

Study on Potential of OFFICE Business in Jakarta, 2016 – 2020 Together with Main Developers

Nowadays, the office business in Jakarta is not concentrated in Central Business District (CBD) anymore. Limited areas and high price have encouraged developers to enlarge their expansion beyond CBD areas. The supply of office spaces has spread to other regions beyond business center areas, particularly in South Jakarta such as Jalan TB Simatupang. Nevertheless, the supply of office spaces in CBD areas is generally still high, either for offices with leasing system or offices with strata title system.

Based on a survey of CDMI that in the last six years (2010 – 2015) offices with leasing system dominated the supply of office spaces in Jakarta. Nevertheless, offices with strata title system kept on increasing rapidly. In 2010, from total office space supply in Jakarta reaching 6,814,687 square meters wide, offices with leasing system contributed 87.7% and offices with strata title system contributed 12.3%. However, in 2015 the contribution of offices with strata tile seemed to rise rapidly. From total supply of available office spaces reaching 9,504,100 M2, offices with leasing system contributed 82.6% while the contribution of offices with strata title system was 17.4%.

CDMI's survey also found that the percentage of contribution of office space supply from CBD areas kept on declining, from 80.5% in 2010 to 59.1% in 2015. On the contrary, due to the distribution of non-CBD supply flooding the markets, its contribution kept on increasing from 19.5% in 2010 to 40.9% in 2015. From 34 units of office buildings launched in 2015, Sahid Sudirman Center Building was the largest in CBD area of 138,500

M2 while in non-CBD areas, it was contributed by South Square phased I and II of 81,556 M2.

The increasing number of new offices launched in 2015 made the office supply to escalate greatly while the demand tended to be limited due to weakening economy. Therefore, the price competition is getting tighter. Building owners seem to be more careful to determine leasing price. Moreover, there will be 15 new office buildings.

Viewing tight competition in office business in Jakarta, CDMI as a leading consultant company is attracted in performing a deeper research in the last three months and finally succeeded in publishing a book with a title of Study on Potential of OFFICE Business in Jakarta, 2016 – 2020 together with Main Developers.

This book is only available at CDMI and it can be directly ordered in our Marketing Division with Mrs. Tina by phones (021) 3193 0108, 3193 0109, 3193 0070 or Fax (021) 3193 0102 or e-mail: marketing@cdmione.com at a price of US\$ 600 for Indonesian Edition and US\$ 650 for English Edition.

Having submitted this offer, we thank you for your cooperation and look forward to hearing your response promptly.

Cordially yours,
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LIST OF CONTENTS

❑	LIST OF CONTENTS	i
❑	LIST OF TABLES	v
1.	INTRODUCTION	1
1.1.	Scope of Study	1
1.2.	Methodology and Data Sources	1
1.3.	Definition of Essential Terms	2
1.3.1.	Office Classification	2
1.3.2.	Occupancy Rate and Sales Rate	3
1.3.3.	Marketing Sales	3
1.3.4.	Grading of Office Spaces	4
2.	CONDITION OF BUSINESS ENVIRONMENT	5
2.1.	Encouraging the Amelioration of Business Facility	5
2.2.	Performance of Economy	6
2.2.1.	Growth of Economy and Projection	6
2.2.2.	Growth of Economy by Expense Type	8
2.2.3.	Growth of Economy Sectors	9
2.2.4.	Structure of Indonesian Economy	12
2.2.5.	Highlight of Jakarta Economy	12
2.3.	Performance of Investment	14
2.3.1.	Priority Sector 2016 - 2019	14
2.3.2.	Realization of Investment	16
2.3.3.	Realization of Domestic Capital Investment (PMDN)	17
2.3.4.	Realization of Foreign Capital Investment (PMA)	19
2.4.	Interest Rate & Credit Distribution	21
2.4.1.	Interest Rate and Banking Credit	22
2.5.	Trend of Inflation	25
2.6.	Exchange of Rupiah – US\$	26
2.7.	Trend of Construction Input Component and Cement Consumption	27
2.7.1.	Price of Construction Materials	27
2.7.2.	Wages of Construction Laborers	29
2.7.3.	Cement Consumption in Domestic Markets	30

2.8.	Demography and Man Power Affair	31
2.8.1.	Total Population and Distribution by Ages	31
2.8.2.	Proportion of Urban Population	32
2.8.3.	Unemployment Rate and Man Power Force.....	32
2.8.4.	Highlight of Unemployment Rate in Jakarta	33
2.9.	Regulation Frame	34
2.9.1.	Regulation of Environmental Safe Office Building.....	34
2.9.2.	Regulation of Property Tax	36
2.9.3.	Obligation to use Rupiah for Domestic Transaction	36
3.	BALANCE OF SUPPLY – DEMAND FOR OFFICE SPACES IN JAKARTA	38
3.1.	Product Segmentation and Marketing Strategy	38
3.2.	Leased Offices.....	40
3.2.1.	Balance of Supply - Demand.....	40
3.2.1.1.	Leasing Tariff Still Increasing	42
3.2.1.2.	Various Occupancy Rates for Some Major Cities in Asia	43
3.2.1.3.	List of Office Leasing Tariff in Jakarta.....	44
3.2.2.	Distribution of Leased Office Supply.....	50
3.2.3.	Central Business District (CBD) Area.....	51
3.2.3.1.	Grade A Offices as The Largest Supply Contributor in CBD.....	53
3.2.3.2.	Office Tariff Based on Grade.....	53
3.2.3.3.	Tariff Development in Several CBD Areas	55
3.2.3.4.	Distribution of Supply by Location in CBD.....	57
3.2.3.5.	Condition of Supply – Demand Based on CBD Main Location.....	58
3.2.4.	Non CBD Areas (excluding TB Simatupang)	63
3.2.5.	TB Simatupang Area	65
3.2.5.1.	CAGR Leasing Tariff 2010-2015: 17.74%	67
3.3.	Strata Title Offices.....	67
3.3.1.	Balance of Supply – Demand for Strata Title Offices	67
3.3.2.	Distribution of Supply.....	69
3.3.3.	Central Business District (CBD)	70
3.3.4.	Non – CBD Areas (including TB Simatupang)	72
4.	PROJECTION OF OFFICE SPACES IN JAKARTA	75
4.1.	Leased Offices.....	78
4.1.1.	Projection of Supply – Demand in CBD Areas	80
4.1.2.	Projection of Supply – Demand in Non CBD Areas (excluding TB Simatupang).....	84
4.1.3.	Projection of Supply – Demand in TB Simatupang Areas	86

4.2.	Strata Title Offices.....	88
4.2.1.	Projection of Supply – Demand in CBD Areas	90
4.2.2.	Projection of Supply – Demand in Non CBD Areas (including TB Simatupang).....	93
5.	COMPANY PROFILE	96
5.1.	PT Agung Podomoro Land Tbk (APLN).....	97
5.2.	PT Alam Sutera Realty Tbk (ASRI)	101
5.3.	PT Bakrieland Development Tbk (ELTY).....	104
5.4.	PT Bekasi Fajar Industrial Estate Tbk (BEST)	109
5.5.	PT Bhuanatala Indah Permai Tbk (BIPP).....	110
5.6.	PT Binakarya Jaya Abadi Tbk (BIKA).....	112
5.7.	PT Bukit Darmo Property Tbk (BKDP)	114
5.8.	PT Bumi Serpong Damai Tbk (BSDE).....	115
5.9.	PT Ciputra Development Tbk (CTRA)	120
5.10.	PT Cowell Development Tbk (COWL).....	129
5.11.	PT Andayasa Arthatama Tbk (SCBD).....	130
5.12.	PT Duta Anggada Realty Tbk (DART)	132
5.13.	PT Gading Development Tbk (GAMA).....	134
5.14.	PT Greenwood Sejahtera Tbk (GWSA).....	136
5.15.	PT Hotel Sahid Jaya International Tbk (SHID)	137
5.16.	PT Indonesia Prima Property Tbk (OMRE).....	138
5.17.	PT Intiland Development Tbk (DILD)	139
5.18.	PT Jakarta Setiabudi Internasional Tbk (JSPT)	147
5.19.	PT Jaya Real Property Tbk (JRPT).....	150
5.20.	PT Lippo Karawaci Tbk (LPKR)	153
5.21.	PT Megapolitan Developments Tbk (EMDE).....	169
5.22.	PT Metropolitan Kentjana Tbk (MKPI).....	170
5.23.	PT Metropolitan Land Tbk (MTLA)	171
5.24.	PT MNC Land Tbk (KPIG).....	173
5.25.	PT Modernland Realty Tbk (MDLN)	175
5.26.	PT Nirvana Development Tbk (NIRO)	178
5.27.	PT Pakuwon Jati Tbk (PWON).....	181
5.28.	PT Peranda Gapuraprima Tbk (GPRA)	185
5.29.	PT Pikko Land Development Tbk (RODA)	188
5.30.	PT Plaza Indonesia Realty Tbk (PLIN)	189
5.31.	PT PP Property Tbk (PPRO)	190
5.32.	PT Pudjiadi Prestige Tbk (PUDP)	191

5.33. PT Sitara Propertyndo Tbk (TARA).....193
5.34. PT Sentul City Tbk (BKSL).....195
5.35. PT Summarecon Agung Tbk (SMRA)196
5.36. PT Suryamas Dutamakmur Tbk (SMDM)200
5.37. PT Surya Semesta Internusa Tbk (SSIA)201

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