



Arthaland eyes four green certifications for premium Makati residential dev't

ARTHALAND CORP. is targeting four international and local green building certifications for its latest premium residential project, Sondris, developed through a strategic joint venture with Mitsui Fudosan (Asia) Pte. Ltd.

The 41-storey vertical residential development project, located along Arnaiz Avenue and Benavides Street in Legazpi Village, Makati, will house a total of 252 units, according to Arthaland. Sondris will offer one-bedroom units ranging from 46 to 61 square meters (sq.m.), two-bedroom units at 91 to 114 sq.m., three-bedroom units at 135 to 137 sq.m., and exclusive Garden units at 180 to 230 sq.m.

The condominium will be developed through Arthaland's subsidiary Zileya Land Development Corp., and Mitsui Fudosan (Asia), a Japan-based real estate developer.

Prices for the units start at P21.1 million, with turnover targeted by April 2030.

"Primarily, what we've noticed is a lot of our three-bedroom units (3BRs) and garden units are selling out," Pamela S. Go, head of marketing for Arthaland Corp., said during a media briefing on Friday last week.

Ms. Go said buyers eyeing the property are a mix of investors from international and local clients.

"Majority (invest) in one-bedroom (units). And then three-bedrooms, those are mostly from the south who want to downsize and still want to live within their families in the nearby villages. We've also seen international investors, but only a few for the two-bedroom units," Ms. Go added.

Once completed, the total net land area will stand at 2,018 sq.m. The building will have around six to 10 units per floor.

Sondris will be strategically located near educational institutions like the Asian Institute of Management, Assumption College San Lorenzo, and Colegio San Agustin Makati.

Arthaland says the project is vying for four major green building certifications namely Leadership in Energy and Environmental Design Gold, WELL Building Standard, Excellence in Design for Greater Efficiencies, and Building for Ecologically Responsive Design Excellence.

Ms. Go said in terms of energy savings, the building will have lower electricity and water bills compared to most residential developments, as it allows investors to count on 40% in energy savings and 20% in water savings. — **Juliana Chloe A. Gonzales**

Bay Area office vacancies near 40% amid market slowdown

NEARLY 40% of office space in the Bay Area remained vacant in the first quarter, reflecting continued weakness in one of Metro Manila's largest office districts following the exit of Philippine Offshore Gaming Operators (POGOs), according to Savills Philippines.

Office vacancy in the district rose to 39.3% in the first quarter from 33.7% in the previous quarter, while net absorption fell to -58,400 square meters (sq.m.), reversing the previous quarter's positive take-up performance, Savills said in its first-quarter office market report.

"Following a strong net take-up in the Bay Area last quarter, the district experienced a sharp reversal, with net absorption plummeting to -58,400 sq.m. for the current period," the property consultancy said.

Savills said the district's previous growth may have been temporary rather than a sustained recovery, as it was likely driven by major lease expirations and a sudden influx of secondary space returning to the market.

"This elevated figure places the Bay Area in a precarious position, as nearly 40% of the total



inventory remains unoccupied, signaling a deep-seated supply-demand imbalance," the firm said.

Despite rising vacancies, average asking rent in the district increased slightly to P700 per sq.m. per month from P698.8 in the previous quarter.

"The Bay Area's newest delivery remains fully vacant, despite the district having seen no new office supply for the previous 11 quarters," Savills said.

The district recorded a total of 419,600 sq.m. of vacant office space in the fourth quarter of 2025, while full-year net absorption stood at -112,300 sq.m.

Savills said the absence of POGOs has left the district dependent on a more diversified tenant mix to support recovery.

"Such a high vacancy threshold often triggers a 'tenant's market,' where landlords may be forced to offer more aggressive concessions

or lower asking rents to retain existing occupants and attract new ones," the consultancy said.

The Bay Area's office stock stood at 1.26 million sq.m., up from 1.24 million sq.m. a year earlier.

Savills expects an additional 180,000 sq.m. of office supply to enter the market between 2026 and 2030, lower than its earlier forecast of 204,000 sq.m. — **Juliana Chloe A. Gonzales**

GCCs drive shift in outsourcing office demand

THE PHILIPPINE outsourcing sector is shifting away from traditional large-scale business process outsourcing hubs toward smaller and more specialized global capability centers (GCCs), according to analysts.

Global capability centers accounted for 39% of information technology and business process management (IT-BPM) office demand, while the remaining 61% came from third-party outsourcing companies, Leechiu Property Consultants (LPC) said.

In its first-quarter "Navigating Uncertain Times" market report, LPC said gross office demand reached 232,000 square meters (sq.m.), with IT-BPM firms accounting for 79,000 sq.m. of office take-up.

Office net demand rose to 133,000 sq.m., supported by the absorption of spaces vacated following the exit of Philippine Offshore Gaming Operators.

"The broader office numbers support the read that the market is on firmer ground," LPC said.

Of the total office take-up by IT-BPM firms, expansion projects accounted for 51,000 sq.m., while consolidation projects reached 16,000

sq.m. Relocation and expansion projects, as well as new site developments, each contributed 6,000 sq.m.

LPC said the office leasing pipeline is "split almost evenly" between IT-BPM tenants and traditional occupiers at 114,000 sq.m. and 113,000 sq.m., respectively.

The consultancy said the growing share of GCCs reflects how multinational companies are increasingly establishing their own operations in the Philippines instead of relying solely on third-party outsourcing providers.

LPC said outsourcing and offshoring to the Philippines remain viable strategies for US companies seeking operational efficiency, while more firms are choosing to build in-house operations through GCCs.

Meanwhile, KMC Solutions said the country is "moving away from massive cost-saving hubs toward specialized, high-impact nano and micro-GCCs."

The company said traditional large-scale outsourcing models are being reshaped by artificial intelligence integration and rising

demand for enterprise-grade technical capabilities instead of backend support functions.

The shift is projected to increase the Philippine GCC market value to \$55.59 billion by 2030, representing a compound annual growth rate of 9%. The market was valued at about \$35.12 billion in 2025.

LPC said the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy Act could further support the shift by streamlining corporate compliance and tax incentives.

"While GCCs sign the same lease terms as other IT-BPM occupiers, including call centers, the way they occupy space tends to look a little different. They invest more in their fit-outs and hire for higher-value, more specialized roles. They are not chasing the lowest cost per seat. They are building long-term capability hubs," LPC said.

The consultancy added that risks remain, including the ongoing energy crisis and the US-Middle East conflict, which it said companies are monitoring closely. — **Juliana Chloe A. Gonzales**

DITO CME may boost investments in AI to lift operational efficiency amid expansion

DITO CME HOLDINGS Corp. plans to increase investments in artificial intelligence (AI) as the company seeks to improve operational efficiency while managing mounting capital requirements tied to the expansion of its telecommunication business.

"It is not intently, like we are going AI but we look at the problems, and we look at potential solutions and most likely they are AI, so we will invest," DITO CME President Donald Patrick L. Lim told *BusinessWorld* on the sidelines of an AI and skill summit on Monday. "We are identifying what the opportunities are and how we can integrate AI to make our operations more efficient."

He said unit DITO Telecommunity Corp. is exploring the use of AI for data mining and processing to speed up internal operations.

In April, DITO Telecommunity said it had begun deploying an in-house AI platform aimed at lowering customer service costs and improving operations support scalability.

The AI push comes as DITO CME works to address a widening capital deficiency driven by continued spending on the rollout of DITO Telecommunity's network.

The company posted a total comprehensive net loss of P35.91 billion in 2025, resulting in a capital deficiency of P100 billion. As of end-March, the deficiency had widened to P117.73 billion, according to its financial report.

DITO CME attributed the losses to pre-operating and startup costs tied to DITO Telecommunity's network expansion.

On May 29, the company announced an updated business plan that includes several capital-raising activities, such as equity con-

versions and private placements, to support funding requirements.

DITO CME said it plans to convert about P21.8 billion in shareholder advances into equity between 2026 and 2027.

The conversion covers advances from parent firm Udenna Corp., China Telecommunications Corp., Xterra Ventures Pte. Ltd., Summit Telco Corp. Pte. Ltd. and Summit Telco Holdings Corp.

The company is also evaluating another follow-on offering or stock rights offering, subject to market conditions, to support DITO Telecommunity's network expansion and operations.

As of end-March, DITO Telecommunity said it had reached 7,347 telecommunication towers, covering 86.4% of the country.

Shares of DITO CME fell 5.06% to P0.75 each. — **Ashley Erika O. Jose**

Aboitiz eyes deeper Vietnam energy, food, infra push

THE ABOITIZ GROUP said it is exploring wider cooperation with Vietnam in energy, food production and infrastructure following discussions with Vietnamese President To Lam during his state visit to the Philippines.

The group said in a statement on Monday that the meeting centered on potential investment and trade opportunities aligned with Vietnam's economic expansion and Aboitiz's existing regional footprint.

"We believe the economic relationship between Vietnam and the Philippines has significant untapped potential, particularly in agriculture, food security and sustainable development," Aboitiz Foods President and

Chief Executive Officer (CEO) Tristan Aboitiz said.

Mr. Lam was said to have expressed support for deeper engagement with Philippine companies as part of efforts to sustain growth and strengthen regional economic linkages.

The discussions form part of broader efforts by both countries to expand cooperation in supply chains, infrastructure development, trade and investment flows across Southeast Asia.

Aboitiz Group said it remains committed to long-term partnerships that support shared growth between the two economies.

"We remain committed to supporting long-term cooperation,

investment and shared growth between our two countries," Mr. Aboitiz said.

The group already has an established presence in Vietnam across multiple sectors.

Its agribusiness unit, Aboitiz Foods, operates a feed mill in Long An province with an annual capacity of about 300,000 metric tons, serving Vietnam's livestock industry.

In energy, AboitizPower holds a 25% stake in Van Phong Power Company Ltd., which runs a 1,320-megawatt coal-fired plant in Khánh Hòa province.

AboitizPower Chief Financial Officer Sandro Aboitiz said the

company is open to expanding further in Vietnam's power sector, including potential investments in coal, gas and renewable energy, subject to regulatory approvals.

Vietnam's rising electricity demand, driven by industrial growth, remains a key factor supporting additional capacity investments, he added.

In infrastructure, Aboitiz InfraCapital is expanding connectivity efforts through airport-related initiatives, including air routes between Cebu and Vietnamese cities such as Hanoi and Ho Chi Minh City via Mactan-Cebu International Airport. — **Alexandria Grace C. Magno**

DoubleDragon sees 2026 growth after record 2025 revenue

DOUBLEDRAGON CORP. expects stronger core revenue and income in 2026 after posting record consolidated revenue last year, driven largely by contributions from its overseas operations and a shift toward recurring income streams.

In a statement on Monday, the listed property developer said consolidated revenue rose 56% to P27.91 billion in 2025 from P17.86 billion a year earlier.

"The year 2025 marks the beginning of DoubleDragon's pivot as it transitions away from the fair value gains it generated in the past years, as almost all those portfolio of leasing projects have already been fully built up, and core revenues have now started to dominate the composition of its total revenues," the company said.

As of end-2025, DoubleDragon reported total assets of P225.3 billion, with its debt-to-equity ratio remaining below 1x.

The company said 2026 earnings could improve further as one-off expenses in 2025 taper off, including costs tied to the Nasdaq listing of its US-based unit and stock-based compensation linked to employee and executive stock option programs.

It added that growth would be supported by a higher vol-

ume of recurring income from provincial community malls, industrial warehouses, office leasing assets and hospitality properties in the Philippines and overseas.

"The global expansion of Hotel101 is expected to eventually become one of the major US dollar inflow generators to the Philippine economy," it said.

DoubleDragon plans to add 2,229 hotel rooms in 2026, including projects in Davao and Cebu and the 482-room Hotel101-Niseko in Japan, which is scheduled to open in December.

The company said existing properties, including Hotel101-Manila and Hotel101-Fort, continue to deliver high occupancy rates, supporting recurring revenue growth.

DoubleDragon is targeting consolidated revenue of more than P500 billion by 2035 and net income of over P50 billion, alongside expansion across all 82 Philippine provinces and a global footprint for Hotel101 in 100 countries.

The company also aims to maintain a debt-free balance sheet and annual cash dividends exceeding P12 billion by 2035.

DoubleDragon shares rose 0.2% to P10.20 on the local bourse. — **Alexandria Grace C. Magno**