

GREATER JAKARTA

Landed Residential H2 2021

3.51%
Price Growth



94.04%
Sales Rate H2 2021



6,816
New Launches H2 2021



Source: Cushman & Wakefield Indonesia Research

INDONESIA ECONOMIC INDICATORS Q4 2021

3.7%
GDP Growth



1.8%
Inflation Rate



3.50%
Central Bank Rate



Source: Central Bank and Census Bureau

DEMAND: Overall Healthy Transaction Despite Public Activity Restriction

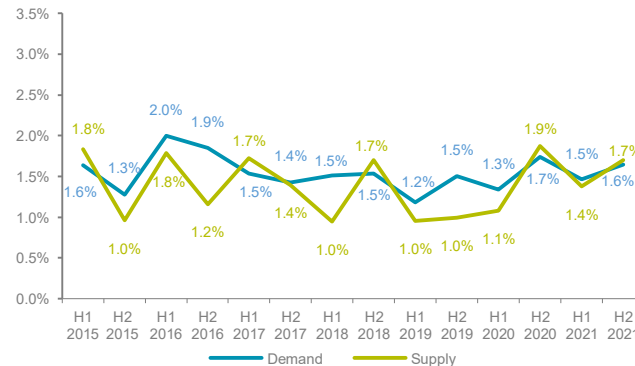
The implementation of emergency public activity restriction (PPKM Darurat) in the early second half of 2021 had not put significant impact on the overall transactions in H2 2021. Average transacted units during the review semester were recorded at around 27.3 units per month per estate, a rise of 8% HoH. The average sales value also grew by around 16% from last semester, corresponding to around Rp 42.0 Billion per month per estate. Tangerang remains as the most active submarket among others, holding average take-up of 40.7 units per month per estate, with Bogor-Depok at the second place with 21.4 units per month per estate.

The extension of Government's Value Added Tax (VAT) incentive program to the second half of 2021 continues to attract inquiries on ready stock units. The program, which offered full VAT waiver for units priced up to Rp 2 Billion and 50% VAT waiver for units priced above Rp 2 Billion up to Rp 5 Billion, applied to units ready to be handed over to buyers in December 31st, 2021 at the latest. Despite the rising inquiries on units which falls under the program's criteria, availability of such units are becoming more limited in many estates, since most of their offered units have been sold during their launching period. As a result, indent units continued to dominate the recorded transactions during the review period.

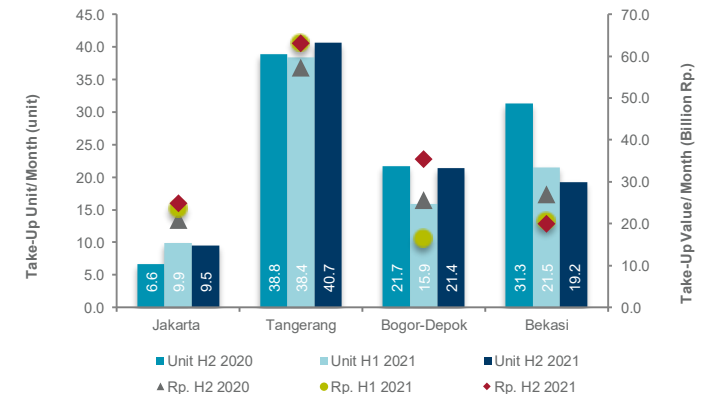
Following a more lax business activities after the gradual ease of PPKM restrictions, banks continued to gradually relax their mortgage rules and selection of new applicants. However, the impact of credit restructuring which was taken by some debtors during the onset of the pandemic is observed during the review semester, where banks are becoming more careful in accepting new applicants (for second house mortgage) with history of credit restructuring. Aside of that, Central Bank's latest Loan To Value (LTV)/Financing To Value (FTV) relaxation which allows 0% Down Payment (DP) for all house mortgage facilities from March until December 2021 has not seen effective, since many estates still require a minimum DP of 5-10% for first-mortgage, and even higher DP for second-mortgage onwards. In this semester, mortgage remains the most-preferred method of payment with 74% of share, while hard cash and cash installment share similar proportion at 13%, respectively.

Transacted units are mostly absorbed by end-users who continue to dominate the buyers' profile during the review semester, accounting to 78% of the total transactions. As for the price segment, the Middle and Lower-Middle segments are still the most coveted segment, with share of 33.4% and 23.2%, respectively, which are targeting end-users of young family and singles looking for their first home.

SUPPLY DEMAND GROWTH



TAKE-UP UNIT AND VALUE



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3.51%

Price Growth

YoY
Chg12-Mo.
Forecast

94.04%

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INDONESIA ECONOMIC INDICATORS
Q4 2021

3.7%

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1.8%

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3.50%

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Source: Central Bank and Census Bureau

SUPPLY: More Upper Segment Offered in The Market

With more toll road opening and future linkage prospect to other road networks, two new estates coming from Tangerang and Depok, respectively, enters the market during the review period and brought a total of 729 new units. The sum contributes to a total of 6,816 units of new supply during this semester, a rise of 25% HoH. Middle segment units dominated the supply, which makes 34.0% of the total proportion, and followed by Lower-Middle segment at 26.2%. The number of units offered within Upper price segment has continued to increase during the review period as well, with a total of 1,265 units (or a growth of 17.7% HoH), sharing 18.6% of the total new supply in H2 2021. Compared to the early days of pandemic, more upper segment units are offered in the market, reflecting developers' growing confidence in the general economic improvement.

As nation-wide developers are pressed for time to deliver units on-time for VAT incentives program, building materials continue to rise, affecting the overall average sales price to grow around 3.51% YoY. On the other hand, land price growth is still observed growing conservatively at around 2.7% YoY, with the average land price recorded at Rp 11,781,066,- per December 2021, as part of an effort done by the developers to maintain an affordable price for their products.

OUTLOOK

The year 2022 is forecasted to offer both opportunity and new challenge to the property market. On one side, economic condition has been progressing during 2021 with business activities and public adjusting to the "new normal" condition, which is predicted to carry on to the new year. On the other hand, issue on Government's new policy and worldwide monetary regulation have put developers on alert. Indonesian Government's plan to gradually increase the VAT, to 11% starting from April 2022, may also affect public's overall purchasing power, including to property sector. Aside of that, the impact of the planned new US monetary regulation on Indonesia's reference interest rate is currently being observed, since the policy may affect both business-owners and general public, particularly landed-residential customers which are heavily reliant on mortgage facility.

Government's VAT incentive program is planned to be extended until June 2022 with a different scheme, where incentive is decreased by 50% from its current scheme. With developers focusing on building construction to meet on-schedule delivery deadline, building price is forecasted to continue increasing in the next semester. Minimum DP of around 5-10% for first mortgage is expected to still be required by many developers as a token of buyers' initial commitment, which makes Central Bank's latest LTV/FTV relaxation which allows for 0% DP for all house mortgage facilities still not effectively practiced.

SUBMARKET SUMMARY

SUBMARKET	PLANNED AREA (HA)	DEVELOPED AREA (HA)	SUPPLY (UNITS)	DEMAND (UNITS)	SALES RATE	AVG LAND PRICE (IDR PSM)
Jakarta	1,144	786	25,243	21,913	86.8%	15,106,474
Tangerang	25,672	9,613	201,838	192,939	95.6%	14,087,704
Bogor - Depok	10,172	4,247	88,649	80,878	91.2%	7,478,454
Bekasi	12,098	5,365	92,457	88,136	95.3%	10,451,634
Greater Jakarta	49,086	20,009	408,187	383,866	94.04%	11,781,066

*Cushman & Wakefield's landed residential market analysis focuses on actively marketed residential estates within the Greater Jakarta area. Those selected residential estates are considered as "major developments" comprising a minimum of 30 hectares. Estates specializing in Healthy Simple Housing (Rumah Sederhana Sehat/ RSH) are excluded from the analysis.

Our market area coverage includes (1) North Jakarta; (2) Central Jakarta; (3) East Jakarta; (4) West Jakarta; (5) South Jakarta; (6) Bekasi Municipality; (7) Bekasi Regency; (8) Tangerang Municipality; (9) South Tangerang Municipality; (10) Tangerang Regency; (11) Depok Municipality; (12) Bogor Municipality; and (13) Bogor Regency.

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NEWLY LAUNCHED PROJECTS H2 2021

ESTATE	CLUSTER	MAIN TARGET	UNITS
JAKARTA			
Keppel Land and Metland Menteng	The Wisteria @ Cakung (Phase 2 ext)	UM to UP	67
Metland Menteng	Jura B Lite	UM	15
	Cemara Mansion (Phase 4)	UM	22
Citra Garden City	Cemara Mansion (Phase 3)	UM	17
	Citra Fine Homes (ext)	UP	22
TANGERANG			
	Osaka Residences (Phase 1)	UM to UP	178
Pantai Indah Kapuk 2	Villa Pasir Putih 10 (Phase 1)	UM to UP	60
	Villa Pasir Putih 6 (ext)	UP	21
	Villa Pasir Putih 5 (ext)	UM to UP	83
Alam Sutera	Sutera Winona (Phase 2)	UP	63
Lippo Village	Cendana Cove	LM to MI	535
	Cendana Parc North	LM to MI	680
Bintaro Jaya	Alton	UP	144
	Carson (Phase 1, 2)	UP	169
Summarecon Serpong	Mozart @ Symphonia (Phase 2 ext)	UP	18
	Caribbean @ Flamingo	UM to UP	35
Suvarna Sutera	Meranti @ Padi Golf Estate	MI to UP	83
	Catriona @ Padma (ext)	MI	33
Citra Raya	Le Brassus @ Lausanne Park	LM to MI	69
	Giverny	LM to MI	110
Daisan Swancity	Tokyo (Phase 2)	UP	173
	BreezyHouse @ Myza	UM	87
	Castilla Nuevo	MI	36
BSD City	Myza Flathouse (Phase 2)	LM to MI	55
	Yuthica	MI to UM	241
	Quantis Signature	UP	42
	Cozmo House @ Myza (Phase 2, 3)	MI to UM	128
Paramount Serpong	Pasadena Residences (Phase 1)	UP	128
Paramount Petals	Canna	LM to MI	252
	Aster	LM	131
Millennium City	Dalton (Phase 2)	LM	54

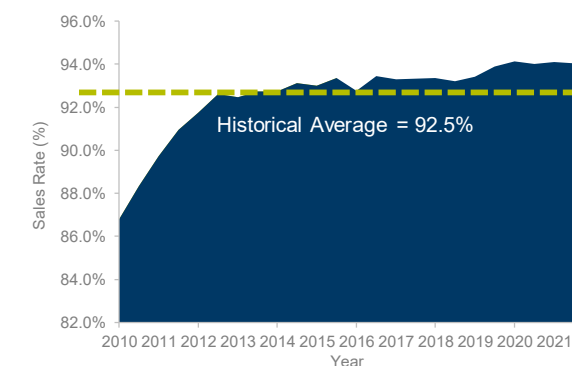
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ESTATE	CLUSTER	MAIN TARGET	UNITS
BEKASI			
Lippo Cikarang	Uptown @ Waterfront Estate (Phase 1)	LM to MI	316
	Z Living (Phase 1)	MI	75
Grand Wisata	O8 Perfect Home (Phase 2,3,4)	MI	159
	Kana	MI	54
Kota Harapan Indah	Asera Nishi (Phase 3)	MI to UM	86
Tera Damai	Danisha	LO to LM	367
Jababeka	Kraton Residence (Phase 1)	UP	12
	Mulberry Residence @ The Orchard (Phase 1)	UM	52
Summarecon Bekasi	Magenta Residence @ The Orchard (Phase 3)	MI	87
Kota Deltamas (with Panahome Deltamas)	Niwa @ Savasa (Phase 1)	MI	30
BOGOR-DEPOK			
	Pinewood Residence	MI to UM	252
Summarecon Bogor	Rosewood Golf Residence	UM to UP	234
Harvest City	New Sakura Indica	LO to LM	240
Bukit Golf Riverside	Lagoon Park (Phase 1)	LM to MI	72
CitraGrand Cibubur CBD	Calathea (Phase 2)	LM to MI	85
	Park Avenue (Phase 1)	UP	31
Citra Sentul Raya	Hanalei (Phase 1)	LM to MI	65
	8 Park Avenue	UM to UP	25
Kota Wisata	Mississippi (Phase 1)	MI to UM	75
Citra Gran	Bellerose @ Clover Garden	MI	24
Citra Indah City	Bukit Viola	LO to LM	378
	Tilia	UM	145
Shila at Sawangan	The Grove	MI	201

OVERALL SALES RATE

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