



Jakarta Market Overview 1st Quarter 2018 LEASED OFFICE

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Jakarta Leased Office Market

MARKET INDICATORS	1Q 2018	4Q 2017	1Q 2017	Q o Q		Y o Y	
Cumulative Supply (sqm)	8.453.076	8.092.076	8.042.076	4,46%	▲	5,11%	▲
New Supply (sqm)	361.000	50.000	-	622,00%	▲	-	-
Net Demand (sqm)	39.549	4.014	3.142	885,21%	▲	1158,54%	▲
Cumulative Demand (sqm)	6.905.478	6.865.929	6.844.462	0,58%	▲	0,89%	▲
Occupancy	81,69%	84,85%	85,11%	-3,16%	▼	-3,42%	▼
Vacant (sqm)	1.547.598	1.226.147	1.197.614	26,22%	▲	29,22%	▲
Rental (IDR/sqm/month)	294.325	295.874	305.087	-0,52%	▼	-3,53%	▼

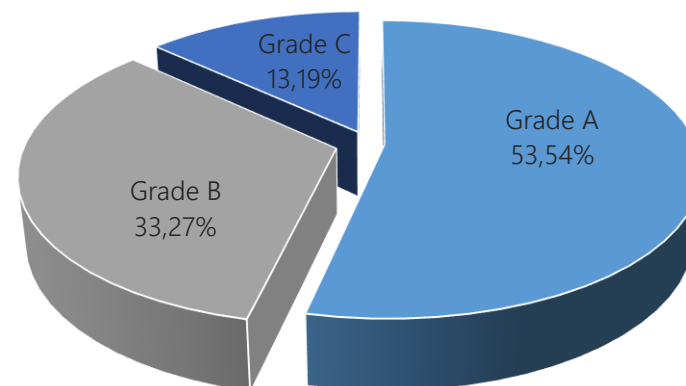
Source : Coldwell Banker Commercial, Strategic Advisory, March 2018

“New supply contributed by office buildings in CBD Area”

“Demand was mostly in new office buildings, generated by financial institution, e-commerce, state-owned enterprise, and co-working space”

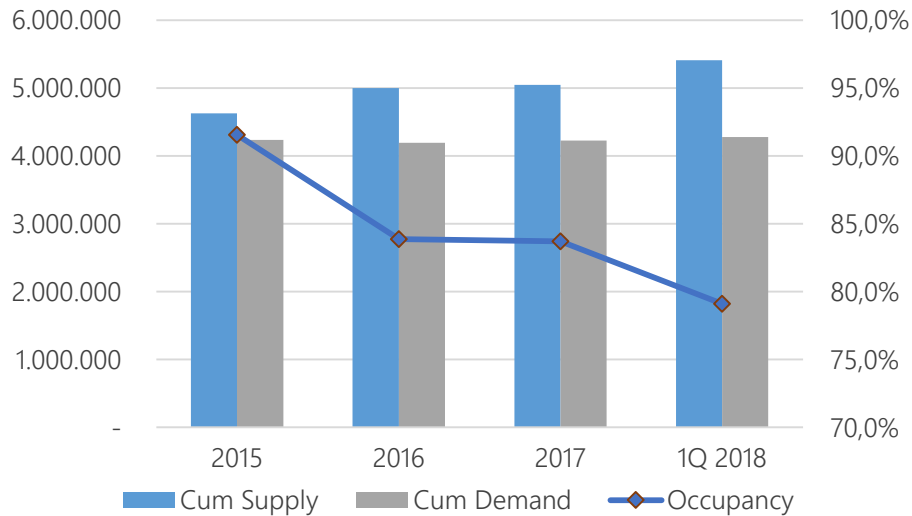
“Rental continued in downward pressure, whilst service charge increase in modest positive trend”

Distribution of Rental Office Supply in CBD Area, 1Q 2018



Jakarta Leased Office Market lanjutan

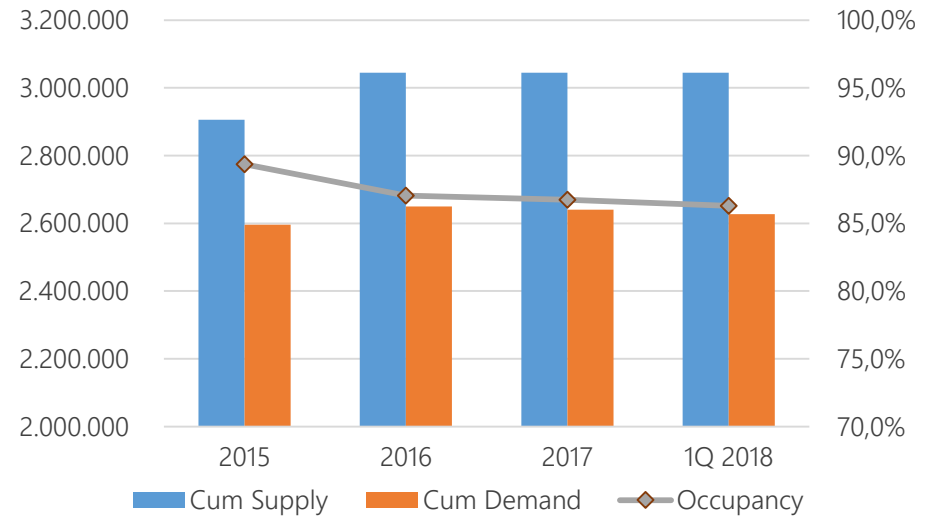
Cumulative Supply, Demand, and Occupancy of Leased Office in CBD Area



Source : Coldwell Banker Commercial, Strategic Advisory, March 2018

- Cumulative supply recorded at 5.4 million sqm in CBD Area
- New supply derived by office buildings in Sudirman and Mega Kuningan Area, such as Sopo Del Office Tower A, PCPD Tower, etc.
- Quarterly net take up recorded around 52.000 sqm, as cumulative demand increased by 0,58%
- Majority of net take up was identified in Grade A offices, contributed by major transaction from state-owned companies and e-commerce.

Cumulative Supply, Demand, and Occupancy of Leased Office in Outside CBD Area

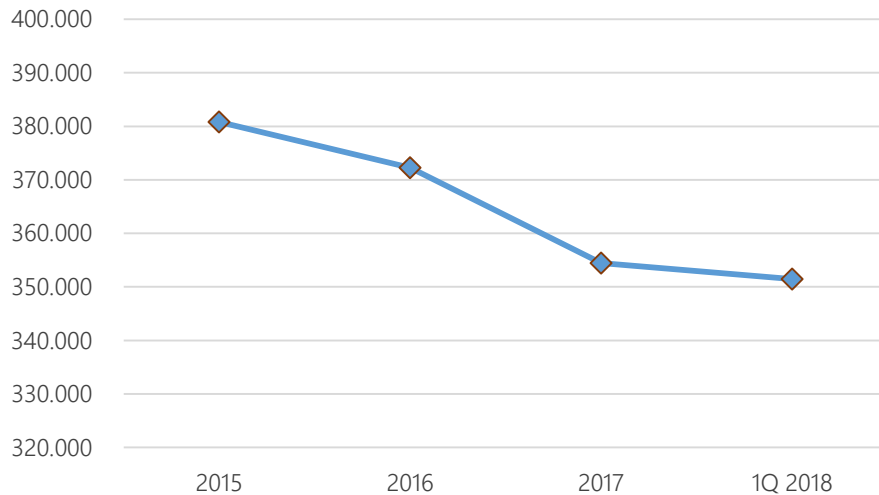


Source : Coldwell Banker Commercial, Strategic Advisory, March 2018

- Cumulative supply remained at 3.0 million sqm in Outside CBD Area, as no additional supply entered the market during the first quarter
- Some office buildings will be rescheduled for completion in the next quarter, such as The Sima, Arkadia Tower G, etc.
- Occupancy of leased office in Outside CBD Area decreased by 0.4% in this quarter.
- A slight decrease occurred due to some tenants who choose to rent shop or stand alone buildings even move to the house.

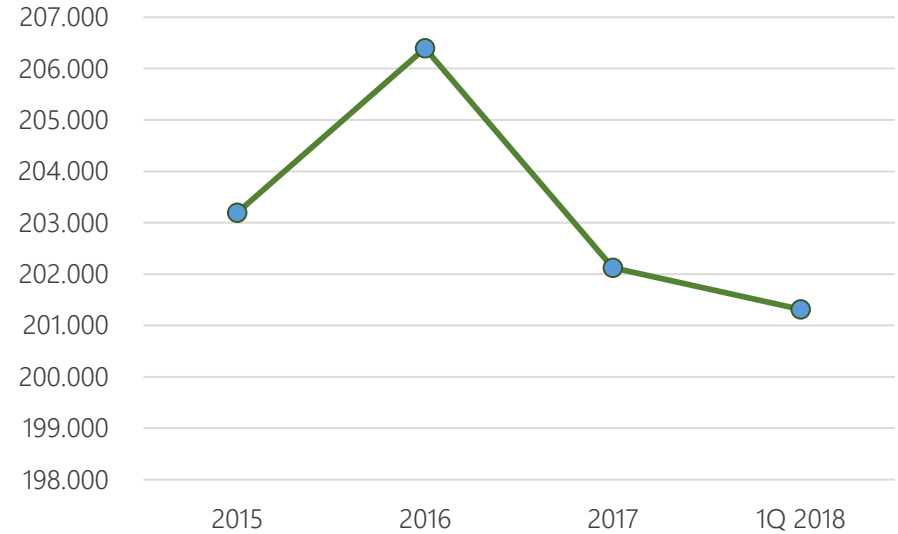
Jakarta Leased Office Market lanjutan

Average Rental of Leased Office in CBD Area



Source : Coldwell Banker Commercial, Strategic Advisory, March 2018

Average Rental of Leased Office in Outside CBD Area



Source : Coldwell Banker Commercial, Strategic Advisory, March 2018

- Several projects in leased office sector continued to adjust the price to a lower level, led rental in this year is the lowest compared to recent years.
- Market conditions present as opportunity for tenants where tenants have a chance to ask for a lower price level.
- Average office rental in Jakarta decreased by 0.9% during the first quarter for gross rent, derived by average rental in CBD Area decreased about 1.3% and average rental in Outside CBD Area decreased by 0.9%
- Average rental in CBD Area still tended to be more negotiable, mainly in new office.
- In several projects, service charges have increased, caused to adjustments of operational costs due to regular increases of employee costs and other costs.