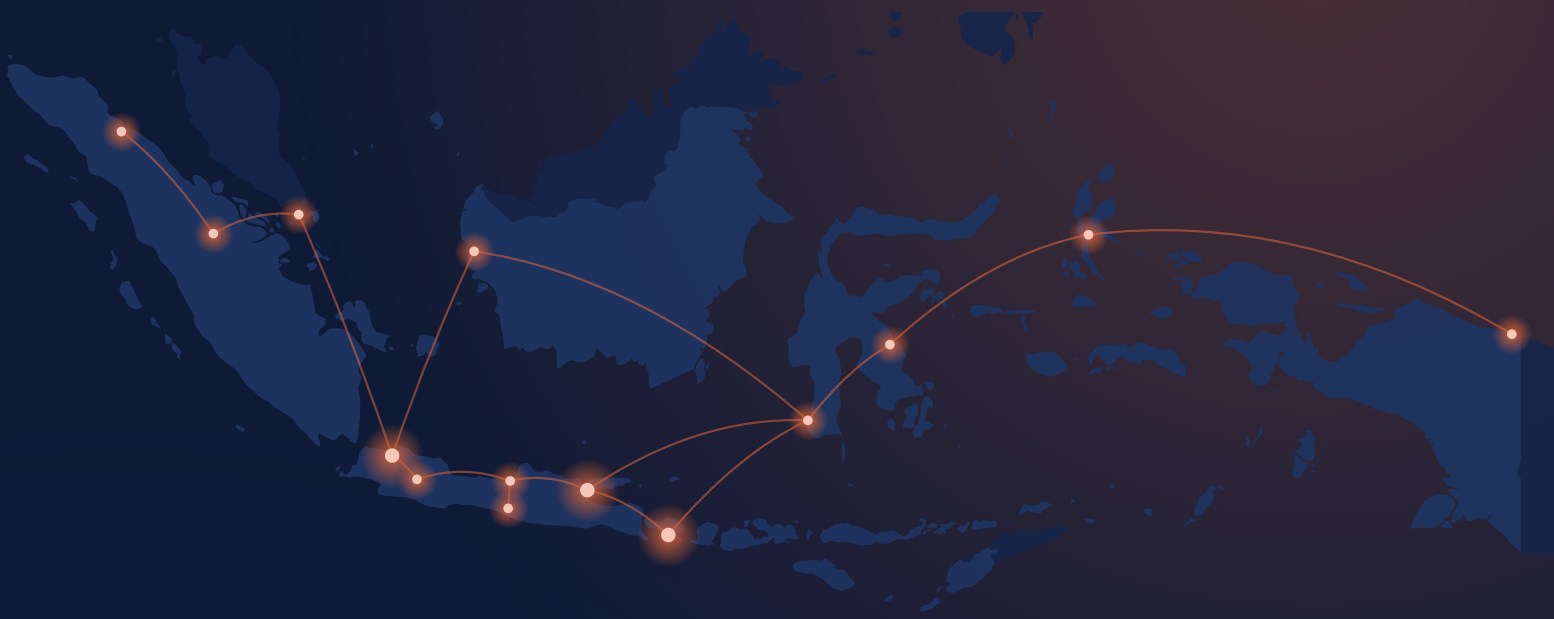
INDO PROPERTY HUB

OCTOBER 2026 EDITION



MARKET REPORT

Indonesia Real Estate Market 2026/27

Developer & Investor Outlook

A data-led view of the forces shaping Indonesia's property market

Contents

01	Executive summary	3
02	The economic foundation	5
03	Where the capital is going	6
04	Indonesia's property map	8
05	The residential market	9
06	The cost of money	12
07	Housing need	13
08	Jakarta: residential and commercial	15
09	Industrial, logistics and data centres	17
10	Sector scorecard	19
11	Regional markets: Bali, Java and beyond	20
12	Development economics	23
13	The digital buyer	24
14	Priorities for 2026/27	26
15	Outlook	28
16	Sources and methodology	29

About this report

This report brings together the latest official statistics and leading industry research on Indonesia's property market. It covers the economy, investment flows, residential and commercial sectors, and regional markets.

It is written for developers and investors making decisions about where, what and when to build.

All figures are from publicly available sources current to early October 2026. Each page lists its sources. Where two reputable sources report different figures for the same market, both are shown, along with an explanation of why they differ.

READING THE REPORT

Orange marks the headline figure in each chart. "Market Note" panels summarise what the data means for development decisions.

EXECUTIVE SUMMARY

Indonesia's property market is entering a more selective phase

Indonesia's economy is still growing at around 5%. Investment is still rising, and is now split almost evenly between Java and the rest of the country. The residential market, however, is moving far more slowly than the wider economy.

5.29%
GDP growth, Q2 2026 (year on year)

IDR 1,010.6T
Investment realised in H1 2026
+7.2% year on year

+0.69%
Primary house prices, Q2 2026 (YoY)
Q1's 0.62% was the lowest since 2003

−2.36%
Primary house sales, Q2 2026 (YoY)
From −25.67% in Q1

5.75%
BI-Rate, from 4.75% in January
+100bps in May–June

9.29M
Households without their own home, 2026
Down from 12.75M in 2020

Primary residential prices rose just 0.69% year on year in Q2 2026. Q1's 0.62% was the weakest reading since Bank Indonesia began the series in 2003. Primary-market sales are still contracting, but the decline narrowed sharply, from −25.67% in Q1 to −2.36% in Q2.

Meanwhile, Bank Indonesia raised its policy rate by a full percentage point between May and June to support the rupiah.

The result is a market where growth alone no longer carries a project.

The developers who perform best in 2026/27 are likely to be those who know precisely where demand exists, which buyers are active, what those buyers can afford, and how quickly inventory can be absorbed.

Sources: BPS-Statistics Indonesia; Bank Indonesia; Ministry of Investment and Downstream Industry/BKPM.

Five signals for 2026/27

The data in this report points to five conditions that will shape development decisions over the next 12–18 months.

01 The economy remains supportive

Growth slowed from 5.61% in Q1 to 5.29% in Q2, but still beat forecasts. Bank Indonesia projects full-year growth of 4.9–5.7%.

02 Investment is evenly spread

Outside-Java investment slightly exceeded Java in H1 2026 (50.2% vs 49.8%). Java's investment grew faster, though. The story is balance, not a shift away from Java.

03 Money is more expensive

The BI-Rate rose from 4.75% to 5.75% in May–June 2026 and has held there since. Higher mortgage rates now rank among developers' main sales constraints.

04 Buyers are more selective

Owner-occupiers, ready-stock units and affordable formats are gaining ground. In Jakarta, studios were the strongest-performing apartment product in Q2.

05 Absorption beats expansion

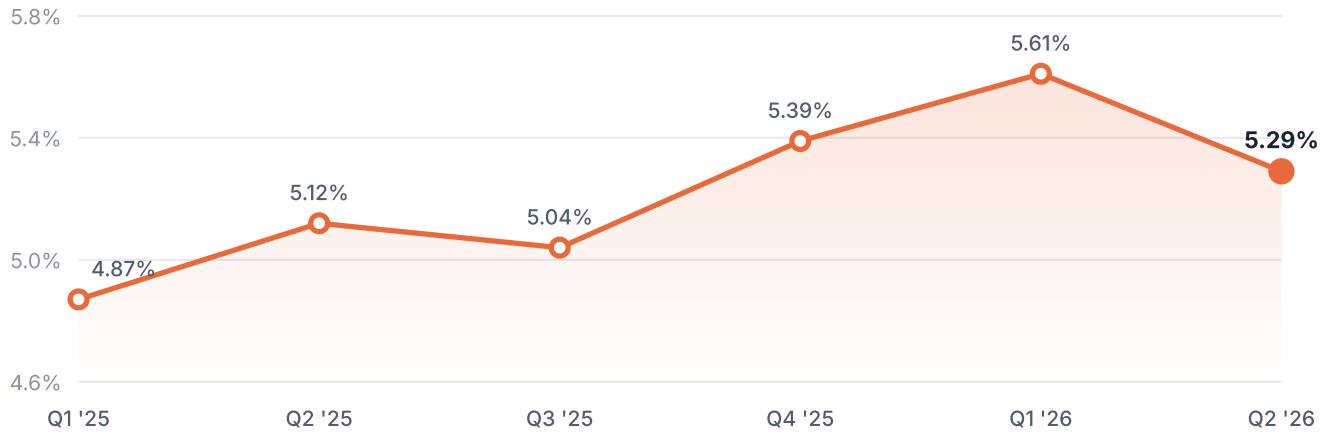
Developers are prioritising sales of existing inventory over new launches. Jakarta recorded no new apartment completions in H1 2026.

Sources: BPS-Statistics Indonesia; Bank Indonesia; BKPM; Colliers Indonesia.

A 5% economy still underpins property demand

Indonesia's economy grew 5.29% year on year in Q2 2026. First-half growth was 5.45%, and Q2 GDP reached IDR 6,552.1 trillion at current prices.

GDP growth, year on year (%)



Q2 2026 growth eased from Q1 but beat consensus forecasts.

Household consumption, which makes up just over half of GDP, remained the largest driver of growth.

Growth was achieved despite high energy prices and a rupiah that weakened towards IDR 18,000 per US dollar. Bali & Nusa Tenggara was the fastest-growing region, at 6.10%.

Java still dominates the economy. It generated 56.47% of national GDP in Q2 and grew faster than the national average, at 5.65%.

56.47%
Java's share of national GDP, Q2 2026

6.10%
Bali & Nusa Tenggara growth, fastest region

Two pathways from growth to property demand

HOUSEHOLD PATHWAY

Employment › Income › Confidence › Housing demand › Transactions

INVESTMENT PATHWAY

New investment › Factories & services › Jobs & migration › Property demand

Sources: BPS-Statistics Indonesia, national accounts releases Q1 2025–Q2 2026 (Q2 2026 released 5 August 2026); Bank Indonesia, September 2026 Board of Governors Meeting.

WHERE THE CAPITAL IS GOING

More than IDR 1 quadrillion invested in six months

Investment realisation reached IDR 1,010.6 trillion in H1 2026, up 7.2% year on year. That is 49.5% of the full-year target of IDR 2,041.3 trillion.



Java and outside Java: near-even

- **Outside Java** IDR 507.8T · 50.2% · +6.7% YoY
- **Java** IDR 502.8T · 49.8% · +7.7% YoY

Outside Java holds a slight majority, driven largely by downstream processing in Central Sulawesi and North Maluku. Java, however, grew faster.

Foreign and domestic investment were almost evenly split.

49.5%
of the 2026 full-year investment target reached by mid-year
Target: IDR 2,041.3T

1.45M
jobs created by H1 2026 investment

IDR 85.8T
into housing, industrial estates and office buildings
8.5% of all H1 investment

MARKET NOTE

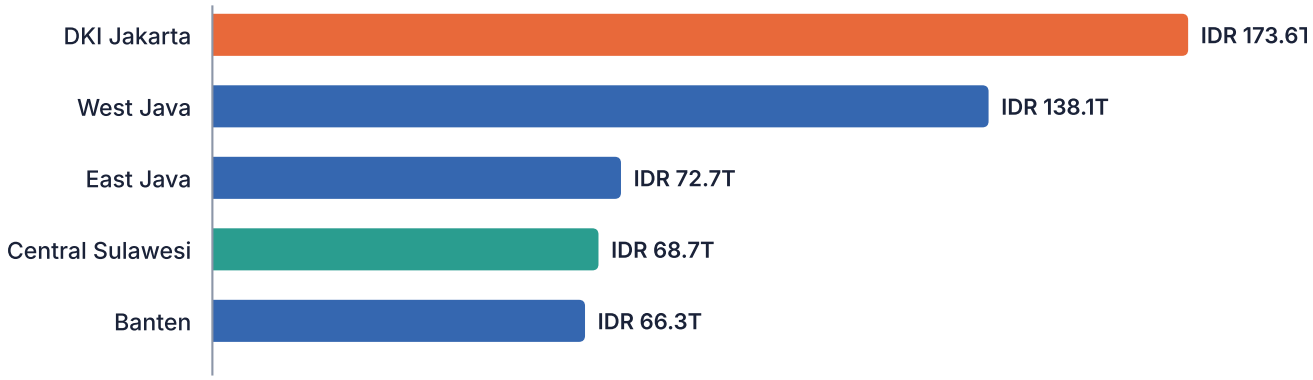
Property itself is attracting capital. The sector covering housing, industrial estates and office buildings drew IDR 85.8 trillion in H1, or 8.5% of all investment.

Sources: BKPM/Ministry of Investment and Downstream Industry, H1 2026 Investment Realisation (July 2026); Cabinet Secretariat of the Republic of Indonesia.

WHERE THE CAPITAL IS GOING

Investment is concentrated, but the map is widening

Top investment destinations, H1 2026 (IDR trillion)



Teal marks a province outside Java. DKI Jakarta took 17.2% of national investment.

A new name in the top tier

In Q2 alone, North Maluku entered the top three for total investment (IDR 40.2T). It ranked first for foreign investment (IDR 39.5T), reflecting nickel processing and other downstream industry.

IDR 40.2T
North Maluku, Q2 total investment
3rd nationally

#1
North Maluku's FDI ranking, Q2 2026

Why this matters for property

Large-scale investment creates secondary demand. Workers, professionals, suppliers and businesses arrive, and with them demand for housing, retail, hospitality and services.

That demand often appears in a location's economic data before it shows up in its property data.

MARKET NOTE

The next property opportunity may first appear on an investment map, not a price chart.

Sources: BKPM, H1 and Q2 2026 Investment Realisation; Indonesia Investments, August 2026.

INDONESIA'S PROPERTY MAP

Indonesia is not one property market

Indonesia's markets differ sharply in economy, demographics, infrastructure and depth. Treating the country as one market leads to poor decisions.



Established markets

Greater Jakarta, Surabaya, Bali. Deep, liquid and competitive, with large existing inventory.

Growth markets

Bandung, Semarang, Yogyakarta, Medan, Makassar. Large urban economies with less mature competition.

Emerging investment zones

Central Sulawesi, North Maluku, the Subang–Patimban corridor, Batam. Investment is running ahead of property supply.

56.47%
of national GDP is generated on Java
Q2 2026

50.2%
of H1 2026 investment went outside Java

18
cities tracked in Bank Indonesia's house price survey

The three tiers are an analytical framework for this report, not an official classification.

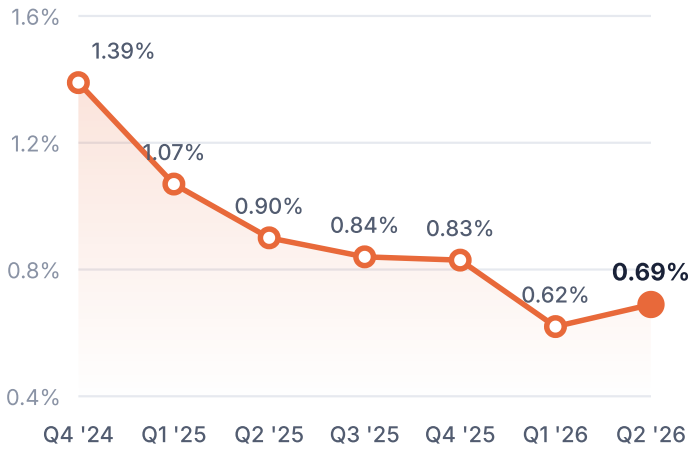
Sources: BPS-Statistics Indonesia; BKPM, H1 and Q2 2026 Investment Realisation.

Price growth is at a 20-year low

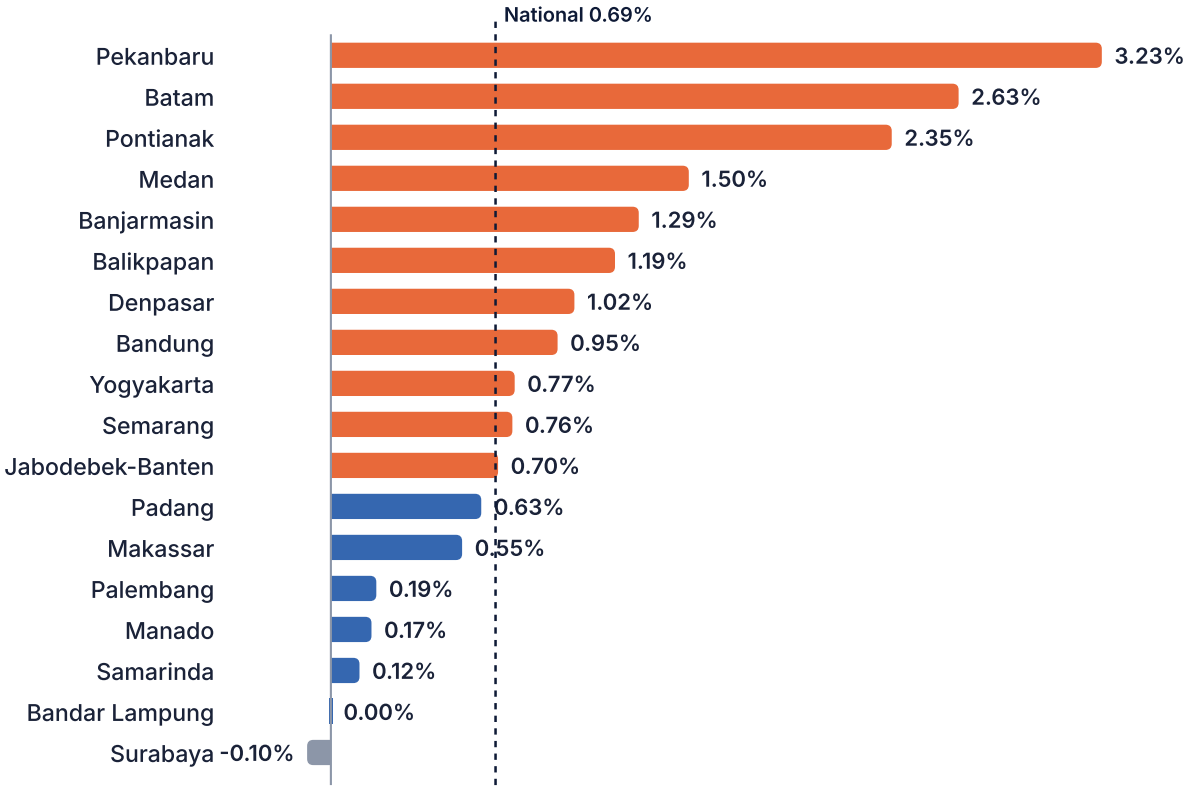
Bank Indonesia's Residential Property Price Index rose 0.69% year on year in Q2 2026, up slightly from 0.62% in Q1. Q1 was the weakest reading since the series began in 2003.

With consumer inflation running around 3%, primary residential prices are falling in real terms. For developers, price appreciation cannot be relied on to rescue a project's numbers.

Primary residential prices, YoY growth



Prices vary widely by city: YoY growth, Q2 2026 (18 cities surveyed)



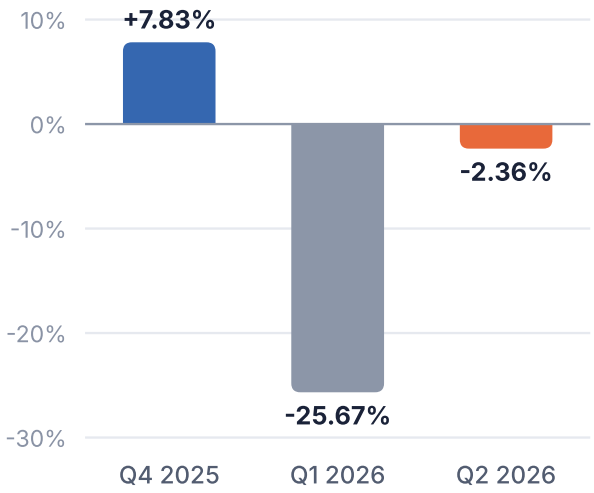
Orange: above the national figure. Blue: at or below. Grey: falling.

Sources: Bank Indonesia, Residential Property Price Survey Q2 2026 (7 August 2026) and earlier quarterly releases; BPS consumer price index.

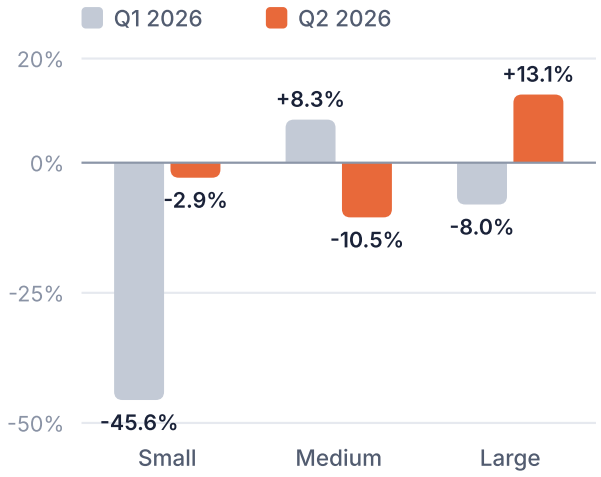
Sales are recovering unevenly

Primary-market sales contracted 2.36% year on year in Q2 2026. That compares with a 25.67% fall in Q1, which itself followed growth of 7.83% in Q4 2025.

Primary house sales, YoY growth

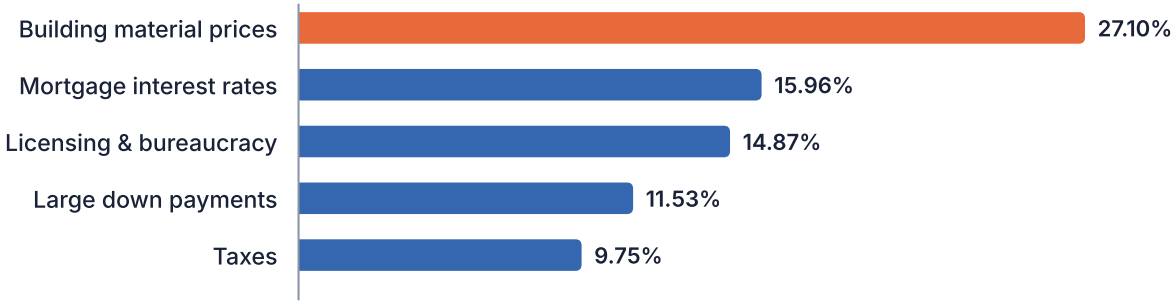


Sales growth by unit size, YoY



The recovery was not uniform. Large units swung to +13.08%, small units improved sharply to −2.88%, while medium units fell to −10.51%. The pattern points to two active ends of the market, affordable entry-level buyers and upper-tier buyers, with a softer middle.

What developers say is holding sales back, Q2 2026 (% of responses)



MARKET NOTE

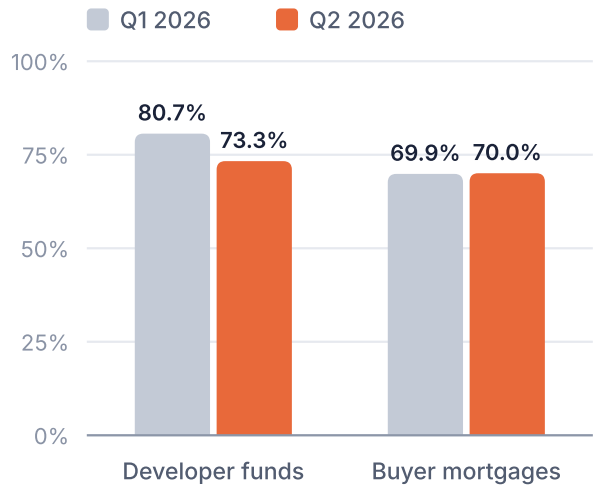
A recovering market does not mean more supply is needed. The question is whether existing inventory can be absorbed at a viable price.

Sources: Bank Indonesia, Residential Property Price Survey Q1 and Q2 2026.

Developers fund with equity; buyers buy with mortgages

Developers still finance most construction from their own capital, although the share fell noticeably in Q2. Buyers depend heavily on bank credit.

Financing sources, primary residential market

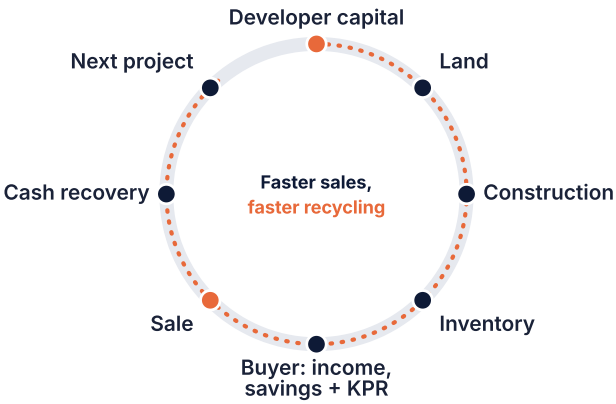


Share of total financing (developers) and of purchase schemes (buyers).

	Q1 2026	Q2 2026
Developer projects funded from internal funds	80.66%	73.28%
Primary-market purchases using bank mortgages (KPR)	69.87%	70.05%

That leaves developers carrying inventory risk while their sales depend on mortgage conditions they do not control.

The capital loop



MARKET NOTE

The faster inventory turns into completed sales, the faster capital can be recycled into the next phase or project.

Sources: Bank Indonesia, Residential Property Price Survey Q1 and Q2 2026.

A full percentage point in six weeks

Bank Indonesia held the BI-Rate at 4.75% from January to April 2026. It then raised rates three times in quick succession to stabilise the rupiah.

BI-Rate, 2026



The 9 June increase came at an off-cycle weekly meeting. The rate was held at the July, August and September meetings.

5.75%
BI-Rate, as of 23 September 2026

4.75%
Deposit Facility rate

6.50%
Lending Facility rate

Some analysts see scope for further increases if external pressure persists.

What a rate change does to purchasing power (illustrative)

A household that can afford an IDR 18 million monthly repayment on a 20-year mortgage with a 20% deposit can buy about IDR 2.69 billion of property at an 8% mortgage rate, but only about IDR 2.33 billion at 10%.

A two-point rise in mortgage rates cuts that buyer's budget by roughly 13%. Product pricing cannot be separated from the financing conditions buyers face.

Maximum property price, same monthly repayment

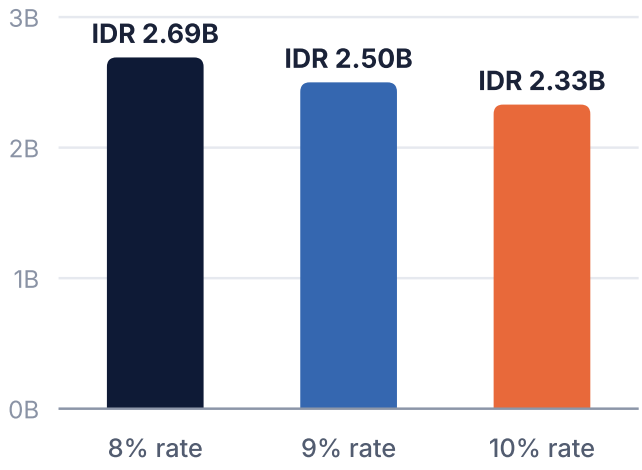


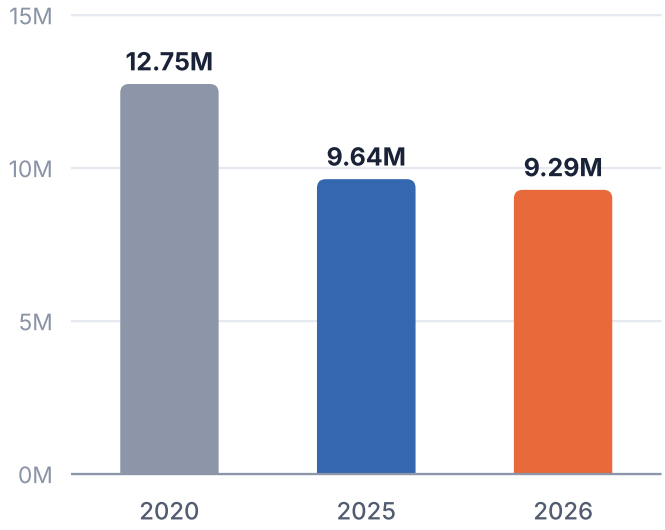
Illustration uses standard amortisation. Mortgage rates are hypothetical and not linked to any specific bank product.

Sources: Bank Indonesia, Board of Governors Meeting announcements May–September 2026; IPH calculation.

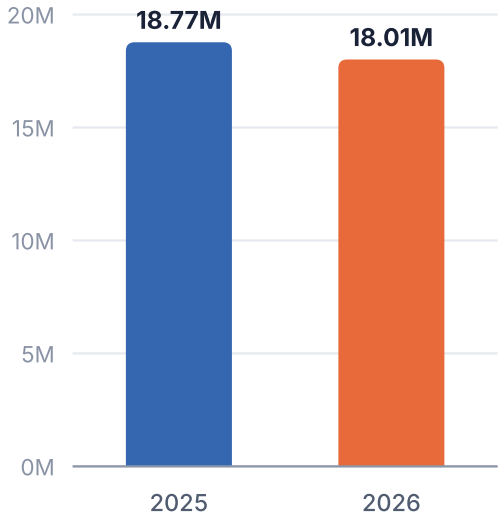
A large need, and a shrinking ownership gap

In August 2026, BPS published Indonesia's first dedicated housing statistics, developed with the Ministry of Housing and Settlement Areas (PKP).

Ownership backlog: households without their own home



Habitability backlog: households in inadequate housing



2025 derived from BPS's reported fall of about 350,000 households in 2026.

9.29M

households did not own a home in 2026

12.39% of households, down from 17.52% in 2020

18.01M

households live in housing below adequate standards

Down from 18.77M in 2025

The ownership gap is narrowing. The quality gap, however, is still roughly twice as large. Both represent demand, but of very different kinds.

The ownership gap is concentrated among lower-income households who rely on subsidised schemes such as FLPP. The quality gap points to renovation, upgrade and replacement demand.

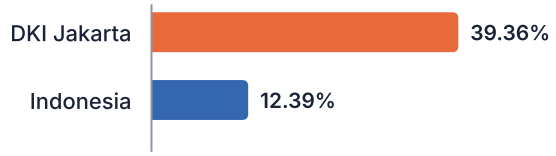
Sources: BPS-Statistics Indonesia, Housing Statistics 2026 (released August 2026); Ministry of Housing and Settlement Areas (PKP).

Need is not the same as demand

A household can need a home without being able to buy the one on offer. That is why Indonesia can have millions of households without adequate housing while individual projects still sell slowly.

Housing need × Household income × Financing × Location × Right product = **EFFECTIVE DEMAND**

Share of households without their own home, 2026



The ownership backlog is highest in DKI Jakarta, where 39.36% of households do not own their home. That reflects land prices and affordability more than a lack of buyers.

The alignment test

The strongest projects line up five things:

Price
with what the target buyer can actually afford

Product
with what that buyer wants

Location
with jobs, transport and daily needs

Financing
with the buyer's ability to complete the purchase

Absorption
with the developer's capital timeline

MARKET NOTE

Indonesia is not short of housing need. It is short of housing that is at once affordable, well located, financeable and commercially viable.

Sources: BPS-Statistics Indonesia, Housing Statistics 2026; provincial backlog rates as reported by BPS for March 2026.

A market focused on selling what already exists

≈232,000

apartment units of total Jakarta stock

0

new apartment completions in H1 2026

Jakarta's apartment stock was unchanged in H1 2026. Colliers describes the restrained pipeline as a deliberate focus on preserving capital and converting existing inventory, not a loss of developer confidence.

Developers with stronger balance sheets and land banks retain more flexibility over the timing of future launches.

The supply pipeline is thin



≈2,500 units scheduled for completion, 2026–2028 · mostly mid-range, South Jakarta

Three shifts in who is buying

01

Owner-occupiers are gaining share

Investors still dominate transactions, but their share is below pre-pandemic levels.

02

Ready-stock outperforms

Completed units benefit from the government's VAT incentive (PPN DTP), promotions and flexible payment terms.

03

Affordability drives product choice

Studios were the best-performing product in Q2 2026, popular with first-time buyers.

MARKET NOTE

Mature markets reward precision. Location, product, pricing, timing and differentiation matter more than the ability to launch another tower.

Sources: Colliers Indonesia, Jakarta Apartment Market Q1 and Q2 2026, as reported by Real Estate Asia.

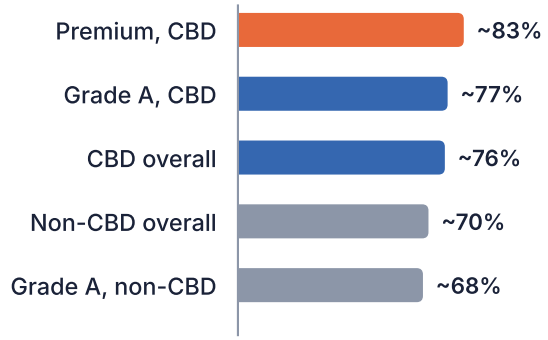
Quality is beating quantity

Office

CBRE recorded Jakarta CBD occupancy of 76.3% in Q2 2026, with no new completions and stable average rents of IDR 171,800 per sqm per month.

Jakarta still has close to 3 million sqm of vacant office space. The market is two-tier: higher-grade buildings with strong amenities and sustainability credentials are taking demand from older stock.

Office occupancy by grade, Q2 2026 (Colliers)



76.3%
CBD occupancy, Q2 2026 (CBRE)

≈1.76M sqm
vacant office space in the CBD

≈1.2M sqm
vacant office space outside the CBD

Note on sources: CBRE and Colliers use different building samples and grade definitions, so their grade-level occupancy figures differ. Both agree the overall CBD rate is around 76% and that quality is outperforming.

Retail

Jakarta mall occupancy, end-June 2026 **86.4%**

CBRE forecasts occupancy moving towards 88%

Net take-up growth, quarter on quarter **32%**

Net take-up was led by F&B, sports lifestyle and stationery retailers. Upper-grade malls captured the largest share of leasing. Only one major project remains in the pipeline.

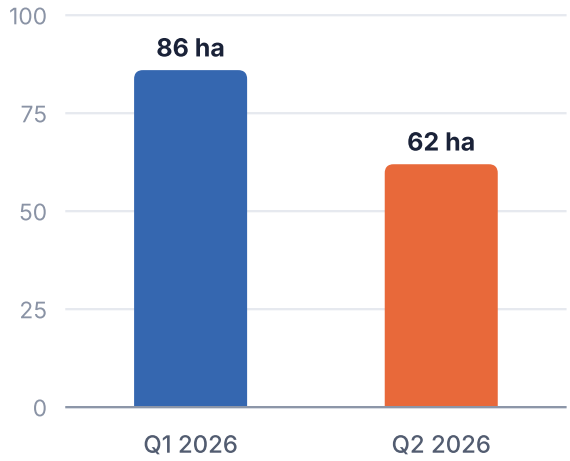
MARKET NOTE

In mature segments, the opportunity increasingly comes from upgrading, repositioning and reusing existing assets rather than adding new ones.

Sources: CBRE, Jakarta CBD Office Figures and Jakarta Retail Figures Q2 2026; Colliers Indonesia, Jakarta Office Q2 2026.

The strongest fundamentals are not in housing

Greater Jakarta industrial land absorption (CBRE, hectares)



About 200 ha of new supply was delivered in Q1; none further is expected in 2026.

Industrial land, Greater Jakarta

- **CBRE:** about 62 ha absorbed in Q2, concentrated in the Eastern Corridor. Land prices are up nearly 4% since end-2025.
- **Cikarang** remains the most expensive submarket at about IDR 3.6 million per sqm, up 8% quarter on quarter, with demand concentrated on sites with adequate power capacity.
- **Colliers:** 36.74 ha absorbed in Q2, total supply steady at about 18,500 ha, and average land prices around USD 180 per sqm. Investors are more selective, with longer decision cycles.

Note on sources: CBRE and Colliers cover different estate samples, so their absorption figures differ. Both point to a tight, infrastructure-led market.

Occupancy is near capacity

Modern logistics warehouses (CBRE, Q1) **98%**

Led by 3PL, FMCG and EV-related occupiers

Modern logistics warehouses (Colliers, Q1) **95.8%**

East corridor operating close to full capacity

Industrial estate land (CBRE, Q2) **91.2%**

Remaining vacant land is increasingly limited

IDR 3.6M

per sqm, Cikarang land

+8% QoQ

≈4%

Greater Jakarta land price growth since end-2025

Sources: CBRE, Greater Jakarta Industrial Estate Figures Q1–Q2 2026 and Logistics Figures Q1 2026; CBRE, Jakarta Property Market Update Q2 2026; Colliers Indonesia, Industrial and Warehouse Reports Q1–Q2 2026.

Power and infrastructure are now location factors

Data-centre operators accounted for more than 100 hectares of Greater Jakarta industrial land transactions in H1 2026, much of it land banking in the eastern corridor where power, water and security are established.

The Greater Jakarta eastern corridor



As land in Cikarang and Karawang tightens, industrial development is expected to push further east towards Subang and Patimban.

What industrial occupiers now prioritise

Reliable power, road and port access, utilities, workforce, and proximity to customers and suppliers. This is pushing a premium towards infrastructure-ready estates.

100+ ha

of industrial land transactions by data-centre operators, H1 2026

Why it matters beyond industrial property

Factory / data centre → Jobs → Workers & professionals → Housing → Retail & services → Hospitality

MARKET NOTE

Follow the capital, infrastructure and employment. Residential and commercial demand often follows.

Sources: CBRE, Greater Jakarta Industrial Estate Figures Q2 2026; CBRE Indonesia Property Market Outlook presentations, May and July 2026.

SECTOR SCORECARD

Different sectors, different cycles

Indonesia's property market is often discussed as one market. It isn't. Weakness in one segment does not mean weakness across the board.

SECTOR	DEMAND	KEY FIGURE	THEMES
Residential	SELECTIVE	**Prices +0.69%, sales −2.36% (Q2)**	Affordability, mortgages, ready stock
Office (Jakarta)	RECOVERING	**≈76% occupancy**	Flight to quality, limited new supply
Retail (Jakarta)	IMPROVING	**86.4% occupancy**	F&B, lifestyle, experience-led
Industrial land	STRONG	**≈62 ha absorbed (Q2, CBRE)**	Data centres, EVs, power capacity
Logistics	VERY STRONG	**96–98% occupancy**	3PL, e-commerce, limited supply

Occupancy across commercial segments (latest quarter)



Logistics: Q1 2026. Others: Q2 2026. Sources use different methodologies; shown for broad comparison only.

MARKET NOTE

Instead of asking “Is Indonesian property attractive?”, ask “Which sector has the strongest fundamentals for my horizon and risk profile?”

Sources: Bank Indonesia; CBRE Indonesia; Colliers Indonesia.

International demand, local constraints

Bali's property market is driven by tourism, hospitality, lifestyle migration and foreign demand. That makes it highly visible, and unusually sensitive to changes in regulation, visitor patterns and infrastructure.

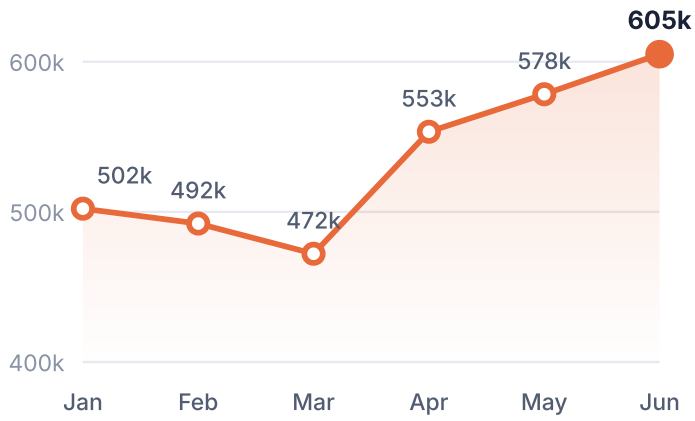
1.47M
foreign arrivals, Q1 2026
+1.04% YoY

~26%
of foreign arrivals are Australian

61.16%
star-hotel occupancy, May 2026
+3.06 pts YoY

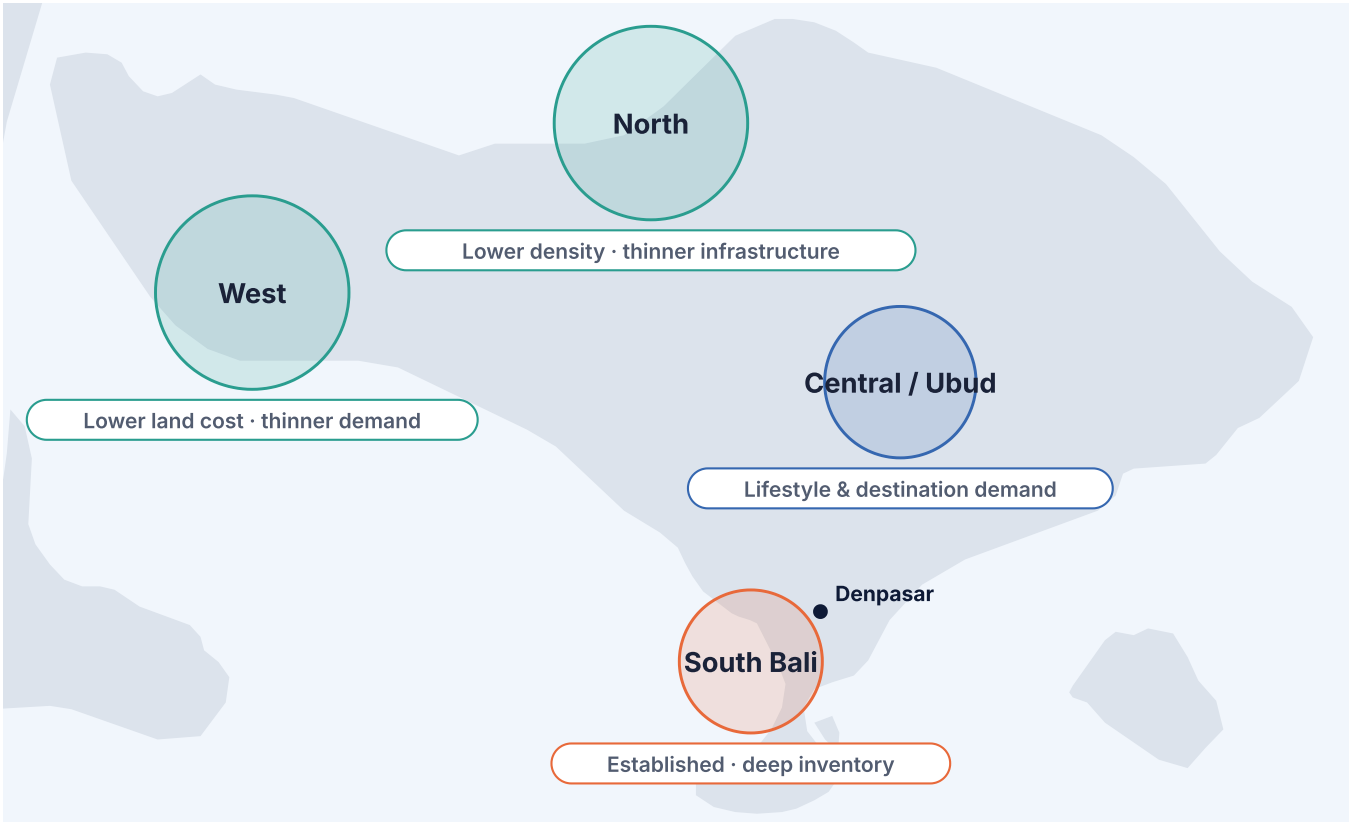
+1.02%
Denpasar house prices, Q2
Above national 0.69%

Direct foreign arrivals to Bali, 2026 (thousands)



June derived from BPS's reported +4.63% month-on-month change.

A segmented market



Emerging corridors: areas benefiting from new infrastructure, tourism investment or changing visitor patterns.

MARKET NOTE

The question is no longer “Can we develop in Bali?” but “What is genuinely different about this project, and who is the buyer?”

Sources: BPS Bali Province, Tourism Overview releases January–June 2026; BPS national accounts Q2 2026; Bank Indonesia, Residential Property Price Survey Q2 2026.

The opportunity beyond Jakarta

Java contains a network of large cities with universities, manufacturing, services and tourism. They can offer lower land costs and less mature competition, with the trade-off of thinner market depth and weaker liquidity.



Surabaya −0.10%

House prices, Q2 2026 YoY

Manufacturing, port, trade, gateway to eastern Indonesia

Bandung +0.95%

House prices, Q2 2026 YoY

Education, technology, tourism, commuter links

Semarang +0.76%

House prices, Q2 2026 YoY

Logistics, industrial estates, port connectivity

Yogyakarta +0.77%

House prices, Q2 2026 YoY

Universities, domestic tourism, rental demand

Malang has strong education and tourism drivers but is not covered by Bank Indonesia's price survey. Jakarta (Jabodebek-Banten) for comparison: +0.70%.

MARKET NOTE

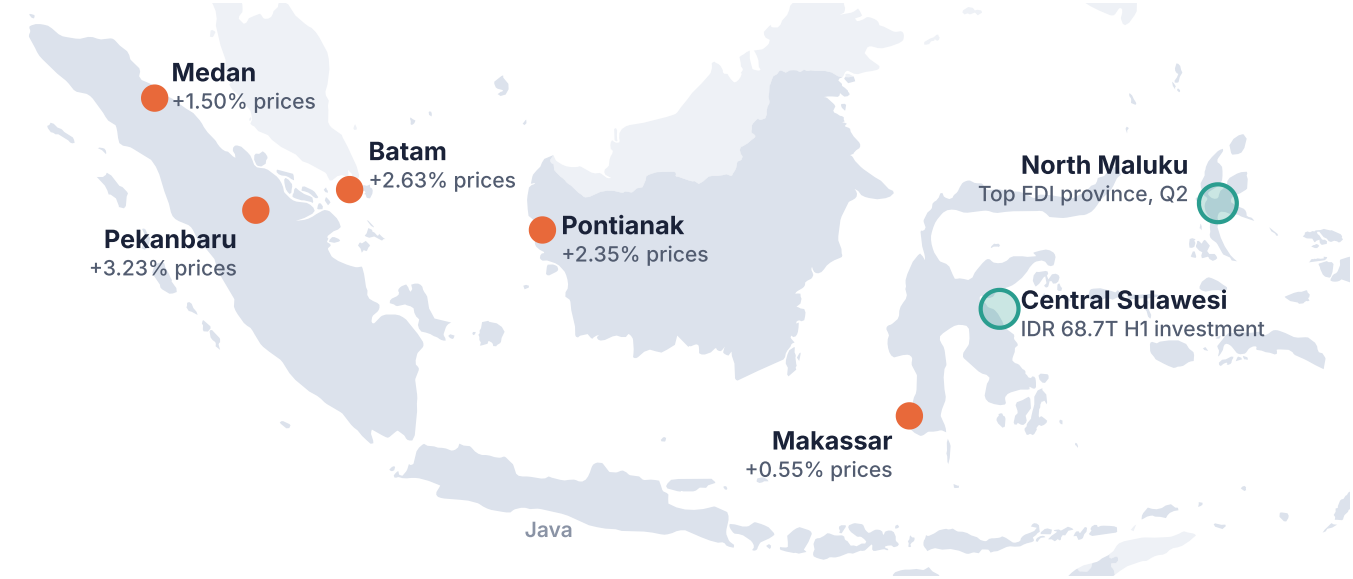
The best secondary-market opportunity is not necessarily the city with the fastest price growth. It may be the city where economic fundamentals are improving before property prices have caught up.

Sources: Bank Indonesia, Residential Property Price Survey Q2 2026.

Where investment is creating new demand

Outside Java received just over half of H1 2026 investment. Much of it went into resource processing and downstream industry, bringing workforce housing, services and commercial demand to regions with little existing property supply.

Selected markets outside Java



Orange: Q2 2026 primary house price growth (Bank Indonesia). Teal: investment hotspots (BKPM).

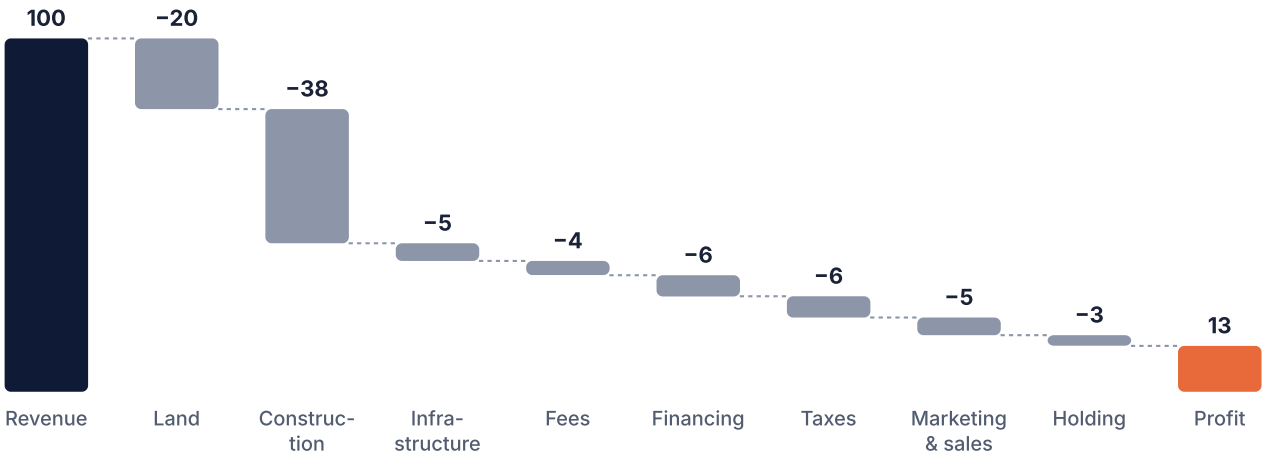
- **Central Sulawesi:** IDR 68.7T in H1, the 4th-largest destination nationally. A major downstream processing hub.
- **North Maluku:** the largest FDI destination in Q2 2026 (IDR 39.5T).
- **Pekanbaru, Batam and Pontianak:** the three fastest primary house price growth figures in Bank Indonesia's Q2 survey (+3.23%, +2.63%, +2.35%).
- **Medan and Makassar:** the largest urban economies of Sumatra and Sulawesi, with Q2 price growth of +1.50% and +0.55%.

These markets carry higher risk: thinner transaction data, less liquidity, and demand that is often tied to one employer or industry. But they are where investment flows are running ahead of property-market attention.

Sources: BKPM, H1 and Q2 2026 Investment Realisation; Bank Indonesia, Residential Property Price Survey Q2 2026.

Time is the variable developers underestimate

A simplified project model (illustrative, % of gross revenue)



Cost shares are hypothetical and vary widely by project, location and product.

Same margin, different outcome

Cumulative share of inventory sold (illustrative)



Project B ties up capital two and a half times longer. That means more interest expense, weaker cash flow, more inventory risk, and less capacity to acquire the next site.

With the BI-Rate up 100bps this year and building material prices the top constraint cited by developers, slow absorption costs more than it did in 2025.

MARKET NOTE

Building the right product is half the job. Selling it at the required velocity is the other half.

Sources: Illustrative model; Bank Indonesia, Residential Property Price Survey Q2 2026; Bank Indonesia BI-Rate decisions 2026.

Property research now starts online

230M
internet users in Indonesia, end-2025
+18 million in one year

80.5%
of the population online

180M
social media user identities

A buyer's journey often begins long before they contact a developer. By the time they enquire, many buyers have already compared location, price, product, developer, financing and alternatives.

A typical research journey



What buyers are evaluating

- ? Is the price clear?
- ? Is the location accurately represented?
- ? Who is the developer?
- ? What is included?
- ? Can financing be obtained?
- ? How does it compare?
- ? Is the information current?

MARKET NOTE

Buyers do not evaluate only the property. They evaluate the information around it. Clear, accurate and current information has become part of the product.

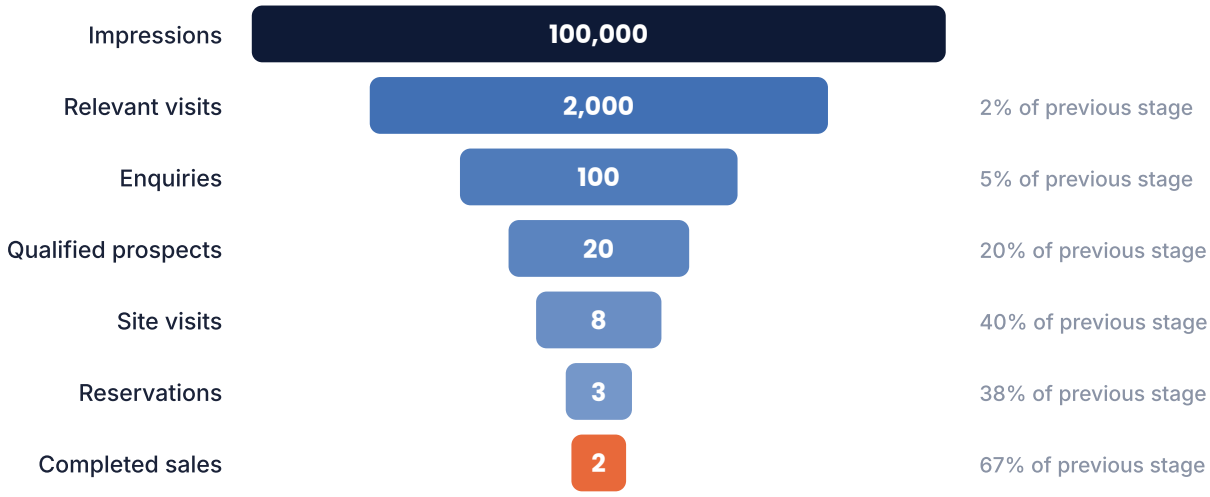
DataReportal figures largely reflect October 2025. They indicate digital adoption, not property-search behaviour specifically. Social media identities may not represent unique individuals.

Sources: DataReportal / Kepios, Digital 2026: Indonesia.

The important number is not always the first number

The purpose of measuring each stage is not to count how many people entered. It is to find where buyers drop out, and why.

An illustrative campaign, from impression to sale



Bar widths on a logarithmic scale. Figures are illustrative.

A project with strong visibility but weak conversion has a presentation, pricing or sales-process problem, not an awareness problem. The reverse is also true.

For each stage, ask:

- How many entered?
- How many progressed?
- Where was the largest drop?
- What caused it?

Sources: Illustrative example.

What the data points to

Indonesia remains a major long-term property opportunity, but opportunity is becoming more selective. Eight priorities follow from the evidence in this report.

01

Start with demand, not design

Ask who will buy, why, and at what price before committing capital.

02

Choose locations on fundamentals

A strong location is one where economic drivers support sustainable demand, which is not always the most popular location.

03

Build for the buyer

Unit size, configuration, price point and payment structure drive absorption. Q2 data shows the middle of the market is the weakest.

04

Price for absorption

A slightly lower margin with faster capital recovery can outperform a higher price that sells slowly, especially at today's interest rates.

05

Treat financing as part of the product

With around 70% of primary purchases using bank mortgages, payment structures and lender partnerships shape what buyers can afford.

06

Build market familiarity before launch

Buyers research for months. Projects that are visible and well documented early arrive at launch with a warmer market.

07

Measure the full journey

Track performance from first impression to completed sale, so spending is judged on outcomes, not activity.

08

Keep adjusting

Market response should inform pricing, targeting, presentation and inventory priorities throughout the sales period.

Sources: IPH analysis of data presented in this report.

THE DEVELOPER CHECKLIST

Ten questions before committing capital

Before committing to a development or campaign, every one of these should have a clear, evidence-based answer.

☐	**Demand**	Who exactly is the buyer?
☐	**Location**	What economic activity supports demand here?
☐	**Product**	Does the product match what that buyer wants?
☐	**Price**	Is it compatible with local purchasing power?
☐	**Finance**	Can the target buyer realistically fund the purchase, and how sensitive is the project to rates?
☐	**Competition**	How much comparable inventory already exists?
☐	**Absorption**	How quickly can inventory realistically sell?
☐	**Visibility**	Will the right buyers find the project?
☐	**Conversion**	Can interest be turned into transactions?
☐	**Exit**	What happens if absorption is slower than planned?

Indonesia's property story is still being written

Economic growth, infrastructure, industrial investment, urbanisation, tourism and a rapidly digitising population will keep reshaping where Indonesians live, work and invest.

The outcomes will differ by city and sector. Some markets will mature, some will accelerate, and some will struggle with oversupply. New opportunities will emerge around economic activity that is only beginning to appear on today's property map.

For investors, the challenge is to identify opportunities early. For developers, it is to turn them into viable projects.

Both depend on the same thing: reliable, current information.

WHAT TO WATCH INTO 2027

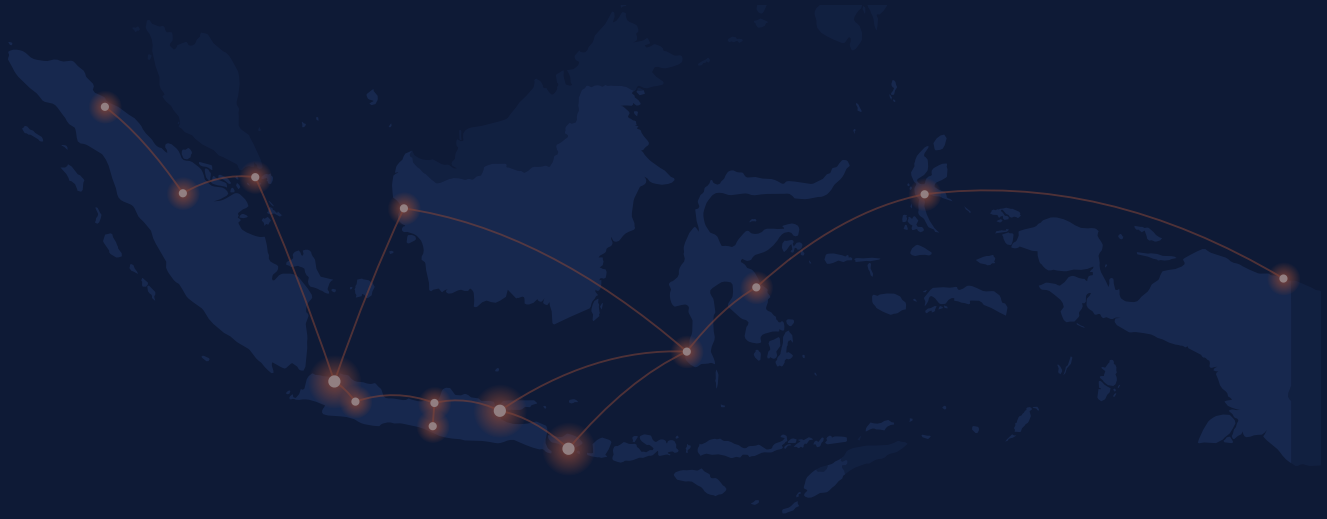
01 Bank Indonesia's rate path and the rupiah

02 Whether Q2's sales recovery holds through H2 2026

03 Government housing programmes and the VAT incentive on ready stock

04 Investment flows into Sulawesi, Maluku and the West Java industrial corridor

05 Bali arrivals and regulatory changes affecting villa and short-stay development



Primary sources

- **BPS-Statistics Indonesia:** national accounts Q1 2025–Q2 2026; Housing Statistics 2026; BPS Bali Province tourism releases, January–June 2026
- **Bank Indonesia:** Residential Property Price Survey Q1 and Q2 2026; Board of Governors Meeting decisions, May–September 2026
- **Ministry of Investment and Downstream Industry / BKPM:** H1 and Q2 2026 Investment Realisation
- **Ministry of Housing and Settlement Areas (PKP)**
- **CBRE Indonesia:** Jakarta Property Market Update Q2 2026; office, retail, industrial and logistics figures, Q1–Q2 2026
- **Colliers Indonesia:** Jakarta apartment, office, industrial and warehouse reports, Q1–Q2 2026
- **DataReportal / Kepios:** Digital 2026: Indonesia

Methodology

Figures are taken from the latest publications available at the time of writing (early October 2026). Where sources differ, both are shown with a note on methodology. Regional market tiers are an analytical framework for this report, not an official classification. Calculations marked "illustrative" use stated assumptions and are not forecasts.

Disclaimer

This report is a market intelligence and educational resource. It does not constitute financial, investment, legal or purchasing advice. Market conditions change, and decisions should be based on professional due diligence.

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