

SUPPLY: Additional 177 units of Serviced Apartment Supply

One new Serviced Apartment project entered the Jakarta Rental Apartment market in the fourth quarter of 2021. Somerset Sudirman, located at Bendungan Hilir, Sudirman, Jakarta, added 177 units to the Jakarta's Serviced Apartment existing supply, bringing the total supply to 5,760 units, as of end of Q4-2021. Meanwhile, several under construction Serviced Apartment projects, such as Somerset Kencana, Citadines Gatot Subroto, Citadines Sudirman, and Ascott Menteng which were initially expected to commence operations by 2021, have been delayed due to the continuing COVID-19 pandemic.

DEMAND: Short-Stay Demand Helped to Balance Occupancy Rate

Purpose-built Rental Apartments sub-sector was impacted by the expired lease contracts during the review quarter. Occupancy was recorded at 54.6%, a slight 0.6% decrease compared to the last quarter's figure. However new demand enquires for next quarter was started to be identified during the review quarter, which is expected to lead to better occupancy in 1st quarter of 2022. In Serviced Apartment sub-sector, as local travel & work restrictions were eased by the implementation of PPKM level 2, demand inquiries from short-stay guests for weekend "staycation" and Christmas holiday significantly increased the occupancy rate by 7.1% QoQ to 54.8% during the review quarter. If compared to the last year's figure, the occupancy rate reflected about 7.4% occupancy increase.

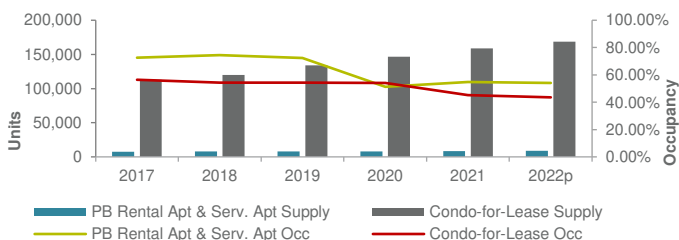
Demand for Condominium-for-lease sub-sector was relatively stable during Q4 2021. Occupancy rate experienced only slight increase of 0.2% QoQ, to 45.1% during the review quarter. This figure still reflected 9.1% occupancy decrease if compared to the same period of 2020. With the expected additional supply from newly completed projects in the next quarter, occupancy rate of the Condominium-for-lease sub-sector is projected to decrease.

New confirmed COVID-19 cases of Omicron variant which started to increase towards the end of the year is expected to continue to the early 2022 and will cause the decrease of occupancy rate of the rental apartment sector in the next quarter, as stricter restrictions will be applied on community activities.

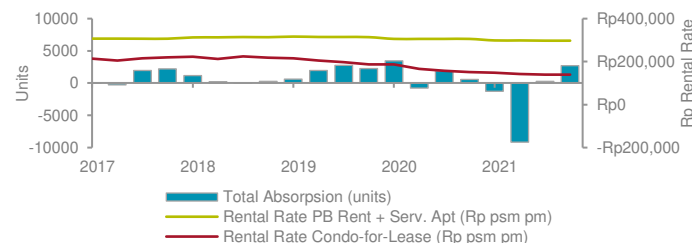
PRICING: Rents Remained Under Pressure

Despite the fluctuation of the Rupiah against US Dollar during the review quarter, average rentals of Purpose-built Rental Apartments, Serviced Apartments and Condominium-for-Lease sub-sector remained relatively unchanged at Rp. 239,339, Rp. 356,576 and Rp. 139,699 per sqm per month respectively. Rental rate discounts, subject to negotiation, were still offered by most projects to attract new demand. Overall, the average rental rate is projected to remain under pressure throughout 2022.

CUMULATIVE SUPPLY / OCCUPANCY



NET ABSORPTION / RENTAL



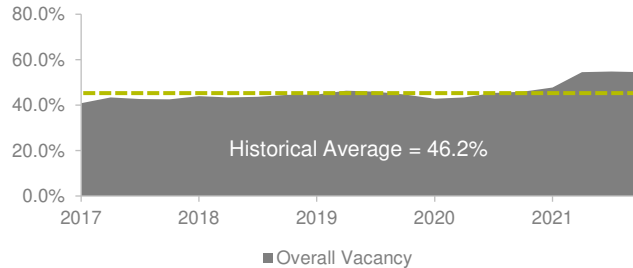
Source: Cushman & Wakefield Indonesia Research

INDONESIA ECONOMIC INDICATORS Q4 2021



Source: Central Bank and Census Bureau

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	45.4%	Rp. 239,339	US\$16.81	€14.78
Serviced Apartments (Jakarta)	5,760	45.2%	Rp. 356,576	US\$25.05	€22.02
Condominiums-for-Lease (Greater Jakarta)	158,768	54.9%	Rp. 139,699	US\$9.81	€8.63
TOTAL	167,259	54.4%	Rp. 245,205	US\$17.23	€15.14

Rental rates reflect gross rents
US\$/Rp = 14,235; €/Rp = 16,194

SIGNIFICANT UNDER CONSTRUCTION PROJECTS Q4 2021

PROPERTY	DISTRICT	SEGMENT	APPROX UNITS	COMPLETION SCHEDULE
Somerset Kencana	Pondok Indah	Upper-Middle	150	2022
Citadines Sudirman	Sudirman	Upper-Middle	253	2022
Citadines Gatot Subroto	Gatot Subroto	Upper-Middle	102	2022
Ascott Menteng	Menteng	Upper	151	2022
TOTAL			656	

NEWLY COMPLETED PROJECTS Q4 2021

PROPERTY	DISTRICT	SEGMENT	APPROX UNITS	OPERATION SCHEDULE
Somerset Sudirman	Sudirman	Upper-Middle	177	December 2021
TOTAL			177	

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