

RESIDENTIAL SERVICES FORECAST REPORT

Jakarta apartment market stabilizes as incentive-driven demand shifts toward ready stock













Quarterly | Jakarta | April 2026

Insights & recommendations

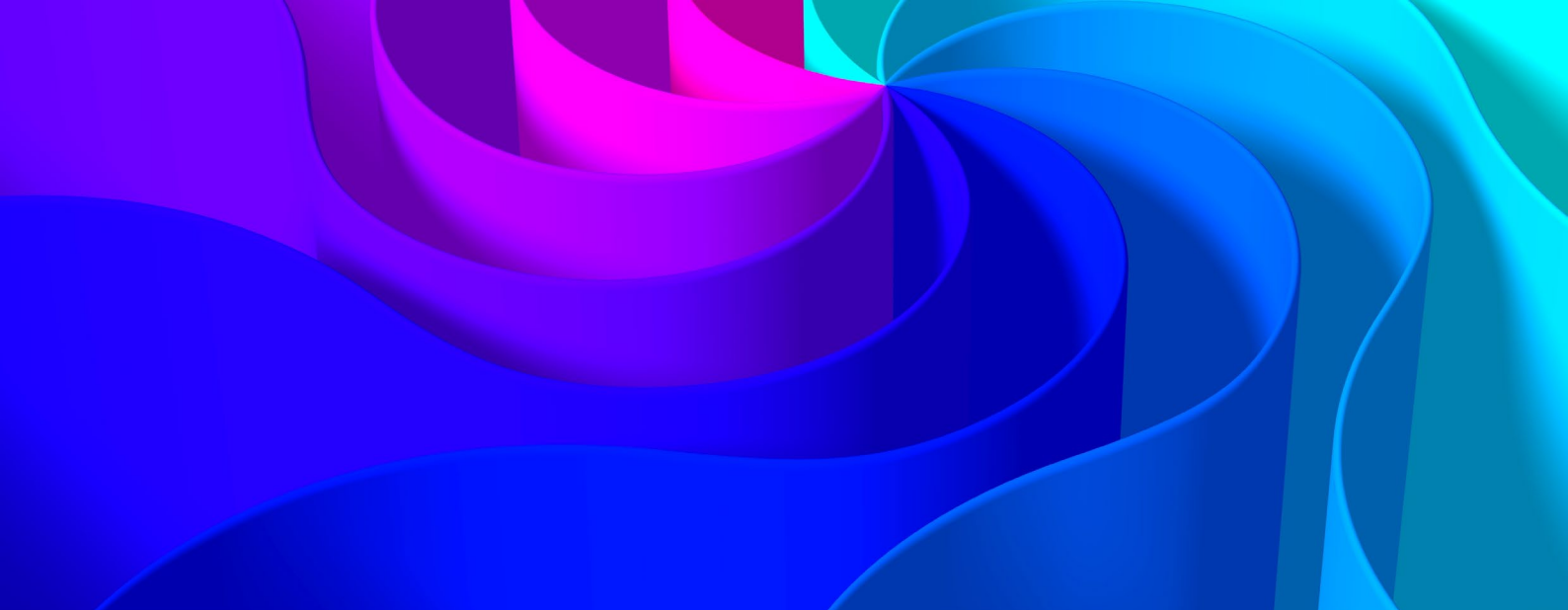
About 10% of the approximately 2,000 additional expected units in 2026 were completed by Q1 2026. This suggests a potential shift or delay in the completion timeline of several projects throughout the year. From a geographical perspective, South Jakarta remains strengthening its position as the most active corridor, expected to contribute about 60% total additional supply in 2026.

Split spending preferences due to national holidays have impacted relatively moderate growth in apartment purchases. The extension of the PPN DTP incentive throughout the year increasingly provide options for purchasing ready-to-occupy units. Meanwhile, transactions in under construction projects are largely concentrated in the high-end luxury segment.

Amid modest demand, average prices remain relatively stable across almost all areas. However, recent escalating geopolitical tensions are likely to drive up material prices and have a further impact on construction costs. That said, such cost increases due to external factors may affect developers' supply calculations only for the following year.

		Q1 2026 vs Q4 2025	Full Year 2026	Avg. 2026-2029 / End 2029
 Demand	PPN DTP full-year certainty supports absorption, with existing ready stock dominating transactions. Under-construction sales concentrated in luxury segment.	 87.7%	 88%	 88-89%
 Supply	192 units added, with approximately 1,800 units expected for remainder of 2026 with around 60% concentrated in South Jakarta.	 192 Unit	 ±1,800 Units	 ±1,000 Units
 Price	Moderate growth with further appreciation expected from Q2 onwards as geopolitical tensions drive construction cost escalation.	 IDR36.2mio	 IDR36.4mio	 IDR36.8mio

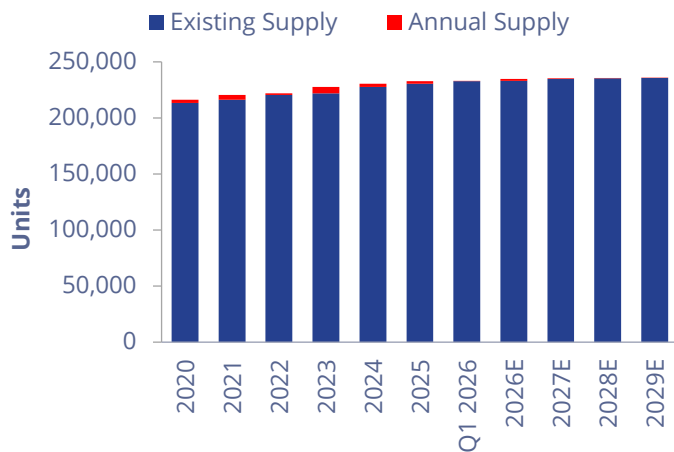
Source: Colliers. Note: IDR16,853 = 1 USD. 1 square m = 10.76 square ft.



Strata-title Apartment

Muted expansion reflects strategic timing and developer caution

Cumulative supply

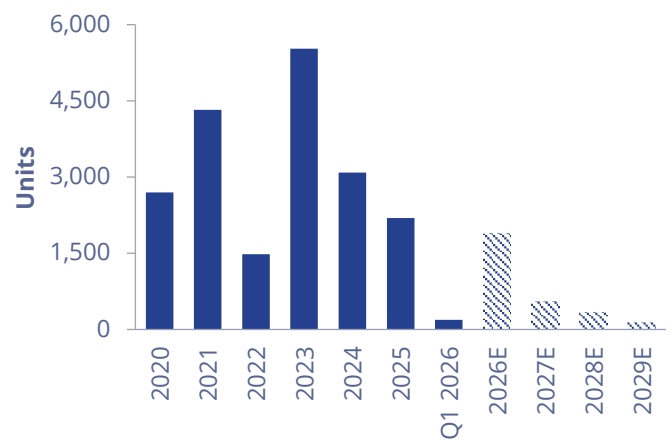


Source: Colliers

On the supply side, the addition of 192 units, from the middle-class segment in East Jakarta, brought the cumulative stock to approximately 233,000 units in Q1 2026. The stock growth remained marginal, below 3% YoY. The subdued addition reflects a broader slowing down of supply within the last five years. Over the past few years, the average annual total was about 3,000 units per year, a significant gap compared to the pre-pandemic era.

This reflects market has entered a structural supply adjustment phase, and developers that are facing pressure on sales performance have deliberately slowed new project launches, shifting focus toward absorbing existing inventory accumulated during the aggressive development cycle before the pandemic.

Annual supply



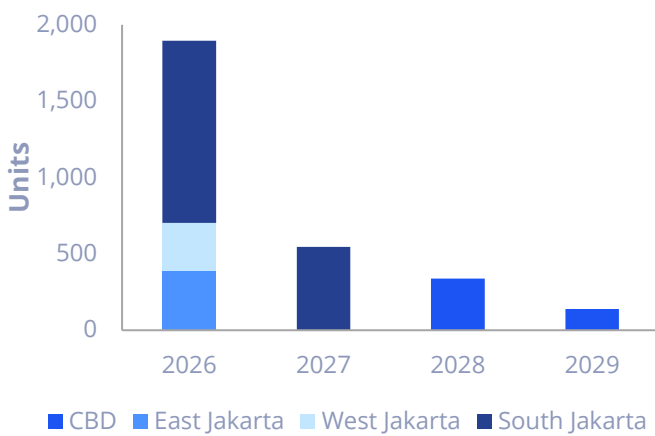
Source: Colliers

For the remainder of 2026, if all developments are completed on time, this will represent approximately 70% of the total future supply during 2026-2029. This illustrates that, based on current potential development, future supply beyond 2026 is very limited. Reflecting a combination of cautious developer sentiment, prioritizing the absorption of existing stock, and structural shifts in development strategy, rather than a lack of development capacity.

Regionally, aside from South Jakarta, the CBD is the second largest contributor, albeit with fewer than 500 units up to the end of 2029. Relatively limited vacant land shifted developers' preferences to diversified asset structures. Mixed-use developments—integrating residential, office, and commercial components—have become the prevailing strategy in prime locations.



Future supply



Source: Colliers

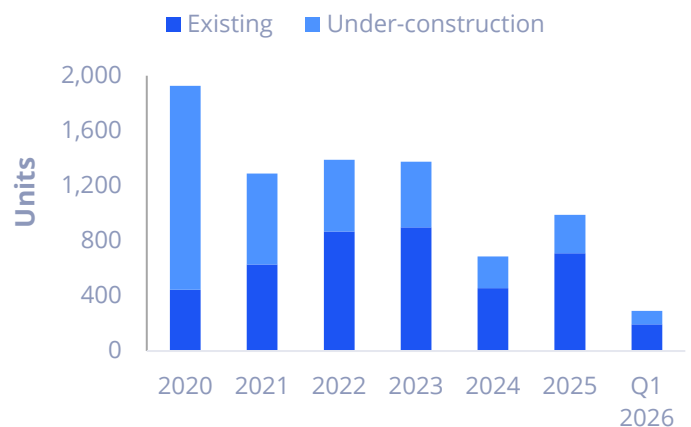
Stable demand driven by incentives and preference for ready stock

Apartment sales across all classes in Jakarta reached approximately 290 units during Q1 2026, more than half of which came from ready-to-move-in stock. The remainder was contributed by units under construction, primarily driven by high-end luxury projects, where construction progress plays a key role in strengthening buyer confidence.

The implementation of a full-year 100% PPN DTP incentive throughout 2026 provides greater policy certainty compared to the previous scheme, which was divided into two phases. This allows developers to better align delivery schedules and sales strategies. This is particularly relevant as approximately 2,000 units are expected to be completed during the remainder of the year, expanding the ready-to-move-in inventory pool. Consequently, the incentive is likely to drive stronger absorption in the ready-to-move-in stock segment, with demand increasingly concentrated in completed units where buyers may fully utilize the tax benefits.

Historically, on the demand side, the first quarter has consistently recorded flat performance, consistent with seasonal patterns. Therefore, this seasonal pattern should be interpreted as expected rather than a cause for concern. To stimulate, developers are becoming increasingly creative in their incentive structures. Instead of outright price reductions, many are turning to value-added promotions, including discounts of up to 20% on luxury units, interior design vouchers, free home appliances, and fully furnished unit packages. Some developers have also bank-specific mortgage discount programs, offering preferential rates to buyers who finance their purchases through selected partner banks, effectively lowering the cost of entry without formally reducing the listed price.

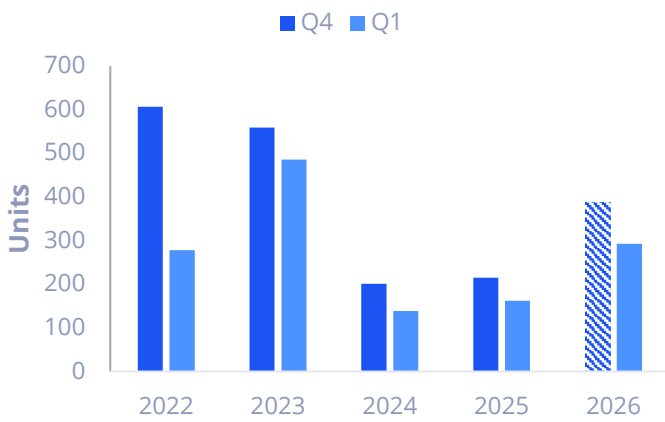
Annual absorption



Source: Colliers



Comparison of quarterly absorption



Source: Colliers

Looking ahead, escalating geopolitical tensions are likely to impact the distribution channel and rising construction costs. That will exert additional upward pressure on new unit pricing, which will be passed through to buyers, particularly in under-construction projects.

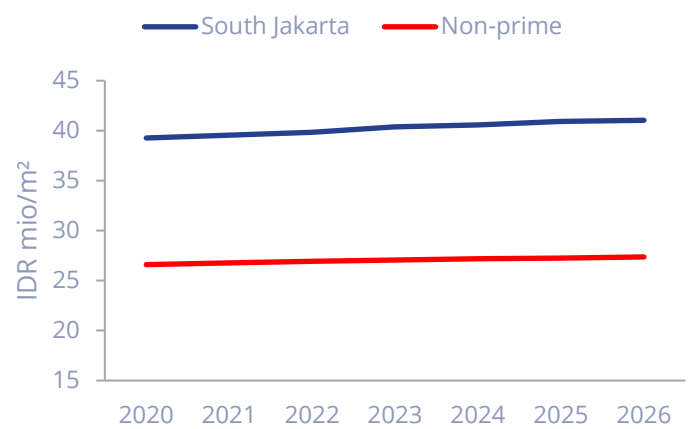
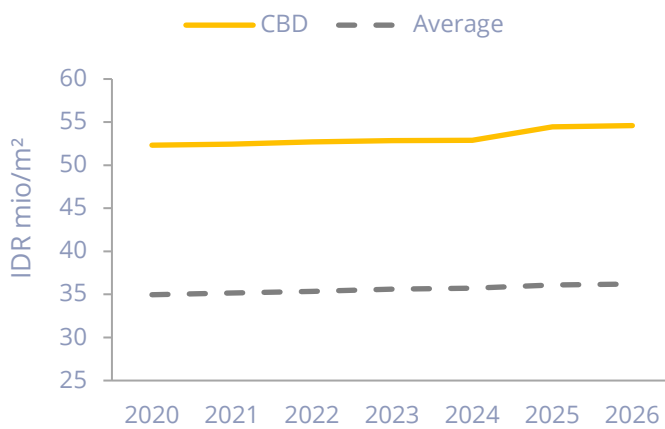
Quarterly price growth remained modest across all areas, consistently lower than 1%. The CBD stands as the exception, recording a notably sharper appreciation peaking at approximately 3% in 2025 before normalizing back toward the market average in Q1 2026. That suggestion, price movement in the CBD is more susceptible to project-specific dynamics, particularly the entry of new developments at higher price points, rather than broad-based market demand.

Cost pressures emerging, supporting selective price growth

Prices recorded slight upticks, though appreciation remains selective in specific areas rather than across all areas. Investors with yield or capital gain objectives increasingly directed discretionary capital toward more liquid instruments, limiting investment-driven price pressure across the market. As a result, price growth is largely anchored by end-user fundamentals, with meaningful appreciation concentrated in projects demonstrating visible construction progress and developer credibility, where buyer confidence in delivery remains intact.



Asking price



Source: Colliers

Strengthening affordability and supporting long-term demand

The government has demonstrated increasing commitment to the residential sector, although the current focus remains on subsidized housing for low-income segments. This active engagement signals a broader intention to close the housing gap across all income levels.

Going forward, middle-income households would benefit most if the government expanded its support to the commercial apartment segment through measures such as longer mortgage terms, expanded guarantee schemes, or additional demand-side incentives.

On the fiscal side, the government extended the maximum mortgage tenor for subsidized housing from 20 to 30 years, significantly reducing monthly payment obligations for eligible buyers. While currently limited to the subsidized segment, this measure sets a precedent that, if adopted by commercial banks, may materially improve affordability for middle-income apartment buyers and unlock latent demand that has been constrained by monthly payment pressures rather than a lack of purchase intent.



Serviced Apartment

Limited in the short term, pipeline growth ahead

Without a new supply completed in Q1 2026, reflecting a continued pause in development activity for serviced apartment market in Jakarta. Two projects operated by Ascott recently reached topping off, signaling that the construction is in progress.

Those projects are expected to be on the market and add approximately 435 units around Q3 2026. Purpose-built serviced apartment projects remain scarce throughout 2026 and 2027. That said, the broader supply picture is not entirely static, serviced apartment components embedded within mixed-use developments continue to emerge, particularly in the CBD.

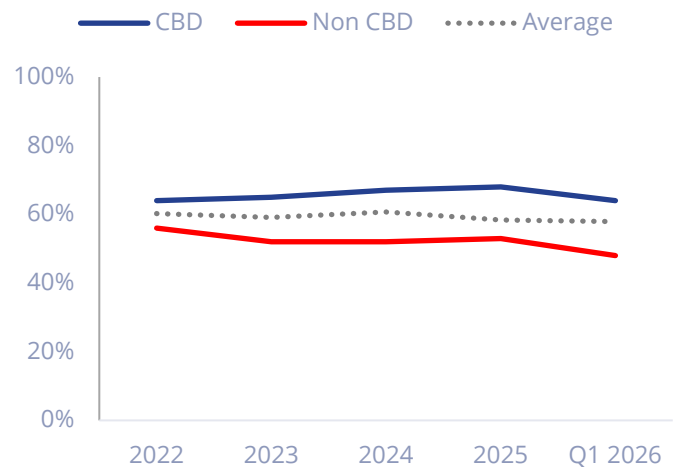
Integrated schemes combining residential, office, and commercial functions remain an attractive development model. These mixed-use contributions add to the overall pool of serviced inventory available to corporate and expatriate tenants in prime locations.

Stable but constrained by structural factors

The first quarter is historically the quietest period to show strong movement for serviced apartment demand. As corporate relocation decisions and lease renewals tend to cluster in Q2 and Q3. More broadly, the risk of a global economic slowdown poses a real constraint. Under budget pressure, multinational companies are more likely to reduce relocation packages or delay new postings, which directly limits the inflow of new expatriate tenants into Jakarta.

Again, ongoing geopolitical tensions add another layer of uncertainty, dampening corporate confidence in committing to international relocations. As a result, demand is predominantly renewal-driven in Q1 2026, where existing tenants extend their leases rather than being fueled by fresh arrivals. While this provides a degree of occupancy stability, it limits meaningful upside in both occupancy rates and rental growth in the near term.

Occupancy rate



Source: Colliers

Sustainability is becoming a differentiating factor in the serviced apartment segment. Operators are not only implementing responsible practices across energy, water, and community engagement, but also actively pursuing formal certifications to validate their commitments.

This shift reflects the growing expectation from multinational corporate clients, who are increasingly factoring sustainability credentials into their accommodation procurement decisions when relocating employees to Jakarta.



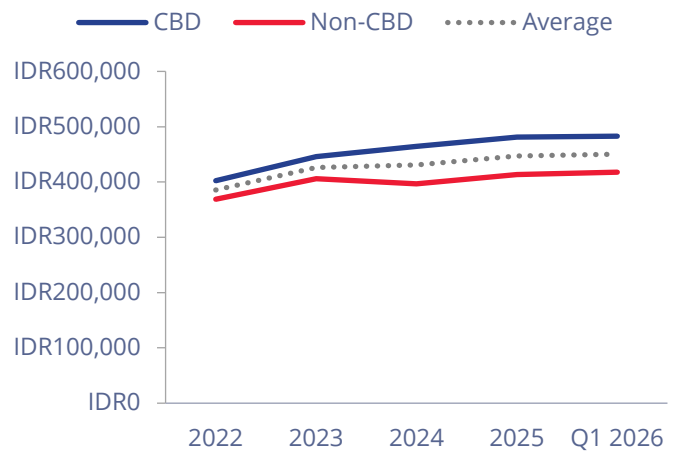
Rental performance holds steady, amid occupancy pressures

Rental rates have demonstrated a gradual upward trend since 2022 in Jakarta. However, this growth momentum has plateaued entering 2026, with rates holding relatively stable from 2025 across both CBD and Non-CBD corridors.

The CBD continues to command a meaningful premium over non-CBD, a gap that has widened consistently over the past four years. Reflecting stronger pricing power in prime locations driven by concentrated expatriate and corporate demand.

The stabilization of rental rates amid softening occupancy suggests that operators are currently adopting a defensive pricing stance, prioritizing tenant retention over rate growth in the near term.

Rental rate



Source: Colliers

Appendix

Newly finished

Apartment Name	Location	Region	Developer	#Units	Class
The Belton Residence	J. Raya Bogor, Cijantung	East Jakarta	Synthesis Development	192	Middle

Source: Colliers

Under construction project of Strata-title Apartment

Apartment Name	Location	Region	Developer	#Units
2026				
The Aspen Peak Residence by Rumapadu	Jl. Fatmawati	South Jakarta	Harmas Jalesveva	320
Vittoria Residence (Tower Citrine)	Jl. Daan Mogot	West Jakarta	PT. Duta Indah Kencana	312

continued



Apartment Name	Location	Region	Developer	#Units
<i>continuation</i>				
LRT City Tebet - The Premiere MTH (Orchid Tower)	Jl. MT Haryono	East Jakarta	Adhi Karya	390
South Quarter Residence (Tower E)	TB Simatupang	South Jakarta	Intiland	336
Solterra Place (Tower Suites)	Pejaten	South Jakarta	Waskita Realty	537
2027				
Two Senopati (Tower 1)	Jl Senopati II	South Jakarta	Asiana Group	112
LRT City Tebet – The Premiere MTH (Lotus Tower)	Jl. MT Haryono	South Jakarta	Adhi Karya	201
Edensuite Casablanca	Jl. Raya Casablanca	South Jakarta	TCP Internusa	233
2028				
Two Sudirman	Jl. Karet Pasar Baru Timur	CBD	Mitsubishi Estate, Taspen Properti, and Benhil Property	339
2029				
Indonesia 1	Jl. MH Thamrin	CBD	Media Group, Surya Indonesia Satu Properti	140

Source: Colliers

New pipeline of Serviced Apartment project

Name of Development	Location	Area	#units	Completion date
Oakwood Fatmawati	Fatmawati	South Jakarta	280	2026
Oakwood Slipi	Slipi	West Jakarta	155	2026
Capri by Fraser	Karet Kuningan	South Jakarta	250	2027

Source: Colliers



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