



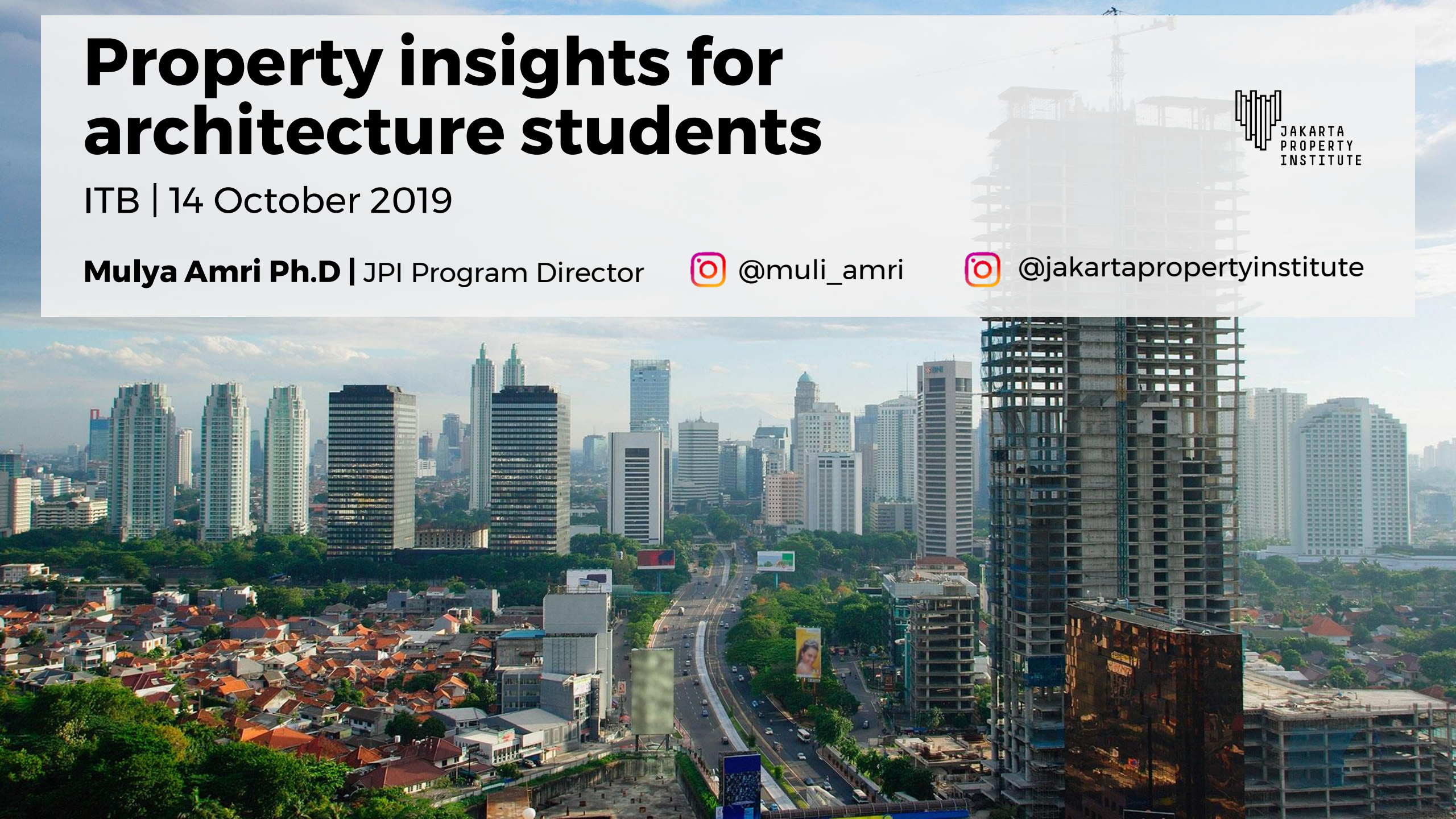
# Property insights for architecture students

ITB | 14 October 2019

**Mulya Amri Ph.D** | JPI Program Director

 @muli\_amri

 @jakartapropertyinstitute







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**TOGETHER  
WE BUILD  
A BETTER CITY**

JPI wants to make Jakarta a

- Livable city
- Affordable city
- Investment-friendly city

# TODAY'S TOPICS

**A.**

**QUICK INTRO TO THE  
PROPERTY INDUSTRY**

**B.**

**DEVELOPER  
PERSPECTIVES FOR  
YOUR DESIGN BRIEF**

Comments & questions?

Ask anytime!

Or go to **sli.do** | Use the hashtag **#itbjpi**

# QUICK INTRO TO THE PROPERTY INDUSTRY

In Jakarta, Construction and Real Estate account for

**14%** **19%** **22%** **42%**

of  
Employment

of  
Gross Domestic  
Product  
(GDP)

of  
Domestic Direct  
Investment  
(DDI)

of  
Foreign Direct  
Investment  
(FDI)

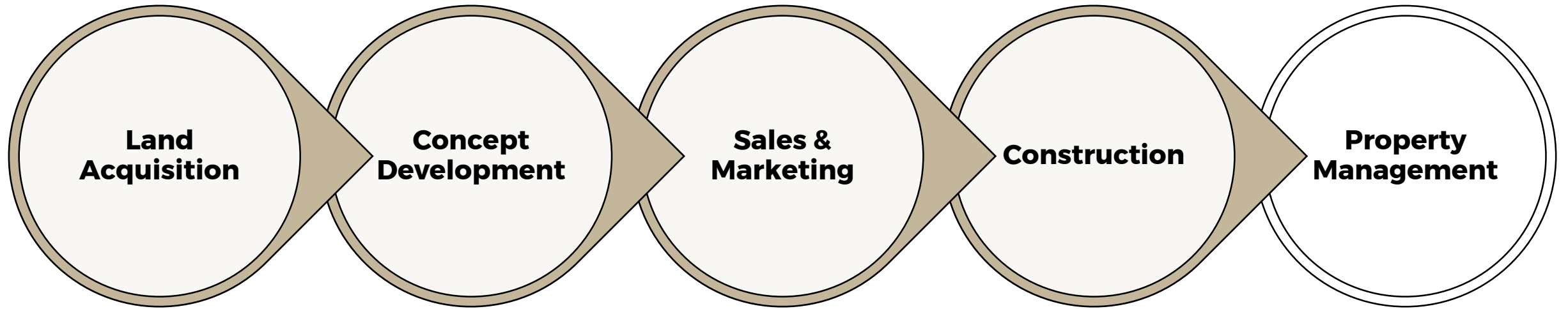
Source: BPS 2017



**1.**

**ROLE OF ARCHITECT  
IN THE VALUE CHAIN**

# The Property Industry's Value Chain



- Ahli hukum
- Konsultan properti
- Konsultan perencana
- Ahli ekonomi, keuangan, sosial, lingkungan
- Etc.

- Kontraktor
- Pengawas
- Supplier material
- Pembiayaan
- Asuransi
- Etc.

- Pengelolaan
- Pemeliharaan
- Utilitas
- Cleaning service, security
- Etc.

**2.**

**SOME KEY PLAYERS  
IN INDONESIA**



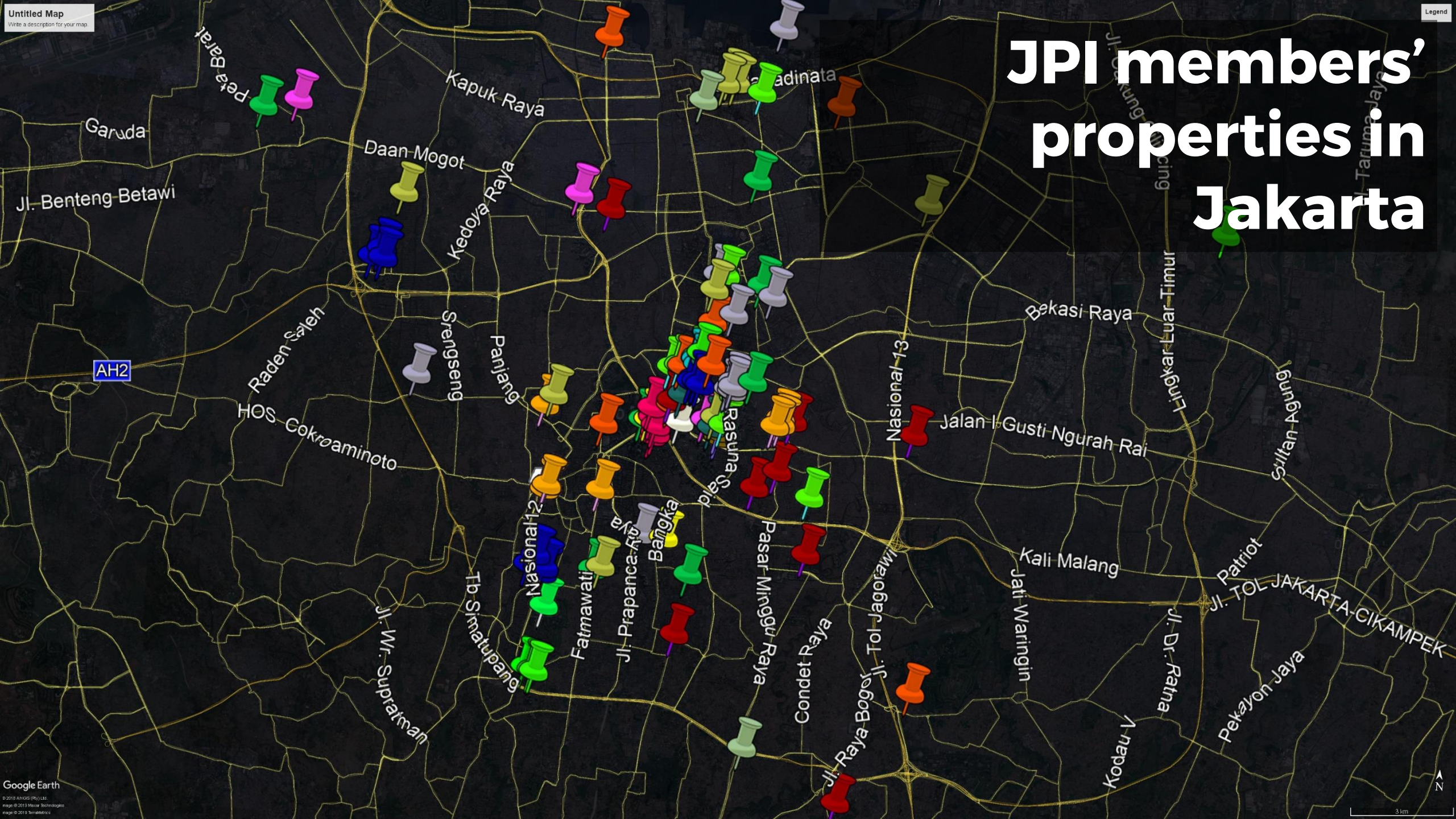
# JPI MEMBERS AND ADVISORS

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# JPI members' properties in Jakarta







# High-rise, high-density projects

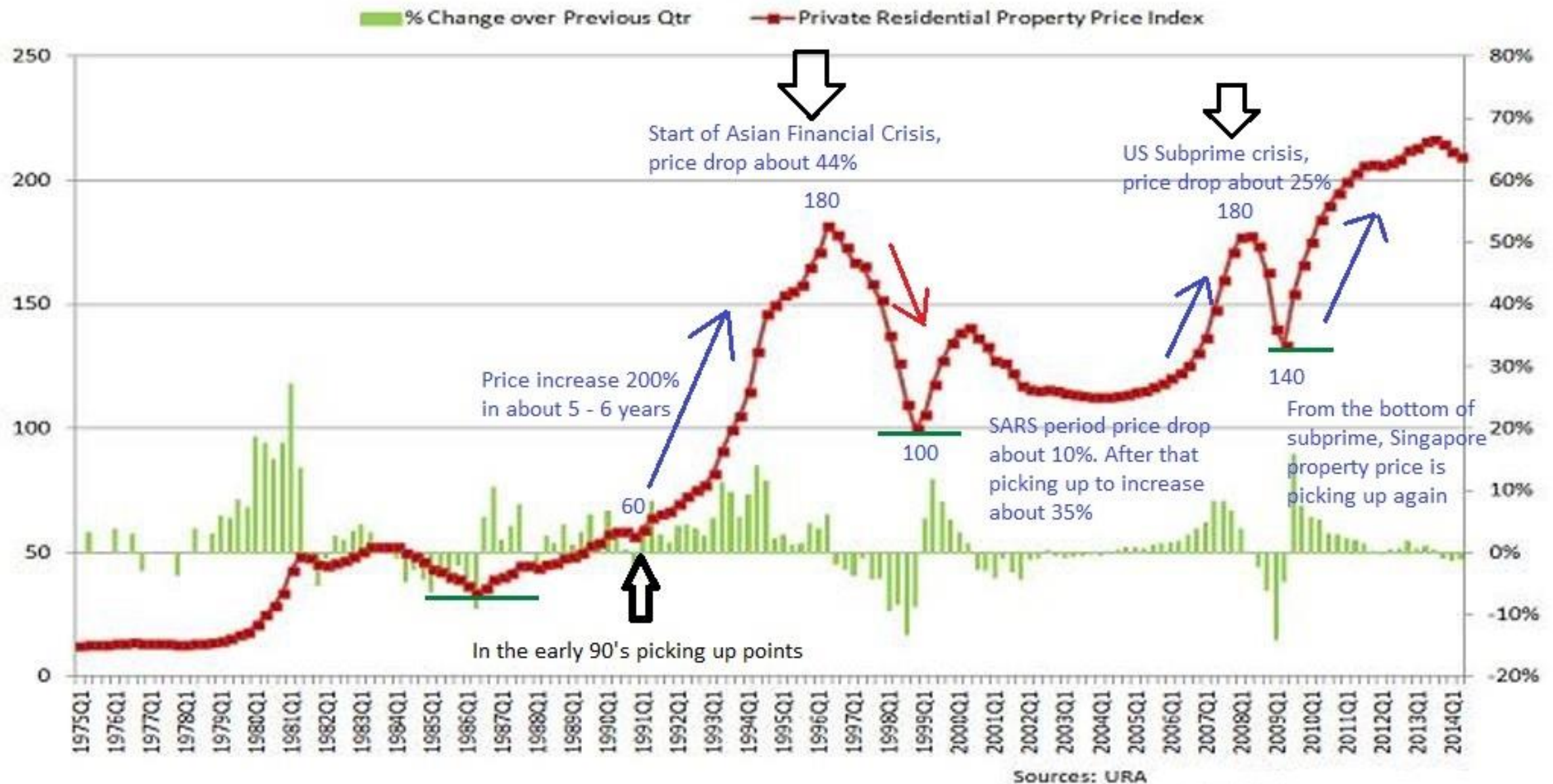


**3.**

**REAL ESTATE CYCLES**

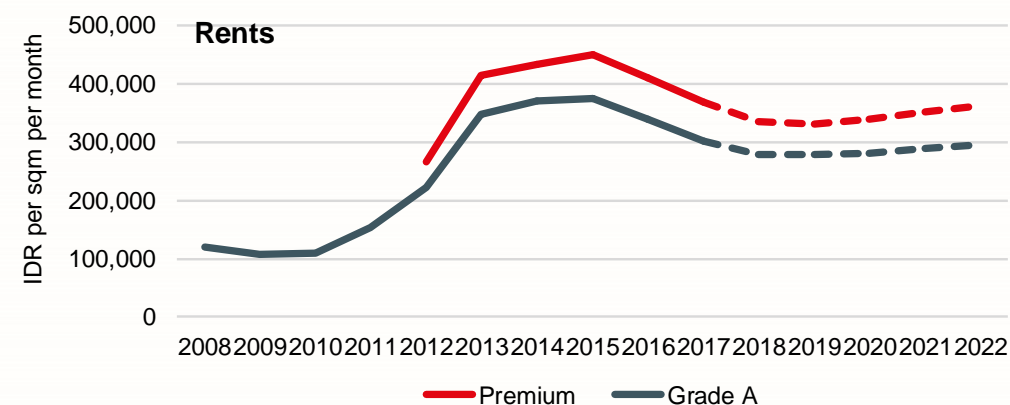
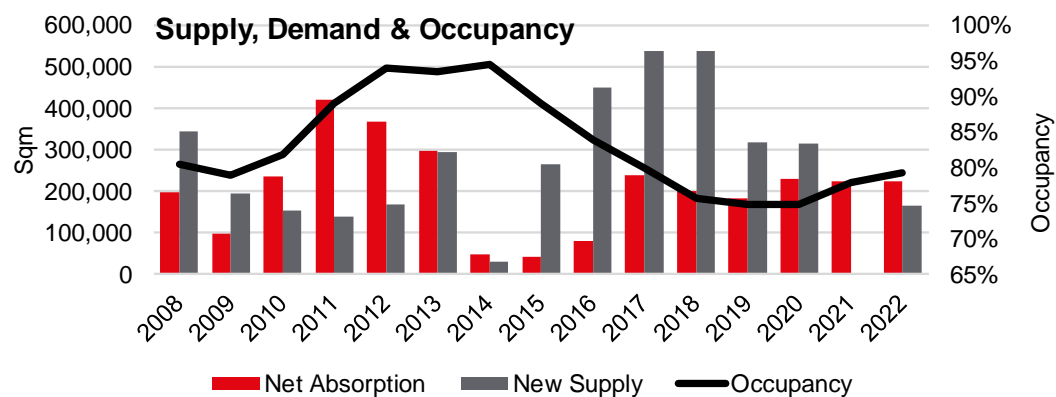
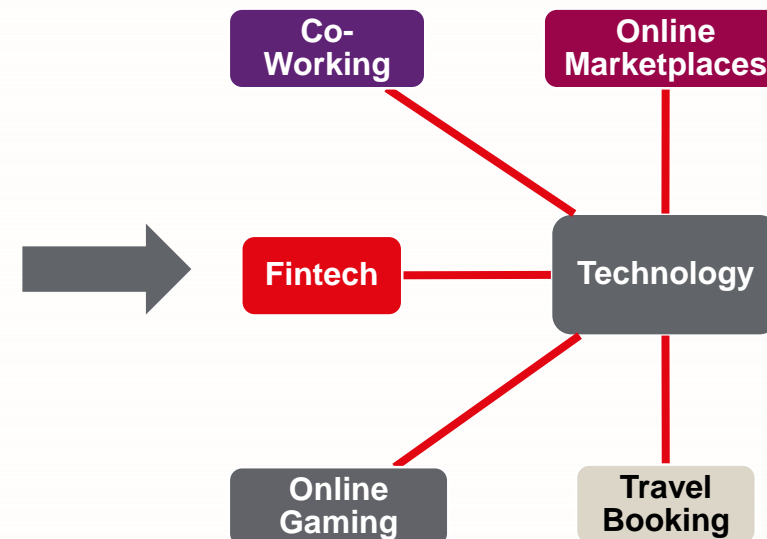
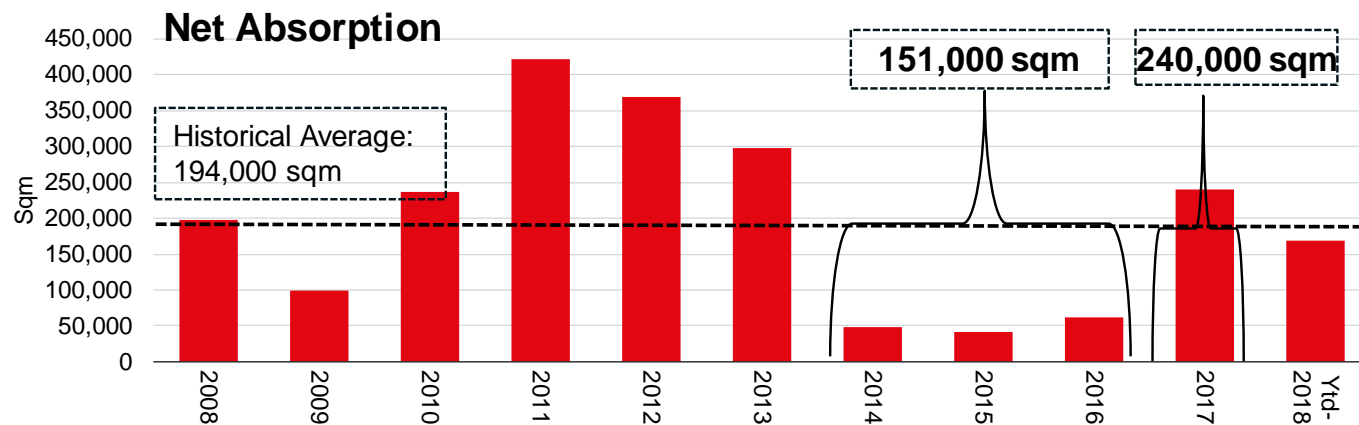


# Property market follows the economy



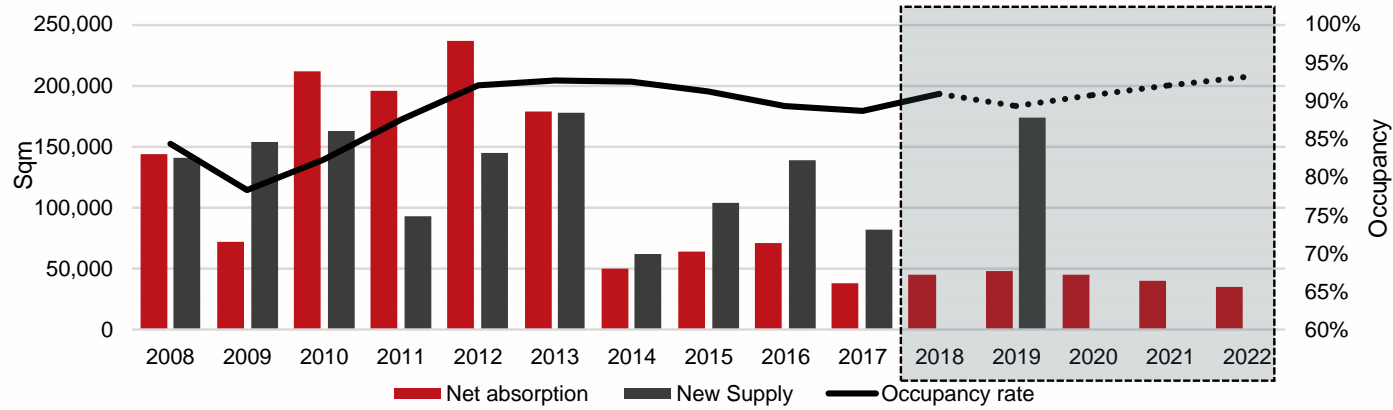
# Jakarta CBD Office Market

Around 168,000 sqm absorbed in year to date



# Jakarta Retail Market

Limited new supply; F&B and entertainment tenants strong



## Out with the old...

Department stores and traditional retail formats



## Limited new supply but existing malls are changing...

### E-commerce

Competing with department stores and specialty stores

### Co-working

Spicing up tenant mixes

### Mobile Payment

Changing the way we pay

### Social Media

Increasing foot traffic

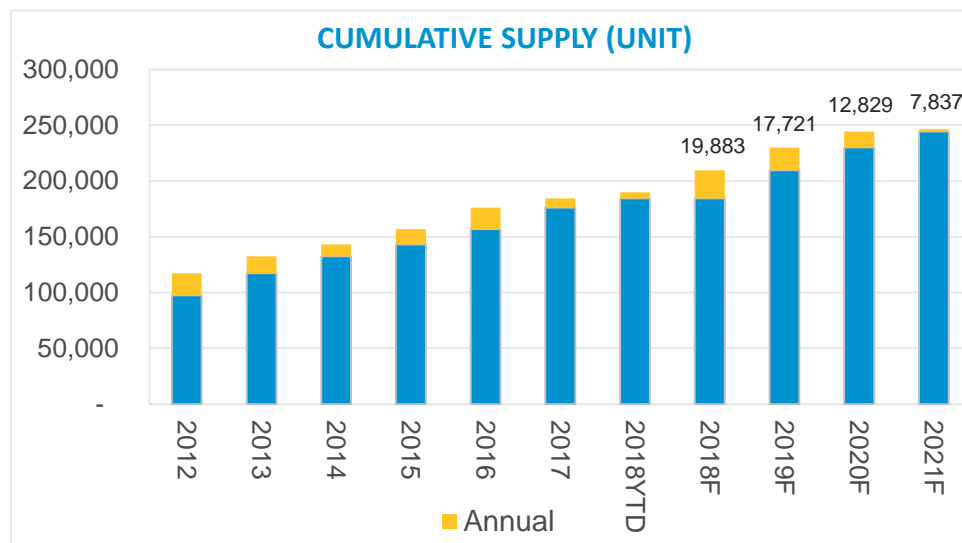


F&B, Entertainment & Fast Fashion

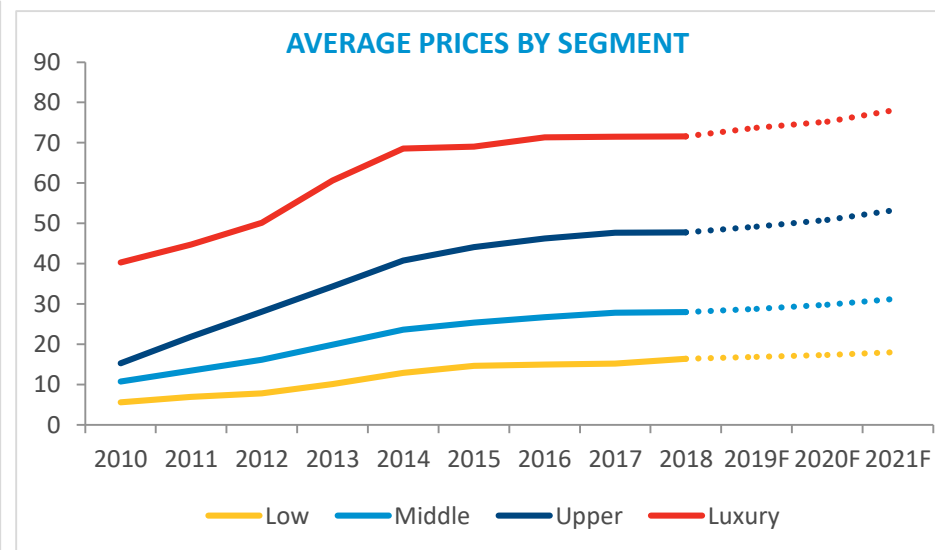
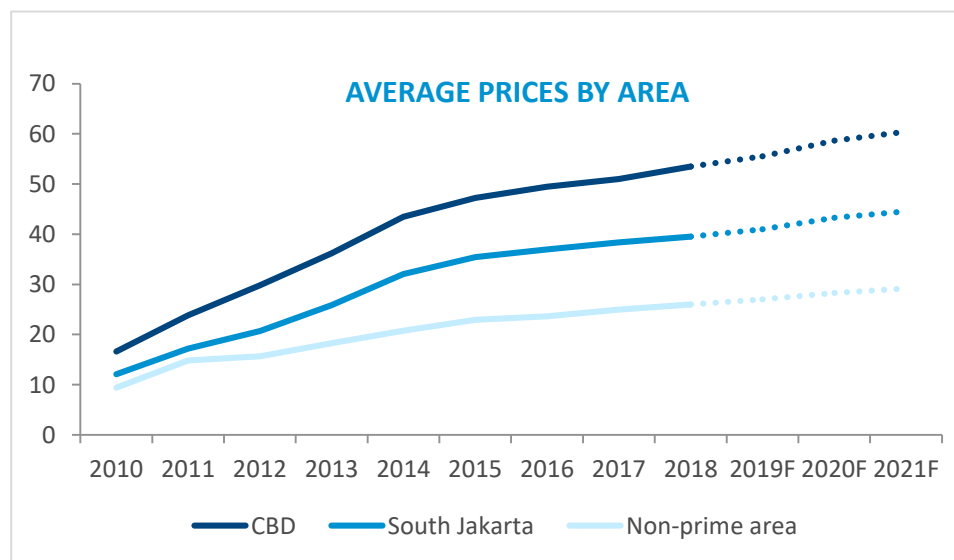
...in with the new



# APARTMENT MARKET



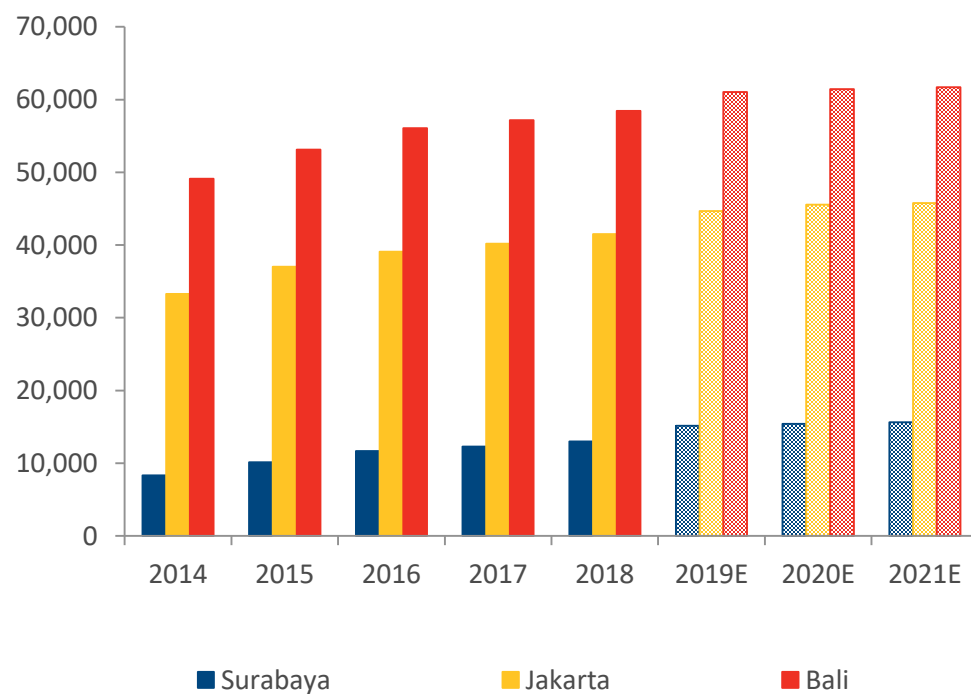
- The overall apartment market during the first semester of 2018 was slower with less construction and sales activities. We believe this will continue for the remainder of 2018.
- We believe that the buying capacity still remains, but at this current time it is not easy to convince investor-type of buyers to invest in property.
- Slower capital appreciation and generally sluggish rental market, as a result of stiff competition from large number of newly completed supply, have led to the postponement of apartment purchases.



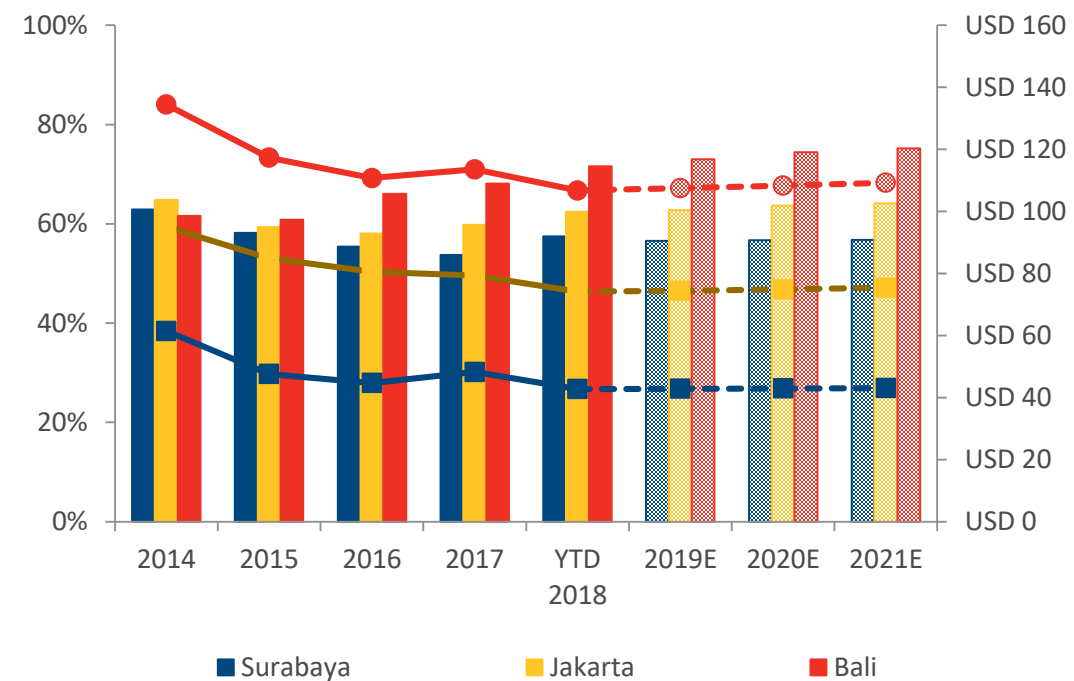


# HOTEL MARKET

## ROOM SUPPLY



## AVERAGE DAILY RATE (LINE) AVERAGE OCCUPANCY RATE (BAR)



# **DEVELOPER PERSPECTIVES FOR YOUR DESIGN BRIEF**

**1.**

**CONSIDER  
LAND VALUE**

# **Why does the CBD have a distinctive skyline?**





# COMPACT CITIES

make it easier to meet  
**PEOPLE & trigger new  
IDEAS!**





# Walkable districts have higher PROPERTY VALUE!

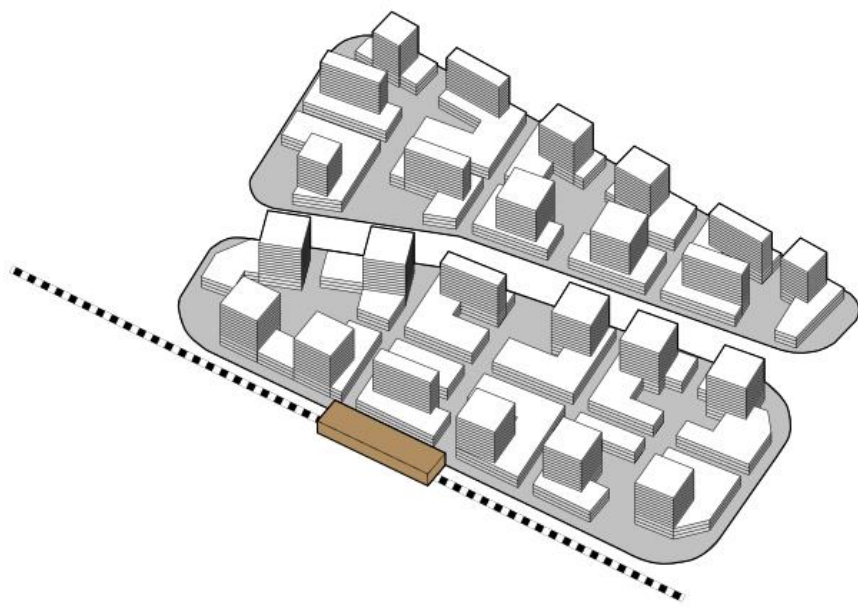




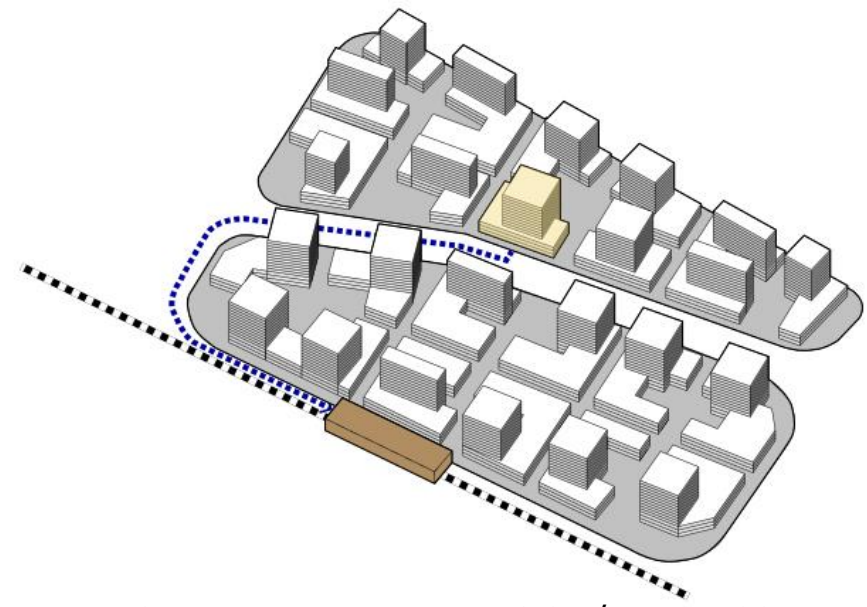
**transit oriented  
development allows us to  
have MORE COMPACT  
and WALKABLE cities**



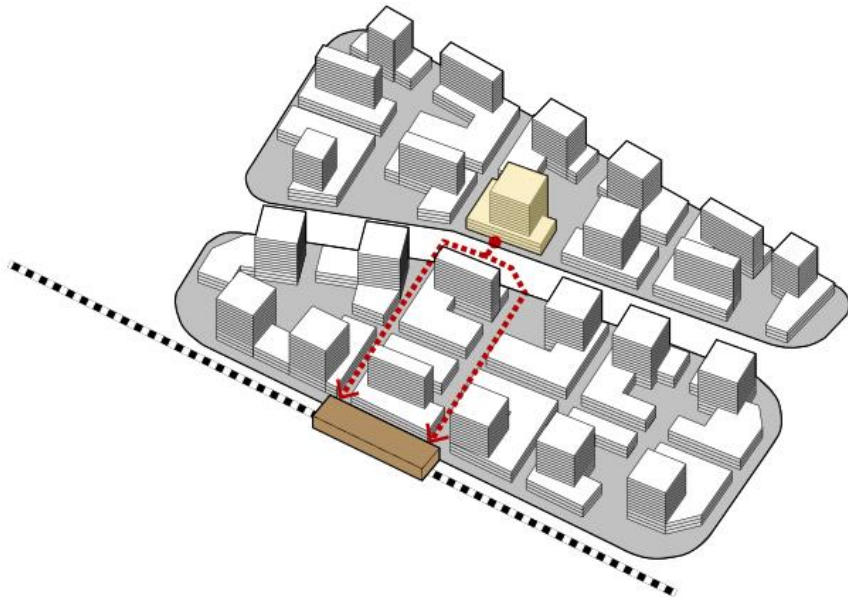




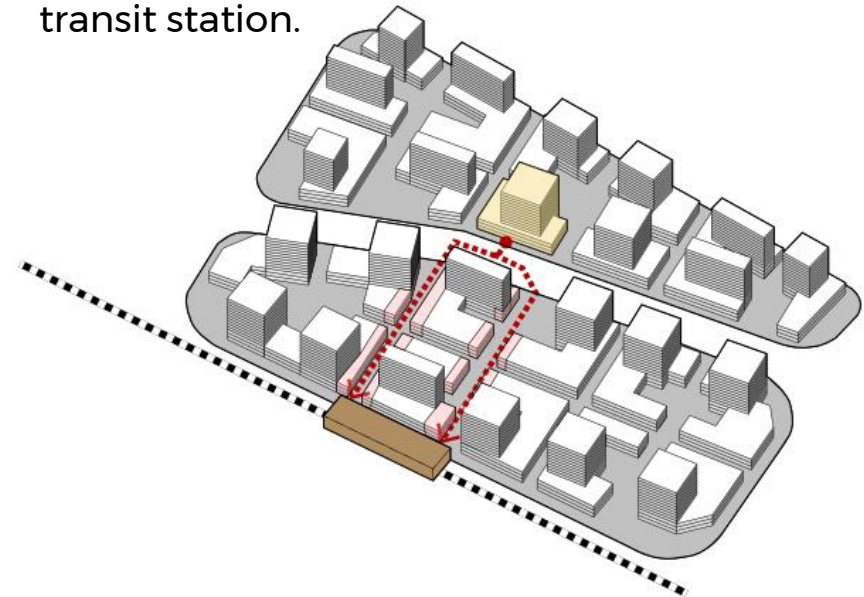
1. Mass transit station in city center



2. Without good connectivity/walkability, people must detour (or drive!) to reach the transit station.



3. Pedestrian paths should allow better connectivity



4. Foot traffic creates opportunity for retail, raises property value, improves the urban environment



# Aerial view of Jakarta

Can you identify which areas were *planned*,  
And which areas *grew organically*?

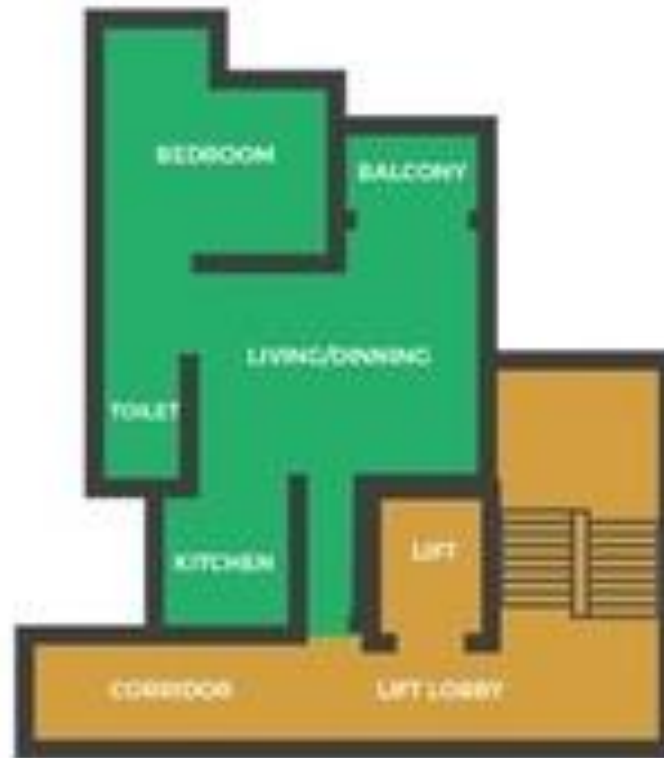
**“Horizontal density” leads to expensive property and loss of green open space**





**2.**

**DESIGN  
SENSIBLY**

# Consider saleable/usable floor area



-  What the tenant/buyer gets, and is responsible for
-  What the property manager maintains (but ultimately paid by tenant!)



**Consider building maintenance**





# Green buildings please!



**3.**

**THINK  
LONG-TERM**



**Adaptive reuse:  
Ex-grain warehouse is now a  
museum (MoCAA) with  
luxury hotel (The Silo) on top**





# **Adaptive reuse: What to do with over-provided parking space?**

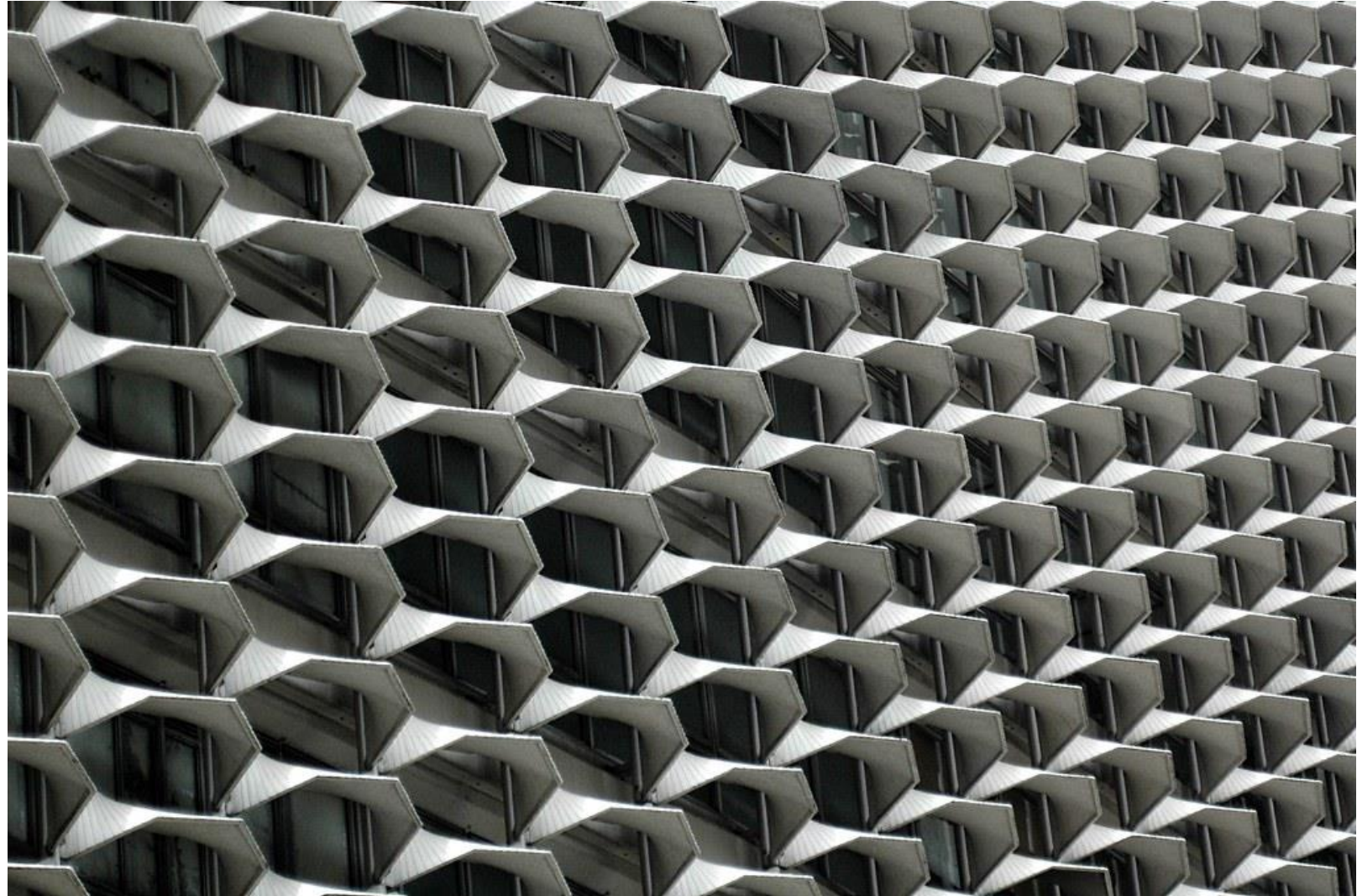


# **Adaptive reuse: Ideas for Sequis Center, Jakarta?**





# Adaptive reuse: Ideas for Sequis Center, Jakarta?



**LET'S HAVE  
A DISCUSSION**



# Developers' considerations

## Market

Concept  
Market trends  
Changing demography

## Finance

IRR  
Capital structure  
Leasing agreements  
Tax structure



## Regulations

Zoning  
KLB; KDB; KDH  
Kewajiban

## Legacy

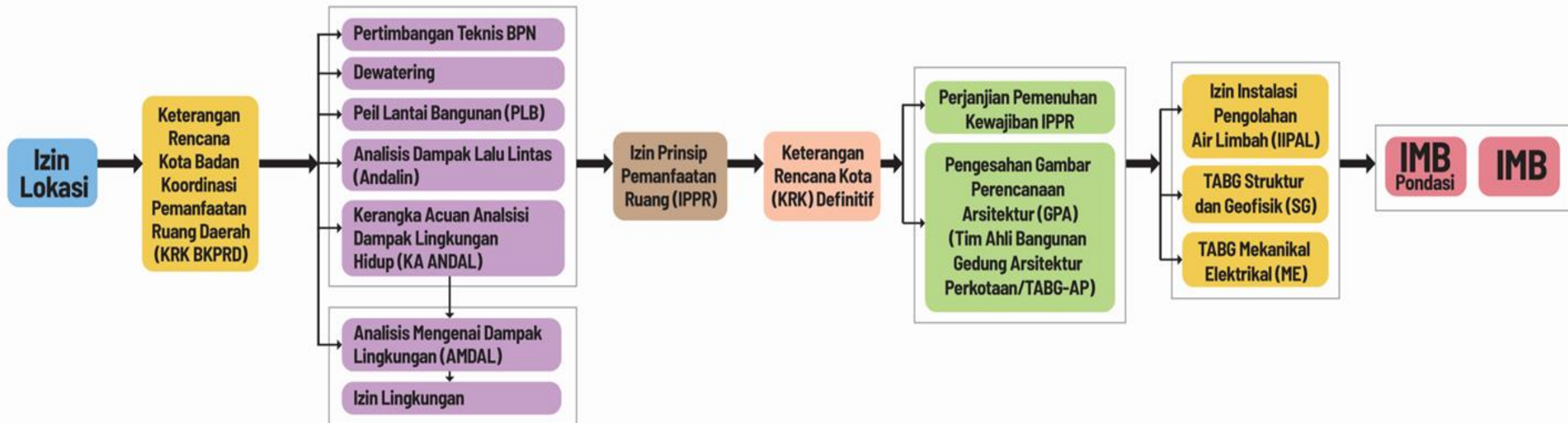
Iconic design  
Environmental and social impact  
Prestige



# JPI is trying to make the IMB more transparent and efficient

Waktu untuk mendapatkan IMB (untuk bangunan >5000 m<sup>2</sup>)

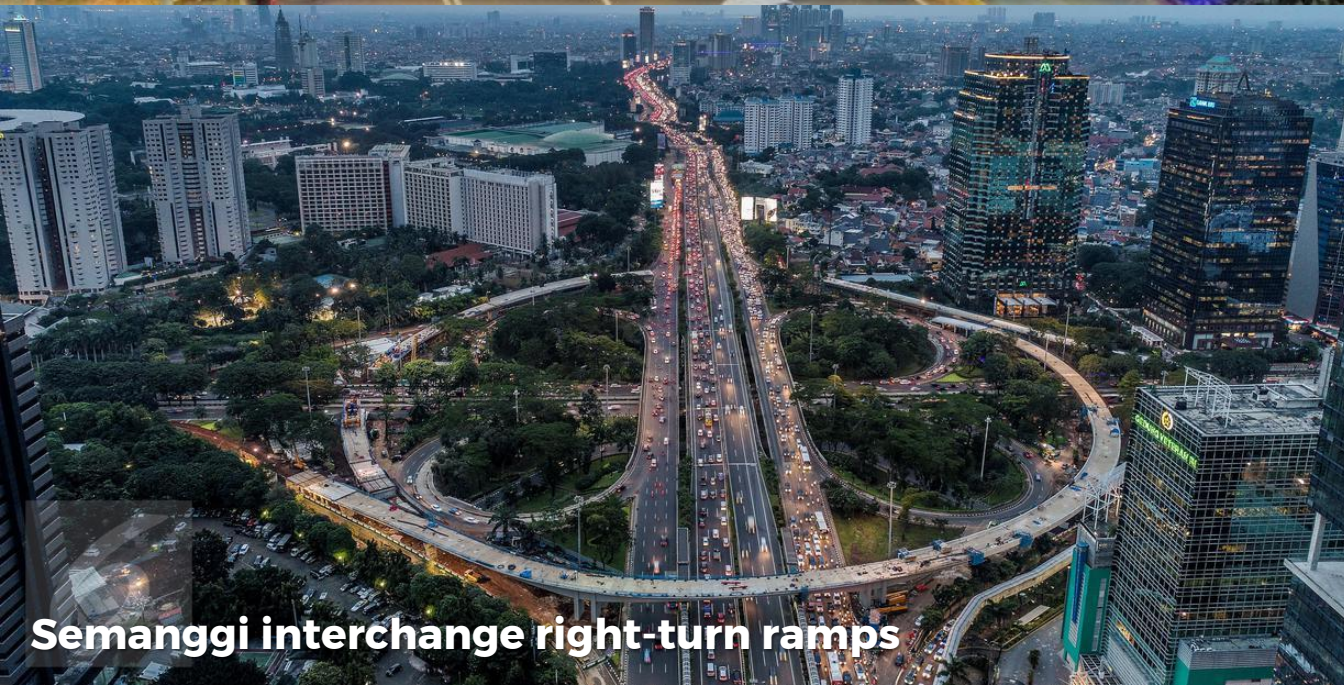
**2 tahun (630 hari)**







**Improvement in pedestrian bridges & sidewalks**



**Semanggi interchange right-turn ramps**

**These projects were funded by the private sector through charges for development rights**



# Various Public Flats

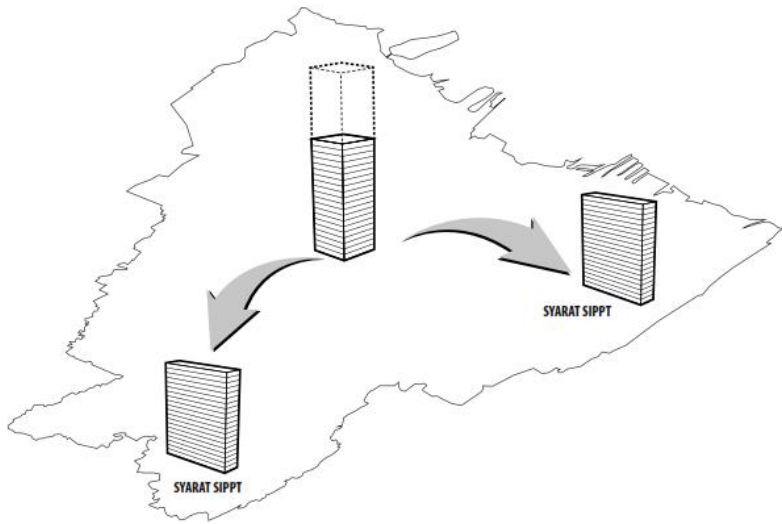


**Rusun Rorotan, Cilincing, Jakarta Utara**

**Rusun Rawa Bebek,  
Cakung, Jakarta Timur**

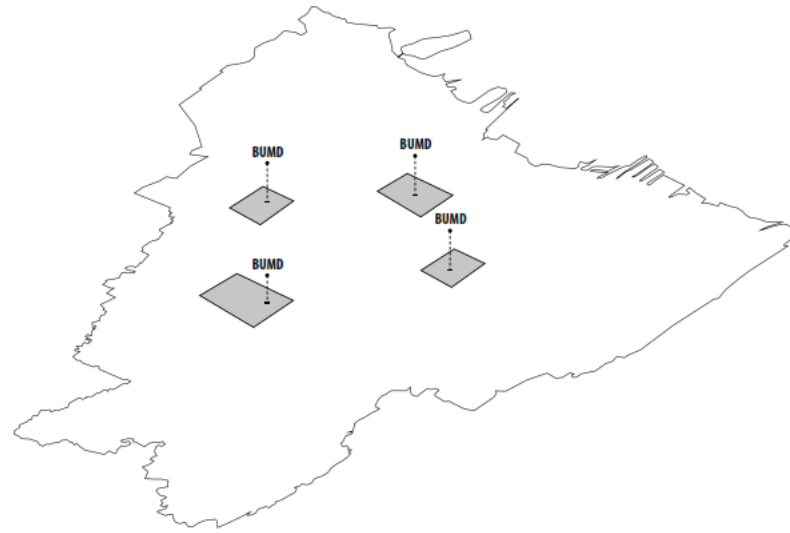
**Rusun Marunda, Cilincing, Jakarta Utara**

# Create affordable living space in the city centre through public-private partnerships



Sometimes, developers are responsible to provide affordable housing.

The problem: land is expensive, so the affordable flats are built in far flung areas. Therefore: unattractive!



State-owned corporations (BUMN, BUMD), have land in strategic places that are under utilized.



Affordable housing could be built on top of public markets, terminals, etc. for mutual benefit