



Aloha! I am Kevin Andrews from Blue Star Steel a Hawaii Corporation. After meeting and listening to many of the stake holders and presenters at recently concluded 6th Asia Pacific Housing Forum and 26th SHDA National Developers Convention these are my insights.

I believe that Light Gauge Steel (LGS) Housing is the most viable solution for creating safe and dignified affordable housing in the Philippines. Maybe, President Rodrigo Duterte and other leaders of the Philippines need to declare a war for dignified housing and the battle plan should be something like these:

1. Confirm daily production rates required, to close the housing gap, at 10 % per year, 1 million units per year for the next 10 years, the housing units that I'm describing or the socialized housing sizes which aren't really going to be adequate for everyone but for starters and easy math, we need a million 25 m² units per year or 25 million m² of housing production. If you create production schedules to 24 hours for 300 days in a row you're going to need to create 83,000 m² of production capacity. Built out per day in 300 days every year, this will make available 3,333 units per day.
2. Identify key factory sites in the Philippines to distribute the factory capacity based on need; at least 10 factories are going to be needed to hit the numbers necessary to reduce the housing gap by 10% per year.
3. In addition on these, we are going to need a 160,000 workers, the ratio is 2 man days per m². We're going to need to provide gap or bridge financing to cover one year worth of production, daily rate US\$40 million per day, for 300 days or 12 billion USD for 1 year worth of production that's based at \$50 a square foot turn key everything all included .
4. In addition to that, we're going to need approximately US\$50 million to build the 10 factories across the nation in key locations. Also this is the perfect way to get started in a vertically integrated plan to supply housing, to create jobs and to get steel integrated into the country with export opportunities and fulfilling Pres. Duterte's dream. To build those million units we will need around 35 kilos per square meter of constructed superstructure requiring 375,000 tons of steel per year just for this housing battle plan.
5. In addition to building this new housing industry, we need to build a steel mill by way of the electric arc furnaces. We need to plan and build an initial scaleable capacity of 500,000 tons per year. This turn key factory will also need downstream processing for cold rolling, pickling and slitting. We are working on the feasibility study and believe that all of these production units can be built around US\$300 million and be in production for around 12- 18 months..

This is our simple plan to help fix the complicated problem. The Philippines has all the "RIGHT STUFF".

There are fundings available from different institutions as long there is a "Government Guarantee".

There is always a solution for every problem and there are all the resources, right here nationwide to execute the battle plan and move forward together.

I want to thank all the people who have inspired me to get involved to provide a plan which includes safe affordable and dignified housing for everyone in your nation!

For any queries or comments, you may address directly to CEO's email address : kevin.andrews@bluestarsteelusa.com

Mahalo,

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