

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATIONS CODE (SRC)
AND SRC RULE 17(a)-1(b)(3) THEREUNDER**

1. August 31, 2006
Date of Report (Date of earliest event reported)

2. 152747
SEC Identification Number
3. 050-000-153-790
BIR Tax Identification Number

4. AYALA LAND, INC.
Exact Name of registrant as specified in its charter

5. MAKATI CITY, PHILIPPINES
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code

7. 29/F, Tower One, Ayala Triangle, Ayala Avenue, Makati City
Address of principal office
- 1226
Postal code

8. 848-5313
Registrant's telephone number, including area code

9. Not Applicable
Former name or former address, if changed since last report

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

As of June 30, 2006

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
COMMON SHARES	10,804,097,550	P 10.3 Billion

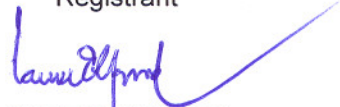
Indicate the item numbers reported herein : **Please refer to attached letter**

Re: P2.0B Fixed Rate Corporate Notes

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AYALA LAND, INC.

Registrant



JAIME E. YSMAEL

Senior Vice President & CFO

Date : August 31, 2006



AYALA LAND, INC.

SEC Reg. No. 152747
SEC Sec. Code No. E-5000

August 31, 2006

SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Mandaluyong City

Attention: **Director Justina F. Callangan**
Corporation & Finance Department

PHILIPPINE STOCK EXCHANGE

4/F PSE Center, Exchange Road
Ortigas Center, Pasig City

Attention: **Ms. Jurisita M. Quintos**
Senior Vice President
Disclosure Department

Dear Mesdames,

Please be advised that the Executive Committee of Ayala Land, Inc. approved the issuance of fixed rate corporate notes (the "Notes") within the second half of 2006. The Notes will have an initial issue size of up to Pesos: Two Billion (P2,000,000,000), with a provision to increase the final issue size as the need arises. The Notes will be issued solely to primary institutional lenders. Proceeds of the Notes will be used to finance general corporate purposes.

The Notes will be issued in up to three tranches having maturities of 5 years and one day, 7 years and/or 10 years from issue date. Issue amount and interest rate with respect to each tranche of the Notes will be determined pursuant to a Dutch Auction to be conducted on the pricing date among primary institutional lenders.

This information is submitted in compliance with the rules of the Securities and Exchange Commission and the Philippine Stock Exchange.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Jaime E. Ysmael', with a long, sweeping flourish extending to the right.

JAIME E. YSMAEL

Senior Vice President and Chief Finance Officer