

SAMUDERA ESTATES · FOR INTERNATIONAL BUYERS

Buying a villa in *South Lombok*

How foreigners can legally hold property, what to check before paying a deposit, and the costs that never make it into the brochure.

BEFORE YOU START

Why this *guide*

South Lombok is where Bali was fifteen years ago: open coastline, world-class surf, and land prices that still make sense. It is also a young market, and buyers from overseas often learn the rules the expensive way.

This guide covers what I wish every buyer knew before talking to a developer: how ownership works for foreigners, which documents matter, how off-plan payments should be structured, and how to think honestly about rental income.

It applies to any property in Lombok, not only the project I introduce. Use the checklist on page 6 with every developer you speak to, including mine.

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> **General information, not legal or tax advice.** Indonesian property rules change and depend on your circumstances. Always use your own independent notary or lawyer before signing or paying.

Why South *Lombok*

Lombok sits just east of Bali, a short flight away, with a quieter coastline and far less development.



SOUTH LOMBOK HILLS, NEAR TAMPAH

What draws buyers

Lower entry prices than comparable coastal areas of Bali.

Surf and beaches: Selong Belanak, Tampah, Mawun, Kuta and Gerupuk.

Infrastructure arriving: the Mandalika area near Kuta now hosts the MotoGP circuit, hotels and new roads.

Space: villas still come with views and room around them.

What to weigh

Younger rental market: demand is growing but more seasonal than Bali.

Fewer services: hospitals, schools and shops are thinner outside Kuta.

Resale takes longer in a smaller market. Buy with a long horizon.

Developer quality varies. Track record matters more than renders.

Getting there. Lombok International Airport (LOP) is in the south of the island, about an hour from the southwest beaches. Flights to Bali take around 40 minutes, with regional routes to Jakarta and nearby hubs. Check current schedules.

Seasons. Roughly, the dry season runs May to October and is peak rental time. The wet season, around November to April, is greener and quieter, with lower occupancy.

How foreigners can *hold property*

Foreigners cannot own freehold land in Indonesia. That title, Hak Milik, is reserved for Indonesian citizens. There are three legitimate routes instead.

ROUTE	HOW IT WORKS	BEST FOR
Leasehold Hak Sewa	You lease the land and villa from the Indonesian owner for a fixed term, commonly 25 to 30 years, often with an extension option. The lease is signed before a notary and can be held in your own name. No residency is needed.	Most overseas buyers of holiday and rental villas. The structure used by most developers in Lombok and Bali.
Right of use Hak Pakai	A registered title that lets a foreigner use land and a house, renewable over time. It is generally tied to holding an Indonesian residence permit and to minimum property values set by region.	People who live in Indonesia on a residence permit and want a longer, registered title.
Company PT PMA	A foreign-owned Indonesian company holds a building title (HGB). It needs capital, licences, an accountant and annual reporting.	Running a real hospitality business or holding several properties.

> **Avoid nominee arrangements.** Some sellers suggest putting freehold in an Indonesian friend's name with a side agreement giving you control. Indonesian law treats these agreements as void. If the nominee dies, sells or disputes it, you can lose everything. If anyone offers you "freehold" as a foreigner, ask exactly whose name goes on the certificate.

The rules on Hak Pakai and minimum values were updated in recent years and are still evolving. Your notary can confirm what applies to you on the day you buy.

Leasehold, *explained properly*

A lease is only as good as its wording. Two villas with the same "30-year leasehold" can be very different assets.

Read these clauses closely

Term and start date. Does the clock start at signing or at handover? On an off-plan villa, that can be a year or more.

Extension. "Priority to extend" is weaker than an extension at a price fixed now. Ask for the extension price or formula in writing.

Transfer. Can you sell or assign the remaining lease without the landowner's approval or a fee?

Inheritance. Does the lease pass to your heirs automatically?

Rental rights. Are you allowed to rent the villa to holiday guests, and through whom?

End of term. What happens to the building, and is there any compensation?

Landowner's obligations. Who pays land tax, and what if the land is sold or mortgaged?

Language. Indonesian law requires an Indonesian-language version. Get a certified English copy and agree which version wins if they differ.

Value over time

A lease loses value as the term runs down, while the building and the area may rise in value. Most buyers plan around rental income during the term and an extension, rather than selling at a profit. Price that in when you compare a leasehold villa with freehold elsewhere in the world.

> **At Tampah Sky**, the developer offers a 30-year leasehold held in your name with a priority extension option. Ask for the extension terms and the start date of the term in writing before reserving.

Due diligence *checklist*

Ask every developer for these before you pay a reservation fee. A good developer will have the answers ready.

The land

- [ ] A copy of the land certificate, usually SHM, and the landowner's ID
- [ ] The certificate checked by your notary at the land office (BPN)
- [ ] No mortgage, dispute or family claim on the land
- [ ] Zoning that allows tourism villas
- [ ] Legal road access, not just a track over a neighbour's land
- [ ] Water, electricity and internet supply confirmed

The developer

- [ ] Company name, registration and who signs for it
- [ ] Completed projects you can visit, with owners you can call
- [ ] Payments go to a company bank account, never a personal one

The build

- [ ] Building permit (PBG) issued, or a clear date for it
- [ ] Final drawings, specifications and furniture list attached to the contract
- [ ] Construction timeline with a handover date
- [ ] Penalties or refunds if handover is late
- [ ] A defects period after handover

The paperwork

- [ ] An independent notary, chosen or checked by you
- [ ] Bilingual contract, English and Indonesian
- [ ] Lease terms from page 5 confirmed in writing
- [ ] Rental licence and management agreement, if you plan to rent
- [ ] Receipts for every payment

DEVELOPER _____ PROJECT _____ DATE _____

NOTES

The costs beyond *the price*

Budget for these on top of the purchase price. Ask the developer and notary for actual quotes; the amounts vary by deal.

COST	WHAT IT IS	WHEN
Notary fees	Drafting, checking and registering the lease. Get a fixed quote in advance.	At signing
Lease tax	Indonesia charges a final tax on lease payments. It is normally the landowner's tax, but check whether it is included in your price or added on.	At signing
Independent lawyer	Optional but worth it for a contract review, especially off-plan.	Before signing
Money transfer	Bank fees and exchange-rate margins on large international payments. A specialist transfer service usually costs less than a bank.	Each payment
Finishing the furnishing	Many "fully furnished" villas exclude linen, towels and kitchenware.	At handover
Running costs	Electricity, water, internet, pool care, garden, staff and security.	Monthly
Management and marketing	If rented, management companies typically take a share of revenue, plus booking-platform commissions.	Monthly
Maintenance reserve	Sun, salt and humidity are hard on buildings. Set money aside every year.	Yearly
Tax on rental income	Rental income may be taxed in Indonesia and in your home country. Speak to a tax adviser in both.	Yearly

> **Tampah Sky villas** are delivered fully furnished, excluding linen and kitchen equipment. The developer's own rental projections already deduct operating costs and a 15% marketing fee.

Buying off-plan *safely*

Buying before a villa is built usually means a lower price and a choice of plots. The trade-off is risk: you are paying for something that does not exist yet.

How to protect yourself

Pay in stages tied to progress, not to dates. Each payment should follow a stage you can see.

Ask for photo and video updates at each stage, or a visit by someone you trust.

Keep the reservation small. Find out when it is refundable.

Agree on what happens if the project stalls: refunds, timelines and who holds the money.

Questions to ask

How many villas are sold, and how many are left?

Which project did this team finish last, and was it on time?

What exactly is the land payment (often the largest stage) paying for?

When does construction start, and what has to happen first?

Example: the Tampah Sky payment plan

STAGE	SHARE	2-BED ($199,000)	3-BED ($249,000)
Reservation	5%	$9,950	$12,450
Notary signing	40%	$79,600	$99,600
Foundation	15%	$29,850	$37,350
Structure	20%	$39,800	$49,800
Finishing	15%	$29,850	$37,350
Handover	5%	$9,950	$12,450

Rental income, *honestly*

Every brochure shows a return. The useful question is what has to be true for that number to happen.

Think in seasons

South Lombok is busy in the dry season and quiet in the wet. A villa might be nearly full in August and a third full in February. Ask for occupancy by month, not a single annual average.

Count every cost

Gross income is not what reaches you. Deduct management, platform commissions, staff, utilities, maintenance and tax, and allow for a slower first year while reviews build up.

Ask for real data

Projections are estimates. Ask the developer or manager for actual booking figures from villas they already run, ideally the platform statements, for at least a full year.

Stress-test it

Work out whether you would still be comfortable at half the projected occupancy. If yes, the upside is a bonus. If not, the purchase depends on everything going right.

The developer's figures for Tampah Hills

SCENARIO	NIGHTLY RATE	OCCUPANCY	NET PER YEAR (PROJECTED)
Low	$220	60%	$29,872
Medium	$270	70%	$42,771
High	$320	80%	$57,933

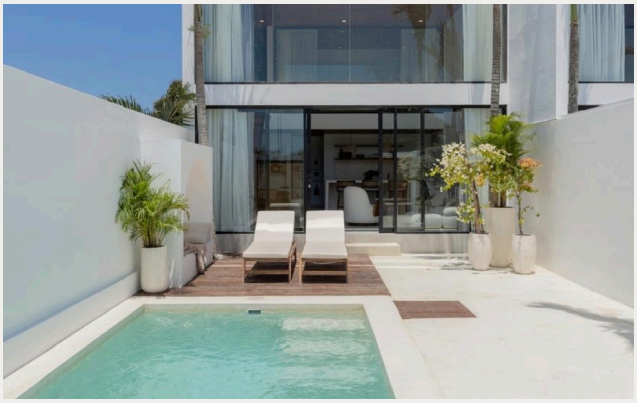
Source: Aurenta Living's own projections for the 2-bedroom villa. The developer's area comparison shows Tampah Hills occupancy of around 35% in low season and 75% in high season. Projections are not guaranteed; past performance does not predict future results.



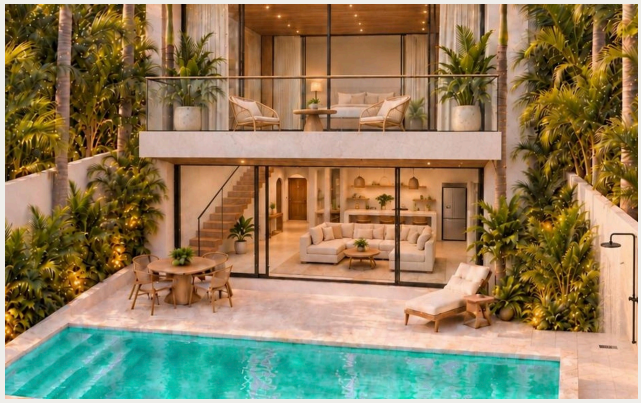
TWO-BEDROOM LIVING AREA, CONCEPT RENDER

Tampah Sky *at a glance*

A small collection of wellness villas by Aurenta Living in Tampah Hills, minutes from Tampah Beach, each with a private pool and a rooftop sauna, cold plunge and sundeck.



TWO-BEDROOM VILLA, CONCEPT RENDER



THREE-BEDROOM VILLA, CONCEPT RENDER

	TWO BEDROOMS	THREE BEDROOMS
Price	$199,000	$249,000
Land	150 m²	153 m²
Layout	2 levels plus rooftop, 337 m² built	3 levels, ground-floor master suite
Pool	10 m²	18 m²
Rooftop	Sauna, cold plunge, sundeck and ocean view	
Tenure	30-year leasehold in your name, priority extension option	
Included	Fully furnished (excluding linen and kitchenware), 24/7 staff and security, licensed rental management available	
Distances	5–7 min to Tampah Beach · 17 min to Selong Belanak · 32 min to Kuta · 52 min to the airport	

Details from the developer's brochure and subject to change. Confirm availability, specifications and terms in writing.

Your next *steps*

If Tampah Sky sounds like a fit, here is how I can help.

i

Tell me what you're looking for

Reply to the email this guide came with, or send an enquiry at samuderaestates.com. Budget, timing and how you plan to use the villa are enough to start.

ii

Get the full details

Floor plans, current availability and answers to the checklist questions in this guide.

iii

Meet the developer

I'll introduce you personally to the developer for a video call to go through the project and the contract.

iv

Check everything independently

Use your own notary or lawyer, visit if you can, and only reserve when you're comfortable.

About me

I'm Pete. I run Samudera Estates and introduce a small number of buyers to developers I know personally, including Tampah Sky. I'm not a lawyer or financial adviser, so I'll always point you to independent advice for the legal and tax side.

Pete may receive a referral fee from the developer if you buy; this does not affect your price. This guide is general information, not legal, tax or financial advice, and reflects the author's understanding at the time of writing. Rules and project details may change. Images are concept renders or photos of the area. Confirm every detail with the developer and your own independent advisers before making any payment.