MARKETBEAT

GREATER JAKARTA

Industrial Q3 2021

Industrial Land	YoY Chg	12-Mo. Forecast
-2.0% Price Growth	—	—
127.8% Demand Growth	▲	—
60.9% Sales Rate	▼	▲

Source: Cushman and Wakefield Indonesia

INDONESIA ECONOMIC INDICATORS Q3 2021

	YoY Chg	12-Mo. Forecast
3.5% GDP Growth	▲	▲
1.6% Inflation Rate	▲	—
3.50% Central Bank Rate	▼	—

Source: Central Bank and Census Bureau

SUPPLY: Optimism on New Land Opening

Despite the uncertain market conditions due to the pandemic, two industrial estates along the eastern corridor added their industrial land supplies, as industrial land availability in favorable location becomes more limited. An estate in Bekasi, added about 125 hectares to their land supply and another estate in Karawang added about 73.5 hectares to their land supply, bringing the total industrial land inventories in the Greater Jakarta area to 15,773 hectares. This indicates the optimism of developers on the potential of the Greater Jakarta industrial sector. Developers are observed to still look for opportunities whilst closely monitor the market and the related government policy, including the impacts of the Covid-19 pandemic on the market.

There is addition of 101,285 sqm to the inventory of warehouses for lease in the Greater Jakarta area, bringing the total supply of warehouse for lease to 1.97 million sqm. Until end of 2021, about 28,000sqm of warehouse spaces are in the pipeline to enter the market.

DEMAND: Land Demand Increased along the Eastern Corridor

Demand for industrial land in the Greater Jakarta area has shown progressive recovery during the review quarter, as reflected by a 127.8% increase YoY with total net absorption of 59.40 hectares. This also reflected a QoQ demand change of 14.1%.

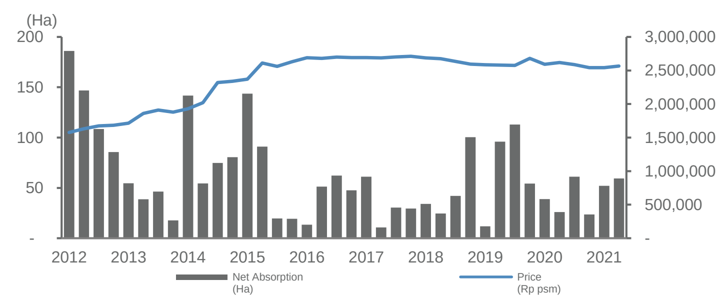
During the third quarter of 2021, an estate in Karawang took 64% of demand recorded in the quarter, from automotive sector (electric vehicles battery). Bekasi and Karawang remained as the most sought-after areas by high-tech industries such as data center and automotives including electric vehicle industry which is expected to continuously expand. Demand for industrial land along the western corridor, in Tangerang and the surroundings, are more for food and chemical industries.

As of September 2021, the average occupancy rate of warehouse for lease in the Greater Jakarta area was recorded at 87.4%, an increase of 3.7% from in the previous quarter, with demand mainly from logistics related firms including e-commerce, and consumer goods.

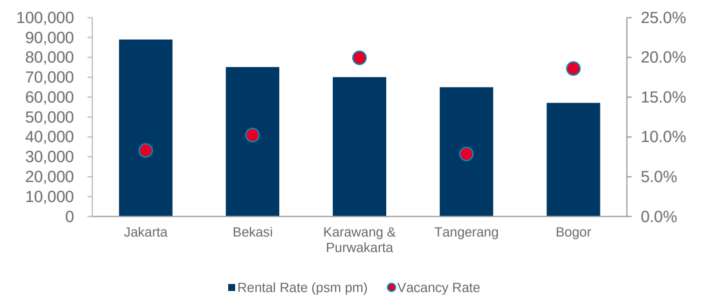
PRICING: Land Price Remained Unchanged

The industrial land price remained relatively unchanged during the review quarter as impact of the pandemic on demand continued. As of September 2021, the average land price in the Greater Jakarta area was recorded at Rp 2,565,000 per sqm (-2.0% YoY), whilst the average asking rental rate for warehouses in the Greater Jakarta area was Rp.73,000 per sqm / month.

NET ABSORPTION & LAND PRICE – INDUSTRIAL LAND



VACANCY & RENTAL RATE – WAREHOUSE



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GREATER JAKARTA

Industrial Q3 2021

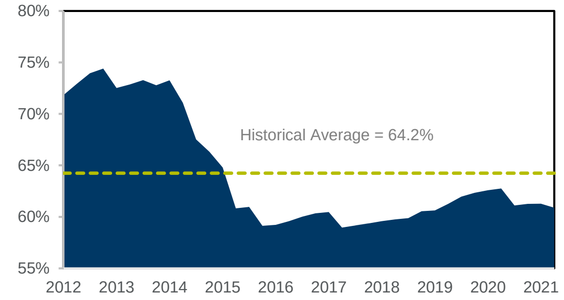
MARKET STATISTICS – INDUSTRIAL LAND

SUBMARKET	INVENTORY (HA)	CURRENT QTR OVERALL NET ABSORPTION (HA)	YTD OVERALL NET ABSORPTION (HA)	OVERALL SALES RATE (%)	OVERALL AVG LAND PRICE (IDR/SQM)
Jakarta	1,089	0	0.0	86.47%	5,750,000
Tangerang	784	2	2.6	67.84%	2,680,000
Bekasi	5,181	17.5	72.3	78.16%	2,483,333
Karawang & Purwakarta	5,064	38.08	51.12	48.60%	1,990,345
Serang	3,175	1.81	9.01	48.87%	1,725,000
Bogor	80	0	0	84.78%	2,000,000
Subang	400	0	0	0.00%	1,800,000
GREATER JAKARTA TOTALS	**15,773**	**59.4**	**135.0**	**60.9%**	**2,565,000**

MARKET STATISTICS – WAREHOUSE

SUBMARKET	INVENTORY (SQM)	VACANCY RATE (%)	OVERALL AVG RENTAL RATE (IDR/SQM)
Jakarta	275,792	8.3%	89,000
Bekasi	1,173,140	10.2%	75,136
Karawang dan Purwakarta	288,791	19.9%	70,071
Tangerang	29,152	7.8%	65,000
Bogor	206,525	18.6%	57,143
GREATER JAKARTA TOTALS	**1,973,400**	**12.6%**	**73,000**

OVERALL SALES RATE – INDUSTRIAL LAND



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