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PHILIPPINES CONSTRUCTION COST

Q4-2025

BUILD FOR THE FUTURE

HEARN & HEARN CONSULTING

OVERVIEW

Construction pricing in 2025 presented a mix of slowing inflation alongside persistently elevated material costs. Philippine Statistics Authority (PSA) data showed Construction Material Wholesale Price Index (CMWPI) growth easing to near zero, with some categories posting slight declines, yet prices remained high due to sticky pricing behaviors and entrenched post-pandemic cost structures. Softened demand—driven by weaker infrastructure disbursements, delayed national projects, and a slowdown in private construction—created a stable but delicate market. While the general direction of price movements became more predictable, their magnitude remained uncertain, as elevated baselines showed little sign of meaningful correction.

This produced a narrow band of fluctuation: neither sharp escalation nor decisive deflation. If current conditions hold, high prices are expected to persist into 2026, with minimal growth of just 1% to 2%, underscoring the need for cautious planning amid subdued sector momentum.

OUR SERVICES

A dynamic, multidisciplinary construction consultancy practice cultivated through history and experience, driven by collaboration, innovation, and the delivery of results for our clients.

- Commercial Management
- Project Management
- Green Building
- Contracts Advisory

CONTACT

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RESIDENTIAL		PHP/m ²	INDUSTRIAL		PHP/m ²	OTHERS		PHP/m ²		
Mid-Rise	Average Standard	34,940 - 42,135	Warehouse	Single-Storey	16,165 - 33,915	International Schools	Private Sector	48,385 - 59,135		
	High-end Standard	42,560 - 53,145								
High-Rise	Average Standard	42,780 - 54,070	HOTEL & RESORTS		PHP/m ²	Student's Residences	Private Sector	42,555 - 54,295		
	High-end Standard	54,620 - 76,920								
Terrace	Average Standard	39,065 - 47,820	City Hotel	Budget (3 stars)	52,390 - 61,955	Sport's Clubs/Leisure centers	Multi-Purpose	48,670 - 59,485		
Detached	High-end Standard	79,775 - 155,570		Business (4-5 stars)	76,600 - 86,110					
OFFICE		PHP/m ²		Luxury (5 stars)	99,250 - 112,980					
High-Rise	Average Standard	40,340 - 50,010	Resort	4 stars	88,090 - 99,025	General Hospital	Average Standard	56,105 - 68,570		
	High-end Standard	56,520 - 66,610		5 stars	114,135 - 129,925					
RETAIL		PHP/m ²	CARPARKS		PHP/m ²	NOTES ON OUTLINE SPECIFICATIONS				
Malls	Average Standard	26,295 - 40,325	Basement	26,380 - 34,310						
	High-end Standard	36,850 - 50,875	Multi-Storey	19,995 - 25,450	<ul style="list-style-type: none"> • Residential Average Standard - Units with fit-out air-conditioning, stub-outs, kitchen cabinets, excluding home appliances, decorative light fittings, & loose furniture. • Residential High-end Standard - Units with good quality fit-out, air-conditioning, stub-outs, kitchen cabinets, excluding home appliances, decorative light fittings & loose furniture. • Terrace & Detached House - Houses with fit-out, air-conditioning, stub-outs, kitchen cabinets, and home appliances, excluding decorative light fittings, loose furniture, garden & parking. • Office Average & Prestige Standard - RC Structure, curtain wall, including public area fit-out, but excluding tenant area fit-out, but excluding tenant area fit-out. • Retail Average & High-end Standard - Includes public area fit-out and M&E, but excluding shop fit-out. • Industrial Single Storey - RC Structure with steel roof and M&E to main distribution, but excluding air-conditioning, heating and lighting. • Hotels - Includes interior decoration, Fixed and movable furniture, Special light fittings, excluding Operating Supplies and equipment. • Carpark Basement - RC Structure, architectural finishes, M&E excluding Mechanical Carpark equipment • Carpark Multi-storey - RC Structure, natural ventilation, no facade enclosure, excluding Mechanical Carpark Equipment • Private Schools & Residences - Including fit-out and air-conditioning, excluding educational equipment. • Sports Club - Includes Furniture, fittings, and equipment. • General Hospital - Excludes medical and operating equipment. 					

GENERAL NOTES

- The costs for the respective categories given above are averages based on lump sum fixed price competitive tenders. Actual cost of a building will depend upon the design and various factors and may vary from the figures shown.
- The costs per square meter are based on Construction Floor Areas (CFA). CFA is defined as the total of the areas of each floor level of a building measured to the internal dominant face of the external wall and including lift shafts, stairwells, balconies, plant rooms, water tanks and the like.
- All buildings are assumed to have no basements (except otherwise stated) and are built on flat ground, with normal soil and site condition.
- The cost excludes site formation works, external works, OS&E, land cost, professional fees, finance, pre-opening expenses, legal expenses, contractor's preliminaries, contingencies, and value added tax.
- The standard for each category of building varies from region to region and do not necessarily follow that of each other.