

Secondary Market Residential Property Sale Price in Serpong Rises 50%

BY [ANNISA MARGRIT](#) - Indonesia Finance Today

JAKARTA (IFT) – The sale price of secondary market residential properties in Serpong, Tangerang, rose by about 45 to 50 percent this year. The sale price growth is quite high in the last five years, according to a property consultant company.

Fakky Ismail Hidayat, Senior Associate Director of Advisory and Investment at Knight Frank Indonesia, said that land price in Serpong, Tangerang, ranges from Rp 800 thousand to Rp 7 million per square meter. The secondary market residential properties in that region range between 100 square meters to 500 square meters. The development of various supporting facilities and new residential clusters boost the rise of property value in Serpong, including secondary market residential properties. The supporting facilities include hotels, convention center, malls, and education facilities," Fakky said.

The rise of secondary market residential property sale price also occurs in Kelapa Gading, Pluit, and Kemang. Fakky said that the regions continue to experience growth each year, although they are below the growth of Serpong of 20 percent per year. Data from Frank Knight Indonesia showed that secondary market residential property sale price in Kelapa Gading and Pluit ranges between Rp 18 million to Rp 25 million per square meter. In Kemang, prices range from Rp 15 million to Rp 20 million per square meter.

Nurul Yaqin, Director of Ben Hokk Property, said that secondary market residential property sale price in Serpong varies between Rp 200 million to Rp 2 billion (US\$ 224,000). "The rise of sale price in luxury residential properties and certain clusters can reach 50 to 70 percent this year," Nurul said. According to him, most of the residential properties in Serpong are utilized by mid to upper class consumers.

Hermawan Widjaja, Corporate Secretary of PT Bumi Serpong Damai Tbk (BSDE), said that residential property sale price in BSD City rises an average of 15 percent. "The prices depend on the clusters. In BSD City east section, prices range from Rp 250 thousand to Rp 5 million per square meter," he said.

Price in the west section can reach Rp 5 million per square meter. Therefore, secondary market residential property sale price will always follow the movements in the primary market sale price.

Ali Tranghanda, Executive Director of Indonesia Property Watch, said that property sales increased in the last two years. However, he reminded that over value of residential property sale price occurs in several areas where many luxury residential properties are built.

"The price is higher since it is set by the developer, and not fully being market price. Consumers need to be aware of this, since the reselling might not be as high as it was set by the developers," he said.

He is also concerned that the raising of luxury residential property sale price by developers will trigger the climbing of land price for development of mid to lower residential properties. Therefore, the government needs to intervene. Ali estimates that the overvalued luxury residential property sale price will weaken in the next one to two years if the market gets too saturated. (*)