



The Digital Property Seekers Affordable Housing

Lamudi Philippines
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Philippine Affordable Housing Situation

Supply and Demand





Philippine Affordable Housing Situation

Supply and Demand Overview

- As the country's population balloons and unstable economic conditions continue, the demand for affordable housing is more pressing than ever.
- There is a **mismatch of affordable housing supply and demand**, despite the Urban Development and Housing Act of 1992 incentivized the development of social housing projects.
- In **2015**, housing backlog already reached **6.7 million** according to a study conducted by Center for Research and Communication of the University of Asia and Pacific (CRC-UAP) and Subdivision and Housing Developers Association (SHDA).
- This plus the new housing need for the period 2016 to 2030 of approximately 5.6 million results to a need of **12.3 million houses**.



Philippine Housing Situation

New Housing Need 2012-30

New Housing Need, 2012-2030

Market Segment	Price Range	Units Needed	% of TOTAL Need
Can't Afford/Needs Subsidy	400K & below	1,449,854	23%
Socialized Housing	400K & below	1,582,497	25%
Economic Housing	400K – 1.25M	2,588,897	42%
Low Cost Housing	1.25M – 3M	605,692	10%
Mid Cost Housing	3M – 6M	No need	
High End Housing	> 6M	No need	
TOTAL Need		6,226,940	

50% of need goes to socialized housing, followed by 42% to economic housing

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New Housing Need 2012-30

- To meet the demands of the ever-growing need for affordable housing, the government predicts the **need to build 346,000 affordable housing units every year until 2030.**





Philippine Housing Situation

Land Appreciation

- The **value of land and property continues to go up.**
- According to the Bangko Sentral ng Pilipinas, **overall value of housing saw an increase of 3.1% for the 1st quarter of 2019,** compared to the 2.1% of the first quarter of 2018.
- Despite the rising prices, many Filipinos would not be enjoying any substantial increase to their salary to match the high inflation rate and higher cost of living, **widening the gap between demand and supply.**





Philippine Housing Situation

Meeting the Demand

- **Only 25% of the NCR's population** or 807,000 families are **capable of affording the minimum amortization loans** for these housing units and most of these families already own houses.
- In the Philippines, **price is arguably the biggest consideration** property seekers make when buying a home.
- To **address the backlog**, established real estate developers have announced projects or **committed to allocate capital expenditures** for affordable housing.



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Search Behavior



- To **better understand and help address the continually increasing demand**, Lamudi Philippines has looked to its **exclusive data from January to June 2019** to best identify the property seekers conducting the most searches for affordable homes on the platform, the areas they search properties for, and the types of affordable homes they most look into.





Philippine Housing Situation

Affordable Housing Brackets



Socialized Housing ————— Php450,000 or less



Economic Housing ————— Php450,000 to Php1,700,000



Low-Cost Housing ————— Php450,000 to Php3,000,000

According to the Housing and Urban Development Coordinating Council



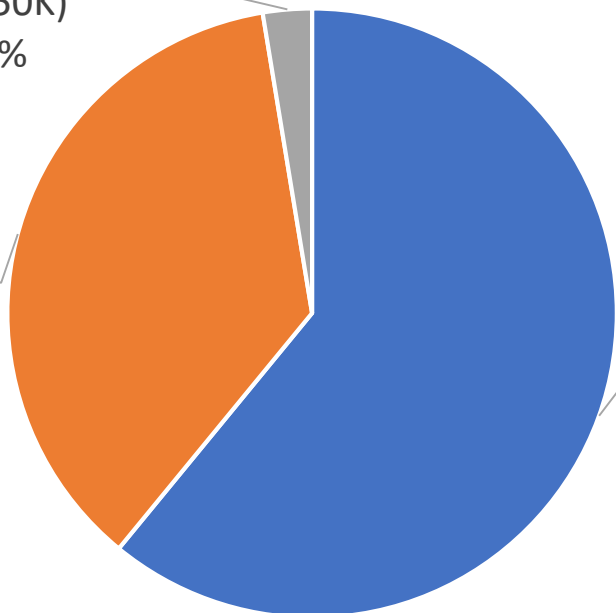
Affordable Housing Demand by Bracket

Socialized Housing
(January July 2019)

Socialized Housing
($<450K$)
3%

Economic Housing
($450K-1.7M$)
36%

Low-cost Housing
($1.7-3M$)
61%

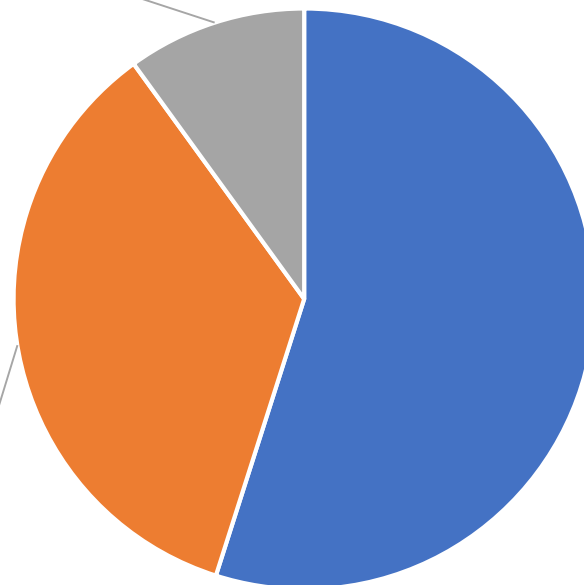


Affordable Housing Supply by Bracket

Socialized Housing
($<450K$)
10%

Economic Housing
($450K-1.7M$)
35%

Low-cost Housing
($1.7-3M$)
55%



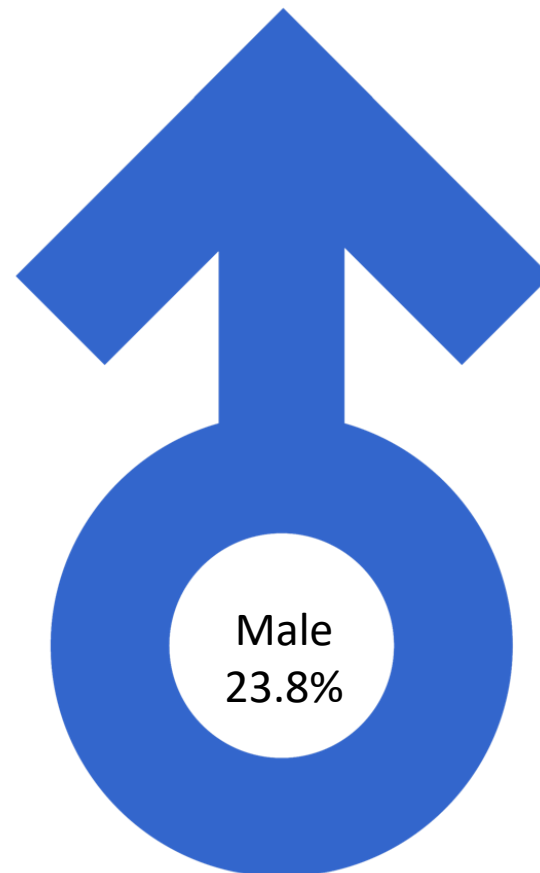
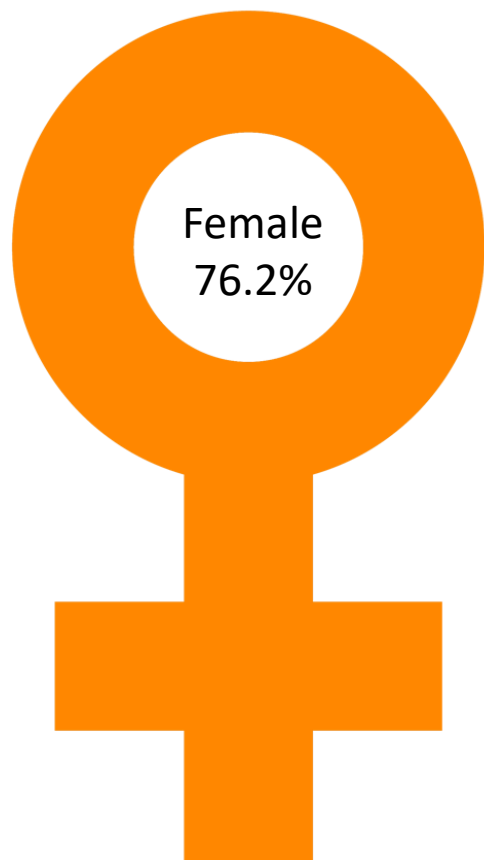


- Evaluating search data collected during the first half of 2019, Lamudi observed that those looking for homes priced Php3 million or less **mostly looked into properties priced between Php1.7-3 million (low-cost)**, driven by high supply on Lamudi's platform
- This was followed by searches for homes within the next price range-between Php450,000 and Php1.7 million (economic), still with a similar percentage of supply
- Those being sold for less than Php450,000 only received a fraction of the searches or at about three percent, because of low supply and "offline" search behavior for social housing



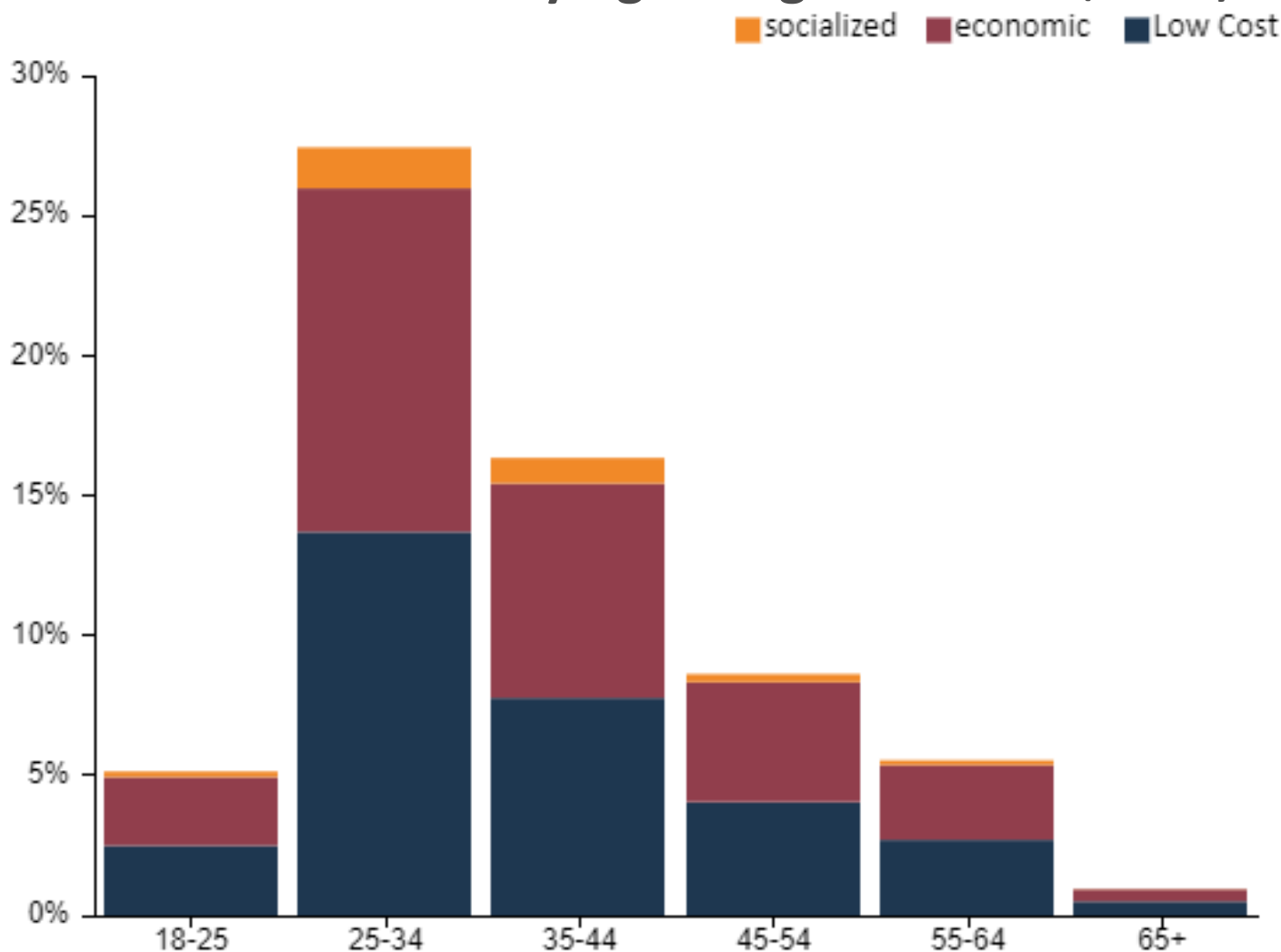
Accounting for more than half of the searches for affordable homes, the larger volume of searches for homes within the Php1.7-3 million is **in line with the trend of costlier homes typically being more available in the affordable and medium-cost markets.**

Affordable Housing Demand by Gender (January July 2019)



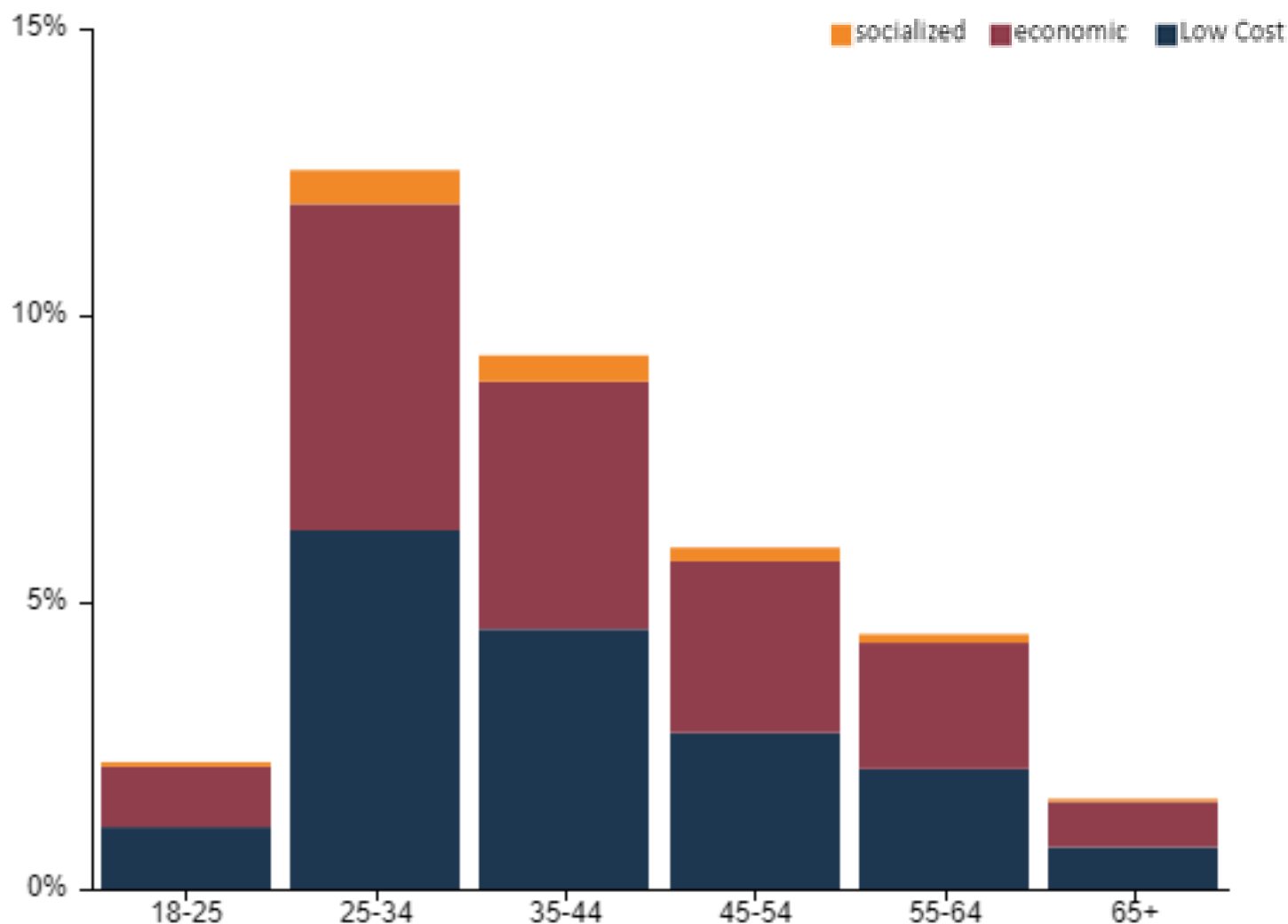


Demand Affordable Houses by Age Range – Female (January – June 2018)





Demand Affordable Houses by Age Range – Male (January – June 2018)





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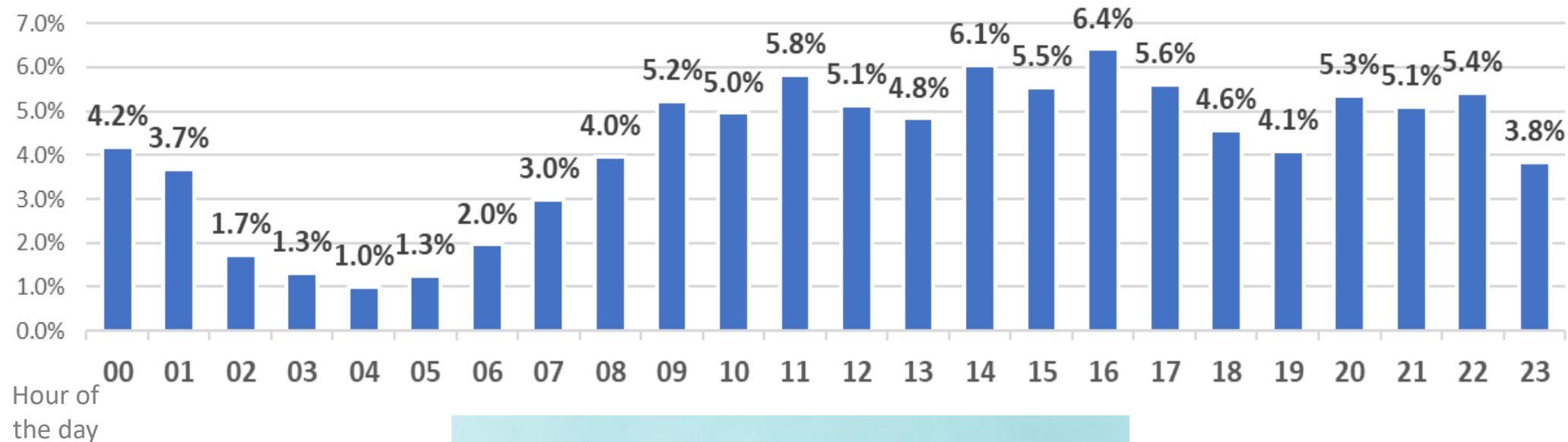
Affordable Housing Demand by Age Range

- Lamudi's exclusive search data has also made it evident that **female property seekers have taken a greater interest in affordable homes** as compared to their male counterparts.
- Women accounted for as much as 76.2 percent of the searches for homes priced Php3 million or less in the first half of 2019, while men accounted for 23.8 percent.
- Age-wise, **property seekers aged 25 to 34 years old** have shown the greatest interest in affordable houses. Home seekers within the age group accounted for 94 percent of the searches
- Higher percentage of male property seekers in the 35+ age ranges, compared to female seekers





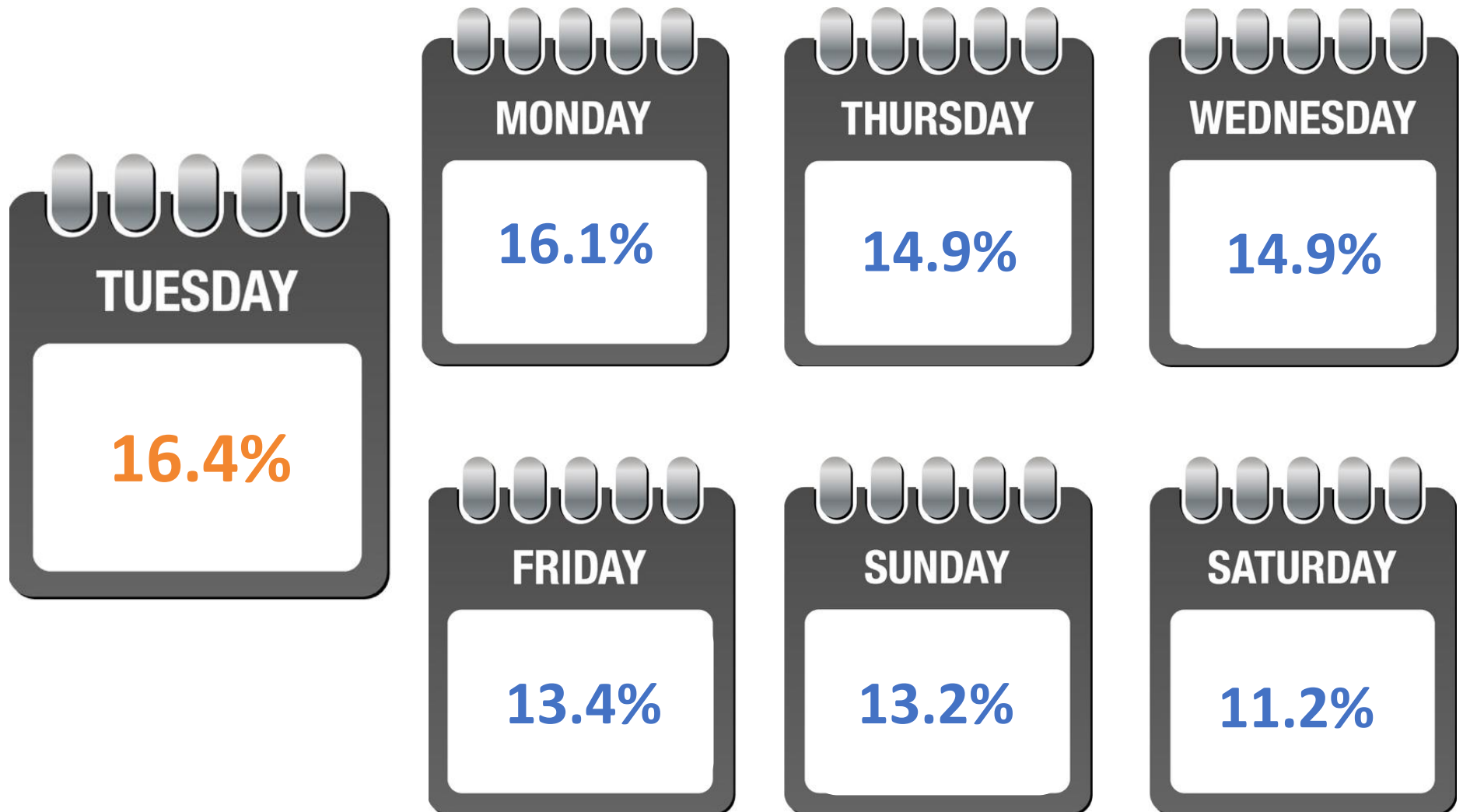
Demand Affordable Houses by Hour of the Day (January 2019 - July 2019)





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Affordable Housing Demand by Day of the Week



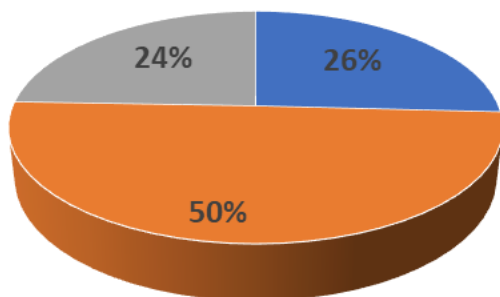


- With regard to the search habits of those looking for affordable housing, Lamudi found that property seekers commonly conducted their searches on **Monday** and **Tuesday**, accounting for 16% of total searches. The demand decreases towards the end of the week. However, the difference between days was not too significant.
- In terms of the most typical times when searches for affordable housing were made, the **11am – 5pm** is the period when most property seekers look into affordable housing listed online.
- Affordable property seekers searches most during **the afternoon**, beginning 2:00 PM, with 4:00 PM as the peak at 6.4% of the searches.
- Search behavior maintains within the 5% to 6% until 10:00 PM.



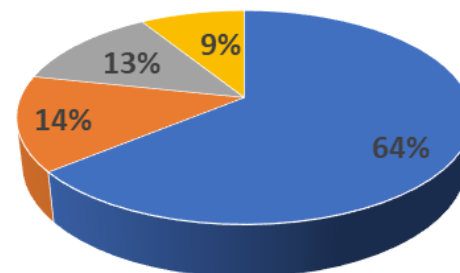
Affordable Housing Demand by Location of Property Seekers and of Properties

Demand Affordable Houses by Area (January 2019 - July 2019)



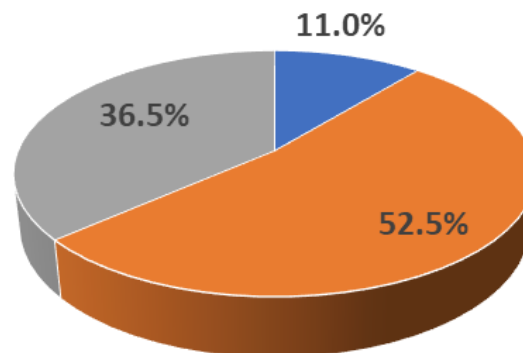
■ Manila ■ Around Manila ■ Other Provinces

Demand Affordable Houses: Location of Seekers by Area (January 2019 - July 2019)



■ Manila ■ Abroad ■ Outside Manila ■ Province

Supply Affordable Houses by Area (January 2019 - July 2019)



■ Manila ■ Around Manila ■ Other Provinces



Digital Property Seekers

Affordable Housing Demand by Location of Property Seekers and of Properties

- **Location of Properties**

Highest demand in the provinces around Manila (Cavite, Laguna, Bulacan, Rizal). Manila and other provinces follow, with similar numbers

- **Location of Property Seekers**

Most seekers still based in Manila. Many OFW's searching for affordable houses, especially in Middle East and in Singapore

Many people in Manila are considering to relocate to the nearby provinces to have access to more affordable houses.

Opportunity to increase supply and online penetration around Manila

- **Supply of Properties**

Highest supply in the provinces surrounding Manila. Low supply in Manila, room to increase supply in the other provincial areas



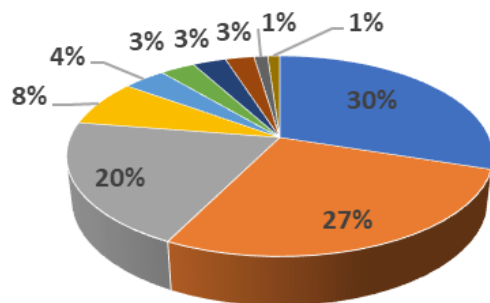


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Affordable Housing Demand by Location of Property Seekers and of Properties

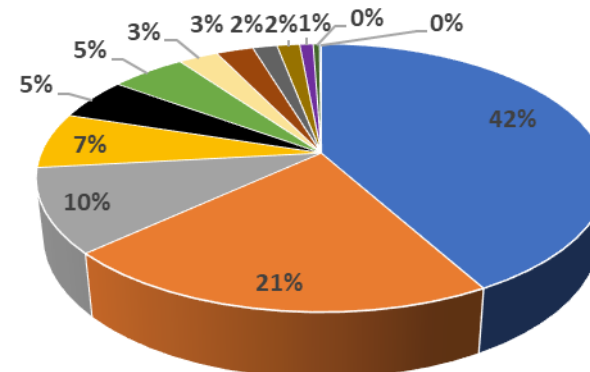
Demand Affordable Houses: Manila by City

(January 2019 - July 2019)



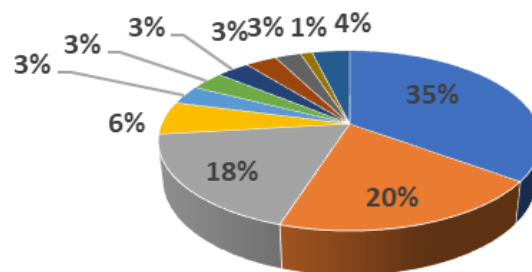
■ Quezon City ■ Las Piñas ■ Parañaque ■ Caloocan ■ Marikina
■ Muntinlupa ■ Pasig ■ Valenzuela ■ San Juan ■ Manila

Demand Affordable Houses: Manila Seekers (January 2019 - July 2019)



■ Quezon City ■ Makati ■ Manila ■ Pasig ■ Taguig
■ Paranaque ■ Muntinlupa ■ Caloocan ■ Pasay ■ Las Pinas
■ Mandaluyong ■ Valenzuela ■ Marikina

Supply Affordable Houses: Manila by City (January 2019 - July 2019)



■ Quezon City ■ Caloocan ■ Las Piñas ■ Parañaque ■ Valenzuela ■ Marikina
■ Manila ■ Muntinlupa ■ Pasig ■ Makati ■ Other



- **Location of Properties**
Highest demand in QC, and Las Piñas, followed by Parañaque and Caloocan, aligned with the supply on the Lamudi platform
- **Location of Property Seekers**
Most seekers are based in QC, followed by Makati, Manila city, and Pasig

Increase in online searches outside of the main cities compared to last year, but still room for improvement, especially in the South
- **Supply of Properties**
Highest supply in QC, followed by Caloocan and Las Piñas

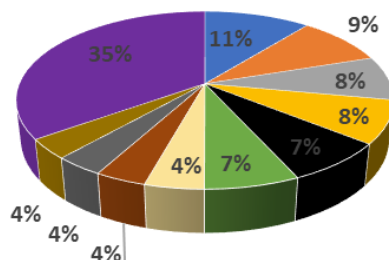




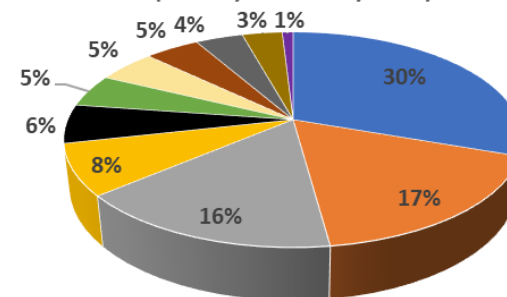
Digital Property Seekers

Affordable Housing Demand by Location of Property Seekers and of Properties

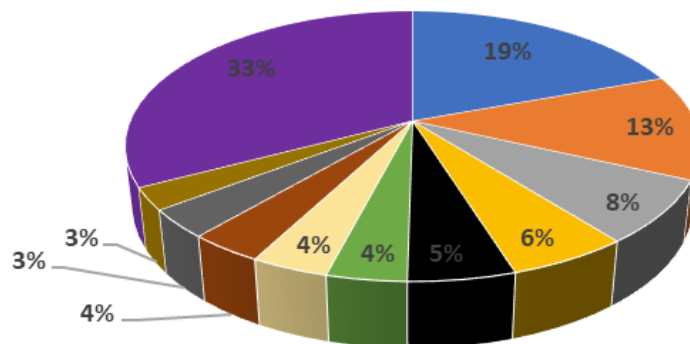
Demand Affordable Houses: Around Manila by City (January 2019 - July 2019)



Demand Affordable Houses: Around Manila Seekers (January 2019 - July 2019)



Supply Affordable Houses: Around Manila (January 2019 - July 2019)



- Imus
- Tanza
- Rodriguez
- General Trias
- San Jose del Monte
- Trece Martires
- Dasmariñas
- Bacoor
- Other
- Antipolo
- Calamba



- **Location of Properties**
Widespread demand, high in several Cavite and Laguna cities
- **Location of Property Seekers**
Seekers are geographically widespread, with high concentration in Bacoar, Santa Rosa, and Antipolo
- **Supply of Properties**
High supply in Cavite (Imus, General Trias, Dasmariñas, Tanza). Opportunity to increase supply in Rizal, Bulacan, and Laguna



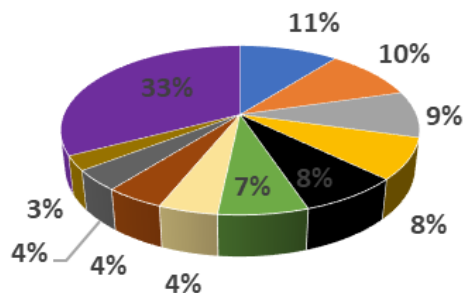


Digital Property Seekers

Affordable Housing Demand by Location of Property Seekers and of Properties

Demand Affordable Houses: Other Provinces by

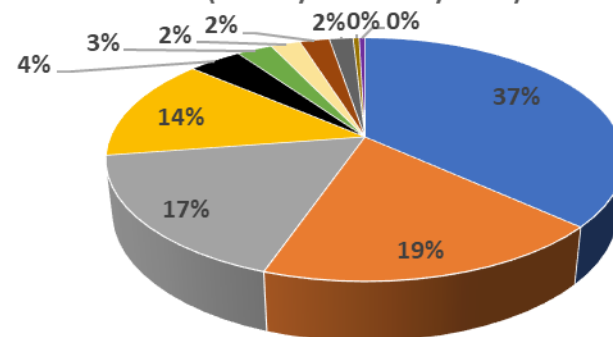
City (January 2019 - July 2019)



Angeles Davao Lipa Santo Tomas
 Lapu-Lapu San Fernando Bacolod Baguio
 Cagayan de Oro Mabalacat Other

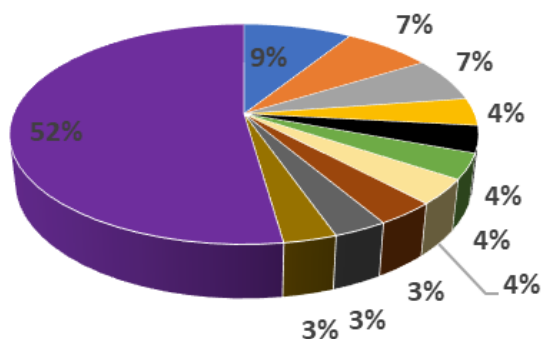
Demand Affordable Houses: Around Manila Seekers

(January 2019 - July 2019)



Cebu City Angeles Davao City Baguio
 Olongapo Lipa Cagayan de Oro Mabalacat
 San Fernando Cabuyao Bacolod

Supply Affordable Houses: Other Provinces by City (January 2019 - July 2019)



Lapu-Lapu Davao Lipa Santo Tomas Cebu Naga
 Carcar Angeles San Fernando Oton Other



Digital Property Seekers

Affordable Housing Demand by Location of Property Seekers and of Properties

- **Location of Properties**
Widespread demand, especially high in Pampanga, Davao, and Laguna
- **Location of Property Seekers**
Seekers are geographically widespread, with high concentration in Cebu, Angeles, Davao, and Baguio.
Opportunity to increase supply in Cebu City, where demand is high
- **Supply of Properties**
Very widespread supply, with highest levels in Lapu-Lapu, Davao, and Lipa. Growth opportunity in all areas.





What Can Lamudi Do?

- Listing **expansion initiative**, to increase the supply of affordable housing (even through free listings)
- **Large dataset of supply and demand**, comparison of supply and demand to identify opportunities (e.g. low supply areas with high demand)
- **Content and Event partnerships**





The Digital Property Seekers: Affordable Housing

Thank you!

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