November 9, 2010

PHILIPPINE STOCK EXCHANGE
Listing and Disclosure Department
Exchange Road, Ortigas Center, Pasig City

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Subject: Vista Land & Lifescapes, Inc.: **SEC 17Q- September 30, 2010**

Gentlemen:

Please find SEC Form 17Q for the nine months ended September 30, 2010 filed with the Securities and Exchange Commission today.

Very truly yours,

BRIAN N. EDANG
Officer-in-Charge

COVER SHEET

C	S	2	0	0	7	0	3	1	4	5

S.E.C. Registration Number

VISTA LAND & LIFESCAPES, INC.

(Company's Full Name)

LAS PINAS BUSINESS CENTER NATIONAL ROAD, TALON, LAS PINAS CITY

(Business Address : No. Street/City/Province)

Brian N. Edang
Contact Person

887-2264 loc 107
Company Telephone Number

1	2		3	1

Month *Day*

Calendar Year

17-Q
FORM TYPE

0	6		1	5

Month *Day*

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(B) THEREUNDER

1. For the quarter ended **September 30, 2010**

2. SEC Identification Number **CS-200703145**

3. BIR Tax Identification No. **006-652-678**

4. **Vista Land & Lifescapes, Inc.**
   Exact name of the registrant as specified in its charter

5. **Metro Manila, Philippines**
   Province, country or other jurisdiction of incorporation

6. Industry Classification Code [ ] (SEC Use Only)

7. **3rd Level Starmall Las Pinas C.V. Starr Avenue, Philamlife Village, Pamplona, Las Pinas City** **1746**
   Address of Principal Office Postal Code

8. **(632)-8065758**
   Registrant's telephone number, including area code

9. N/A
   Former name, former address and former fiscal year, if change since last report.

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of each Class	Number of Shares of common stock outstanding
Common stock (as of 9/30/2010)	**8,538,740,614**

11. Are any of the registrant's securities listed on the Philippine Stock Exchange?

    Yes [x] No [ ]

12. Check whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Section 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period of the registrant was required to file such reports.)

    Yes [x] No [ ]

    (b) has been subject to such filing requirements for the past 90 days.

    Yes [x] No [ ]

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Vista Land & Lifescapes Inc.
Consolidated Statements of Financial Position
As of September 30, 2010 and December 31, 2009
(In Million Pesos)

	Unaudited 09/30/2010	Audited 12/31/2009
ASSETS		
Cash and cash equivalents (Note 9)	2,158	3,147
Receivables - net (Notes 4 and 9)	20,024	18,138
Real estate for sale and development (Note 5)	29,281	28,722
Available for sale - financial assets (Note 9)	289	289
Investments	694	694
Property and equipment	103	92
Advances to real estate joint ventures	1,619	1,551
Other assets	2,190	2,004
Total Assets	**56,358**	**54,637**
LIABILITIES AND EQUITY		
Liabilities		
Bank loans (Notes 6 and 9)	4,064	4,557
Accounts and other payables (Notes 7 and 9)	6,370	5,430
Customers' advances and deposits	3,909	3,639
Due to related parties (Note 9)	323	429
Income tax payable	390	95
Liabilities for unsubdivided land purchased (Note 9)	1,512	1,849
Pension liability	128	132
Long-term notes (Notes 8 and 9)	68	495
Deferred tax liabilities - net	2,266	2,386
Total Liabilities	**19,030**	**19,012**
Equity		
Capital stock	8,539	8,539
Additional paid in capital	19,329	19,329
Retained earnings	9,460	7,757
Total Equity	**37,328**	**35,625**
Total Liabilities & Stockholders' Equity	**56,358**	**54,637**

Vista Land & Lifescapes Inc.
Consolidated Statements of Comprehensive Income
For the nine months ended September 30, 2010 and 2009
(In Million Pesos)

	Unaudited Jul-Sep Q3-2010	Unaudited Jan-Sep 2010	Unaudited Jul-Sep Q3-2009	Unaudited Jan-Sep 2009
REVENUE AND OTHER INCOME				
Real estate	2,711	8,201	2,290	7,172
Unrealized foreign exchange gains (losses)	4	(15)	(2)	(3)
Interest income	172	527	130	429
Miscellaneous - net	131	366	67	238
Total revenues	3,018	9,079	2,485	7,836
Loss on long-term notes settlement	–	(112)	–	(327)
	3,018	**8,967**	**2,485**	**7,509**
COST & EXPENSES				
Real estate	1,360	4,182	1,182	3,712
Operating expenses	576	1,753	478	1,485
Interest & financing charges	172	481	122	348
	2,108	**6,416**	**1,782**	**5,545**
INCOME BEFORE INCOME TAX	910	2,551	703	1,964
PROVISION FOR INCOME TAX	182	383	141	375
NET INCOME	**728**	**2,168**	**562**	**1,589**
OTHER COMPREHENSIVE INCOME	–	–	–	–
TOTAL COMPREHENSIVE INCOME	**728**	**2,168**	**562**	**1,589**
Net income attributable to:				
Equity holders of Vista Land & Lifescapes, Inc.	728	2,168	561	1,586
Minority interest	–	–	1	3
	728	2,168	562	1,589
Total comprehensive income attributable to:				
Equity holders of Vista Land & Lifescapes, Inc.	728	2,168	561	1,586
Minority interest	–	–	1	3
	728	2,168	562	1,589
Basic/Diluted Earnings Per share	**Php0.09**	**Php0.25**	**Php0.07**	**Php0.19**

Vista Land & Lifescapes Inc.
Consolidated Statement of Changes in Equity
For the nine months ended September 30, 2010 and 2009
(In Million Pesos)

	Unaudited 30-Sep-10	Unaudited 30-Sep-09
CAPITAL STOCK - P1 par value		
Authorized - 4,000,000 shares in February 28, 2007 and 12,000,000,000 in May 23, 2007		
Issued - 1,000,000 shares as of February 28, 2007 and 8,538,740,614 shares as of September 30, 2010		
Balance at beginning of period	8,539	8,539
Issuance of capital stock	–	–
Balance at end of period	**8,539**	**8,539**
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning of period	19,329	19,305
Charges	**–**	**–**
Balance at end of period	**19,329**	**19,305**
RETAINED EARNINGS		
Balance at beginning of period	7,757	5,740
Dividends	(465)	**–**
Net Income	2,168	1,586
Balance at end of period	**9,460**	**7,326**
	37,328	**35,170**
Treasury stocks	–	(637)
Minority interest	–	54
	37,328	**34,587**

Vista Land & Lifescapes Inc.
Consolidated Statement of Cash Flows
For the nine months ended September 30, 2010 and 2009
(In Million Pesos)

	Unaudited Jul-Sep Q3-2010	Unaudited Jan-Sep 2010	Unaudited Jul-Sep Q3-2009	Unaudited Jan-Sep 2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	910	2,551	703	1,964
Adjustments for:				
Interest expense	172	481	122	348
Interest income	(172)	(527)	(130)	(429)
Loss on settlement	(112)	112	–	327
Unrealized foreign exchange (gain) losses	(4)	15	2	30
Depreciation and amortization	21	68	16	48
Foreign exchange gain	–	–	–	(27)
Operating income before changes in operating assets and liabilities	**815**	**2,700**	**713**	**2,261**
Decrease (increase) in:				
Receivables	(889)	(1,868)	(430)	(1,663)
Real estate for sale and developments	665	(559)	(2,044)	(528)
Other assets	(469)	(215)	(72)	164
Increase(decrease) in:				
Accounts and other payables	528	940	462	192
Customers' advances and deposits	558	270	1,428	217
Liabilities for purchased land	(194)	(343)	(213)	(498)
Pension liability	–	(4)	1	(2)
Cash provided by (used in) operations	**1,014**	**921**	**(155)**	**143**
Interest received	186	509	123	404
Interest paid	(171)	(475)	(122)	(303)
Income taxes paid	(362)	(623)	(184)	(583)
Net cash provided by (used in) operating activities	**667**	**332**	**(338)**	**(339)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to AFS financial assets	–	–	–	(24)
Increase in advances to real estate joint ventures	(23)	(68)	384	160
Acquisition of property and equipments	(22)	(50)	(35)	(51)
Minority interest	–	–	1	2
Net cash provided by (used in) investing activities	**(45)**	**(118)**	**350**	**87**
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of:				
Bank loans and loans payable	44	(399)	455	288
Due to related parties - net	(146)	(218)	(21)	3
LTCPs/FRNs/LTNs	(102)	(586)	(6)	(1,357)
Acquisition of treasury stock	–	–	–	(20)
Net cash used provided by (used in) financing activities	**(204)**	**(1,203)**	**428**	**(1,086)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**418**	**(989)**	**440**	**(1,338)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,740	3,147	3,267	5,045
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**2,158**	**2,158**	**3,707**	**3,707**

Vista Land & Lifescapes, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

1. The Consolidated financial statements of Vista Land & Lifescapes, Inc. and its Subsidiaries have been prepared in accordance with accounting principles generally accepted in the Philippines, as set forth in Philippine Financial Reporting Standards (PFRS). Accounting principles/policies and methods of computation applied for the nine months ended September 30, 2010 are the same as those applied in the preceding calendar year.

   Adoption of New and Amended Accounting Standards and Interpretations
   The accounting policies adopted are consistent with those of the previous financial year except for the following new and amended Standards and Philippine Interpretations of International Financial Reporting Interpretations Committee (IFRIC) Interpretations which became effective on January 1, 2009. Except as otherwise indicated, the adoption of the new and amended Standards and Philippine Interpretations did not have a significant impact on the Group's consolidated financial statements.

   - PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
     The amendment allows an entity, in its separate financial statements, to determine the cost of investments in subsidiaries, jointly controlled entities or associates (in its opening PFRS financial statements) as one of the following amounts: (a) cost determined in accordance with PAS 27, *Consolidated and Separate Financial Statements*; (b) at the fair value of the investment at the date of transition to PFRS, determined in accordance with PAS 39, *Financial Instruments: Recognition and Measurement*; or (c) previous carrying amount (as determined under generally accepted accounting principles) of the investment at the date of transition to PFRS.

   - PFRS 2, *Share-based Payment - Vesting Condition and Cancellations*
     This Standard has been revised to clarify the definition of a vesting condition and prescribes the treatment for an award that is effectively cancelled. It defines a vesting condition as a condition that includes an explicit or implicit requirement to provide services. It further requires nonvesting conditions to be treated in a similar fashion to market conditions. Failure to satisfy a nonvesting condition that is within the control of either the entity or the counterparty is accounted for as cancellation. However, failure to satisfy a nonvesting condition that is beyond the control of either party does not give rise to a cancellation.

   - PFRS 8, *Operating Segments*
     It replaces PAS 14, *Segment Reporting*, and adopts a full management approach to identifying, measuring and disclosing the results of an entity's operating segments. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. Such information may be different from that reported in the consolidated statement of financial position and consolidated statement of income and the company will provide explanations and reconciliations of the differences. This Standard is only applicable to an entity that has debt or equity instruments that are traded in a public market or that files (or is in the process of filing) its financial statements with a securities commission or similar party.

- Amendments to PAS 1, *Presentation of Financial Statements*
  In accordance with the amendments to PAS 1, the statement of changes in equity shall include only transaction with owners, while non-owner changes will be presented in equity as a single line with details included in a separate statement. Owners are defined as holders of instruments classified as equity.

  In addition, the amendments to PAS 1 provides for the introduction of a new statements of comprehensive income that combines all items of income and expenses recognized in the profit or loss together with 'other comprehensive income'. Entities may choose to present all items in one statement, or to present two linked statements, a separate statement of income and a statement of comprehensive income. These amendments also require additional requirements in the presentation of the statements of financial position and owner's equity as well as additional disclosures to be included in the financial statements. Adoption of these amendments resulted in the following: (a) change in the title from consolidated balance sheet to consolidated statement of financial position; and (b) change in the presentation of changes in equity and other comprehensive income - non-owner changes in equity are now presented in the consolidated statement of comprehensive income.

- Amendments to PFRS 7, *Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments*
  The amendments to PFRS 7 introduce enhanced disclosures about fair value measurement and liquidity risk. The amendments to PFRS 7 require fair value measurements for each class of financial instruments to be disclosed by the source of inputs, using the following three-level hierarchy: (a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities; (b) Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and (c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level within which the fair value measurement is categorized must be based on the lowest level of input to the instrument's valuation that is significant to the fair value measurement in its entirety.

  Additional disclosures required in the amendments to PFRS 7 are shown in Note 9. The amendments to PFRS 7 also introduce two major changes in liquidity risk disclosures as follows: (a) exclusion of derivative liabilities from maturity analysis unless the contractual maturities are essential for an understanding of the timing of the cash flows and (b) inclusion of financial guarantee contracts in the contractual maturity analysis based on the maximum amount guaranteed.

- Amendment to PAS 23, *Borrowing Costs*
  The Standard has been revised to require capitalization of borrowing costs when such costs relate to a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The Group's previous policy was to expense borrowing costs as they were incurred. In accordance to the transitional provisions of the amended PAS 23, the Group has adopted the Standard on a prospective basis. Therefore, borrowing costs are capitalized on qualifying assets with a commencement date on or after January 1, 2009. No changes were made on the borrowing costs incurred until that date that have previously been expensed. In 2009, a total of ₱7.98 million borrowing costs have been capitalized on qualifying assets and were included in the "Real estate for sale and development" account (see Note 5).

- Amendments to PAS 32, *Financial Instruments: Presentation*, and PAS 1, *Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation*
  These amendments specify, among others, that puttable financial instruments will be classified as equity if they have all of the following specified features: (a) the instrument entitles the holder to require the entity to repurchase or redeem the instrument (either on an ongoing basis or on liquidation) for a pro rata share of the entity's net assets; (b) the instrument is in the most subordinate class of instruments, with no priority over other claims to the assets of the entity on liquidation; (c) all instruments in the subordinate class have identical features; (d) the instrument does not include any contractual obligation to pay cash or financial assets other than the holder's right to a pro rata share of the entity's net assets; and (e) the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, a change in recognized net assets, or a change in the fair value of the recognized and unrecognized net assets of the entity over the life of the instrument.

- Philippine Interpretation IFRIC 13, *Customer Loyalty Programmes*
  This Interpretation requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted and therefore part of the fair value of the consideration received is allocated to the award credits and realized in income over the period that the award credits are redeemed or has expired.

- Philippine Interpretation IFRIC 16, *Hedges of a Net Investment in a Foreign Operation*
  This Interpretation provides guidance on identifying foreign currency risks that qualify for hedge accounting in the hedge of net investment; where within the group the hedging instrument can be held in the hedge of a net investment; and how an entity should determine the amount of foreign currency gains or losses, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment.

Improvements to PFRS effective in 2009
In May 2008, the International Accounting Standards Board (IASB) issued its first omnibus of amendments to certain Standards, primarily with a view to removing inconsistencies and clarifying wording. These are the separate transitional provisions for each Standard. Except as otherwise indicated, the adoption of these new Standards did not have a significant impact on the Group's consolidated financial statements:

- PFRS 2, *Share-based Payments*
- PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*
- PAS 16, *Property, Plant and Equipment*
- PAS 18, *Revenue*
- PAS 19, *Employee Benefits*
- PAS 23, *Borrowing Costs*
- PAS 28, *Investments in Associates*
- PAS 31, *Interests in Joint Ventures*
- PAS 36, *Impairment of Assets*
- PAS 38, *Intangible Assets*
- PAS 39, *Financial Instruments: Recognition and Measurement*
- PAS 40, *Investment Property*

Future Changes in Accounting Policies

The Group will adopt the following Standards and Interpretations enumerated below when these become effective. Except as otherwise indicated, the Group does not expect the adoption of these new and amended Standards and Philippine Interpretations to have significant impact on its financial statements.

Effective in 2010

- Revised PFRS 3, *Business Combinations* and PAS 27, *Consolidated and Separate Financial Statements*
  The revised PFRS 3 will become effective for annual periods beginning on or after July 1, 2009. It introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. The revised PAS 27 requires, among others, that (a) change in ownership interests of a subsidiary (that do not result in loss of control) will be accounted for as an equity transaction and will have no impact on goodwill nor will it give rise to a gain or loss; (b) losses incurred by the subsidiary will be allocated between the controlling and noncontrolling interests (previously referred to as 'minority interests'); even if the losses exceed the noncontrolling equity investment in the subsidiary; and (c) on loss of control of a subsidiary, any retained interest will be remeasured to fair value and this will impact the gain or loss recognized on disposal. The changes introduced by the revised PFRS 3 and PAS 27 must be applied prospectively and will affect future acquisitions and transactions with noncontrolling interests.

- Amendments to PAS 27, *Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
  Amendments to PAS 27 will be effective for annual periods beginning on or after July 1, 2009 which has changes in respect of the holding companies' separate financial statements, including, (a) the deletion of 'cost method', making the distinction between pre- and post-acquisition profits no longer required; and (b) in cases of reorganizations where a new parent is inserted above an existing parent of the group (subject to meeting specific requirements), the cost of the subsidiary is the previous carrying amount of its share of equity items in the subsidiary rather than its fair value. All dividends will be recognized in the statement of financial performance. However, the payment of such dividends requires the entity to consider whether there is an indicator of impairment.

- Amendment to PAS 39, *Financial Instruments: Recognition and Measurement -Eligible hedged items*
  This Amendment, which will be effective for annual periods beginning on or after July 1, 2009, addresses only the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item.

- Amendment to PFRS 2, *Share-based Payments - Group Cash-settled Share-based Payment Transactions*
  The amendments to PFRS 2, effective for annual periods beginning on or after January 1, 2010, clarify the scope and the accounting for group cash-settled share-based payment transactions.

- Philippine Interpretation IFRIC 17, *Distribution of Noncash Assets to Owners*
  This Interpretation is effective for annual periods beginning on or after July 1, 2009 with early application permitted. It provides guidance on how to account for noncash distributions to owners. The Interpretation clarifies when to recognize a liability, how to measure it and the associated assets, and when to derecognize the asset and liability.

- Philippine Interpretation IFRIC 18, *Transfer of Assets to Customers*
  This Interpretation provides guidance to all entities that receive from customers an item of property, plant and equipment or cash for the acquisition or construction of such item and such item is used to connect the customer to a network or to provide ongoing access to a supply of goods or services, or both. The Interpretation requires an assessment of whether an item of property, plant and equipment or cash for the acquisition or construction of such item meets the definition of an asset. If the terms of the agreement are within the scope of this interpretation, a transfer of an item of property, plant and equipment would be an exchange for dissimilar goods or services. Consequently, the exchange is regarded as a transaction which generates revenue. This Interpretation is to be applied prospectively to transfer of assets from customers received in periods beginning on or after July 1, 2009. Entities may however choose to apply this interpretation to earlier periods, provided valuations can be obtained at the time the transfer occurred.

Effective in 2012

- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate*
  This Interpretation, which will be effective January 1, 2012, covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. This Interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be accounted for under PAS 11, *Construction Contracts*, or involves rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion.

Improvements to PFRS effective in 2010
The omnibus amendments to PFRS issued in 2009 were issued primarily with a view to removing inconsistencies and clarifying wording. The following amendments are effective for annual periods financial years January 1, 2010 except otherwise stated. The Group has not yet adopted the following amendments and anticipates that these changes will have no material effect on the financial statements.

- PFRS 2, *Share-based Payment*
  It clarifies that the contribution of a business on formation of a joint venture and combinations under common control are not within the scope of PFRS 2 even though they are out of scope of PFRS 3. The amendment is effective for financial years on or after July 1, 2009.

- PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*
  It clarifies that the disclosures required in respect of noncurrent assets and disposal groups classified as held for sale or discontinued operations are only those set out in PFRS 5. The disclosure requirements of other PFRS only apply if specifically required for such noncurrent assets or discontinued operations.

- PFRS 8, *Operating Segment Information*
  It clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker.

- PAS 1, *Presentation of Financial Statements*
  It clarifies that the terms of a liability that could result, at anytime, in its settlement by the issuance of equity instruments at the option of the counterparty do not affect its classification.

- PAS 7, *Statement of Cash Flows*
  It explicitly states that only expenditure that results in a recognized asset can be classified as a cash flow from investing activities.

- PAS 17, *Leases*
  It removes the specific guidance on classifying land as a lease. Prior to the amendment, leases of land were classified as operating leases. The amendment now requires that leases of land are classified as either 'finance' or 'operating' in accordance with the general principles of PAS 17. The amendment will be applied retrospectively.

- PAS 36, *Impairment of Assets*
  It clarifies that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in PFRS 8 before aggregation for reporting purposes.

- PAS 38, *Intangible Assets*
  It clarifies that if an intangible asset acquired in a business combination is identifiable only with another intangible asset, the acquirer may recognize the group of intangible assets as a single asset provided the individual assets have similar useful lives. Also, it clarifies that the valuation techniques presented for determining the fair value of intangible assets acquired in a business combination that are not traded in active markets are only examples and are not restrictive on the methods that can be used.

- PAS 39, *Financial Instruments: Recognition and Measurement*
  It clarifies the following:
  (a) That a prepayment option is considered closely related to the host contract when the exercise price of a prepayment option reimburses the lender up to the approximate present value of lost interest for the remaining term of the host contract.
  (b) That the scope exemption for contracts between an acquirer and a vendor in a business combination to buy or sell an acquiree at a future date applies only to binding forward contracts, and not derivative contracts where further actions by either party are still to be taken.
  (c) That gains or losses on cash flow hedges of a forecast transaction that subsequently results in the recognition of a financial instrument or on cash flow hedges of recognized financial instruments should be reclassified in the period that the hedged forecast cash flows affect profit or loss.

- Philippine Interpretation IFRIC 9, *Reassessment of Embedded Derivatives*
  It clarifies that it does not apply to possible reassessment at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities or businesses under common control or the formation of joint venture.

- Philippine Interpretation IFRIC 16, *Hedge of a Net Investment in a Foreign Operation*
  It states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity or entities within the group, including the foreign operation itself, as long as the designation, documentation and effectiveness requirements of PAS 39 that relate to a net investment hedge are satisfied.

2. **Basis of Consolidation**

The consolidated financial statements comprise the financial statements of Vista Land and Lifescapes and its subsidiaries as at September 30, 2010 and 2009 and for period ended September 30, 2010. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies. The following are the Group's wholly subsidiaries:

- Camella Homes, Inc. (CHI) and Subsidiaries
- Brittany Corporation (Brittany)
- Crown Asia Properties, Inc. (CAPI)
- Communities Philippines, Inc. (CPI) and Subsidiaries; and
- Vista Residences, Inc. (Formerly Polar Mines Realty Ventures, Inc.) (VRI)

The Group is engaged mainly in the development of residential subdivisions and construction of housing and condominium units. The Group offers a range of products from socialized and affordable housing to middle income and high-end subdivision house and lots and condominium projects.

Camella Homes, Inc. and Subsidiaries
On October 30, 2007, SEC approved the merger between Palmera Homes, Inc., Eastridge Estates, Inc., Ridgewood Estates, Inc. and Household Development Corp. (HDC), the latter being the surviving entity. All of these entities are within the group of Camella Homes. HDC did not issue any consideration in exchange for the shares of the three other subsidiaries. HDC and the Parent Company has accounted for this transaction as reorganization of entities under common control, using pooling of interest method. Accordingly, the accompanying consolidated financial statements have been prepared as if the current corporate structure had been in existence in all periods presented.

On August 15, 2008, the shareholders ratified the BOD approval of the amendment of the name of the corporation from "C & P Homes, Inc." to "Camella Homes, Inc." Likewise, the shareholders ratified the BOD resolution to change the par value of shares from ₱1.00 per share to ₱10,000 per share. The amendments in the articles of incorporation was approved by SEC on March 12, 2009, to increase the par value from ₱1.00 per share to ₱10,000 per share and correspondingly decrease the number of shares comprising the authorized capital stock of CHI from seven (7) billion to 700,000 shares.

Crown Asia Properties, Inc.
On August 13, 2008, SEC approved the merger between Symmetrical Ventures, Inc., Crown Asia Properties (North), Inc., and Crown Asia Properties, Inc., the latter being the surviving entity. Crown Asia Properties Inc. did not issue any consideration in exchange for the shares accounted for this transaction and accounted this transaction as reorganization of entities under common control, using pooling of interest method. Accordingly, the accompanying financial statements have been prepared as if the current corporate structure had been in existence in all periods presented.

Communities Philippines, Inc. and Subsidiaries
At a meeting on August 6, 2008, the BOD approved the increase of the authorized capital of CPI from fifty million pesos (₱50,000,000) divided into five hundred thousand (500,000) shares with par value of one hundred pesos (₱100) per share to one billion (10,000,000,00) divided into ten million (10,000,000) shares with par value of one hundred pesos (₱100) per share. Also, on the same date, the BOD and the stockholders amended the corporate name from "Crown Communities Holdings, Inc" to "Communities Philippines, Inc." The SEC approved the increase of capital stock and the application of change in corporate name on September 24, 2008. Out of the increase in the authorized capital stock of CPI, the amount of five hundred million (₱500,000,000) pesos has been actually subscribed by the Parent Company and the amount of five hundred four million three hundred seventy-two thousand nine hundred (₱504 million) pesos has been paid, inclusive of premium, by way of assignment of shares of stocks on the following subsidiaries:

- Communities Cebu, Inc.
- Communities Davao, Inc.
- Communities Iloilo, Inc.
- Communities Pampanga, Inc.

In 2009, the BOD and the stockholders approved the change in the corporate names of CPI's subsidiaries which was approved by SEC on various dates as follows:

Former Name	Current Name	Date Approved
Communities Philippines Cam. Sur, Inc.	Communities Naga, Inc.	March 13, 2009
Crown Communities (Batangas), Inc.	Communities Batangas, Inc.	April 1, 2009
Crown Communities (Bulacan), Inc.	Communities Bulacan, Inc.	July 31, 2009
Crown Communities (Cagayan), Inc.	Communities Cagayan, Inc.	April 15, 2009
Crown Communities (Cebu), Inc.	Communities Cebu, Inc.	June 30, 2009
Crown Communities (Davao), Inc.	Communities Davao, Inc.	April 3, 2009
Crown Communities (Iloilo), Inc.	Communities Iloilo, Inc.	April 16, 2009
Crown Communities (Pampanga), Inc.	Communities Pampanga, Inc.	April 3, 2009
Crown Communities (Pangasinan), Inc.	Communities Pangasinan, Inc.	July 7, 2009

Moreover, the BOD and stockholders approved the change of registered address of all fifteen (15) subsidiaries under CPI which has now a uniform principal address at Mezzanine Floor, Starmall Complex, EDSA cor. Shaw Blvd., Mandaluyong City. The SEC subsequently approved the amendment on various dates above.

Vista Residences, Inc.
On October 29, 2009, the Group acquired from Polar Property, through the Parent Company, 97.50% voting shares of VRI in exchange of 320,686,000 treasury shares valued at ₱660.61 million. The Parent Company accounted for the acquisition using the purchase method.

On December 4, 2009, the BOD and the stockholders approved the change in the corporate name from "Polar Mines Realty Ventures, Inc." to "Vista Residences, Inc. ". On January 29, 2010, the SEC approved the change in corporate name.

The consolidated financial statements include the financial statements of the Parent Company and the following domestic subsidiaries:

	Percentages equity interest		
	2009	**2008**	**2007**
Brittany	100.00%	100.00%	100.00%
CAPI	100.00	100.00	100.00
CHI	100.00	100.00	99.34
Household Development Corp.	100.00	100.00	100.00
Mandalay Resources Corp.	100.00	100.00	100.00
C&P International Limited	100.00	100.00	100.00
CPI	100.00	100.00	100.00
Communities Batangas, Inc.	100.00	100.00	100.00
Communities Bulacan, Inc.	100.00	100.00	100.00
Communities Cagayan, Inc.	100.00	100.00	100.00
Communities Cebu, Inc.	100.00	100.00	100.00
Communities Davao, Inc.	100.00	100.00	95.00
Communities General Santos, Inc.	100.00	100.00	–
Communities Iloilo, Inc.	100.00	100.00	95.00
Communities Isabela, Inc.	100.00	100.00	–
Communities Leyte, Inc.	100.00	100.00	–
Communities Naga, Inc.	100.00	100.00	100.00
Communities Negros Occidental, Inc.	100.00	100.00	–
Communities Pampanga, Inc.	100.00	100.00	100.00
Communities Pangasinan, Inc.	100.00	100.00	100.00
Communities Tarlac, Inc.	100.00	100.00	–
VRI	100.00	–	–

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Control is achieved when the Group has the power to govern the financial and operating decisions of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed during the year are included in the consolidated statement of comprehensive income from the date of the acquisition or up to the date of disposal, as appropriate.

Except as stated otherwise, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intercompany balances and transactions, including intercompany profits and unrealized profits and losses, were eliminated during consolidation in accordance with the accounting policy on consolidation.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not wholly owned by the Parent Company and are presented separately in the consolidated statement of comprehensive income and consolidated statement of changes in equity and within equity in the consolidated statement of financial position, separately from the Parent Company's equity.

3. **Operating Segment**

For management purposes, the Group's operating segments are organized and managed separately according to the nature of the products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group has two reportable operating segments as shown below:

- *Horizontal Projects*
  The housing market segment of the Group caters on the development and selling of residential lots and units, and affordable housing units and lots.

- *Vertical Projects*
  This segment caters the development and selling of residential high-rise condominium projects across the Philippines. Vertical home projects involve dealing with longer gestation periods and requirements that are different from those of horizontal homes.

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment income or loss before income tax. Segment income or loss before income tax is based on the same accounting policies as consolidated income or loss. The Group has no intersegment revenues. No operating segments have been aggregated to form the above reportable operating business segments. The chief operating decision-maker (CODM) has been identified as the chief executive officer. The CODM reviews the Group's internal reports in order to assess the performance of the Group.

The financial information about the operations of these operating segments for the nine-month period ended September 30, 2010 is summarized below (amounts in thousands):

Nine Months Ended September 30, 2010

	Horizontal	Vertical	Eliminations	Total
Real estate revenue	₱7,111	₱1,090	₱–	₱8,201
Cost of real estate	3,626	556	–	4,182
Gross profit	3,485	534	–	4,019
Operating expenses	1,520	233	–	1,753
Segment income before income tax	1,965	301	–	2,266
Interest income	515	12	–	527
Miscellaneous income	326	40	–	366
Interest and other financing charges	(391)	(90)	–	(481)
Unrealized foreign exchange loss	(15)	–	–	(15)
Loss on settlement of long-term notes	(112)	–	–	(112)
Income before income tax	2,288	263	–	2,551
Provision for income tax	(347)	(36)	–	(383)
Net income	₱1,941	₱227	₱–	₱2,168

The financial information about the segment assets and liabilities of these operating segments as of September 30, 2010 is summarized below (amounts in thousands):

As at September 30, 2010

	Horizontal	Vertical	Eliminations	Total
Other Information				
Segment assets	**₱49,631**	**₱5,744**	**₱–**	**₱55,375**
Receivable from related parties	**6**	**–**	**(6)**	**–**
Investment in an associate	**694**	**–**	**–**	**694**
AFS financial assets	**289**	**–**	**–**	**289**
Total Assets	**₱50,620**	**₱5,744**	**(₱6)**	**₱56,358**
Segment liabilities	**₱14,900**	**₱1,541**	**₱–**	**₱16,441**
Payable to related parties	**326**	**3**	**(6)**	**323**
Deferred tax liabilities	**2,266**	**–**	**–**	**2,266**
Total Liabilities	**₱17,492**	**₱1,544**	**(₱6)**	**₱19,030**

The Group has no revenue from transactions with a single external customer amounting to 10% or more of the Group's revenue.

4. **Receivables**

This account consists of:

Installment Contracts Receivables:	
Short –term	8,322
Long-term	9,223
	17,545
Receivables from Contractors suppliers, brokers and others	2,793
	20,338
Less: allowance for probable losses	(314)
Total Receivables, net	**20,024**

Installment Contracts Receivable
Short-term installment contracts receivable consists of accounts collectible in equal monthly principal installments usually within 12 to 18 months, with the entire repayment period not exceeding 24 months. The corresponding titles to the subdivision units sold under this arrangement are transferred to the buyers only upon full payment of the contract price.

To further improve much needed operating cash flows without significantly affecting profitability, the Group shifted its focus from government-financed to internally financed sales transactions which entailed shorter repayment periods. A substantial portion of the real estate sales was internally financed under the short-term deferred cash payment arrangement.

Long-term installment contracts receivable principally consists of amounts arising from sale of real estate subdivision units which are collectible within 2 to 15 years with interest at prevailing market rates. The corresponding titles to the subdivision units sold under this arrangement are transferred to the buyers only upon full payment of the contract price.

The following presents the breakdown of installment contracts receivable and receivables from contractors, suppliers, brokers and others by maturity dates:

Due within 1 yr	
Installment receivable	8,322
Receivables from contractors suppliers, brokers and others	2,793
	11,115
Due over 1 yr	
Installment receivable	9,223
Receivables from contractors suppliers, brokers and others	–
	9,223
Total Receivables, gross	**20,338**

5. **Real Estate for Sale and Development**

This account consists of:

Subdivision land available for sales	12,695
Less reserve for land development	(4,977)
	7,718
Residential house and condominium units for sale and development	3,094
Total subdivision land and residential units for sale and developments	10,812
Undeveloped land	18,469
Total	**29,281**

Subdivision land available for sale and development represents real estate subdivision projects in which the Group has been granted license to sell by the Housing and Land Use Regulatory Board of the Philippines.

Borrowing cost capitalized in 2009 amounted to ₱7.98 million.

6. **Bank Loans**

This account consists of:

	Maturity	Principal
Bank Loans		
Banco de Oro	2011	270
Security bank	2013	207
Unionbank	2015	35
Bank of Commerce	2011	32
		544
Loans payable		3,520
Total		**4,064**

Bank loans represent long-term payable to local banks bearing average interest rates of 8.0% and 5.99% as of September 30, 2010 and December 31, 2009, respectively. The interest rates are based on the latest 91-day and 182-day treasury bill rates plus spread rate of 2.0% to 2.5%. These loans are payable in annual installments for a maximum loan period of ten years.

The loans payable pertain to sold "Installment contracts receivable". These loans had fixed interest rates ranging from 5.00% to 14.00% in 2009 and in the nine months ended September 30, 2010 based on the remaining terms of the sold installment contracts receivable, payable on equal monthly installments over a maximum period of 3 to 10 years depending on the terms of the installment contracts receivable

7. **Accounts and Other Payables**

This account consists of:

Accounts payable	3,701
Accrued expenses	433
Dividends payable	427
Retention payable	725
Commission payable	368
Deferred VAT payable	541
Others	175
Total	**6,370**

The accounts payable, accrued expenses, retention payable and commissions payable are noninterest-bearing and are mostly composed of payable to contractors and supplier of materials

8. **Long Term Note (LTN)**

The LTN's, which is payable over fifteen years, was initially recorded at present value of ₱1.29 billion (US$26.52 million) with discount amounting to ₱982 million (US$20.25 million). There will be a quarterly accretion of interest expense for the next 15 years. The above transaction resulted to a gain of ₱1.44 billion presented as a separate line item in the consolidated statement of comprehensive income under the account "Gain from restructuring" in 2007. The LTN was translated to Philippine peso using the USD/Php foreign exchange rate as of December 31, 2007 of ₱41.28 to US$1.00 which resulted to a foreign exchange gain of ₱199.88 million which is presented under "Miscellaneous income" account in the consolidated statements of comprehensive income.

Interest rates ranges for LTNs ranges from 1% to 5% over certain contractual periods with effective interest rate of 8.59%.

In 2010, the Company settled an amount of ₱553.74 million (US$12.98 million) of LTNs which resulted to a loss amounting to ₱112.46 million representing unamortized discount.

As of September 30, 2010 and December 31, 2009 the outstanding balance of the LTNs amounted to ₱67.82 million and ₱495.43 million, respectively.

9. **Financial Instruments**

Financial Risk Management Objectives and Policies

Capital Management
The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The following table shows the component of the Company's capital as of September 30, 2010 and December 31, 2009 (in million pesos).

	Sep 30, 2010	Dec 31, 2009
Total paid-up capital	**27,868**	27,868
Retained earnings	**9,460**	7,757
	37,328	35,625

Financial Risk
The Group's principal financial liabilities comprise of bank loans, loans payable, accounts and other payables, liabilities for purchased land and long-term commercial papers and floating rate notes payable. The main purpose of the Group's financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as installment contracts receivable, cash and cash equivalents and short-term investments, which arise directly from its operations. The main risks arising from the use of financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk.

The BOD reviews and approves with policies for managing each of these risks. The Group monitors market price risk arising from all financial instruments and regularly report financial management activities and the results of these activities to the BOD.

The Group's risk management policies are summarized below. The exposure to risk and how they arise, as well as the Group's objectives, policies and processes for managing the risk and the methods used to measure the risk did not change from prior years.

Interest Rate Risk
The Group's exposure to market risk for changes in interest rates, relates primarily to its financial assets and liabilities that are interest bearing.

The Group's policy is to manage its interest cost by entering into a mixed of fixed and floating rate debts. The Group's interest rate on US dollar denominated LTNs has been fixed over a 15-year period. The Group also regularly enters into short-term loans as it relates to its sold installment contracts receivable in order to cushion the impact of potential increase in loan interest rates.

The table below shows the financial assets and liabilities that are interest-bearing (in million pesos except for the effective interest rate):

	Sep 30, 2010 Effective Interest Rate	Sep 30, 2010 Amount	Dec 31, 2009 Effective Interest Rate	Dec 31, 2009 Amount
Financial Assets				
Fixed Rate				
Cash and cash equivalents	**1.6% - 4.6%**	**2,016**	1.6% - 4.6%	3,011
Short-term cash Investments	**5.0% - 6.5%**	**142**	5.0% - 6.5%	136
Installment contracts receivable	**16.0% - 19.0%**	**17,545**	16.0% - 19.0%	15,702
Total		**19,703**		18,849

	Sep 30, 2010 Effective Interest Rate	Sep 30, 2010 Amount	Dec 31, 2009 Effective Interest Rate	Dec 31, 2009 Amount
Financial Liabilities				
Fixed Rate				
Bank loans	**91-day and 182-day treasury bill rates plus spread of 2.0% to 2.5%**	**544**	91-day and 182-day treasury bill rates plus spread of 2.0% to 2.5%	451
LTNs	**8.59%**	**68**	8.59%	495
Total		**612**		946

Foreign Exchange Risk
The Group's foreign exchange risk results primarily from movements of the Philippine peso against the United States Dollar (USD). Approximately 2.57% and 2.59% of the total liabilities of the Group as of December 31, 2009 and September 30, 2010, respectively, are denominated in USD. The Group's foreign currency-denominated debt comprises of the LTNs. Below are the carrying values and the amounts in US$ of these foreign currency denominated liabilities. There are no foreign currency denominated assets.

	Sep 30, 2010 Peso	Sep 30, 2010 US$	Dec 31, 2010 Peso	Dec 31, 2010 US$
LTNs	**68**	**2**	495	11

The following table demonstrates the sensitivity to a reasonably possible change in foreign exchange rate of USD/Php until its next reporting period with all other variables held constant, of the Group's profit before tax and the Group's equity, (due to year end translation of foreign currency denominated assets and liabilities) as of September 30, 2010:

	Increase/decrease in US Dollar rate	Effect on profit before tax
LTNs	+₱1.00	(₱2) million
	-₱1.00	₱2 million

There are no items affecting equity except for those impacting profit or loss.

Credit Risk

The Group transacts only with recognized, creditworthy third parties. The Group's receivables are monitored on an ongoing basis resulting to manageable exposure to bad debts. Real estate buyers are subject to standard credit check procedures, which are calibrated based on payment scheme offered. The Group's respective credit management units conduct a comprehensive credit investigation and evaluation of each buyer to establish creditworthiness.

Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts. In addition, the credit risk for installment contracts receivable is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject house in case of refusal by the buyer to pay on time the due installment contracts receivable. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price. With respect to credit risk arising from the other financial assets of the Group, which comprise of cash and cash equivalents and AFS financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group manages its cash by maintaining cash accounts with banks which have demonstrated financial soundness for several years. The Group's investments in AFS are incidental to its housing projects and are considered by the Group to be of high quality because these are investments with the biggest electric utility company in the country.

The maximum exposure to credit risk for the components of the statement of financial position in September 30, 2010 pertains to its total receivables of ₱20.0 billion. The maximum exposure is shown gross, before the effect of mitigation through the use of collateral agreements. The subject lots and residential houses sold are held as collateral for the all installment contracts receivables.

Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risk.

Liquidity Risk

The Group monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. The Group maintains a level of cash deemed sufficient to finance its cash requirements. Operating expenses and working capital requirements are sufficiently funded through cash collections. The Group's loan maturity profile is regularly reviewed to ensure availability of funding through adequate credit facilities with banks and other financial institutions.

The extent and nature of exposures to liquidity risk and how they arise as well as the Group's objectives, policies and processes for managing the risk and the methods used to measure the risk are the same for September 30, 2010 and December 31, 2009.

Financial Assets and Liabilities

The following table sets forth the carrying values and fair values of the Group's financial assets and liabilities recognized as of September 30, 2010 and December 31, 2009 (in million pesos):

	Sep 30, 2010		Dec 31, 2009	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial Assets				
Loans and receivable				
Cash and cash equivalents	**₱2,016**	**₱2,016**	₱3,011	₱3,011
Short term investments	**142**	**142**	136	136
Installment contract receivables	**17,545**	**18,343**	15,702	16,416
Other receivables	**2,793**	**2,793**	2,760	2,760
	22,496	**23,294**	21,609	22,323
AFS investments	**289**	**289**	289	289
Total Financial Assets	**22,785**	**23,583**	21,898	22,612
Financial Liabilities at Amortized Cost				
Bank loans	**₱4,064**	**₱4,249**	4,557	₱4,764
Accounts payable and other payables	**6,370**	**6,370**	5,430	5,430
Liabilities for purchased land	**1,512**	**1,581**	1,849	1,933
Payables to related parties	**323**	**323**	429	429
LTNs	**68**	**61**	495	444
Total Financial Liabilities	**₱12,337**	**₱12,584**	₱12,760	₱13,000

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and cash equivalents and short-term investments: Due to the short-term nature of the account, the fair value of cash and cash equivalents and short-term investments approximate the carrying amounts in the statement of financial position.

Installment contracts receivable: Estimated fair value of contracts receivable is based on the discounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date using the remaining terms of maturity. The discount rate used ranged from 4.5% to 6.0% in 2009 and in the nine months ended September 30, 2010.

Receivable from and payable to related parties: due to the short-term nature of the account, carrying amounts approximate fair values.

Other receivables: due to the short-term nature of the account, the fair value of other receivables approximates the carrying amounts.

AFS financial assets: for AFS investment in unquoted equity securities, these are carried and presented at cost since fair value is not reasonably determine due to the unpredictable nature of future cash flows and without any other suitable methods of arriving at a reliable fair value approximate its fair value.

The AFS financial assets carried at cost are preferred shares of a utility company issued to the Group as a consequence of its subscription to the electricity services of the said utility company needed for the Group's residential units. The said preferred shares have no active market and the Group does not intend to dispose these because these are directly related to the continuity of its business.

Accounts and other payables: fair values of accounts and other payables and accrued expenses and payables to affiliated companies approximate their carrying amounts in the statement of financial position due to the short-term nature of the transactions.

Bank loans, liabilities for purchased land, loans payable, LTNs, LTCP and FRNs: estimated fair values of bank loans, liabilities for purchased land, loans payable, LTNs, LTCP and FRNs are based on the discounted value of future cash flows using the applicable rates for similar types of loans. Interest rates used in discounting cash flows ranges from 4.27% to 9.38% in 2009 and in the nine months ended September 30, 2010 using the remaining terms to maturity.

The Group uses the following three-level hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

The Group has no financial instruments measured at fair value as of September 30, 2010 and December 31, 2009.

10. **Subsequent Events**

On September 30, 2010, the Company issued a 5-year dollar denominated bonds with a face value of US$100 million. The bond carries an interest of 8.25% payable semi-annually. Net proceeds from the said bond offering amounting to US$97 million was credited to the Company's account on October 4, 2010.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of operations covering 9-Months of 2010 vs. 9-Months of 2009

Revenues

Real Estate

The Company recorded revenue from real estate sales of ₱8,201 million for the 9-Months of 2010, an increase of 14% from ₱7,172 million in same period last year. This was primarily attributable to the increase in the overall completion rate of sold inventories of its business units particularly of Communities Philippines during the 9 months of 2010 compared to the 9 months of 2009 and the revenue of Vista Residences, Inc. for the 9 months of 2010. The Company uses the Percentage of completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties.

- Real estate revenue of Camella Homes decreased by 1% to ₱2,413 million for the 9-months of 2010 from ₱2,449 million for the 9-Months of 2009. This was primarily attributable to a lower incremental rate of completion of Camella's sold inventories in the 9-months of 2010 compared with 9-months of 2009. Camella Homes caters to the affordable segment of the market.

- Communities Philippines posted real estate revenue of ₱2,976 million for the 9-months 2010, an increase of 23% from ₱2,428 million for the 9-months 2009. This was primarily attributable to the increase in the overall completion rate of its sold inventories in the 9 months of 2010 compared to the 9 months of 2009. Communities Philippines is the business unit of Vista Land that offers residential properties outside the Mega Manila area.

- Real estate revenue of Crown Asia decreased by 3% to ₱1,167 million for the 9-months 2010 from ₱1,209 million in the 9-months 2009. This was primarily attributable to the decline in the sales take up starting 3rd quarter of 2009 where most of the revenue for the 9-months of 2010 came from and the effect of the extension of the payment period for the buyer's equity from 12 months to 18 months which was also introduce last year. Crown Asia is Vista Land's business unit for the middle income segment of the market

- Real estate revenue of Brittany slightly decreased by 2% to ₱1,062 million for the 9-months 2010 from ₱1,086 million for the same period last year. This was primarily attributable to a lower incremental rate of completion of Brittany's sold inventories in the 9-months of 2010 compared with 9-months of 2009 Brittany caters to the high-end segment of the market.

- Real estate revenue of Vista Residences, Inc. was ₱583 million in the 9 months ended September 30, 2010. This was primarily attributable to sales of condominium units in Vista Residences' development projects. This segment caters the development and selling of vertical projects across the Philippines.

Loss on Long Term Notes (LTN) settlement
In the 2nd quarter of 2009, the Company recorded a non-recurring loss on LTN settlement amounting to ₱327 million as a result of Camella Homes' partial settlement of its foreign currency denominated obligation, LTN. In 2010, the Company settled ₱554 million (US$13 million) of LTNs which resulted to a loss amounting to P112 million representing unamortized discount.

Unrealized foreign exchange losses
Unrealized foreign exchange loss of ₱3 million for the 9-months of 2009 increased by ₱12 million to ₱15 million for the 9-months of 2010 due to the depreciation of the reporting currency for the period.

Interest Income
Interest income increased to ₱527 million for the 9-months of 2010 from ₱429 million for the 9-months of 2009. The 23% increase was due to higher collection of interest from the Company's in-house receivables and cash deposits.

Miscellaneous
Miscellaneous revenue increased by 54% from ₱238 million for the 9-months of 2009 to ₱366 million for the 9-months of 2010. The increase in the miscellaneous revenue was due to the increase in the real estate deposit forfeitures from cancellations for the period.

Costs and Expenses

Cost and expenses increased by 16% from ₱5,545 million for the 9-months of 2009 to ₱6,416 million in the 9-months of 2010. The 16% decrease in the account was primarily attributable to the following:

- Cost of real estate sales increased by 13% from ₱3,712 million for the 9-months of 2009 to ₱4,182 million for the 9-months of 2010. This was primarily due to the increase in the overall recorded sales of Vista Land's five business units.

- Operating expenses increased by 18% to ₱1,753 million for the 9-months of 2010 from ₱1,485 million for the 9-months of 2009. This was primarily due to the following:

    - an increase in the salaries, wages and employee benefits from ₱165 million for the 9-months 2009 to ₱266 million for the 9-months of 2010 resulting from increase in total number of employees.

    - a increase in advertising and promotions expenses to ₱463 million for the 9-months of 2010 from ₱434 million for the 9-months 2009 due to aggressive marketing activities implemented by the Company during the period; and

    - an increase in the repairs and maintenance from ₱80 million for the 9-months 2009 to ₱124 million for the 9-months of 2010 resulting from increase in housing and maintenance repairs conducted for the period;

- Interest and financing charges increased by 38% from ₱348 million for the 9-months of 2009 to ₱481 million for the 9-months of 2010 due to the increase in the interest-bearing liabilities of the Company and selling of in-house receivables to banks.

Provision for Income Tax

Provision for income tax was ₱383 million for the 9-months of 2010 and ₱375 million in the 9-months of 2009, representing an increase of 2%. The increase was due primarily due to higher taxable income reported during the period.

Net Income

As a result of the foregoing, the Company's net income increased by 36% from ₱1,589 million for the 9-months of 2009 to ₱2,168 for the 9-months of 2010.

For the 9-months of 2010, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of September 30, 2010 vs. December 31, 2009

Total assets as of September 30, 2010 were ₱56,358 million compared to ₱54,637 million as of December 31, 2009, or a 3% increase. This was due to the following:

- Cash and cash equivalents including short term cash investments posted a decline of 31%, from ₱3,147 million as of December 31, 2009 to ₱2,158 million as of September 30, 2010 due primarily to the settlements of the LTN and loans payable.

- Receivables increased by 10% from ₱18,138 million as of December 31, 2009 to ₱20,024 million as of September 30, 2010 due to the revenue recognized for the period.

- Property and equipment increased by 12% from ₱92 million as of December 31, 2009 to ₱103 million as of September 30, 2010 due primarily to acquisitions for the period.

- Other assets increased by 9% from ₱2,004 million as of December 31, 2009 to ₱2,190 million as of September 30, 2010 due primarily to the increase in the various prepaid expenses.

Total liabilities as of September 30, 2010 were ₱19,030 million compared to ₱19,012 million as of December 31, 2009, or an increase of ₱18 million. This was due to the following:

- Bank loans and loans payable decreased by 11% from ₱4,557 million as of December 31, 2009 to ₱4,064 million as of September 30, 2010 due to payments made for the period.

- Accounts and other payables increased by 17% from ₱5,430 million as of December 31, 2009 to ₱6,370 million as of September 30, 2010 due to the accruals and dividends declared for the period.

- Customers' advances and deposits increased by 7% from ₱3,639 million as of December 31, 2009 to ₱3,909 million as of September 30, 2010 due to the collections from sales take up recorded for the period.

- Liabilities for unsubdivided land purchased decreased by 18% from ₱1,849 million as of December 31, 2009 to ₱1,512 million as of September 30, 2010 due to settlements made during the period.

- Due to related parties decreased by 25% from ₱429 million as of December 31, 2009 to ₱323 million as of September 30, 2010 due to settlements made during the period

- Income tax payable increased by ₱295 from ₱95 million as of December 31, 2009 to ₱390 million as of September 30, 2010 due to accrual of the period's current provision for income tax resulting from higher taxable income reported.

- Long-term notes decreased by 86% from ₱495 million as of December 31, 2009 to ₱68 million as of September 30, 2010 due to the partial settlement of the LTNs for the period.

- Deferred tax liabilities - net posted a decline of 5% from ₱2,386 million as of December 31, 2009 to ₱2,266 million as of September 30, 2010. The decrease in the account was due primarily to the reversal of the deferred tax liability on the unamortized day-one gain of the partially settled Long Term Note.

Total stockholder's equity increased by 5% to ₱37,328 million as of September 30, 2010 from ₱35,625 million as of December 31, 2009 due to the net profit realized for the period.

Considered as the top five key performance indicators of the Company as shown below:

Key Performance Indicators	**9/30/2010**	**12/31/2009**
Current ratio [(a)]	3.57:1	3.20:1
Debt-to-equity ratio [(b)]	0.51:1	0.55:1
	9/30/2010	**9/30/2009**
Interest expense/Income before Interest expense [(c)]	15.9%	15.1%
Return on assets [(d)]	3.8%	3.1%
Return on equity [(e)]	5.8%	4.7%

Notes:

(a) Current Ratio: This ratio is obtained by dividing the Current Assets (Cash and Cash Equivalents, Short term cash investments & Receivables) of the Company by its Current liabilities (Bank loans, Accounts and Other Payables, Loans Payable & Liabilities for purchased land). This ratio is used as a test of the Company's liquidity.

(b) Debt-to-equity ratio: This ratio is obtained by dividing the Company's Total Liabilities by its Total Equity. The ratio reveals the proportion of debt and equity a company is using to finance its business. It also measures a company's borrowing capacity.

(c) Interest expense/Income before interest expense: This ratio is obtained by dividing interest expense for the period by its income before interest expense. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably

(d) Return on assets: This ratio is obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.

(e) Return on equity: This ratio is obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.

Because there are various calculation methods for the performance indicators above, the Company's presentation of such may not be comparable to similarly titled measures used by other companies.

Current ratio as of September 30, 2010 posted a higher one from that of December 31, 2009 due to the increase in receivables and decrease in current liabilities as of September 30, 2010 due to collections received for deposit and payments made during the period.

Debt to equity ratio as of September 30, 2010 decreased from that of December 31, 2009 due to the increase in the total equity for the period due to higher net income reported.

Interest expense as a percentage of income before interest expense is higher for the nine months ended September 30, 2010 compared to the ratio for the nine months ended September 30, 2009 due to higher interest expense recorded during the period resulting from increase in interest-bearing liabilities.

Return on asset is higher in September 30, 2010 compared to September 30, 2009 due to the higher net income recorded for the 9-Months of 2010.

Return on equity increased due to the higher net income recorded for the 9-Months of 2010 compared to that of the prior period.

Material Changes to the Company's Statement of Financial Position as of September 30, 2010 compared to December 31, 2009 (increase/decrease of 5% or more)

Cash and cash equivalents including short term cash investments decreased by 31% from ₱3,147 million as of December 31, 2009 to ₱2,158 million as of September 30, 2010 due primarily to the partial settlement of the LTN.

Receivables increased by 10% from ₱18,138 million as of December 31, 2009 to ₱20,024 million as of September 30, 2010 due to the revenue recognized for the period.

Property and equipment increased by 12% from ₱92 million as of December 31, 2009 to ₱103 million as of September 30, 2010 due primarily to new acquisitions for the period.

Other assets increased by 9% from ₱2,004 million as of December 31, 2009 to ₱2,190 million as of September 30, 2010 due primarily to the increase in the various prepaid expenses.

Bank loans and loans payable decreased by 11% from ₱4,557 million as of December 31, 2009 to ₱4,064 million as of September 30, 2010 due to payments made for the period.

Accounts and other payables increased by 17% from ₱5,430 million as of December 31, 2009 to ₱6,370 million as of September 30, 2010 due to the accruals for the period.

Customers' advances and deposits increased by 7% from ₱3,639 million as of December 31, 2009 to ₱3,909 million as of September 30, 2010 due to the collections from sales take up recorded for the period.

Liabilities for unsubdivided land purchased decreased by 18% from ₱1,849 million as of December 31, 2009 to ₱1,512 million as of September 30, 2010 due to payments made during the period.

Due to related parties decreased by 25% from ₱429 million as of December 31, 2009 to ₱323 million as of September 30, 2010 due to payments made during the period

Income tax payable increased by ₱295 from ₱95 million as of December 31, 2009 to ₱390 million as of September 30, 2010 due to accrual of the period's current provision for income tax.

Long-term notes decreased by 86% from ₱495 million as of December 31, 2009 to ₱68 million as of September 30, 2010 due to the partial settlement of the LTNs for the period.

Deferred tax liabilities –net posted a decline of 5% from ₱2,386 million as of December 31, 2009 to ₱2,266 million as of September 30, 2010. The decrease in the account was due primarily to the reversal of the deferred tax liability on the day one gain of the partially settled LTN.

Material Changes to the Company's Statement of Comprehensive Income for the 9-Months of 2010 compared to the 9-months of 2010 (increase/decrease of 5% or more)

Revenue from real estate sales increased by 14% from ₱7,172 million for the 9-months of 2009 to ₱8,201 million for the 9-months of 2010 mainly due to the increase in the overall completion rate of sold inventories of its business units particularly of Communities Philippines during the 9 months of 2010 compared to the 9 months of 2009 and the revenue of Vista Residences, Inc. for the 9 months of 2010.

Unrealized foreign exchange loss increased by ₱12 from a loss of ₱3 million for the 9-months of 2009 to a loss of ₱15 million for the 9-months of 2010 due to the depreciation of the reporting currency for the period.

Interest income increased by 23% from ₱429 million for the 9-months of 2009 to ₱527 million for the 9-months of 2010 due to higher collection of interest from the Company's in-house receivables and cash deposits.

Miscellaneous revenue increased by 54% from ₱238 million for the 9-months of 2009 to ₱366 million for the 9-months of 2010 due to the increase in the real estate deposit forfeitures from cancellations for the period.

Operating expenses increased by 18% from ₱1,485 million for the 9-months of 2009 to ₱1,753 million for the 9-months of 2010. This was primarily due to the increase in repairs and maintenance, salaries, wages and employee benefits and advertising promotions expense during the period.

Interest and financing charges increased by 38% from ₱348 million for the 9-months of 2009 to ₱481 million for the 9-months of 2010 due to the increase in the interest-bearing liabilities of the Company and selling of in-house receivables to banks.

Provision for income tax increased by 2% from ₱375 million for the 9-months of 2009 to ₱383 million for the 9-months of 2010 mainly due to the higher income reported during the period.

There are no other material changes in the Company's financial position (changes of 5% or more) and condition that will warrant a more detailed discussion. Further, there are no material events and uncertainties known to management that would impact or change reported financial information and condition on the Company. The Subsidiaries are contingently liable for guarantees arising in the ordinary course of business, including surety bonds, letters of guarantee for performance and bonds for all its real estate projects.

The Company is contingently liable with respect to certain lawsuits and other claims which are being contested by the subsidiaries and their legal counsels. Management and their legal counsels believe that the final resolution of these claims will not have a material effect on the consolidated financial statements.

There are no known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing the Company's liquidity in any material way. The Company sourced its capital requirements through a mix of internally generated cash, sale of liquid assets like installment contracts receivables, pre-selling and joint venture undertakings. The Company does not expect any material cash requirements beyond the normal course of the business. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation except for those items disclosed in the 9-months of 2010 Financial Statements.

There are no material off-balance sheet transactions, arrangements, obligation (including contingent obligations), or other relationships of the Company with unconsolidated entities or other persons created during the reporting period except those disclosed in the 9-months of 2010 Financial Statements.

There are no material commitments for capital expenditures, events or uncertainties that have had or that are reasonably expected to have a material impact on the continuing operations of the Company.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company.

There are no explanatory comments on the seasonality of the operations. There are no material events subsequent to the end of the fiscal period that have not been reflected in the financial statements.

There are no material amounts affecting assets, liabilities, equity, net income or cash flows that are unusual in nature; neither are there changes in estimates of amounts reported in a prior period of the current financial year.

COMMITMENTS AND CONTINGENCIES

The Parent Company's subsidiaries are contingently liable for guarantees arising in the ordinary course of business, including surety bonds, letters of guarantee for performance and bonds for its entire real estate project.

PART II - OTHER INFORMATION

Item 3. 9-Months of Developments

A. New Projects or Investments in another line of business or corporation.

None

B. Composition of Board of Directors

Marcelino C. Mendoza	Chairman of the Board
Benjamarie Therese N. Serrano	Director, President & CEO
Manuel Paolo A. Villar	Director, CFO
Cynthia J. Javarez	Director, Controller
Maribeth C. Tolentino	Director
Ruben O. Fruto	Independent Director
Marilou O. Adea	Independent Director
Gemma M. Santos	Corporate Secretary

C. Performance of the corporation or result/progress of operations.

Please see unaudited Financial Statements and Management's Discussion and Analysis.

D. Declaration of Dividends.

₱0.054 per share Cash Dividend
Declaration Date: September 15, 2010
Record date: September 30, 2010
Payment date: October 26, 2010

₱0.033 per share Cash Dividend
Declaration Date: November 23, 2009
Record date: December 8, 2009
Payment date: December 29, 2009

E. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements.

None

F. Offering of rights, granting of Stock Options and corresponding plans thereof.

None.

G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate.

Not Applicable..

H. Other information, material events or happenings that may have affected or may affect market price of security.

None.

I. Transferring of assets, except in normal course of business.

None.

Item 4. Other Notes as of 9-Months of 2010 Operations and Financials.

J. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size, or incidents.

None.

K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

There were no changes in estimates of amounts reported in prior interim period or prior financial years that have a material effect in the current interim period.

L. New financing through loans/ issuances, repurchases and repayments of debt and equity securities.

See Notes to Financial Statements and Management Discussion and Analysis.

M. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

None

N. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings, and discontinuing operations.

None

O. Changes in contingent liabilities or contingent assets since the last annual statement of financial position date.

None

P. Existence of material contingencies and other material events or transactions during the interim period

None.

Q. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

None

R. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations) , and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

None.

S. Material commitments for capital expenditures, general purpose and expected sources of funds.

The movement of capital expenditures being contracted arose from the regular land development and housing requirements which are well within the regular cash flow budget coming from internally generated funds.

T. Known trends, events or uncertainties that have had or that are reasonably expected to have impact on sales/revenues/income from continuing operations.

As of September 30, 2010, no known trends, events or uncertainties that are reasonably expected to have impact on sales/revenues/income from continuing operations except for those being disclosed in the 9-Months of 2010 financial statements.

U. Significant elements of income or loss that did not arise from continuing operations.

None.

V. Causes for any material change/s from period to period in one or more line items of the financial statements.

None.

W. Seasonal aspects that had material effect on the financial condition or results of operations.

None.

X. Disclosures not made under SEC Form 17-C.

None.

SIGNATURES

Pursuant to the requirements of Section 17 of the SRC and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized.

Vista Land & Lifescapes, Inc.
Issuer

By:

Cynthia J. Javarez
Controller

Date: November 9, 2010