CBRE

Quality-Focused Demand Supports a More Balanced Office Market

▲ 76.3
Occupancy Rate (%)

▼ 16,000
Net Absorption (sqm)

▲ 171,800
Avg. Rent (Rp/sqm/mth)

Executive Summary

- Supply remained constrained, with no new completions recorded in the quarter and only two projects under construction, leaving total CBD office stock unchanged at approx. 7.11 million sqm and supporting healthy market fundamentals.
- Demand continued to post positive absorption, with 16,000 sqm of net take-up driven largely by new office set-ups. Professional services, serviced office operators, and financial services firms were the most active occupiers, while the overall occupancy edged up to 76.3%, despite net take-up declining 25% q-o-q.
- Rental performance showed resilience in Q2 2026, with average rents stable at Rp171,800 per sqm per month. Premium Grade and Grade A buildings outperformed the broader market, reflecting an ongoing flight-to-quality trend. Looking ahead, market conditions are expected to strengthen gradually, supported by a limited supply pipeline, improving occupancy levels, and steady rental growth.

Table 1. Jakarta CBD Office Market Statistics

Grade	Total Stock (sqm)	Occupancy (%)	Rent (Rp/sqm/mth)
Premium	1.39 million	75.8	259,500
Grade A	3.11 million	77.5	206,600
Grade B	1.83 million	78.6	165,000
Grade C	0.78 million	67.5	105,000

Source: CBRE Research

Supply

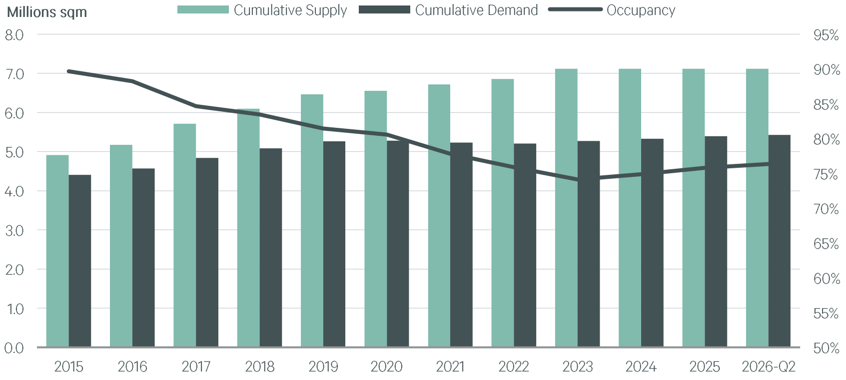
The CBD market remained notably supply-constrained, with no new office completions recorded in this quarter. This continues a prolonged period of limited development activity, as the market has not seen any significant additional office supply since 2023. The absence of new completions reflects developers' cautious approach amid high vacancy levels and a continued focus on improving occupancy within existing buildings rather than introducing new stock.

Looking ahead, the development pipeline remains exceptionally thin. Currently, only two major office projects are under construction: Two Sudirman and Indonesia One. Beyond these developments, there are no other significant projects actively progressing, underscoring the restrained outlook for future supply. This limited pipeline may gradually support market fundamentals by reducing competitive pressure among landlords and allowing existing buildings more time to absorb vacant space, particularly in prime locations where tenant demand remains concentrated.

Demand

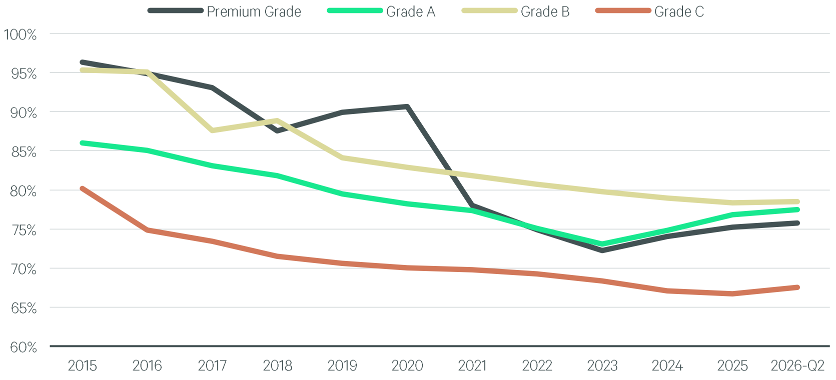
Demand remained positive during the quarter, with net take-up reaching approx. 16,000 sqm, although this represented a 25% decline q-o-q. Leasing activity was primarily driven by new office establishments, which accounted for the majority of transactions as occupiers continued to capitalize on competitive market conditions and available space options. In terms of sectoral demand, professional services firms, serviced office operators, and financial services companies emerged as the most active tenant groups, collectively contributing the largest share of new leasing commitments. Despite the moderation in absorption, market fundamentals showed slight improvement, with the occupancy rate edging up from 76.1% to 76.3% over the quarter. The gradual increase in occupancy indicates that demand remains resilient, supported by business expansion plans and ongoing office space requirements from both conventional occupiers and flexible workspace providers.

Figure 1. CBD Cumulative Supply-Demand-Occupancy



Source: CBRE Research

Figure 2. CBD Occupancy By Grade



Source: CBRE Research

Rent

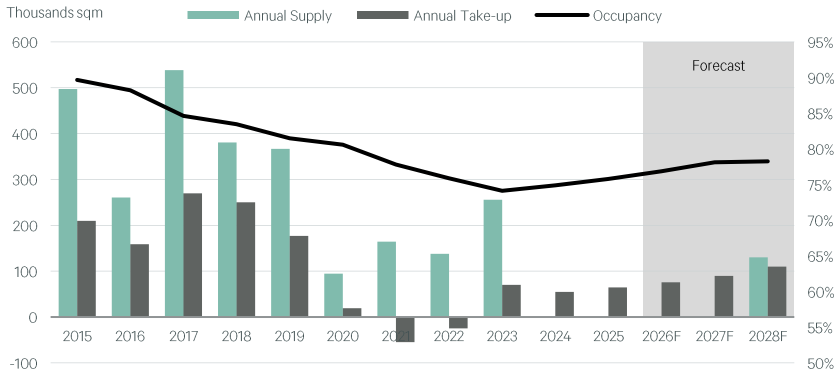
Office rents continued to demonstrate resilience in Q2 2026, supported by stable leasing activity and landlords' efforts to maintain pricing despite ongoing market competition. The average rent stabilized at Rp171,800 per sqm per month, reflecting the market's ability to preserve rental levels even as occupiers retained strong negotiating power. Performance varied across building grades, with Premium Grade and Grade A offices recording rental growth, driven by sustained demand for high-quality, well-located buildings that offer superior amenities, operational efficiency, and ESG-compliant features. In contrast, Grade B and Grade C buildings experienced rental softening, as landlords faced greater competition and continued to offer incentives to attract and retain tenants. This divergence highlights the ongoing flight-to-quality trend among occupiers, with companies increasingly prioritizing modern office environments over cost considerations alone. Overall, the stability of average rents underscores the resilience of the Jakarta CBD office market, while the widening performance gap between building grades reflects evolving tenant preferences.

Outlook

The CBD office market is expected to remain on a gradual path toward stabilization, underpinned by limited new supply and steady tenant demand. With less than 200,000 sqm of new office space scheduled for completion over the next two to three years, supply-side pressure is expected to remain manageable, providing greater support to market fundamentals.

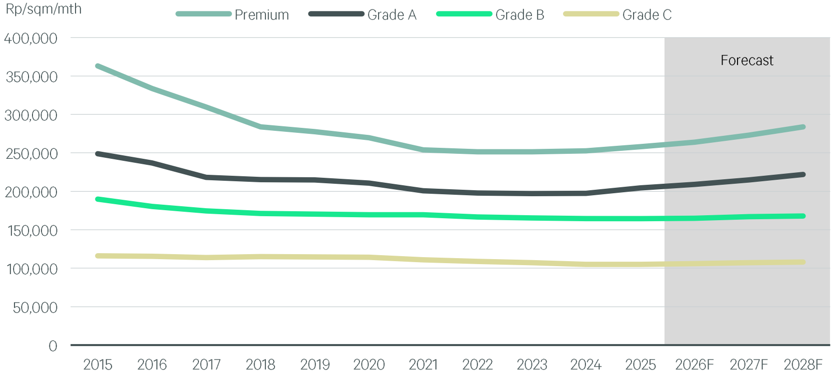
Occupancy levels are forecast to improve progressively, likely to approach 78% in the near to medium term as leasing activity continues to absorb existing vacancies. Demand will be primarily driven by relocations and portfolio optimization strategies, as occupiers seek better-quality and more efficient workspaces, while expansion-driven demand is expected to recover at a slower pace, reflecting broader economic conditions and business sentiment. Rental performance is also projected to strengthen gradually, supported by improving occupancy and a limited development pipeline.

Figure 3. CBD Office Annual Supply-Demand-Occupancy | Forecast



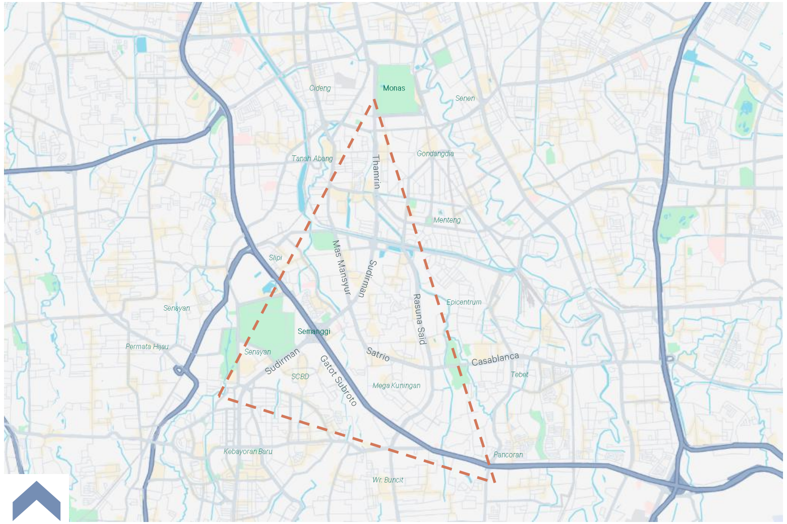
Source: CBRE Research

Figure 4. CBD Office Rent Growth By Grade | Forecast



Source: CBRE Research

Jakarta CBD Map



Definitions

The Jakarta Central Business District (CBD)—widely known as the Golden Triangle—is a roughly triangular, high-density commercial zone stretching from Central to South Jakarta, bounded by the major corridors of Sudirman-Thamrin, Rasuna Said, and Gatot Subroto (incl. inner corridor of Mas Mansyur-Satrio-Casablanca). Recognized as the city's downtown, it concentrates Jakarta's tallest skyscrapers, multinational corporate offices, embassies, luxury hotels, and major superblocks such as SCBD, Mega Kuningan, and Rasuna Epicentrum, making it Indonesia's most prestigious economic hub.

CBRE's market report evaluates existing single-tenant and multi-tenant office buildings in the Jakarta CBD with a minimum size of approximately 5,000 sqm, excluding those that are owner-occupied. Our classification framework applies a structured grading system that considers key factors such as location, building size, floor plate, efficiency ratio, overall building quality, available facilities and amenities, and management standards. Based on these criteria, all buildings in our surveyed stock are categorized into four grades: Premium, Grade A, Grade B, and Grade C.

Contact

Anton Sitorus
Senior Director
Head of Research & Consulting
Anton.Sitorus@cbre.com

Giovanny Pratama
Assistant Manager
Research & Consulting
Giovanny.Pratama@cbre.com