

DEBOTABEK

Retail H2 2021

0.0%
Base Rent Growth

YoY Chg 12-Mo. Forecast



24.1%
Vacancy Rate



36,700 sqm
YTD New Completions



ECONOMIC INDICATORS H2 2021

3.7%
GDP Growth

YoY Chg 12-Mo. Forecast



1.8%
Inflation Rate



3.50%
Central Bank Rate



Source: Central Bank and Census Bureau

SUPPLY: Opening of Two Retail Centers at the Beginning of H2 2021

At the beginning of H2 2021, the Debotabek area saw the addition of two new retail centers, namely the extension of Margo City in Depok and Citywalk Elvee in Tangerang. The completion of these two new retail centers brought the total supply of retail center space in Debotabek area to 2,684,300 sqm. After being hampered with the implementation of emergency public activity restrictions (*PPKM Darurat*) in July 2021, visitor traffic has significantly increased in malls across the Debotabek area in November until the end of the year, though it has not returned to the pre-pandemic level yet.

A few major retail centers which were previously scheduled for opening in 2021 are expected to be completed in the first half of 2022, including Paradise Walk Serpong, Greenwalk Mall Bekasi, Garden Grove Orange County, and Omotesando Bintaro. If these retail centers are completed within the expected time, the cumulative retail space in Debotabek area will reach 2,760,200 sqm by the end of 2022.

DEMAND: Fast Fashion Retailers as the Replacement of the Shuttered Anchor Tenants

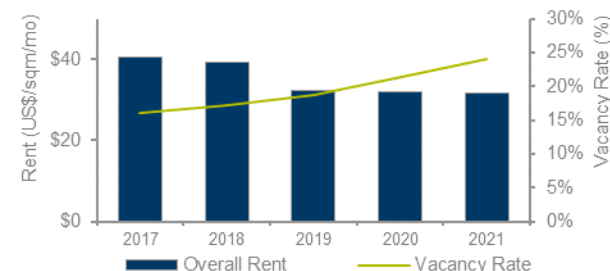
The impact of the outbreak which led to the closure of Giant & Centro during the H121 and the modest occupancy rates of newly completed retail centers in Debotabek area have brought down the average occupancy rate in Debotabek area to 75.9%, a decrease by 2.6% since in the last year. Regardless of the pandemic, fast fashion retailers, Uniqlo and Max Fashion, continue their expansion in Debotabek area with the opening of new stores in Bintaro Jaya Xchange, Botani Square Mall, Grand Metropolitan Mall, and Margocity. Most of these new stores occupy the vast vacant spaces left by anchor tenants (e.g. department store / supermarket) which have to shut down their businesses during the pandemic.

Even though Debotabek retail centers are still on downward trend until the end of 2021, the picking up traffic of the malls across Greater Jakarta in the past three months and the start of the third booster shot program within the nation have brought up the optimism of the landlords and retailers. Demand in the upcoming year is expected to gradually increase, certainly with the hope of no other overwhelming COVID-19 wave in Indonesia.

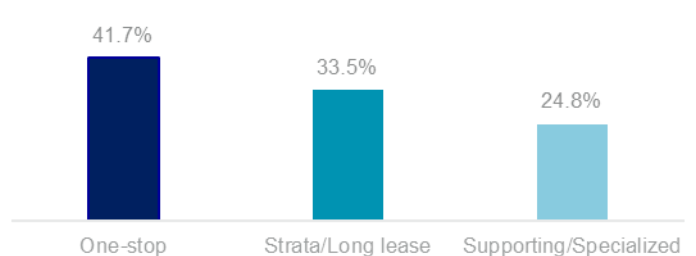
PRICING: No Price Movement at Least Until the First Quarter of 2022

Average base rental rate of Debotabek retail space remained unchanged from that in the last year, standing at Rp 451,800/sqm/mo, for specialty retail space on the Ground Floor. Service charge also remained unchanged from that in the last year, landing itself at Rp135,000/sqm/mo. Similar to that of Jakarta retail centers, the review of individual tenant's pandemic-circumstances on a case-by-case basis is still in forced, but in a relatively less amount. Landlords in Debotabek Retail Centers have foreseen that neither rental rate nor service charge will experience an increase in the first quarter of 2022, or at least until COVID-19 can be contained within the region.

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



MARKET STATISTICS

SUBMARKET	INVENTORY (SQ.M.)	VACANCY RATE	PRIME RETAIL UNIT BASE RENT		
			RP/SQM/MO	US\$/SF/MO	EUR/SQM/MO
Depok	372,600	26.7%			
Bogor	517,700	22.7%	Rp 502,500	US\$ 3.28	€ 31.03
Tangerang	1,123,400	25.5%	Rp 464,286	US\$ 3.03	€ 28.67
Bekasi	670,600	21.3%	Rp 403,333	US\$ 2.63	€ 24.91
OVERALL DEBOTABEK RETAIL TOTAL	2,684,300	24.1%	Rp 451,800	US\$ 2.95	€ 27.90

KEY LEASE TRANSACTIONS 2H 2021

PROPERTY	DISTRICT	TENANT	SQM
Botani Square Mall	Bogor	Farmers Market	2,900
Bintaro Jaya Xchange	Tangerang	Uniqlo	2,500
Botani Square Mall	Bogor	Uniqlo	2,300
Grand Metropolitan Mall	Bekasi	Uniqlo	2,300
Bintaro Jaya Xchange	Tangerang	Max Fashion	1,500
Margo City	Depok	Max Fashion	950

*Renewals not included in leasing statistics

KEY CONSTRUCTION COMPLETIONS DURING 2H 2021

PROPERTY	DISTRICT	SIZE (SQM)	OPENING DATE
Margo City Extension	Depok	32,000	July 2020
Citywalk Elvee	Tangerang	4,700	July 2020

SIGNIFICANT UNDER-CONSTRUCTION PROJECT

PROPERTY	DISTRICT	APPROX SIZE (SQM)	COMPLETION DATE
Paradise Walk Serpong	Tangerang	23,000	2022
GreenWalk Mall	Bekasi	10,000	2022
Bintaro Jaya Xchange 2	Tangerang	38,000	2023
Living World Kota Wisata	Bogor	90,000	2023

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