



SOUTH LOMBOK

LAND INVESTMENT GUIDE

Everything you need to know before buying

land in Lombok.

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This guide is produced by Mason Living — South Lombok's premium land agency. It is intended as an educational resource for prospective buyers and investors. All information is current as of 2026. We recommend consulting a licensed Indonesian notary for transaction-specific legal advice.



01 – MARKET OVERVIEW

Why Lombok – The Opportunity

Lombok is no longer a secret—but the best land still is. Situated just east of Bali, Lombok is one of Southeast Asia’s fastest-growing real estate and tourism markets. Where Bali took decades to develop, Lombok is moving fast — and the window to buy before prices catch up is still open, but narrowing.

South Lombok — anchored by Kuta, the Mandalika circuit, Selong Belanak, and Gerupuk Bay — is where the growth is concentrated. International infrastructure, a global-standard racing circuit, and a surge in boutique villa and resort development have combined to create one of the most compelling land investment stories in the region.

Key Growth Drivers

- **Mandalika International Circuit** — MotoGP-grade track bringing global attention and year-round tourism
- **Lombok International Airport** — Direct routes from Singapore, Kuala Lumpur, and domestic hubs
- **Government designation** — Mandalika classified as a National Strategic Tourism Area (KSPN)
- **Bali overflow** — Investors and developers priced out of Bali are moving east to Lombok
- **World-class surf** — Kuta, Gerupuk, and Selong Belanak attract a loyal global surf market
- **Undersupply of quality land** — Premium freehold plots still available at a fraction of Bali prices
- **Rising rental yields** — Short-term villa rental demand growing consistently year on year

"In Bali, the best land was bought 15 years ago. In South Lombok, the best land is available today — but not for long."

Lombok vs Bali – Price Comparison

Bali prime (Canggu / Seminyak)	IDR 800M – 3B+ per are
Bali mid-tier (Ubud / Bukit)	IDR 300M – 800M per are
South Lombok prime oceanview	IDR 150M – 355M per are
South Lombok beachfront	IDR 280M – 355M per are
South Lombok entry level	IDR 140M – 170M per are

These price differentials represent a market still in its early-to-mid growth phase. Analysts consistently position South Lombok as the Bali of 10–15 years ago — same fundamentals, a fraction of the cost.

02 — LOCATION GUIDE

Where to Invest in South Lombok

South Lombok offers distinct investment corridors, each with its own character, price point, and development trajectory. Here is Mason Living's insider guide to the key locations.

Location	Best For	Price / Are	Kuta Distance
Kuta Hills	Private villas, boutique stays	IDR 140M–170M	0–5 min
Arguing / Areguling	Villa development, investment	IDR 150M–270M	10–15 min
Mandalika Corridor	Resort, commercial, hospitality	IDR 200M–300M	5–10 min
Gerupuk Bay	Beachfront, surf tourism	IDR 150M–300M	20 min
Selong Belanak	Beachfront resort, luxury	IDR 355M+	30 min
Tampah Hills	Luxury villa, scenic ridge	IDR 200M–350M	30 min
Lancing Beach	Raw beachfront, early stage	IDR 100M–200M	45 min
Kuta Flat / Central	Commercial, retail, daily amenities	IDR 150M–250M	0–5 min

Kuta Hills & Prabu Village

The most coveted elevation in South Lombok. Panoramic ocean views, active villa development, and Kuta's restaurants, surf, and amenities just minutes below. Plots from 8 to 39 are currently available with freehold SHM title. Mason Living's home territory — we know every ridge.

Arguing / Areguling Hills

South Lombok's most active development ridge after Kuta Hills. Established villa neighbourhood, unobstructed ocean views, flexible plot sizes and payment terms available. Mason Living has purchased land here ourselves — our highest endorsement.

Mandalika Corridor

The area surrounding the Mandalika International Circuit is South Lombok's most infrastructure-rich zone. Government-backed, internationally connected, and one of the highest-upside corridors in the region.

Gerupuk Bay

Calm turquoise waters, world-class surf breaks, and some of Lombok's last remaining beachfront land. Don Don Beach is seeing strong development interest. Plots from 20 are to over 1 hectare currently available.

Selong Belanak

One of Indonesia's most beautiful beaches — a wide white-sand crescent with gentle waves. Large-format beachfront land here is exceptionally rare. Mason Living currently holds a 1.12 hectare beachfront listing — the kind of site that comes to market once in a decade.



03 – LEGAL FRAMEWORK

Understanding Indonesian Land Titles

Indonesia has several categories of land title, each with different ownership rights, transferability, and suitability for investment. Understanding these before committing to any purchase is essential.

SHM – Hak Milik (Freehold)

The strongest title in Indonesia. Full ownership with no time limit – can be inherited, sold, and used as collateral. Indonesian nationals only. Foreigners must use a PT PMA or nominee structure. This is the title Mason Living prioritises in all listings.

HGB – Hak Guna Bangunan (Build Right)

Right to build and use land for 30 years, extendable by 20 + 30 years. PT PMA companies can hold HGB directly. The most common structure for foreign-owned villa and resort development.

HP – Hak Pakai (Use Right)

Right to use land for 30 years, extendable. Foreign individuals resident in Indonesia can hold HP on residential property in limited circumstances.

Girik / Letter C (Unregistered)

Traditional land documents – not BPN-certified. High risk. Always ensure land is upgraded to SHM or HGB before purchase. Mason Living does not list Girik land.

Mason Living only lists land with clean SHM or HGB title. Full title verification is completed before every listing goes live.

04 – FOREIGN BUYERS

How Foreigners Can Own Property

Foreigners cannot directly hold SHM freehold title in Indonesia. However, several legally recognised structures allow foreign nationals to invest in, develop, and profit from Indonesian property safely and legally.

PT PMA – Foreign-Owned Company

The most robust structure for foreign property investment. A PT PMA can hold HGB title directly, develop land, operate a business, and repatriate profits. It provides full legal protection and is the structure recommended by Mason Living for all significant investments.

Nominee Structure

A foreign buyer uses a trusted Indonesian national to hold SHM title on their behalf, backed by legal agreements. Widely used but carries inherent risk and is not fully recognised under Indonesian law. PT PMA is strongly preferred for significant investments.

Long-Term Lease

Foreign individuals can lease land directly from owners – typically 25 + 25 years. Lower entry cost but no ownership of the underlying asset.

Hak Pakai – Direct Use Right

Foreign residents can hold Hak Pakai on residential property in limited circumstances. Not suitable for development or commercial use.

For most foreign buyers in South Lombok, PT PMA is the right structure. Mason Living's team handles the full setup process end to end.

05 – COMPANY SETUP

PT PMA — Setting Up Your Company

PT PMA (Perseroan Terbatas Penanaman Modal Asing) is an Indonesian limited liability company with foreign ownership – the primary legal vehicle for foreigners investing in Indonesian real estate at scale.

What a PT PMA Allows

- Hold HGB land title directly in the company name
- Develop, build, and operate villas or commercial property
- Open Indonesian bank accounts and receive rental income
- Employ Indonesian staff legally and compliantly
- Repatriate profits to your home country
- Apply for KITAS (temporary stay permit) as a company director

Key Requirements

Minimum stated capital	IDR 10 billion per business line
Shareholders	Minimum 2 – individuals or companies
Directors	Minimum 1 Director and 1 Commissioner
Setup timeline	Approximately 4–8 weeks from document submission
Business lines	Must match intended activity – real estate, hospitality etc.

Setup Process

- **Step 1:** Choose business classification (KBLI code) and company name
- **Step 2:** Prepare shareholder and director documents (passport copies etc.)
- **Step 3:** Submit application via OSS (Online Single Submission) system
- **Step 4:** Obtain NIB (Business Identification Number)
- **Step 5:** Register with Ministry of Law and Human Rights
- **Step 6:** Open company bank account and deposit stated capital
- **Step 7:** Register for tax (NPWP Badan) and obtain operational licences

Mason Living's accounting and legal partners handle the full PT PMA setup. Contact us to get started.

The Buying Process Step by Step

Buying land in Indonesia as a foreign investor involves more steps than a typical western property transaction. Understanding the process upfront prevents delays, protects your investment, and ensures a clean transfer of title.

1. Identify & Inspect

View the plot in person. Confirm physical boundaries match the certificate. Check access road, utilities, and surrounding development activity.

2. Request the Certificate

Obtain the SHM or HGB certificate. Confirm the seller is the registered owner and that certificate details match the physical plot.

3. Due Diligence

Verify the title at BPN (National Land Agency). Check for encumbrances, disputes, or liens. Confirm zoning and permitted development use.

4. Sign an MOU

Agree price, payment terms, and conditions. Pay a refundable deposit – typically 10%. Set a clear completion deadline.

5. Notary Engagement

Appoint a certified PPAT notary. The notary prepares the sale-purchase deed (PPJB or AJB). All parties must be present or represented by power of attorney.

6. Payment

Full payment or agreed instalment is made. Funds are typically held in notary escrow until title transfer is completed.

7. Title Transfer

AJB (Act of Sale and Purchase) is signed before the notary. BPHTB and PPh taxes are paid at this stage.

8. BPN Registration

The notary submits transfer documents to BPN. New certificate issued in the buyer's or PT PMA's name. Timeline: 2–6 weeks after signing.

9. Final Certificate

You receive the updated land certificate confirming ownership. Mason Living stays with you through every step of this process.

07 – RISK MANAGEMENT

Due Diligence – What to Check

Due diligence is non-negotiable. Every piece of land carries its own history, and problems not identified before purchase can be extremely difficult and costly to resolve afterwards. Mason Living conducts full due diligence on every listing.

Title Verification

Confirm certificate authenticity and ownership at BPN. Check for existing mortgages, liens, or disputes registered against the title.

Physical Boundary Check

Walk the boundaries with the certificate map. Confirm the plot matches the stated area and that no neighbouring plots overlap.

Zoning Confirmation

Verify the land's zoning with the local RTRW (spatial planning regulation). Confirm the intended use – villa, commercial, resort – is permitted.

Access Road

Confirm legal right of access. Shared access roads should have a written agreement. Landlocked plots are a significant risk and should be avoided.

Environmental Checks

Confirm the land is not in a protected forest, conservation area, or flood zone. Beach and cliff-top land requires additional environmental assessment.

Utility Availability

Confirm PLN (electricity) connection availability and water source options – PDAM, well, or water storage.

Seller Verification

Confirm the seller's identity matches the certificate holder. If selling via PoA, verify it is current and legally executed.

Tax Clearance

Confirm all land and building taxes (PBB) are current and paid to the year of sale.

Every Mason Living listing undergoes full title verification, boundary checks, and zoning confirmation before going live in our portfolio.

08 – FINANCIAL PLANNING

Taxes, Fees & Hidden Costs

Understanding the full cost of a land transaction in Indonesia is essential for accurate budgeting. The purchase price is only part of the equation. As a general rule, budget an additional 7–10% on top of the land price to cover all transaction costs.

Costs Paid by the Buyer

BPHTB (Land Transfer Tax)	5% of transaction value or NJOP, whichever is higher
Notary fees	0.5%–1% of transaction value
BPN registration fee	Variable – typically IDR 500K–2M
PT PMA setup	IDR 15M–30M depending on service provider
Legal due diligence	IDR 5M–15M depending on complexity

Costs Paid by the Seller

PPH (Income Tax on Sale)	2.5% for individuals; 0.5% for developers
Agent commission	3%–5% – typically paid by the seller in Indonesian transactions

Ongoing Annual Costs

PBB (Land & Building Tax)	0.1%–0.5% of NJOP value per year
PT PMA annual compliance	IDR 10M–20M per year
Security & maintenance	IDR 2M–5M per month for undeveloped land

Budget 7%–10% on top of the land purchase price to cover all transaction costs and first-year compliance.

09 — OUR AGENCY

Working With Mason Living

Mason Living is South Lombok's premium land agency — a PT PMA registered in Indonesia, founded in Germany, headquartered in Denpasar, Bali. We are the gateway for foreign investors in Lombok, building the bridge between local landowners and an international audience.

We are more than a listing agency. We source, verify, negotiate, and stay with you from first inquiry to final certificate — and beyond.

Property Listings

Curated portfolio of freehold land across South Lombok. Every listing is title-verified and ready to move on.

Land Headhunting

Tell us your brief, budget, and vision. We find off-market plots sourced directly from local landowners — not publicly listed anywhere.

Legal Consulting

Guidance on ownership structures, title types, and the full Indonesian legal framework for foreign buyers.

PT PMA Setup

End-to-end company formation handled by our in-house accounting and legal partners.

Due Diligence

Title verification, boundary checks, zoning confirmation, and environmental assessment on all listings and buyer-sourced land.

Notary Coordination

We work with one of the most experienced notaries in the region, managing the full transaction from MOU to final certificate.

Investment Advisory

Market analysis, location guidance, and honest advice on which plots represent the best value for your specific investment goals.

Construction Referrals

Introduction to trusted architects, contractors, and project managers for buyers ready to build.

10 – FAQ

Frequently Asked Questions

Can a foreigner buy land in Indonesia?

Foreigners cannot directly hold SHM freehold title. Through a PT PMA company, foreign nationals can legally own, develop, and profit from land in Indonesia. Mason Living can guide you through the full setup process.

What is the difference between SHM and HGB?

SHM (Hak Milik) is freehold with no time limit – for Indonesian nationals only. HGB (Hak Guna Bangunan) is a 30-year build right, extendable, and can be held directly by a PT PMA.

How long does the buying process take?

From agreeing a price to receiving the updated certificate: typically 4–10 weeks. Complex transactions or PT PMA setup can extend this timeline.

Do I need to be in Indonesia to complete the purchase?

Not necessarily. A power of attorney (PoA) allows a trusted representative to sign on your behalf. Mason Living can assist with PoA arrangements.

What is the minimum budget to invest?

Entry-level plots in South Lombok start from around IDR 1.1B–1.4B (approximately USD 70,000–90,000). Budget an additional 7%–10% for all transaction costs.

Can I get a mortgage as a foreigner in Indonesia?

Indonesian banks do not typically offer mortgages to non-residents. Most transactions are cash purchases or seller-financed through instalment agreements.

What happens when I want to sell later?

Land held through a PT PMA can be sold by transferring the land title or by selling PT PMA company shares – a common and often tax-efficient exit route.

Is Lombok a safe place to invest?

South Lombok has seen consistent growth in investment, tourism, and infrastructure. Title risk is managed through proper due diligence and notary-executed transactions. Mason Living only lists land with verified clean title.

What are the ongoing costs of holding land?

Annual PBB (land tax) is modest – typically IDR 500K–5M per year depending on size and location. PT PMA annual compliance: IDR 10M–20M. Undeveloped land may also require basic security and maintenance.

Can Mason Living help me build after I purchase?

Yes. We can introduce you to trusted architects, contractors, and project managers. Our construction management team can oversee the full build on your behalf.

READY TO INVEST?

Get in Touch

Send us your brief — plot size, location preference, budget, and vision — and a dedicated Mason Living agent will be in touch within 24 hours.

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