

Industrial Land

YoY Chg 12-Mo. Forecast

-5.1%
Price Growth



-56.6%
Demand Growth



61.3%
Sales Rate



Source: Cushman and Wakefield Indonesia

INDONESIA ECONOMIC INDICATORS Q1 2021

YoY Chg 12-Mo. Forecast

-1.0%
GDP Growth



1.4%
Inflation Rate



3.50%
Central Bank Rate



Source: Central Bank and Census Bureau

SUPPLY: No New Land Opening nor Expansion

Since the beginning of the year, there is no new land opening nor expansion of industrial developments in the Greater Jakarta area. Availability of industrial land in favorable locations in Bekasi area has become more limited. Developers take position of observing the market and government policy on industrial developments, including the impacts of covid-19 pandemic on the market. Industrial land development is expected to develop according to the progress of the infrastructure development. Industrial land stock in the Greater Jakarta remains at 15,495 sqm, with developers focusing more on selling of the remaining supply.

The total supply of warehouses for lease in the Greater Jakarta area stood still at about 1.8 million sqm with no additional supply. Until the end of 2021, another 144,000sqm of new warehouse supply is projected to enter the market.

DEMAND: Limited Transactions Since New Year

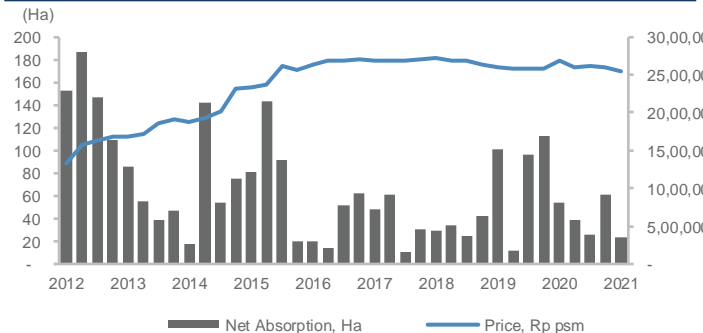
Sales transactions remained limited, and demand may not recover as soon as it is expected. A slow start of the market was observed with only 23.6 hectares land transaction in the Greater Jakarta area, decreased by about 56.6% YoY. Bekasi and Karawang area absorbed about 80% of demand during the review quarter, with the balance occurred in Tangerang and Serang. 36% of the net demand came from data center whilst other sectors such as chemical and automotive absorbed the balance. Despite the relatively low take up during the first quarter 2021, developers remain optimistic and expect the gradual improvement of the market in the next quarters, particularly with the smooth roll-out of the vaccination program which is expected to improve the overall economic activities.

Likewise, warehouses in the Greater Jakarta area showed a decreasing occupancy to 82.4%, from 86.4% in the previous quarter, as companies took conservative position on their warehouse leasing decision. However, demand for warehouses from logistics related firms including e-commerce remained, with other industrial sectors such as automotive and consumer goods also supporting the warehouse occupancy during the review quarter.

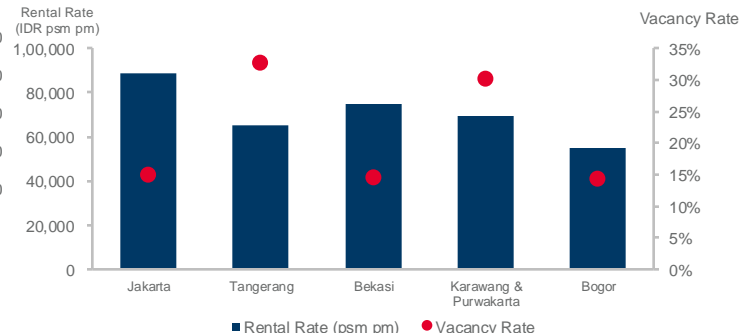
PRICING: Land Prices Stood at the Same Level

Industrial land prices remained relatively unchanged during the review quarter, as developers hold land price at the same level in response to the slow demand, which is expected to continue until the next quarters. Average industrial land price stood at Rp.2,543,000 per sqm, The average asking rental rate for warehouses in the Greater Jakarta area was recorded at Rp.72,000 per sqm / month.

NET ABSORPTION & LAND PRICE – INDUSTRIAL LAND



VACANCY & RENTAL RATE – WAREHOUSE



MARKET STATISTICS – INDUSTRIAL LAND

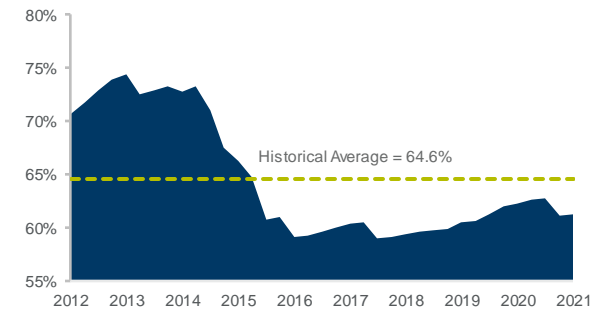
SUBMARKET	INVENTORY (HA)	CURRENT QTR NET ABSORPTION (HA)	OVERALL ABSORPTION (HA)	YTD OVERALL NET ABSORPTION (HA)	OVERALL SALES RATE (%)	OVERALL AVG LAND PRICE (IDR/SQM)
Jakarta	1,089	0.0	0.0	0.0	86.5%	5,750,000*
Tangerang	784	0.6	0.6	0.6	67.6%	2,600,000
Bekasi	5,056	17.5	17.5	17.5	79.0%	2,483,073
Karawang & Purwakarta	4,990	1.3	1.3	1.3	48.3%	1,988,701
Serang	3,095	4.2	4.2	4.2	50.0%	1,675,000
Bogor	80	0.0	0.0	0.0	84.8%	2,000,000
Subang	400	0.0	0.0	0.0	0.0%	1,800,000
GREATER JAKARTA TOTALS	15,495	23.6	23.6	23.6	61.3%	2,543,000

* Secondary Market Price

MARKET STATISTICS – WAREHOUSE

SUBMARKET	INVENTORY (SQM)	VACANCY RATE (%)	OVERALL AVG RENTAL RATE (IDR/SQM)
Jakarta	275,792	15.0%	89,000
Tangerang	29,152	32.7%	65,000
Bekasi	1,043,053	14.7%	75,136
Karawang & Purwakarta	288,791	30.2%	69,643
Bogor	206,525	14.4%	55,000
GREATER JAKARTA TOTALS	1,843,313	17.6%	72,000

OVERALL SALES RATE – INDUSTRIAL LAND



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