

Jakarta Property Market Update

Third Quarter of 2026



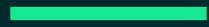
Artificial Intelligence

How AI is Redefining
the Office Sector

Agenda

1. The Economy
2. Office
3. Industrial & Logistics
4. Shopping Mall
5. Topic of the Day
6. Q & A

1



The Economy



Resilient Growth Amid Stable Conditions

- Indonesia's economy maintained robust growth of 5.29% in Q2 2026, underscoring the economy's underlying strength despite a modest slowdown from the preceding quarter.
- Inflation eased slightly to 3.28% in Q3 2026, compared to 3.34% in Q2 2026, indicating relatively stable price pressures.
- Interest rate remain unchanged throughout the third quarter stabilizing at 5.75%.
- Investment realization (YTD) continued to trend upward, recording circa 7.3% growth y-o-y to Rp1.539T. Manufacturing remained the largest contributor to investment realization, followed by transportation, warehousing, and telco.



2 — Office



Major Trends

Flight-to-Quality Remains Strong

Occupiers are seeking modern, better quality office buildings, often with green certifications and better amenities.

Rising Rents

Rental rates are trending upward, supported by ongoing flight-to-quality demand and a limited future supply pipeline. This is prompting owners of older buildings to undertake asset enhancement initiatives to remain competitive.

Retail & Amenities Strengthen Workplace Appeal

The integration of curated retail is becoming an occupiers attraction, as tenants seek office environments that foster convenience, engagement, and community interaction.

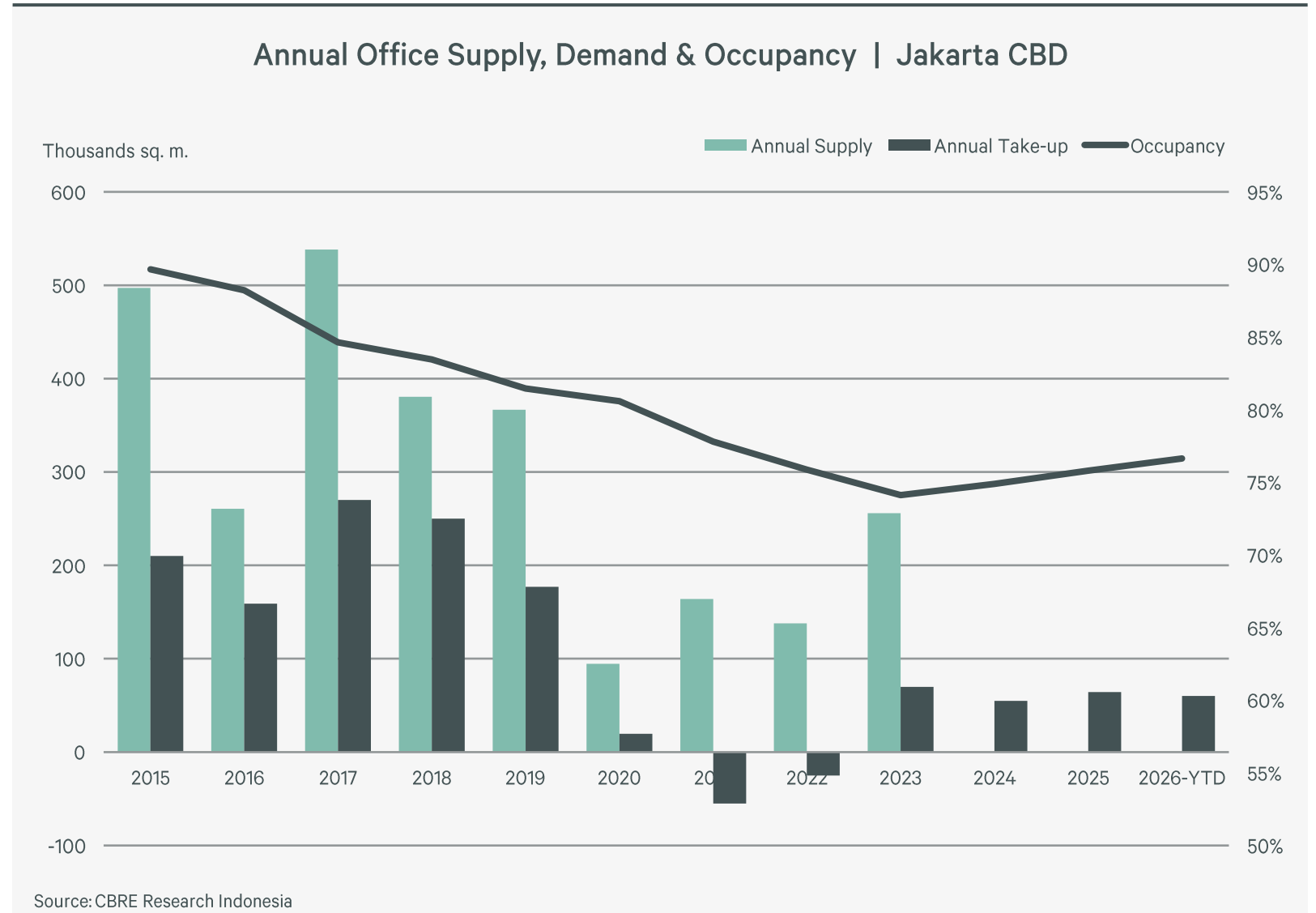
Continued Demand for Fitted-Ready Space

Occupier preference for fitted office space remains strong as companies seek to reduce upfront capital expenditure and accelerate relocation timelines.

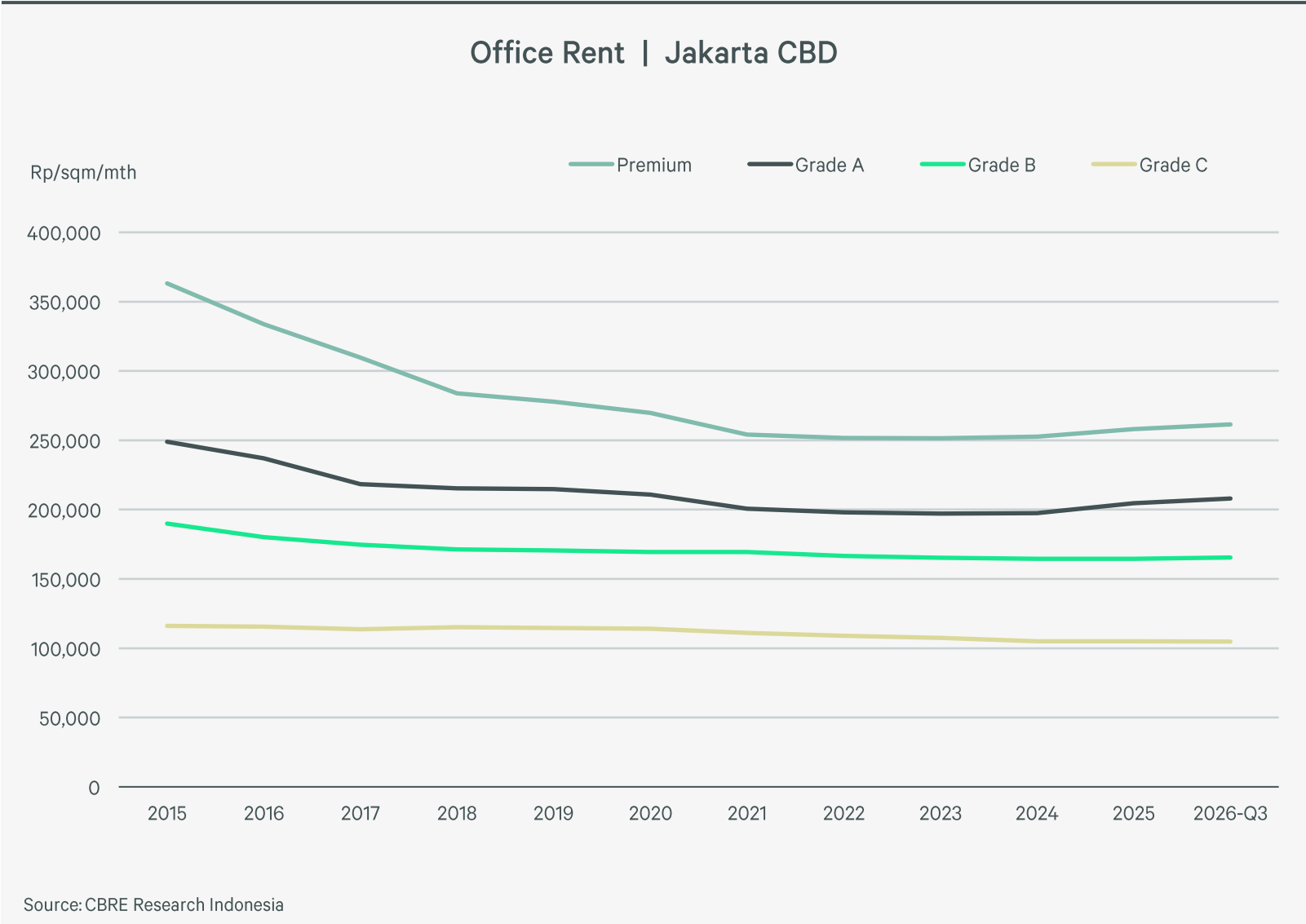


Demand continued to grow, net take-up totaled 22k sqm in 3Q26 amid no new supply.

Occupancy exceed 76%, suggesting stable market recovery path.



Improved rental performance in Premium Grade and Grade A buildings highlights growing demand from occupiers seeking high-quality office space.





CBD Office 3Q26



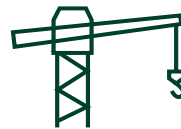
STOCK
7.1 million sqm



NET TAKE-UP
22,887 sqm



OCCUPANCY
76.6%



FUTURE SUPPLY
123,000 sqm*



AVG. RENT
IDR 172,500

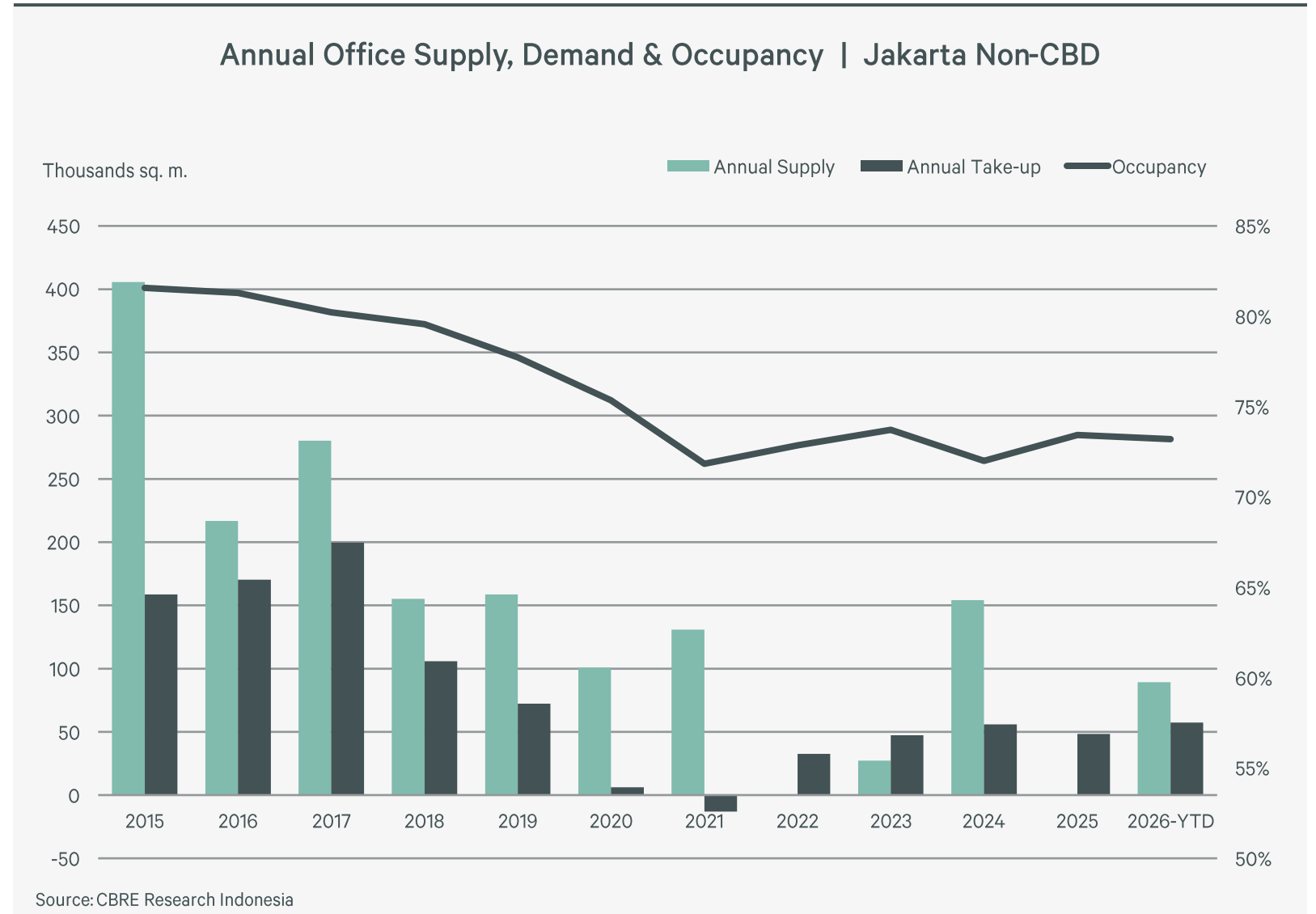


VACANT
1.7 million sqm

*Future Supply until 2028

Positive demand momentum persisted, net take-up totaling 21k sqm in 3Q26.

Slight rebound in occupancy to around 73%, while circa 923k sqm of office space remains available for lease.

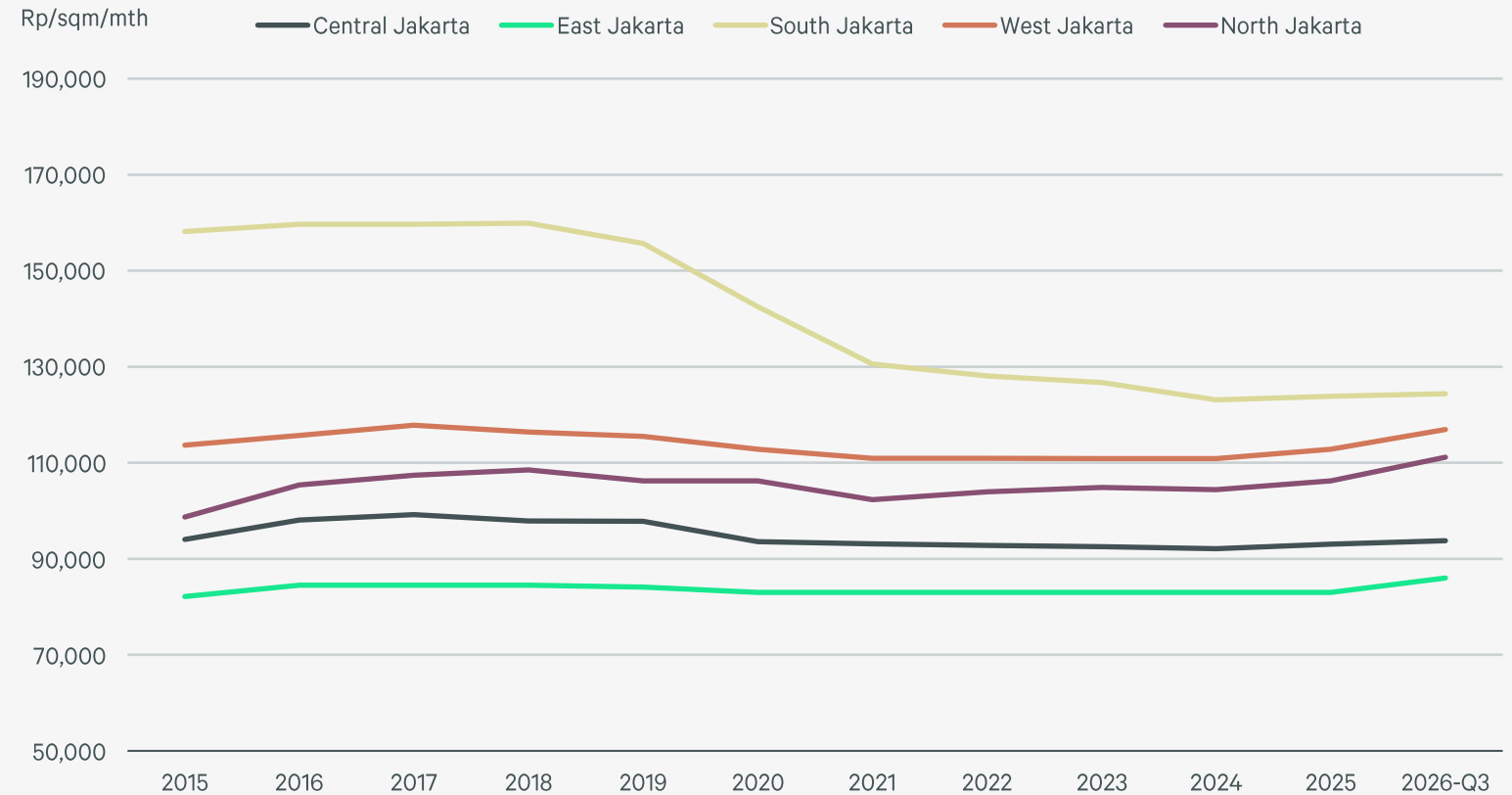


OFFICE | NON-CBD

Rents gaining momentum as leasing fundamentals improve.

North and West Jakarta attracting occupier interest, benefiting from improved accessibility and proximity to airport.

Office Rent | Jakarta Non-CBD



Source: CBRE Research Indonesia



Non-CBD Office 3Q26



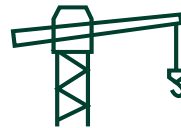
STOCK
3.4 million sqm



NET TAKE-UP
21,600 sqm



OCCUPANCY
73.2%



FUTURE SUPPLY
56,000 sqm*



AVG. RENT
IDR 113,900



VACANT
923,700 sqm

*Future Supply until 2028

3



Industrial & Logistics



Major Trends

Infrastructure Becomes a Key Location Differentiator

As occupiers place greater emphasis on operational efficiency, infrastructure quality is becoming an increasingly important factor differentiating industrial estates.

Diverging Location Preferences Across Industries

Greater Jakarta remains attractive to infrastructure-driven occupiers, while labor-intensive industries continue to favor lower-cost locations across Java.

Utilities Drive Competitive Advantage for Data Centers

Reliable power, water, and telecommunications infrastructure is becoming increasingly critical as data center demand grows, supporting pricing premiums in select industrial estates.

Preference for Established Industrial Clusters

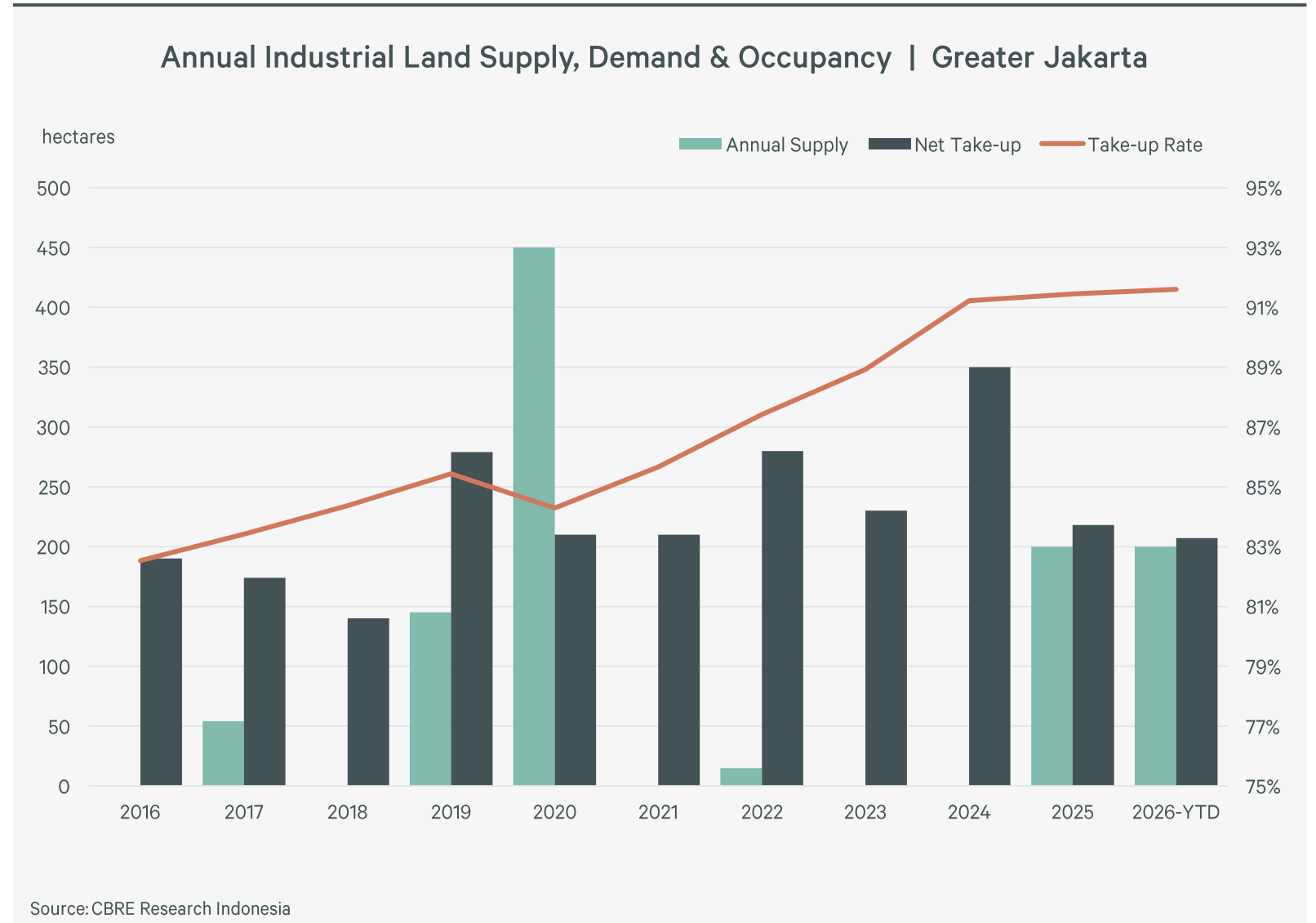
Occupiers continue to favor established industrial locations that offer mature ecosystems, supporting services, and greater operational certainty.



INDUSTRIAL ESTATE LAND

With no new completions recorded during the quarter, overall market fundamentals remained supported by the existing stock base.

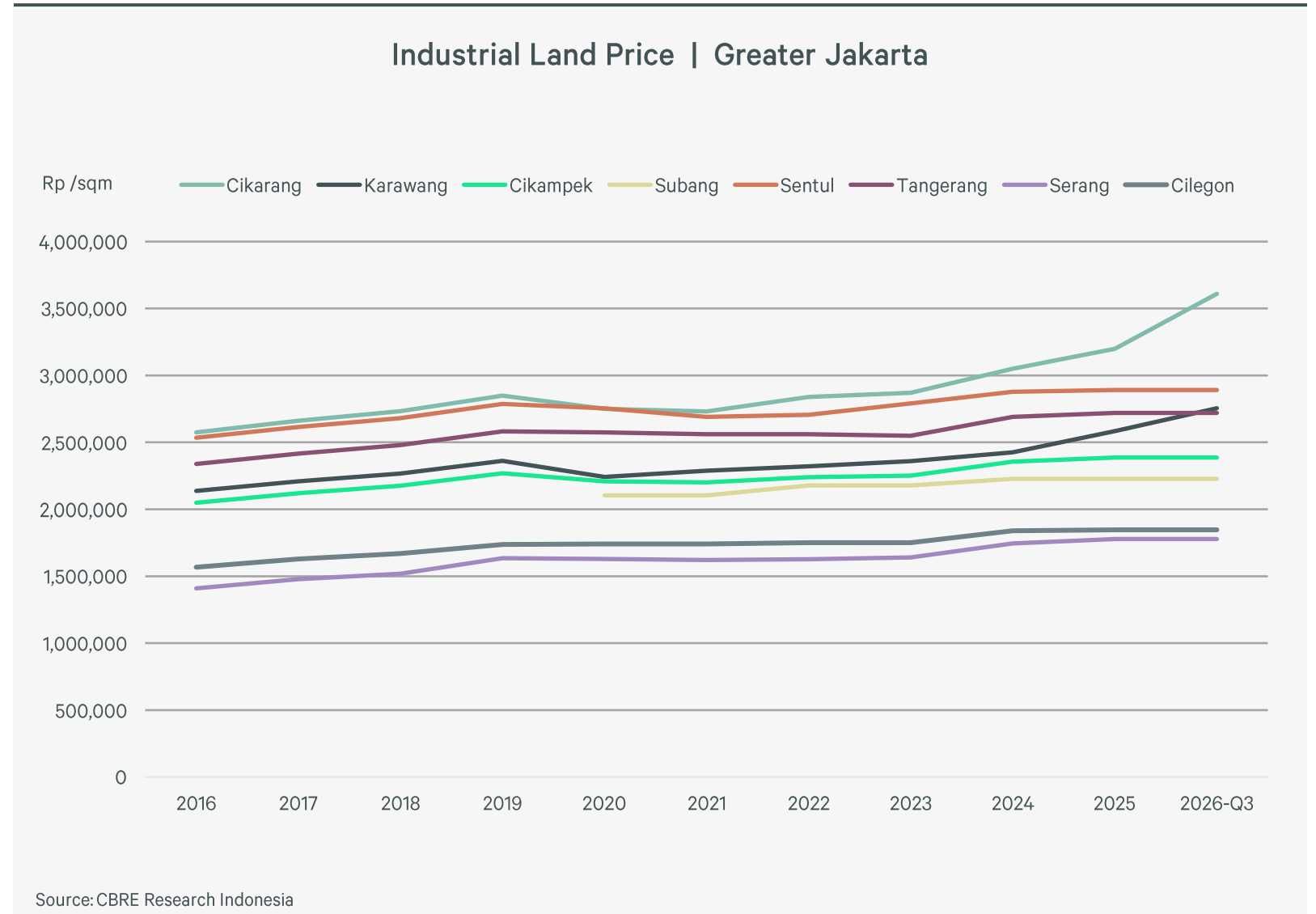
Established industrial hubs continue to capture the majority of activity, supported by stronger connectivity and operational advantages.



INDUSTRIAL ESTATE LAND

Cikarang and Karawang continue to record robust land price growth, supported by their established infrastructure and industrial ecosystems.

Land prices across Greater Jakarta's industrial market continue to trend upward, reflecting sustained demand for well-located industrial land.





Greater Jakarta IE Land 3Q26



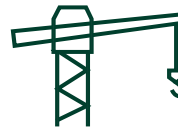
STOCK
15,600 Ha



NET TAKE-UP
59 Ha



OCCUPANCY
91.6%



FUTURE SUPPLY
1,400 Ha



AVG. PRICE
IDR 2.6 million

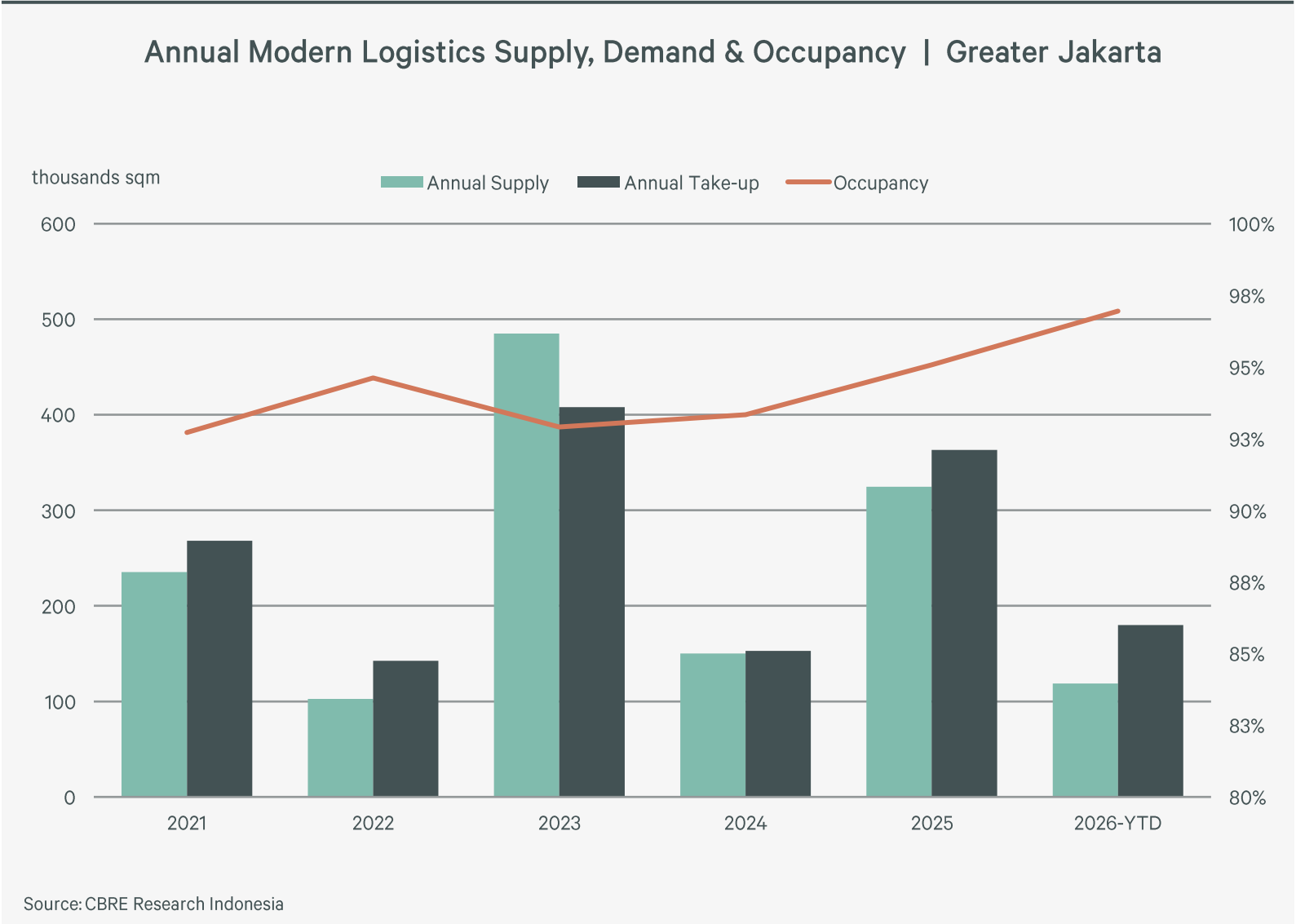


VACANT
1,300 Ha

MODERN LOGISTICS SPACE

45,000 sqm of new supply was delivered in Karawang, with more expected by year-end.

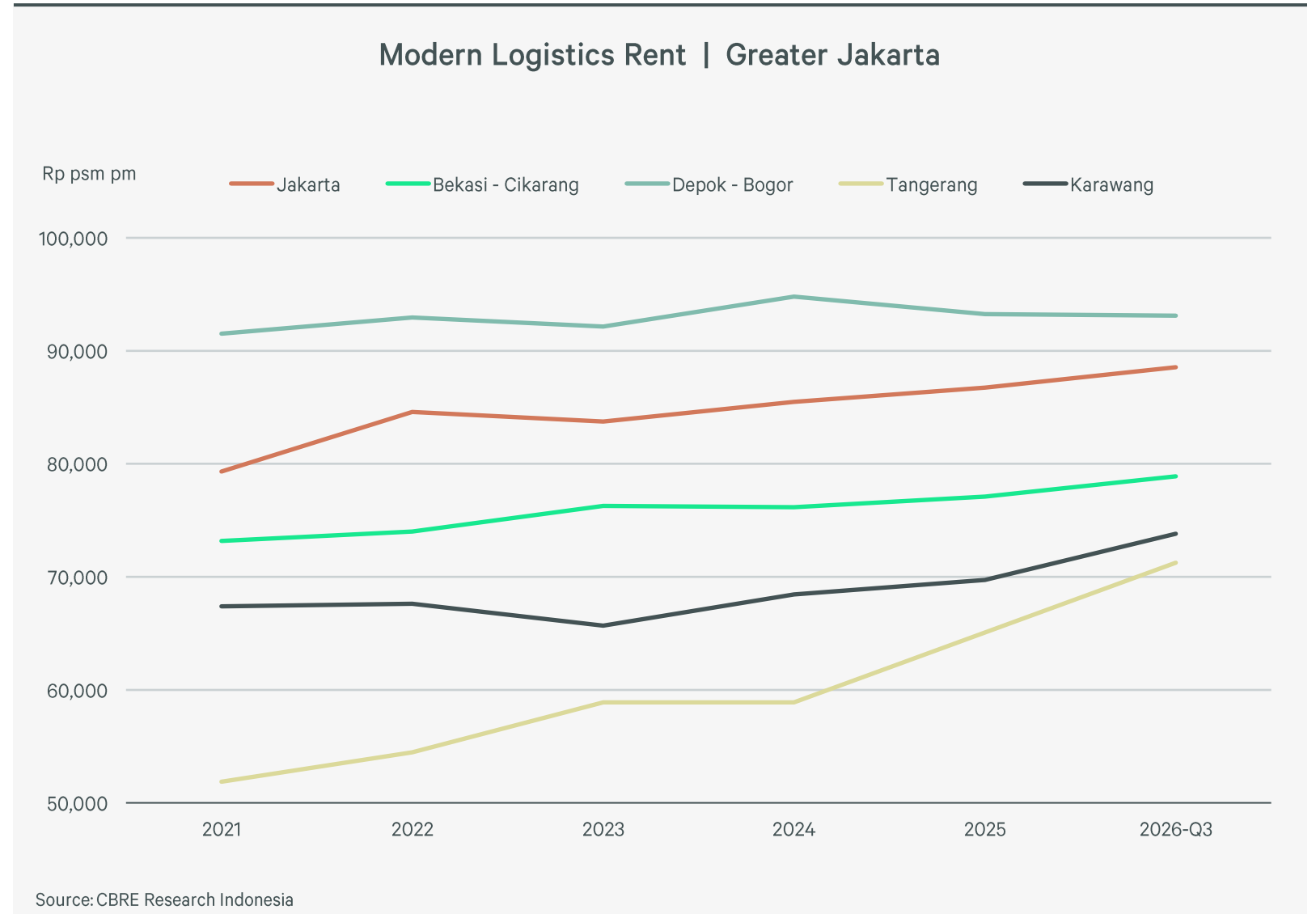
Limited supply pushed occupancy closer to full occupancy.

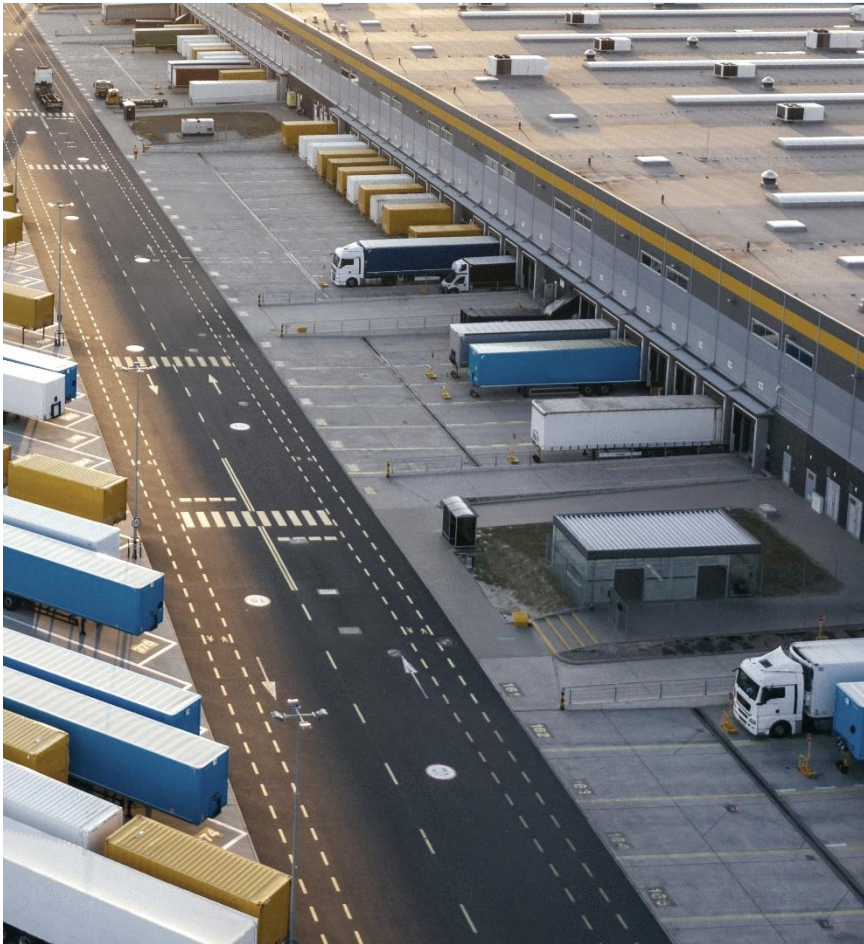


MODERN LOGISTICS SPACE

Year-on-year rental growth remained stable at slightly above 2% this quarter.

Rental rates may see some adjustment as new projects are scheduled for launch toward the end of the year.





Greater Jakarta Logistics 3Q26



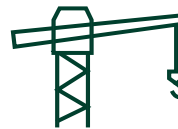
STOCK
3.6 million sqm



NET TAKE-UP
26,800 sqm



OCCUPANCY
97.0%



FUTURE SUPPLY
1.0 million sqm



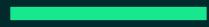
AVG. RENT
IDR 81,800



VACANT
91,000 sqm

*Future Supply until 2029

4



Shopping Mall



Major Trends

Premium Malls Continue to Outperform

Prime and upper-tier malls maintain high occupancy and stronger tenant demand, while secondary malls face growing competitive pressure.

Return of Books and Cultural Retail

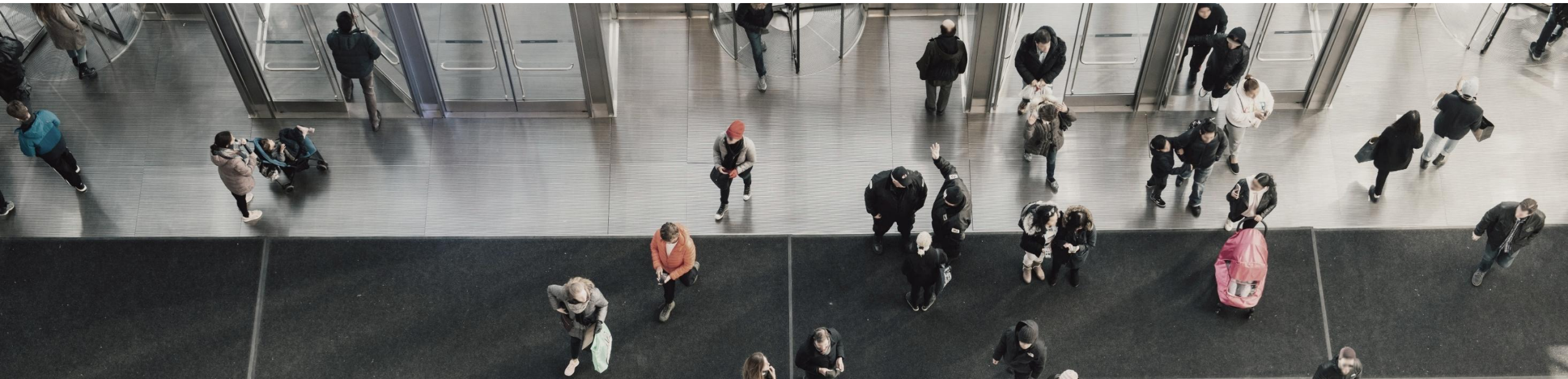
Bookstores are making a comeback as consumers seek more meaningful offline experiences, evolving into lifestyle hubs that combine retail, cafés, events, and community spaces.

Rise of Self-Care and Wellness-Led Consumption

Consumers are increasingly prioritizing wellbeing and self-care, driving growth in beauty, wellness, and athleisure brands across malls.

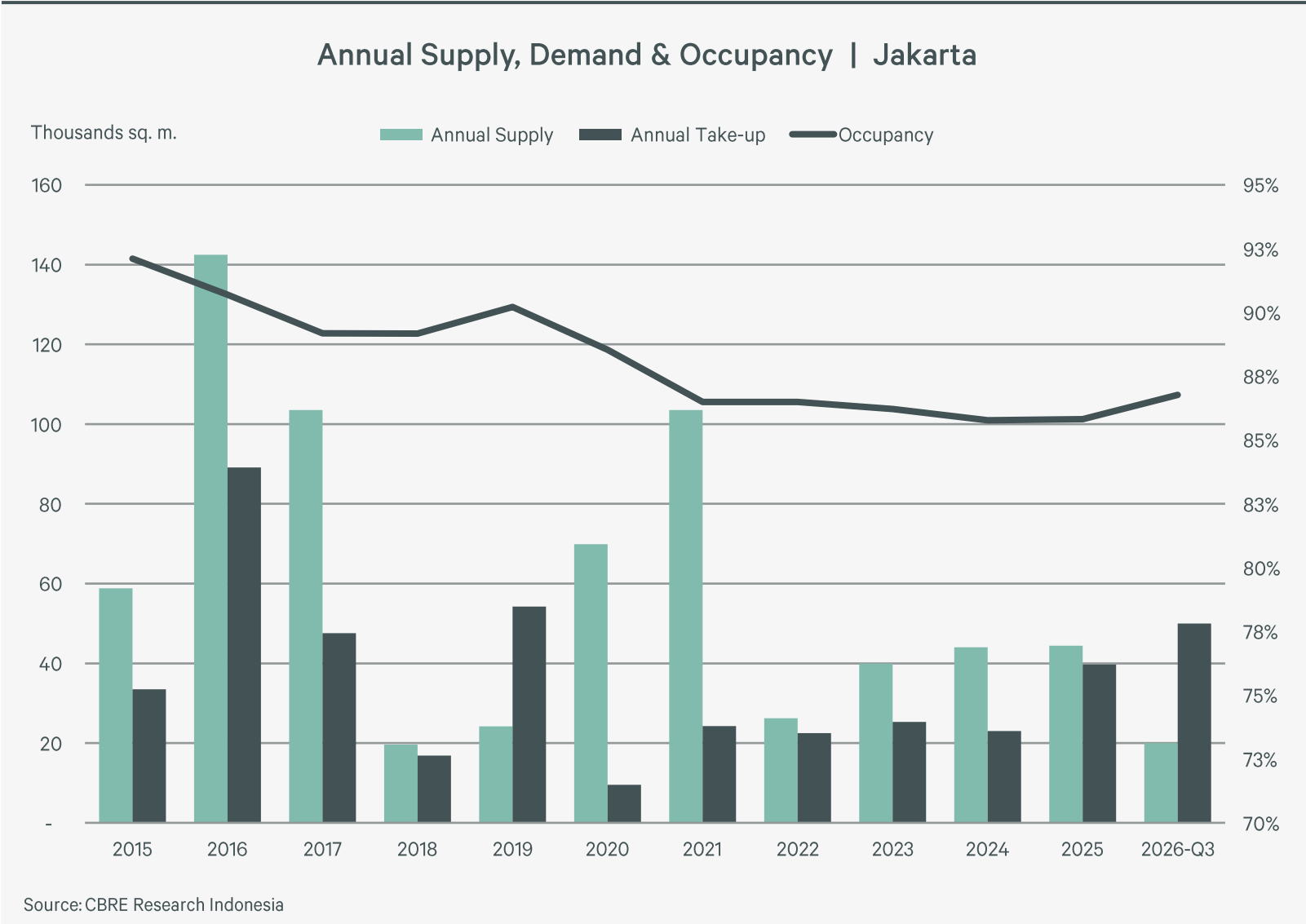
Growing Presence of Asian Brands

Asian brands are increasingly expanding beyond F&B into fashion, beauty, lifestyle, and technology categories, contributing to a more diverse and differentiated tenant mix.



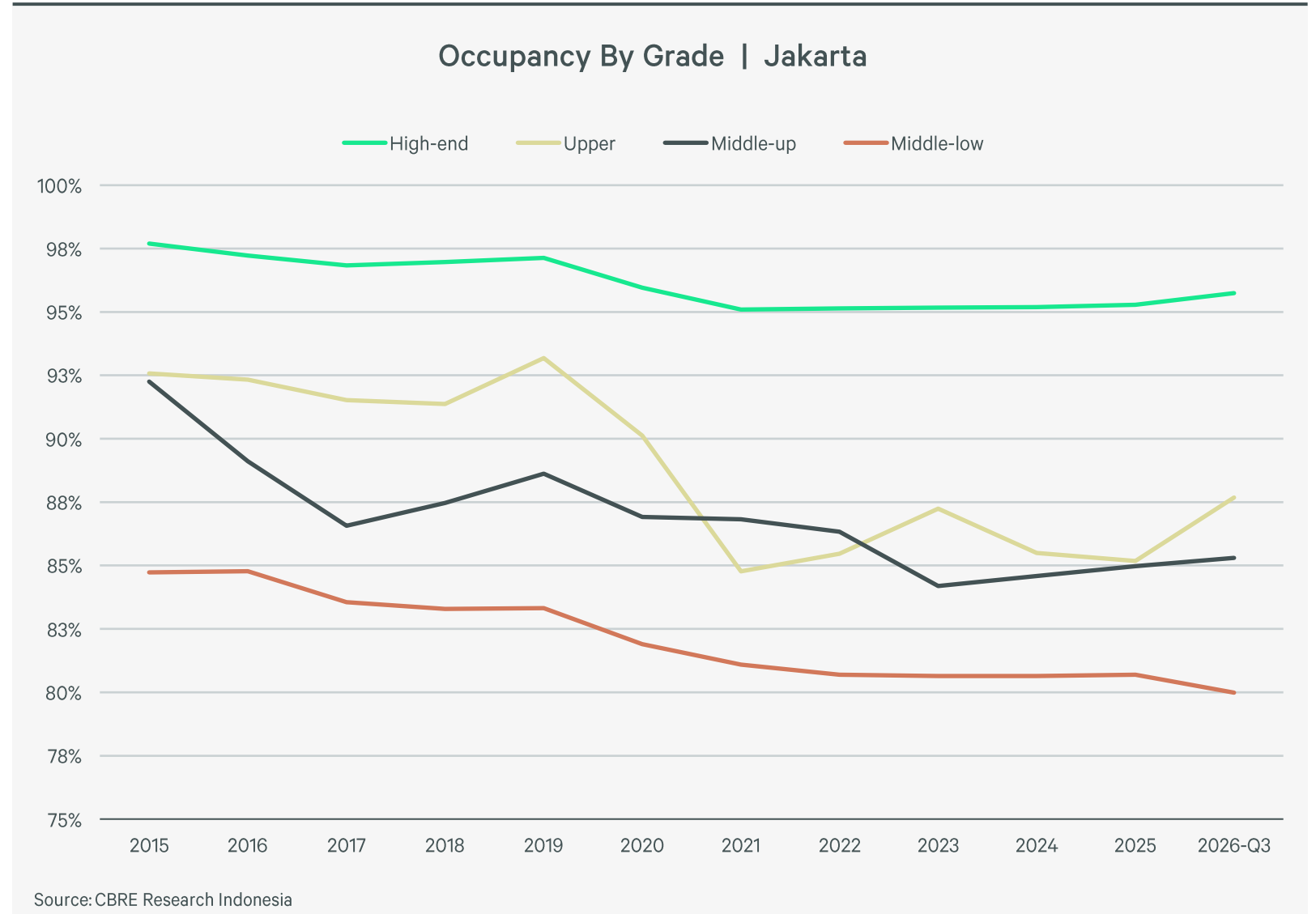
SHOPPING MALL

Against a backdrop of moderating new supply, tenant expansion in prime malls supported stronger market absorption, pushing overall occupancy up to 87%.



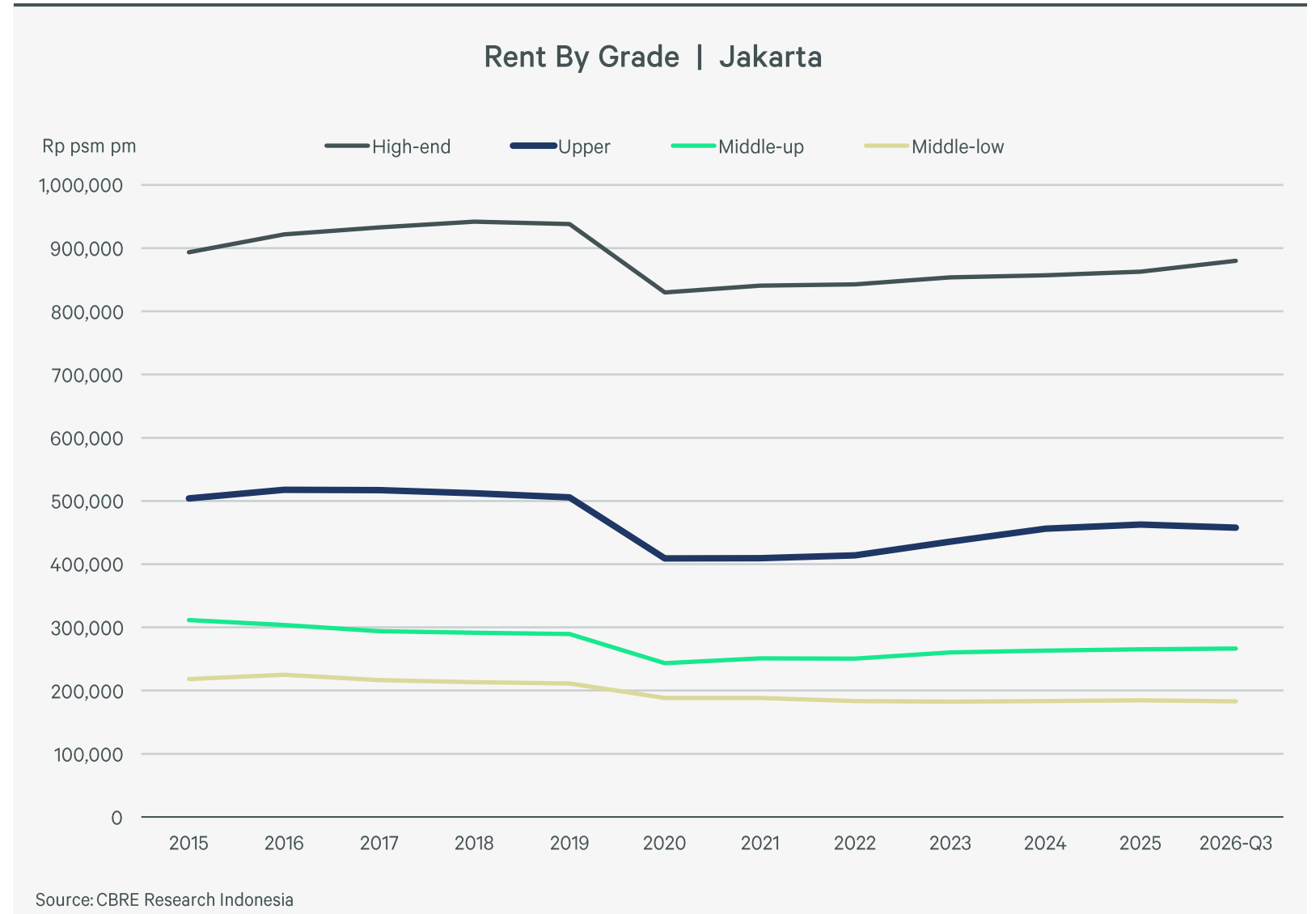
SHOPPING MALL

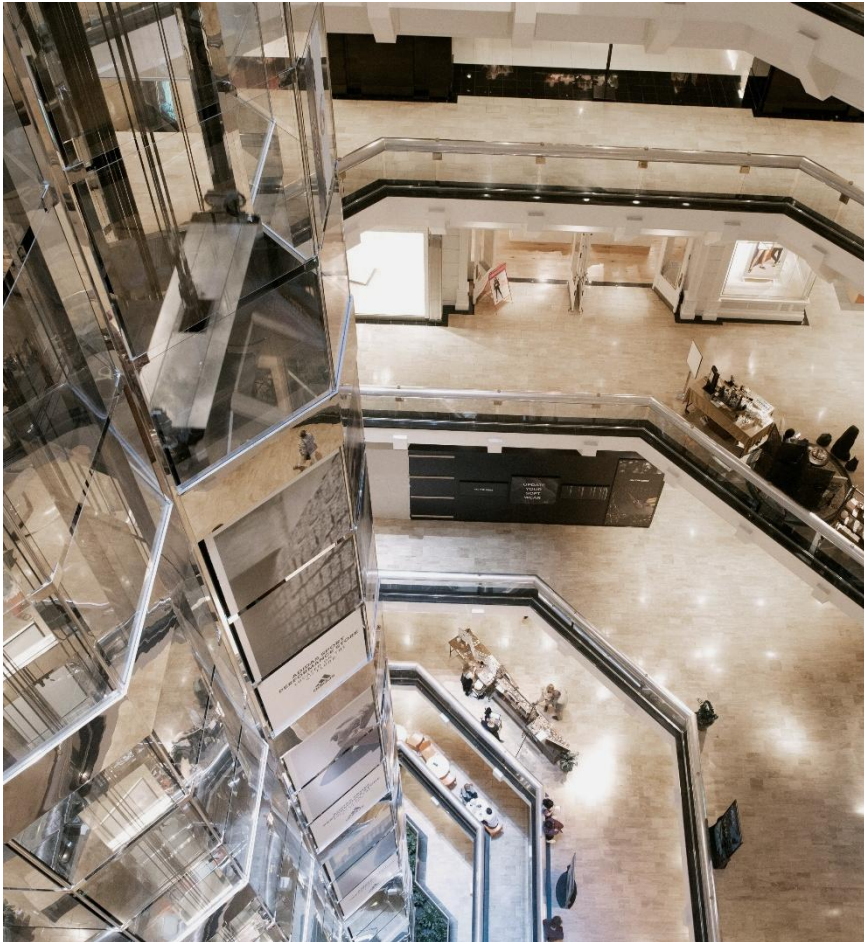
New upper-grade malls accounted for the bulk of demand during the quarter, resulting in strong pick-up in occupancy, while high-end malls continued to maintain the highest occupancy levels.



SHOPPING MALL

Rental rates in high-end malls maintained positive growth momentum, significantly exceeding those achieved by other mall segments.





Jakarta Mall

3Q26



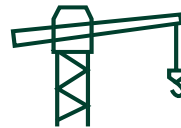
STOCK
3.5 million sqm



NET TAKE-UP
13,900 sqm



OCCUPANCY
86.8%



FUTURE SUPPLY
40,000 sqm



AVG. RENT
IDR 331,800



VACANT
459,200 sqm

Topic of The Day

Artificial Intelligence

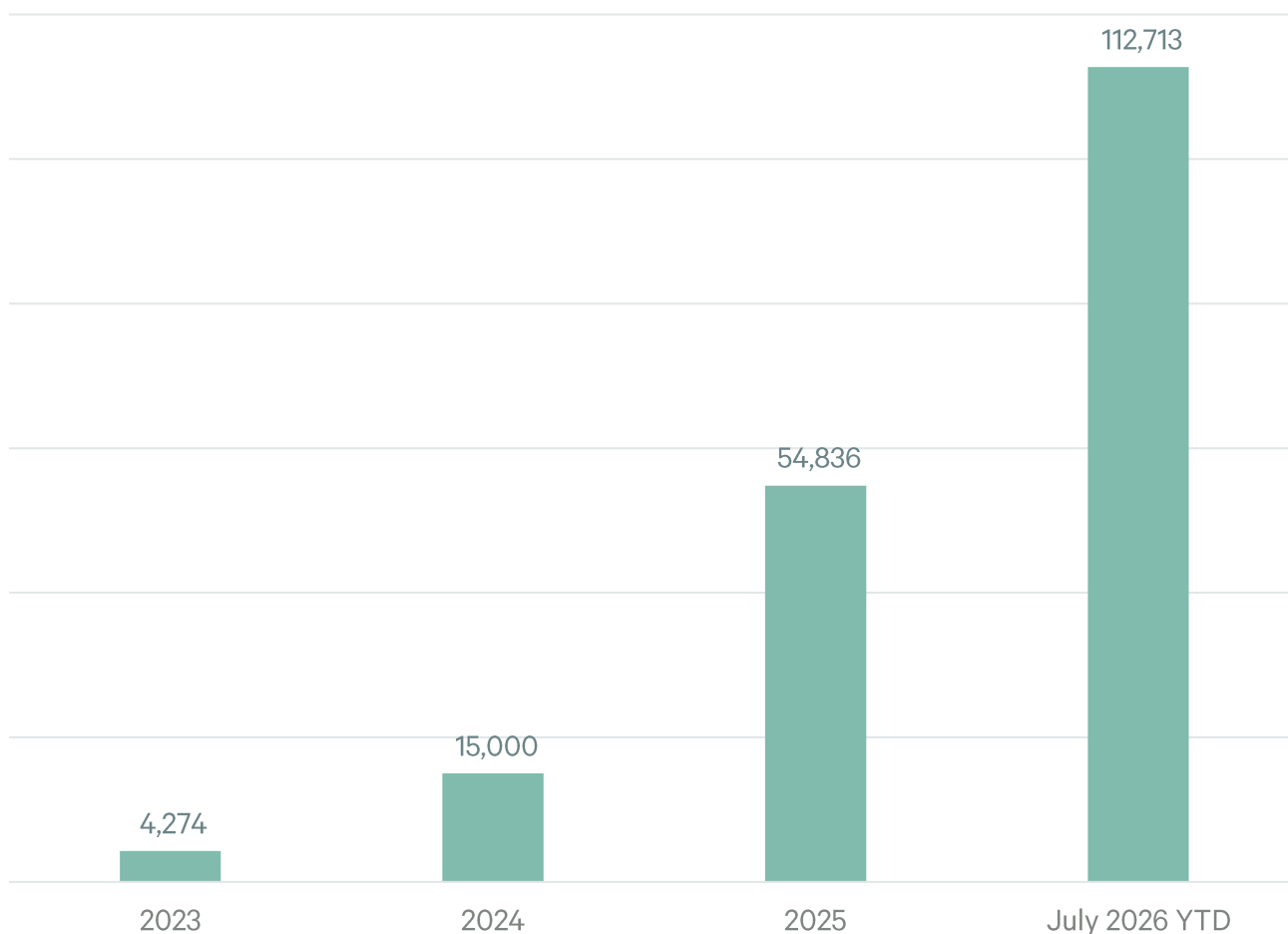
How AI is Redefining
the Office Sector



The adoption of artificial
intelligence is no longer
a prediction

it is already starting to reshape
the corporate landscape

AI sparks fears of office job disruption



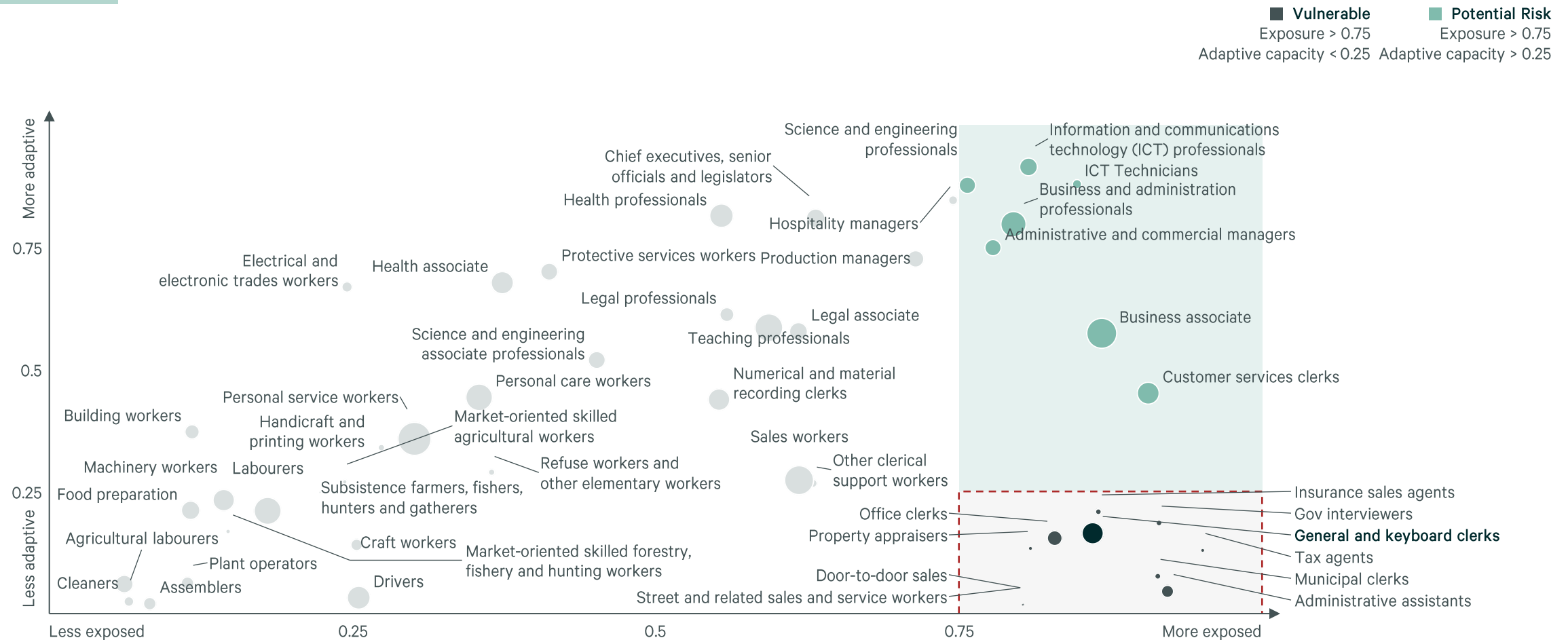
Job data in the US (viewed as a leading indicator of technological disruption), show an increasing number of AI-driven redundancies. Since 2023 to 2026, companies have attributed more than 180,000 layoffs to adoption of the technology.

However, these figures tell only part of the story. The cumulative total of 180,000 over the past three years amounts to only around 0.1% of U.S. total employment. The U.S. unemployment rate stood at 4.1% in August 2026, broadly consistent with the average recorded in the past three years.

There is therefore little evidence so far to prove that AI adoption is leading to the material deterioration of the overall U.S. labor market.

Source: The Challenger Report, Challenger, Gray & Christmas Inc

Jobs that are most vulnerable to displacement



Note: For illustrative purposes only. The analysis covers 356 occupations, grouped into 40 International Standard Classification of Occupations (ISCO) groups. Bubbles outside the red box show employment-weighted average scores for each group. Bubbles inside the red box show individual occupations, plotted separately to identify the most vulnerable roles; these occupations also sit within their parent groups shown elsewhere on the chart. Bubble size represents employment.

Source: Manning, S. J., & Aguirre, T. (2026), US Bureau of Labor Statistics, CBRE Research, October 2026.

Less than 2% of regional employment is vulnerable to AI

Only 1.8% of total regional employment is vulnerable to AI (occupations with high AI exposure but low adaptive capacity). A further 8% of the workforce carries potential risk. These are jobs that are highly exposed to AI but possess strong capacity to adapt through reskilling and occupational mobility.

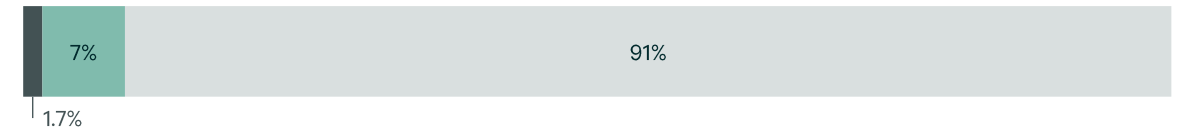
Developed economies have a higher ratio of jobs that are vulnerable to AI compared to emerging Asia. This reflects the difference in employment structure as developed Asia Pacific markets are home to a higher portion of knowledge and cognitive workers. Office workers account for more than 35% of employment in Singapore, HongKong SAR and Australia, compared with less than 10% in Indonesia and Vietnam.

Despite the low percentage of total regional employment that is vulnerable to AI, CBRE believes that AI will reshape the regional labor market by altering the scope of current jobs but also spurring the emergence of new occupations and industries.

FIGURE 6:
Split of Total Asia Pacific Workforce by AI Exposure and Adaptive Capacity, 2025
% of total employment

■ Vulnerable office job ■ Potential risk office job ■ Low exposure and non-office Job

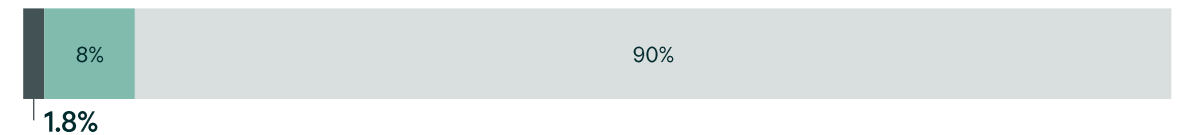
DEVELOPING ASIA MARKETS



DEVELOPED ASIA PACIFIC MARKETS



ASIA PACIFIC



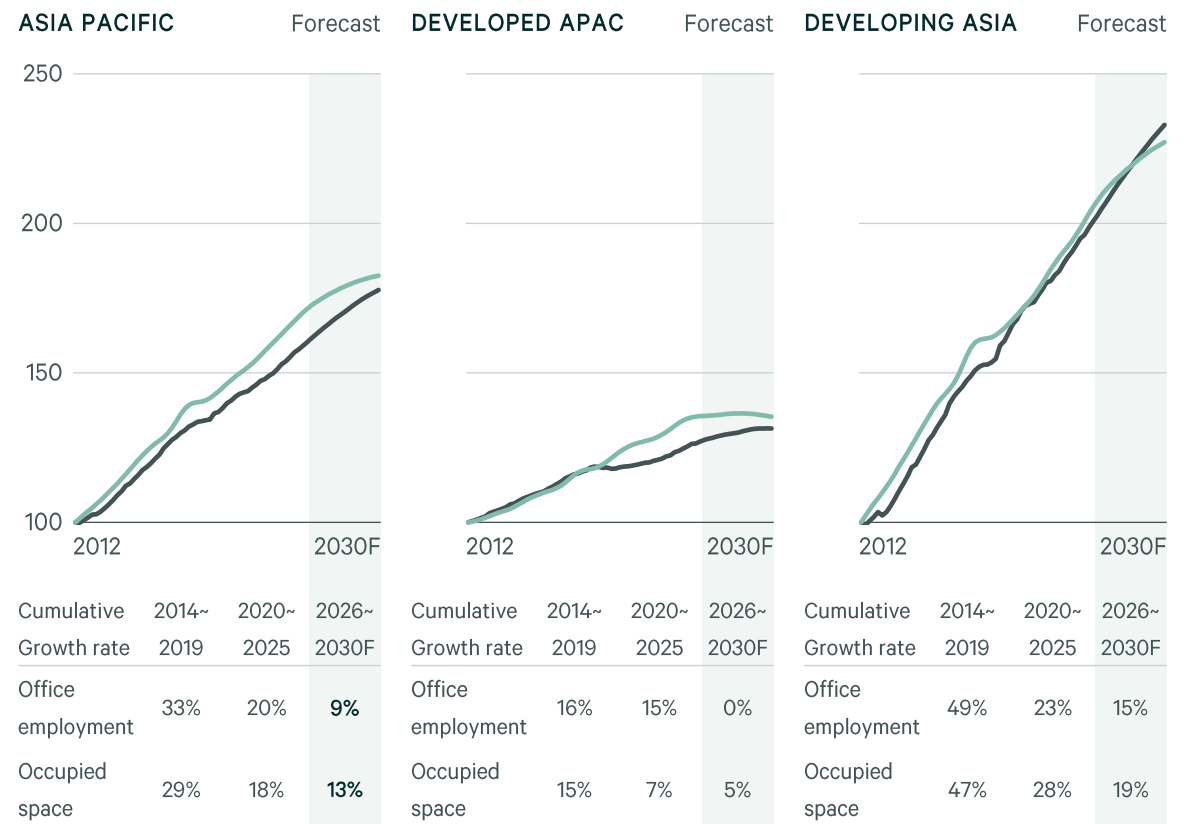
Note: Developed Asia Pacific markets include Australia, Hong Kong, Japan, New Zealand, Singapore, South Korea and Taiwan. Developing Asia markets include Mainland China, India, Indonesia, Malaysia, Philippines, Thailand, Vietnam
Source: Manning, S. J., & Aguirre, T. (2026), US Bureau of Labor Statistics, International Labour Organisation, CBRE Research, October 2026.

Summary

- **AI is boosting work efficiency;** but remains very task specific
- **Jobs have varied AI vulnerability;** but workforces are adaptive and the pace of displacement depends on multiple factors
- **History shows job growth expands in tandem with tech advancement;** structural upgrades to tertiary industry will continue to support employment growth
- **Office-based employment growth may moderate under the impact of AI;** but office space growth already lags and companies need to adjust

Moderate Displacement: Office Based Employment & Office Occupied Space Indexed to 2012

— Office employment — Occupied space



Note: Office employment uses aggregation of city level data to match with occupied space tracked by CBRE.
Source: Oxford Economics, CBRE Research, October 2026.

What about other property sectors?

RETAIL

- Malls increasingly become experiential destinations rather than pure shopping centers. As such, prime malls are likely to strengthen their positioning through F&B, entertainment, wellness, and lifestyle offerings.
- Secondary malls with weak differentiation may face declining traffic/footfall.
- Less selling space, more entertainment, dining, healthcare, and lifestyle space.

RESIDENTIAL

- AI is unlikely to directly reduce housing demand because population growth and urbanization remain the primary drivers → Limited impact on overall demand.
- Positive impact on product differentiation and efficiency.
- Smart home technologies become more common.
- Greater demand for digitally connected residential projects.

LOGISTICS

- Drivers: AI-supported supply chains, warehouse automation, robotics and inventory optimization → growth of e-commerce.
- Demand for modern logistics facilities around Greater Jakarta (Bekasi, Karawang, Cikarang, Tangerang) should continue to increase.
- Distribution centers and last-mile facilities become increasingly important.
- Higher demand for technologically advanced warehouses.

HOTELS

- Business hotels may experience changes if AI reduces business travels.
- Leisure and experiential hospitality should remain relatively resilient.
- Improved profitability rather than significant changes in demand.
- Features: AI-powered revenue management, dynamic room pricing, personalized guest experience, automated customer service.

Hey ChatGPT! Can you finish this building?

Sorry!

AI cannot physically finish
a building

Because it lacks a physical body,
manual skills, and the ability to
perform on-site trade work



Thank you.

Gracias ধন্যবাদ Salamat धन्यवाद Obrigado 謝謝 Спасибо 감사합니다 Merci תודה شکریہ Danke ありがとう Terima Kasih شکرا

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