

YoY Chg 12-Mo. Forecast

**-5.8%**  
Average Rental Growth



**42.8%**  
Vacancy Rate



**143,475 units**  
Ytd Total Completion



Source: Cushman & Wakefield Indonesia Research

### INDONESIA ECONOMIC INDICATORS Q1 2020

YoY Chg 12-Mo. Forecast

**2.3%**  
GDP Growth



**2.96%**  
Inflation Rate



**4.5%**  
Central Bank Rate



Source: Central Bank and Census Bureau

### SUPPLY: New Supply from Oakwood Apartment PIK

One new Serviced Apartment project entered the Jakarta Rental Apartment market during the first quarter of 2020. Oakwood Apartment PIK, located at Gold Coast Apartment Pantai Indah Kapuk, added 151 units to the Jakarta's Serviced Apartment existing supply, bringing the total supply to 5,390 units, as of end of Q1-2020. Meanwhile, no new Purpose-Built Rental Apartment was delivered during the review quarter. Two proposed Serviced Apartment projects, Somerset Kencana and Somerset Sudirman are expected to operate in Q3-Q4 2020. However, with the COVID-19 outbreak, the planned operation schedule of the projects are expected to delay.

### DEMAND: Drop of Demand due to the Covid-19 Outbreak

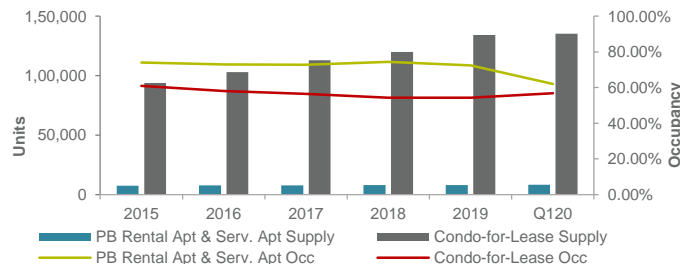
The COVID-19 outbreak has hardly hit the occupancy level of Serviced Apartment sector by 14.7% quarterly, and average occupancy of the market declined to 60.9% in Q1-2020, due to the drop of demand, particularly, from short stay guests, as a result of the implementation of "social distancing" policy that limit people movements and activities. Demand from long stay tenants also declined as some expatriates are advised to return to their home countries. New lease contracts were also postponed due to travel restrictions applied by all countries affected by the pandemic.

Similar to that of Serviced Apartment sub-sector, occupancy rate of Purpose-Built Rental Apartment sub-sector also declined to 64.1% during the review period, a 2.0% decrease compared to the last quarter's figure, as the result of the expiry of lease contracts last year and the postponement of the new lease contracts during the review quarter. Lower occupancy is forecast for both Purpose-Built Rental Apartment sub-sector and Serviced Apartment sub-sector in the next quarter.

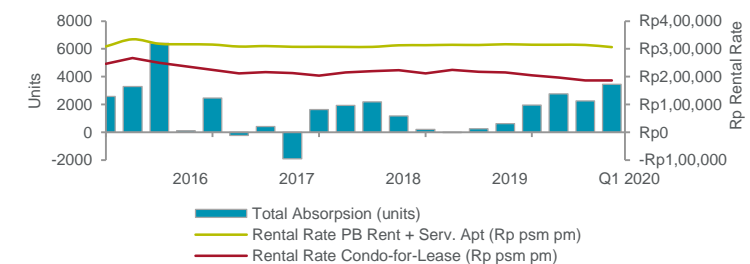
### PRICING: Rents Remain Stagnant

In spite of the depreciation of Rupiah against US Dollar, average rental rate of the Purpose-built Rental Apartment and Condominium-for-Lease sub-sectors remained the same during the first quarter of 2020, at Rp 241.550 and Rp 186,620 per square meter per month respectively. On the other hand, average rental rate of the Serviced Apartment sub-sector experienced a 4.1% quarterly rental decrease to IDR 370.431 per square meter per month. Rental rate discounts, subject to negotiation, were offered by some of the Serviced Apartment projects as survival strategies in response to the significant drop of occupancy rate during the pandemic period. The overall rental rate outlook until end of 2020 when the pandemic is expected to over, however, is projected to remain relatively stable.

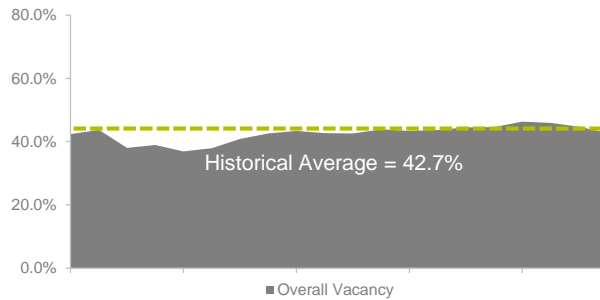
### CUMULATIVE SUPPLY / OCCUPANCY



### NET ABSORPTION / RENTAL



## OVERALL VACANCY RATE



## MARKET STATISTICS

SUB MARKET	CUMULATIVE SUPPLY (UNITS)	VACANCY RATE	AVERAGE RENT		
			RP/SM/MO	US\$/SM/MO	EUR/SM/MO
Purpose-Built Rental Apartment (Jakarta)	2,731	35.9%	Rp 241,550	US\$14.81	€13.45
Serviced Apartment (Jakarta)	5,390	39.1%	Rp 370,431	US\$23.69	€20.63
Condominium-for-Lease (Greater Jakarta)	135,354	43.1%	Rp 186,620	US\$11.44	€10.39
<b>TOTAL</b>	<b>143,475</b>	<b>42.8%</b>	<b>Rp 266,200</b>	<b>US\$16.65</b>	<b>€14.82</b>

Rental rates reflect gross rents  
 US\$/Rp = 16,308; €/Rp = 17,960

## SIGNIFICANT UNDER CONSTRUCTION PROJECTS Q1 2020

PROPERTY	DISTRICT	SEGMENT	APPROX UNITS	COMPLETION SCHEDULE
Somerset Kencana	Pondok Indah	Upper-Middle	150	2020
Somerset Sudirman	Sudirman	Upper-Middle	176	2020
<b>TOTAL</b>			<b>326</b>	

## NEWLY COMPLETED PROJECTS Q1 2020

PROPERTY	DISTRICT	SEGMENT	APPROX UNITS	OPERATION SCHEDULE
Oakwood Apartment PIK	North	Upper	151	Q1 2020
-	-	-	151	-

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