIRA seen to benefit from major transport projects in Quezon City

RLC RESIDENCES, the residential division of Robinsons Land Corp. (RLC), said its MIRA condominium development in Quezon City is positioned to benefit from major transport projects expected to improve accessibility in Metro Manila's northern corridor.

MIRA by RLC Residences is a four-tower condominium project located in Barangay San Roque,

Quezon City, near commercial establishments such as Ali Mall and SM City Cubao, as well as other Robinsons Land residential developments in the area.

"Developments rising within key areas at the heart of Quezon City reflect this shift, where buyers are no longer just looking for space, but for locations that simplify daily routines and

offer lasting value," the developer said.

The company said the project is expected to benefit from infrastructure developments such as the Metro Rail Transit Line 7 (MRT-7) and the Metro Manila Subway.

MRT-7, which will connect North Avenue in Quezon City to San Jose del Monte, Bulacan, is expected to begin full operations by 2027.

Meanwhile, construction of the Metro Manila Subway remains ongoing, with operations targeted to start by 2032. The subway system will include stations connecting Valenzuela to Pasay.

According to third-quarter 2025 data from Colliers Philippines, property seekers are increasingly considering condominium developments in periph-

eral areas such as Quezon City due to limited developable land and rising rental costs in traditional business districts.

Studio units at MIRA will measure around 26.5 square meters (sq.m.), while one-bedroom units with balconies will have up to 40.5 sq.m. of floor area.

The project will also offer two-bedroom units measuring 53

sq.m., while units with balconies will have up to 78 sq.m. of floor area.

RLC Residences launched the project's first tower in 2024, while the second tower is scheduled for launch in 2030.

Shares in Robinsons Land fell 10 centavos or 0.56% to close at P17.88 apiece on Monday. — **Juliana Chloe A. Gonzales**