CBRE

Lifestyle Tenants Drive Jakarta's Retail Market Recovery

▲ 86.4
Occupancy Rate (%)

▲ 20,600
Net Absorption (sqm)

▲ 334,800
Avg. Rent (Rp/sqm/mth)

Executive Summary

- Annajon @ The Sima added approximately 10,000 sqm of retail space in Q2 2026, while together with PIM 5 representing the only notable additions this year; with Holland Village as the sole major pipeline project, retail supply growth is expected to remain limited over the medium term.
- Demand strengthened driven by expansion from F&B, sports lifestyle, and stationery retailers, with upper-grade malls capturing the largest share of leasing activity; consequently, net take-up rose 32% q-o-q and occupancy improved to 86.4% by end-June 2026.
- With only one project in the pipeline, retail supply growth is expected to remain limited, while continued expansion by lifestyle retailers should support higher absorption and occupancy, which is projected to improve toward 88% as the market gradually stabilizes.

Table 1. Jakarta Retail Market Statistics

Grade	Total Stock (sqm)	Occupancy (%)	Rent (Rp/sqm/mth)
High-end	427,500	95.7	880,000
Upper	1,158,100	86.6	462,800
Middle-up	1,484,700	85.2	267,600
Middle-low	400,000	80.0	185,400

Source: CBRE Research

Supply

The market saw the completion of Annajon @ The Sima in this quarter, contributing approximately 10,000 sqm of net leasable area. Together with Pondok Indah Mall 5, these projects represent the only notable additions to retail stock this year, highlighting the increasingly restrained development activity across the sector.

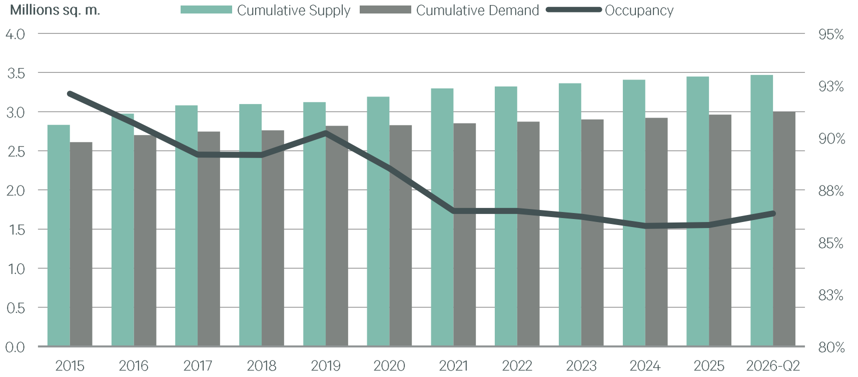
Looking ahead, the supply pipeline remains thin, with Holland Village currently standing as the only significant confirmed retail project under development. The lack of new projects reflects a cautious approach among developers, who continue to prioritize the optimization of existing assets amid evolving consumer preferences and changing retail formats. As a result, Jakarta's retail supply is expected to remain broadly stable over the medium term, limiting competitive pressure from new developments and allowing existing shopping centers to focus on occupancy improvement, tenant curation, and experiential offerings to strengthen their market positioning.

Demand

Demand strengthened in Q2 2026, supported by an increase in leasing enquiries and expansion from the F&B, sports lifestyle, and stationery segments. Retailers continued to pursue strategic expansion opportunities, focusing on malls with strong footfall, established tenant mixes, and attractive catchment areas. Upper-grade malls captured the largest share of leasing activity, benefiting from their superior positioning and consistent shopper traffic, while middle-upper grade malls also recorded healthy absorption as retailers sought cost-effective expansion options.

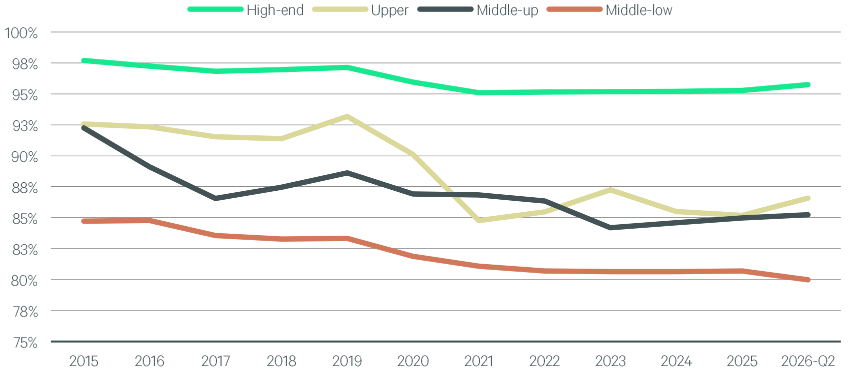
As a result, net take-up increased by 32% q-o-q, reflecting improved leasing momentum and greater occupier confidence and overall occupancy edging up to 86.4% by end-June 2026. The continued expansion of experiential, lifestyle, and food-led concepts suggests that retailer demand remains resilient, supported by stable consumer spending and steady mall visitation levels across Jakarta.

Figure 1. Jakarta Retail Cumulative Supply-Demand-Occupancy



Source: CBRE Research

Figure 2. Jakarta Retail Occupancy By Grade



Source: CBRE Research

Rent

Rent continued to improve slightly supported by ongoing leasing activity and a modest increase in occupancy levels. While competition among retail assets remains intense, landlords have become more confident in maintaining pricing as retailer demand continues to recover. As a result, average rents increased by approximately 0.5% q-o-q to Rp334,800 per sqm per month, reflecting a measured approach to rental adjustments while preserving leasing flexibility and tenant retention.

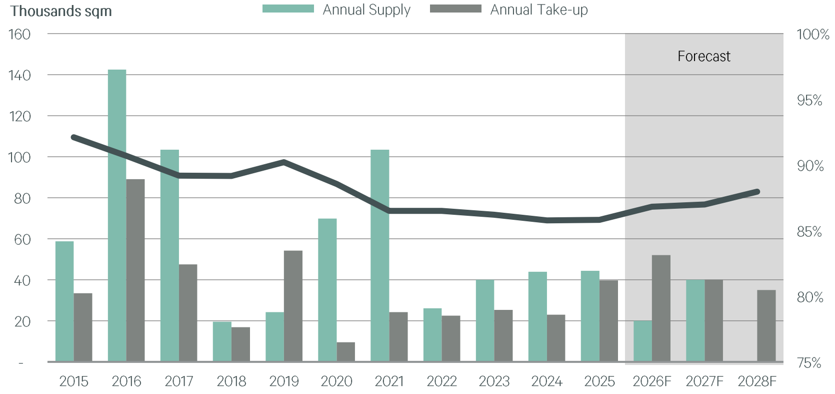
Performance, however, varied across mall categories. High-end and upper-grade malls continued to command significantly better rents, supported by stronger footfall and their ability to attract both international and domestic brands. In contrast, middle-up and middle-low grade malls experienced more moderate rental growth as they competed more actively for tenants. The widening rental disparity across retail assets underscores occupiers' growing preference for well-positioned, experience-led destinations that can consistently generate shopper traffic and sales performance.

Outlook

Looking ahead, Jakarta's retail supply pipeline is expected to remain limited, with Holland Village standing as the only major upcoming retail completion. The scarcity of new developments is likely to keep overall retail stock relatively stable, supporting occupancy levels and reducing competitive pressure among existing shopping centers.

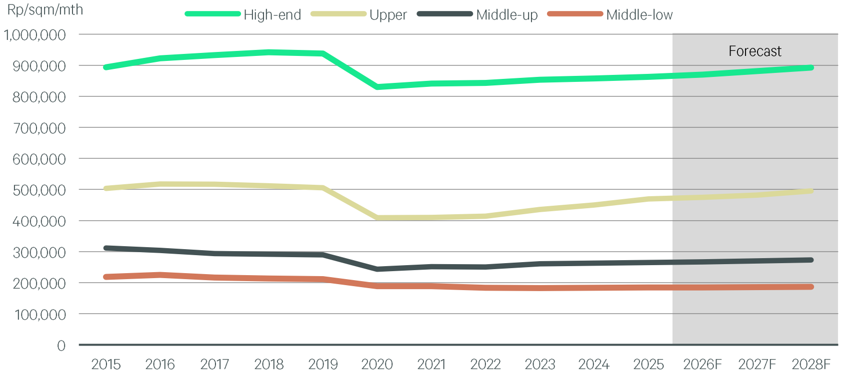
On the demand side, leasing activity is projected to remain positive, driven by ongoing retailer expansion, particularly among lifestyle segments such as F&B, fashion and apparel, sports, and leisure. These sectors are expected to play a key role in filling upcoming spaces, supporting higher net take-up levels in the near term. On this basis, occupancy rates are forecast to improve further, reaching around 88% as the market continues to stabilize. Overall, the outlook suggests a steady recovery trajectory, underpinned by resilient demand and limited supply growth, with lifestyle-driven retail continuing to shape the evolution of Jakarta's shopping mall landscape.

Figure 3. Jakarta Mall Annual Supply-Demand-Occupancy Forecast



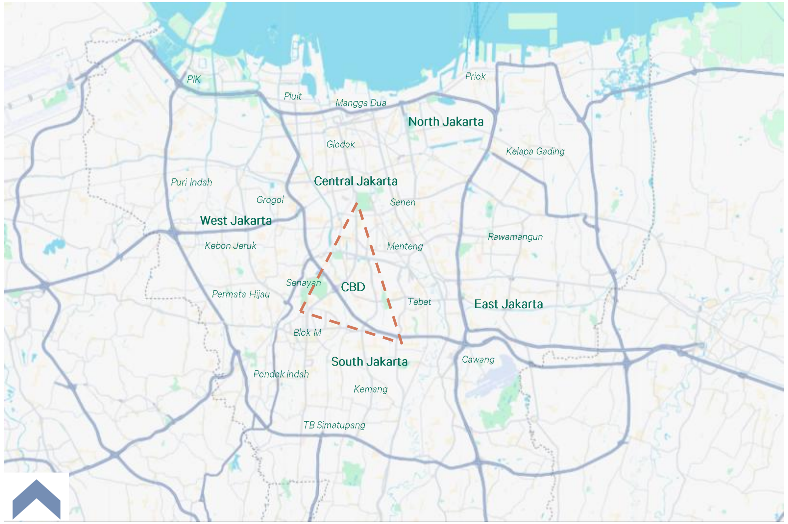
Source: CBRE Research

Figure 4. Jakarta Retail Rent Growth By Grade | Forecast



Source: CBRE Research

Jakarta Retail Map



Definitions

Jakarta's retail landscape is shaped by several key clusters, with Central Jakarta serving as the city's core retail hub anchored by major destination malls and strong office, hotel, and transport linkages. North Jakarta forms another major cluster, supported by large residential catchments and major malls in Kelapa Gading, Pluit, and Mangga Dua that cater to family-oriented and mass-affluent consumers. Pantai Indah Kapuk (PIK) has also emerged as one of the city's most dynamic retail destinations, supported by an affluent demographic base and its strategic location near the airport. To the south and west, South Jakarta hosts somef the most active lifestyle-driven nodes—SCBD, Kemang, Blok M, and Pondok Indah—while West Jakarta maintains a strong mid-to-upper retail belt around Puri Indah, Grogol, and Taman Anggrek. Meanwhile, East Jakarta functions as a suburban retail base anchored by mid-market shopping center serving dense residential corridors, completing a multi-node retail map shaped by diverse catchments and evolving consumer preferences.

CBRE's market report evaluates existing and proposed shopping malls offered for lease in Jakarta with a minimum size of approximately 5,000 sqm NLA – excluding strata trade centers (offered for sale).
Our classification framework applies a structured grading system that considers key factors such as location, net lettable area, overall building quality, retailer segments, facilities and amenities, and management standards. Based on these criteria, all buildings in our surveyed stock are categorized into four grades: High-end, Upper Grade, Middle-up Grade and Middle-low Grade shopping malls.

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