

YoY Chg 12-Mo. Forecast

-4.4%
Average Rental Growth



54.8%
Vacancy Rate



162,921 units
YTD Total Completions



Source: Cushman & Wakefield Indonesia Research

INDONESIA ECONOMIC INDICATORS Q3 2021

YoY Chg 12-Mo. Forecast

3.5%
GDP Growth



1.6%
Inflation Rate



3.5%
Central Bank Rate



Source: Central Bank and Census Bureau

SUPPLY: No Additional New Supply

No new Purpose-Built Rental Apartment and Serviced Apartment projects were identified during the review quarter. Several under construction Serviced Apartment projects such as Somerset Kencana, Somerset Sudirman, Citadines Gatot Subroto, Citadines Sudirman, and Ascott Menteng, are expected to delay their operation schedule due to COVID-19 pandemic.

DEMAND: Decreased Occupancy Rate

Decreased demand in both purposed built rental apartment and serviced apartment sub-sector was identified during the review quarter. Overall occupancy rate of the Purpose-built Rental Apartment sub-sector was recorded at 55.2%, a 3.0% decrease compared to the last quarter's figure due to the expiries of the existing lease contracts and postponement of new contracts.

Serviced apartment sub-sector also experienced a slight 0.5% quarterly occupancy decrease to 47.7% due to the implementation of emergency public activity restriction (PPKM Darurat) in Java and Bali in July – August 2021 which put stricter restrictions on community activities and affected the staycation demand during the period. However, if compared to that in the last year, this figure reflected a 4.3% occupancy increment.

Condominium-for-lease sub-sector also experienced occupancy decrease of 0.3% QoQ, to 44.9% due to additional units available for lease from the newly completed condominium projects during the review quarter. This figure still reflected a 10.1% occupancy decrease from that in the same period last year.

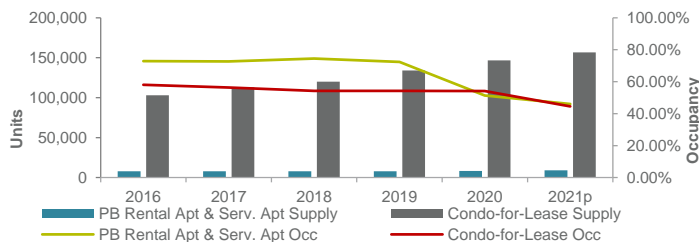
The significant decline of the COVID-19 cases starting October is expected to lead to the improvement of the market and the overall occupancy rate of the rental apartment sector is projected to slightly increase in the next quarter.

PRICING: Rents Remained Under Pressure

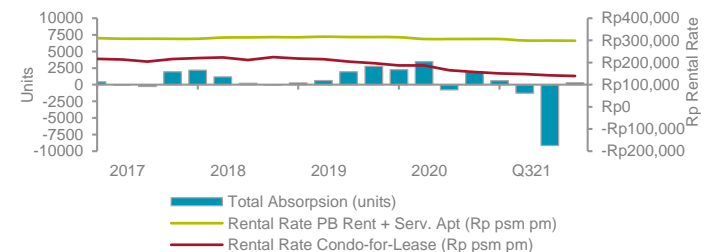
Average rental rate of Purpose-built Rental Apartments and Serviced Apartment sub-sectors remained relatively unchanged at Rp. 239,339 and Rp 356,576 per sqm per month respectively. Rental rate discount, subject to negotiation, was still applied in most rental apartment projects to attract potential tenants.

In Condominium-for-lease sub-sector, average rental rate dropped by 1.9% QoQ to Rp. 139,506 per sqm per month, as individual unit owners prepared to accept much lower rates during the pandemic. Overall, the average rental rate for rental apartment sector is projected to remain under pressure throughout the rest of 2021.

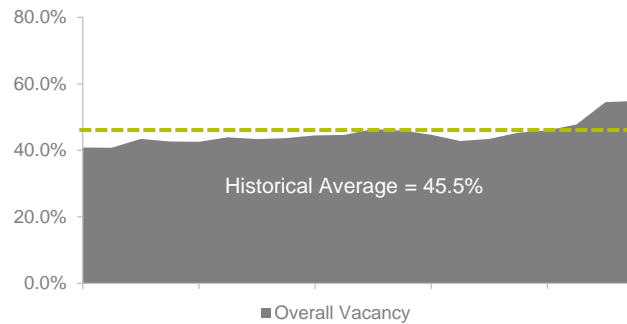
CUMULATIVE SUPPLY / OCCUPANCY



NET ABSORPTION / RENTAL



OVERALL VACANCY RATE



MARKET STATISTICS

SUB-SECTOR	CUMULATIVE SUPPLY (UNITS)	VACANCY RATE	AVERAGE RENT		
			RP/SM/MO	US\$/SM/MO	EUR/SM/MO
Purpose-Built Rental Apartments (Jakarta)	2,731	44.8%	Rp. 239,339	US\$16.72	€14.58
Serviced Apartments (Jakarta)	5,583	52.3%	Rp. 356,576	US\$24.91	€21.52
Condominiums-for-Lease (Greater Jakarta)	154,607	55.1%	Rp. 139,506	US\$9.75	€8.58
TOTAL	162,921	54.8%	Rp. 245,141	US\$17.13	€14.89

Rental rates reflect gross rents
US\$/Rp = 14,313; €/Rp = 16,580

SIGNIFICANT UNDER CONSTRUCTION PROJECTS Q3 2021

PROPERTY	DISTRICT	SEGMENT	APPROX UNITS	COMPLETION SCHEDULE
Somerset Kencana	Pondok Indah	Upper-Middle	150	2021
Somerset Sudirman	Sudirman	Upper-Middle	176	2021
Citadines Sudirman	Sudirman	Upper-Middle	253	2021
Citadines Gatot Subroto	Gatot Subroto	Upper-Middle	102	2021
Ascott Menteng	Menteng	Upper	151	2021
TOTAL			832	

NEWLY COMPLETED PROJECTS Q3 2021

PROPERTY	DISTRICT	SEGMENT	APPROX UNITS	OPERATION SCHEDULE
-			-	
			-	

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About Cushman & Wakefield

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