

# Market Momentum Builds as New Supply & Fresh Demand Fuel Growth



## Executive Summary

- Limited new supply and emerging submarkets shape growth, as ADR Office Tower completed in Pantai Indah Kapuk, bringing total stock to approx. 3.41 million sqm and strengthening North Jakarta as a rising office hub..
- Leasing enquiry improving with new tenant entry, recording around 22,800 sqm of quarterly net take-up, although overall occupancy dipped slightly to 72.9% due to new supply entering the market.
- Rents continue gradual increase with positive outlook, rising around 0.5% q-o-q to approx. Rp 112,700/sqm/mth, with future gains supported by limited pipeline, projected occupancy improvement to around 76%, and intensifying competition from new buildings in West and North Jakarta alongside South Jakarta.

Table 1. Jakarta Non-CBD Office Market Statistics

Municipality	Total Stock (sqm)	Occupancy (%)	Rent (Rp/sqm/mth)
Central Jakarta	0.60 million	64.2	93,180
West Jakarta	0.53 million	75.5	114,570
East Jakarta	0.05 million	81.9	86,000
North Jakarta	0.68 million	71.3	107,200
South Jakarta	1.56 million	75.8	124,030

Source: CBRE Research, Q1 2026

## Supply

New supply in the Jakarta Non-CBD office market remained limited in Q1 2026, with only one notable completion during the period. ADR Office Tower in Pantai Indah Kapuk, North Jakarta, was delivered, adding approx. 56,000 sqm of Grade A office space to the market. This completion reflects a gradual re-emergence of development activity in select Non-CBD submarkets that continue to show strong locational appeal and tenant demand. As a result, total stock increased to around 3.41 million sqm by end-1Q26.

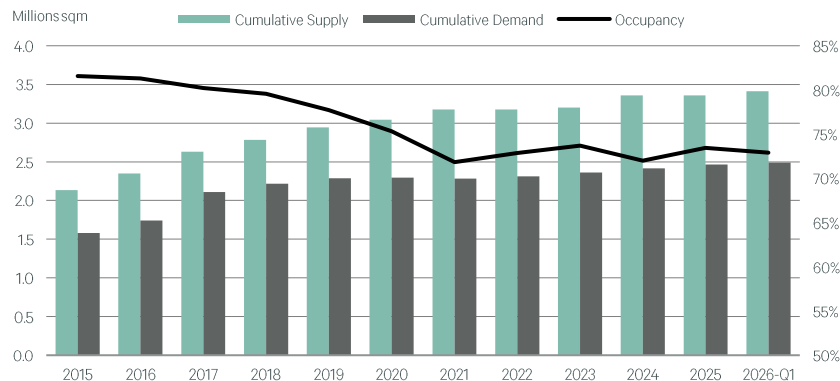
PIK continues to stand out as a growing office node, particularly attracting demand from Chinese companies seeking to establish their presence in Jakarta. Its proximity to Soekarno-Hatta International Airport and well-developed infrastructure connectivity have made it a strategic location for businesses with regional and cross-border operations. This sustained interest is reinforcing PIK's positioning as an emerging commercial hub in the Non-CBD market, supporting the viability of new office developments in the area despite the broader cautious supply environment.

## Demand

Leasing demand continued to strengthen in Q1 2026, with enquiry levels showing a positive upward trend. Total net absorption reached approx. 22,800 sqm during the quarter, reflecting steady take-up despite broader market caution. Notably, recent leasing activity has been driven more by new tenant entries rather than relocations, indicating that the Non-CBD market is increasingly attracting fresh demand from companies establishing operations.

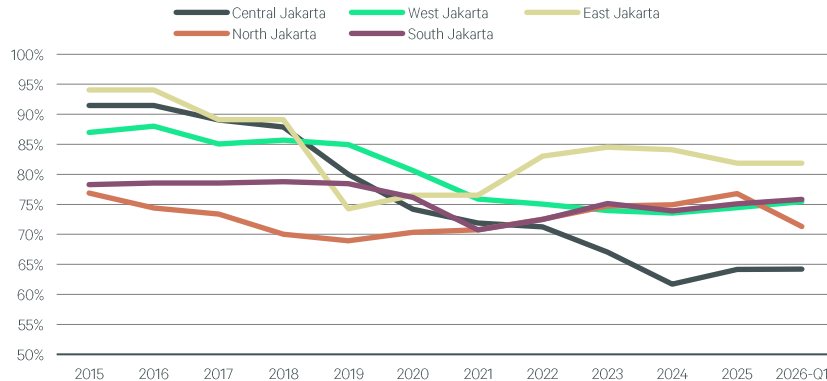
However, despite the positive absorption, overall occupancy softened slightly to 72.9%, largely due to the impact of newly completed supply, particularly the ADR Office Tower. The addition of new space temporarily outpaced demand, leading to a short-term dip in occupancy levels. Nevertheless, the growing volume of leasing enquiries and increased presence of new market entrants suggest that underlying demand remains healthy, with potential for occupancy to recover as the newly added space is gradually absorbed.

Figure 1. Non-CBD Office Cumulative Supply-Demand-Occupancy



Source: CBRE Research, Q1 2026

Figure 2. Non-CBD Office Occupancy By Area



Source: CBRE Research, Q1 2026

## Rent

Rental performance showed continued improvement in the quarter, in line with strengthening demand conditions. Average rents increased by circa 0.5% q-o-q to around Rp 112,700 per sqm per month, albeit at a slightly slower pace compared to the previous quarters. The more moderated growth reflects a market that is gradually stabilizing, where landlords remain cautious but increasingly confident in implementing modest rental adjustments as leasing activity improves.

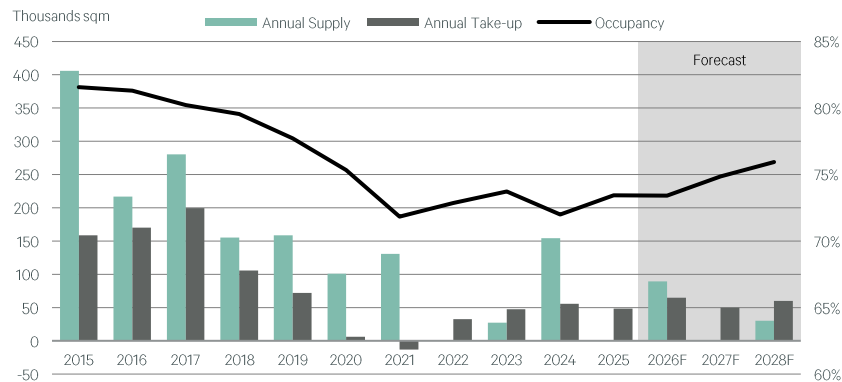
The rental uplift was largely driven by strong performance in Grade A segment, which continue to benefit from higher tenant demand and better occupancy levels. By area, South Jakarta remained the most expensive Non-CBD submarket, followed by West Jakarta. Meanwhile, North Jakarta recorded the fastest rental growth recently, driven by increasing demand from new market entrants and improving connectivity. This trend also reflects an emerging shift in tenant interest toward newer growth corridors outside traditional office locations.

## Outlook

The Non-CBD office market is expected to see limited new supply in the near term, supporting a more balanced outlook. In 2026, only one additional project—Arumaya in TB Simatupang,—is scheduled for completion. Beyond this, no definitive projects are currently observed through to 2028, highlighting a notably thin development pipeline.

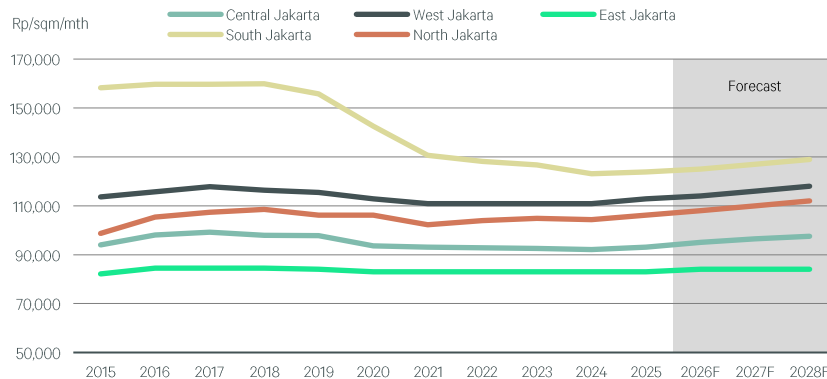
On the demand side, leasing activity is projected to maintain a positive trajectory, supported by new business formations and ongoing decentralization trends. With limited incoming supply, occupancy levels are expected to improve steadily to around 76% by 2028. Rental performance is also anticipated to strengthen in tandem, forecasted to grow by about 2% annually over the next three years. While South Jakarta will remain the dominant Non-CBD office location, increasing competition is expected from West and North Jakarta, which are gaining traction due to improving infrastructure and access, potentially reshaping tenant preferences over time.

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



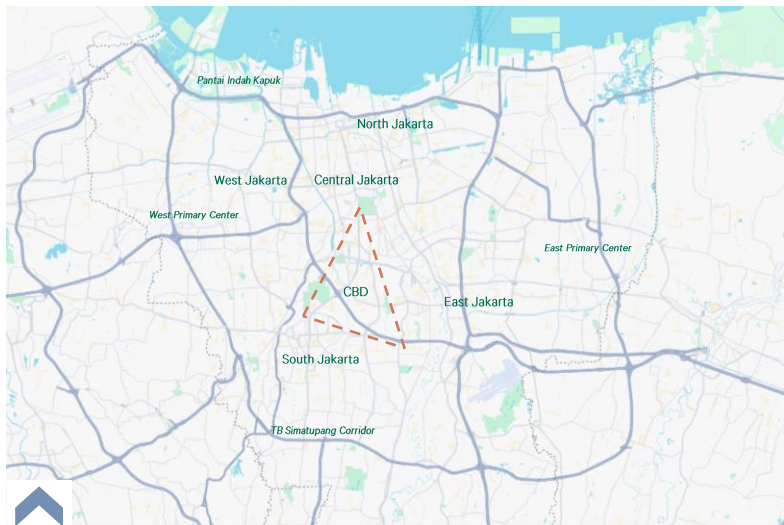
Source: CBRE Research, Q1 2026

Figure 4. Non-CBD Office Rent Growth By Area | Forecast



Source: CBRE Research, Q1 2026

## Jakarta Non-CBD Map



### Definitions

Jakarta Non-CBD area refers to the clusters of commercial office developments located outside the city's designated Central Business District (Golden Triangle Zone i.e., Sudirman, Thamrin, Kuningan, Gatot Subroto), where includes emerging business corridors like West and East Primary Centers as well as South Jakarta periphery of TB Simatupang and Pantai Indah Kapuk. These non-core submarkets are characterized by more decentralized land-use patterns, lower-density commercial zoning, and a broader mix of office typologies ranging from Grade C to better quality Grade A buildings, to business parks and mixed-use complexes. Functionally, Non-CBD areas serve as strategic alternatives for occupiers seeking cost-efficient rental structures, proximity to industrial or residential catchments, and improved accessibility via Jakarta's expanding transport infrastructure, while still offering modern building specifications and operational efficiencies aligned with contemporary corporate real estate standards.

CBRE's market report evaluates existing single-tenant and multi-tenant office buildings in the region 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, overall building quality, available facilities and amenities, and management standards. Based on these criteria, all buildings in our surveyed stock are categorized into three grades: Grade A, Grade B, and Grade C.

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