



The three words every Bali buyer Googles.

Three ownership structures, one clear answer — in 60 seconds.

LEASEHOLD

HAK PAKAI

FREEHOLD



Property Investments – Consultation – Real Estate Agency – Legal Support

_THE OWNERSHIP QUESTION

Foreigners can't own land in Bali. But three legal ways let you use it.

01

HAK SEWA

Leasehold

The foreigner default.

02

HAK PAKAI

Right-to-use

Residents only. Your name on title.

03

HAK MILIK

Freehold

Indonesians only.

PICK YOURS → LAST SLIDE

Leasehold

HAK SEWA — THE FOREIGNER DEFAULT

You *rent the rights* to the land for decades. 90% of foreign-held villas in Bali.

WHAT YOU GET

A long-term rental over land & building.

WHO CAN HOLD IT

Anyone. No visa required.

HOW LONG

25–30 yrs + extension → up to 80 yrs.

AT THE END

Returns to the owner — unless extended.

PLAIN ENGLISH

Renting — just for 30 years.

TYPICAL COST

\$120k–\$400k · 2-bed villa

EXIT

Deepest buyer pool on the island

Hak Pakai

RIGHT-TO-USE — THE RESIDENT ROUTE

The closest a foreigner gets to ownership — *if* you hold a KITAS.

WHAT YOU GET

A BPN certificate in your own name.

WHO CAN HOLD IT

Foreigners with KITAS only.

HOW LONG

30 + 20 + 30 → up to 80 yrs.

AT THE END

Renewable — while still a resident.

PLAIN ENGLISH

Real ownership — tied to your visa.

TYPICAL COST

~5% BPHTB · ~15% cheaper land

EXIT

Thinner pool · KITAS-to-KITAS

Freehold

HAK MILIK — INDONESIANS ONLY

The strongest title in Indonesian law — and *closed to foreigners*.

WHAT IT IS

Permanent, inheritable ownership.

WHO CAN HOLD IT

Indonesian citizens only.

HOW LONG

Forever.

WHY YOU CARE

It's the title under your lease.

PLAIN ENGLISH

You can't buy it — but your lease depends on it.

COST

N/A for foreigners

ACTION

Verify the freehold before any lease

What works. Where it bites.



01 · HAK SEWA

Leasehold

WORKS

Anyone can buy
Deepest resale market
Fastest close

BITES

Value decays with years
Never own the land

02 · HAK PAKAI

Hak Pakai

WORKS

Your name on title
Cheaper entry
Mortgageable locally

BITES

Tied to your KITAS
Thinner exit market

03 · HAK MILIK

Freehold

WORKS

Permanent · inheritable
Strongest legal title

BITES

Closed to foreigners
Workarounds carry real risk

Five mistakes we see every month.

01**Skipping the freeholder's title.**

Always pull the underlying **Hak Milik**. Your lease is only as strong as what's beneath it.

02**Mistaking "remaining" for "total."**

Extensions are a **separate clause**. Not in writing — not real.

03**Hak Pakai without long-term KITAS plans.**

Lose residency → **12 months to transfer**, usually at a discount.

04**"Freehold for foreigners" marketing.**

Doesn't legally exist. **It's a workaround** — verify the real structure.

05**Skipping the PPAT notary.**

No registration, no protection. Always sign before a notary.

ON NOMINEE STRUCTURES

Illegal. Courts have sided with the nominee since 2020. If someone offers you one — call a second lawyer.

All three, side-by-side.

DIMENSION	Leasehold HAK SEWA	Hak Pakai RIGHT-TO-USE	Freehold HAK MILIK
FOREIGNERS ALLOWED	Yes · passport only	Yes · with KITAS	No
TITLE IN YOUR NAME	No · contractual right	Yes · BPN certificate	Not available
DURATION	25–30 yrs + ext → 80 yrs	30 + 20 + 30 → 80 yrs	Forever
TAX ON PURCHASE	~11% BPHTB + notary	~5% BPHTB + conversion	5% BPHTB (Indonesians)
RESALE MARKET	Deep · easiest exit	Narrower · KITAS holders	Domestic only
MORTGAGEABLE IN BALI	Rarely · offshore only	Yes · local banks	Yes · local banks
BEST FIT	Investor · non-resident	Long-term Bali life	Indonesian family

Typical ranges · verify at the notary.

Four answers → one structure.

IF YOU WANT

Airbnb villa · fly in · easy exit



YOU WANT

Leasehold

Fast close · deep resale

IF YOU WANT

Live full-time · your name on title



YOU WANT

Hak Pakai

KITAS first · buy second

IF YOU WANT

Permanent, inheritable ownership



YOU WANT

Freehold

Indonesian citizens only

IF YOU WANT

A commercial / hotel operation



YOU WANT

A PT PMA

DM us — separate post

STILL UNSURE? NEXT SLIDE.

**Still unsure?
We'll pick it for
you.**

DM us "STRUCTURE"

Tell us the budget, the visa situation, and the vibe. We'll come back with the structure that fits, a villa example, and the numbers behind it – inside 24 hours.

+62 821 4553 9838 · sales@masonrealestate.co