OWNERSHIP · EXPLAINER

Can foreigners buy property in Bali? Yes, through three legal routes

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You can't hold freehold land in Bali as a foreigner, but you can legally control a villa or an apartment for decades. The route you pick decides what you actually hold and whether you can legally rent it out.

Read online: https://riserealbali.com/guides/can-foreigners-buy-property-in-bali/

IN SHORT

Yes, but not as freehold. Indonesia's Basic Agrarian Law (5/1960) reserves freehold, Hak Milik, for citizens. Foreigners buy through a leasehold contract, a right-to-use title (Hak Pakai) for residents capped at 80 years, or their own PT PMA company holding a right to build (HGB). About nine in ten listings in our catalog are leasehold.

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legal routes for a foreign buyer: leasehold, Hak Pakai and a PT PMA

Rp 5 bn
lowest price at which a foreign resident may hold a Bali house under Hak Pakai

9 in 10
listings in our catalog sold as leasehold, our count in September 2026

27 years
median base lease term in our catalog, same count

IN THIS REPORT

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Can a foreigner own freehold land in Bali?

Indonesian land law still runs on a statute from 1960, the Basic Agrarian Law, known locally as UUPA. Under Article 21 only Indonesian citizens may hold Hak Milik, the country's version of freehold. Article 26(2) shuts the obvious workaround: a deal that moves Hak Milik to a foreigner, directly or through someone else, is void, and the land goes to the state.

That restriction targets one title rather than property as a whole. The same law, fleshed out by Government Regulation 18 of 2021, lets foreigners hold other rights over land and buildings. They differ mostly in price and in how long they last.

Time on the island doesn't change the rule. Someone who has lived in Canggu on a KITAP for twenty years is exactly as barred from Hak Milik as a first-time visitor.

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Route 1: leasehold, which is how most foreigners buy

With a leasehold (Hak Sewa) you sign a contract with the Indonesian who owns the land and pay upfront for the right to use it, and the villa on it, for a fixed number of years. No statute limits who may sign, what the villa must cost or how long the lease can run, so the whole deal lives in the agreement you sign before a notary.

That's why leasehold dominates the market. In our catalog roughly nine listings in ten are sold this way, with a median base term of 27 years when we counted in September 2026. About six in ten of them come with an extension in the developer's terms, most often written as 25 + 25 or 30 + 30.

The catch is that your protection is only as good as the contract. Our guide on leasehold vs freehold compares what each form costs, and what happens when a lease runs out lists the clauses to insist on.

- No visa needed: you can sign while on a tourist entry.
- No price floor, so the same route covers a Rp 1.5 bn studio and a Rp 15 bn clifftop villa.
- The landowner is taxed on the lease payment, and developers often fold that cost into your price, so ask who carries it.
- Check when the term starts. Signing, notarization and handover can be a year apart on an off-plan villa.

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Route 2: Hak Pakai, a registered title in your own name

Hak Pakai means right to use, and it's the only land title a foreign individual can have recorded in their own name at the National Land Agency, BPN. You'll need a stay permit to qualify, whether that's a KITAS, the Second Home visa or a KITAP.

Price and size rules come with it. A 2022 ministerial decree puts the Bali minimum at Rp 5 bn for a house and Rp 2 bn for an apartment, and you're limited to one home per person or family. On state land the title can run 80 years in three stages, while on an Indonesian's freehold it's shorter. The Hak Pakai guide goes through both cases, clause by clause.

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Route 3: your own PT PMA holding a right to build

A PT PMA is an Indonesian limited company owned by foreign shareholders. It can't hold Hak Milik any more than you can, so the villa goes onto HGB, a right to build that runs in the same three stages as Hak Pakai.

Investors choose this route when the villa is meant to earn. One company can hold several properties, and it's the entity that obtains the business license a legal short-term rental requires. Since October 2025 the paid-up capital has been Rp 2.5 bn, and the company still has accounts, quarterly reports and corporate tax to handle. Our PT PMA guide prices all of that out.

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The three routes side by side

Pick by how you'll use the property rather than by which route sounds most like owning it.

Legal routes for a foreign buyer in Bali

	LEASEHOLD	HAK PAKAI	PT PMA WITH HGB
Who holds it	You, by contract	You, registered at BPN	Your company, registered at BPN
Visa needed	No	KITAS or KITAP	No, for shareholders
Minimum price	None	Rp 5 bn house, Rp 2 bn apartment	None, but Rp 2.5 bn paid-up capital
Term	Set by contract, often 25–30 years	Up to 80 years on state land	Up to 80 years
Commercial rental	As the contract allows	Residential use	Yes, with a business license
How many properties	Any number	One per person or family	Any number

Source: UUPA; PP 18/2021; Kepmen ATR/BPN 1241/2022; BKPM Reg. 5/2025

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Nominee ownership is not a fourth route

You may still be offered Hak Milik registered to an Indonesian friend, propped up with a loan agreement or a power of attorney in your favor. A court treats that as void. The land belongs to whoever is on the certificate, and your side papers won't get it back.

Bali has also legislated against the practice at provincial level, in a 2026 regulation that bans nominee transfers and lets the province sanction anyone who arranges them. Read what the law says about nominees before anyone suggests one to you.

> **We don't do nominee deals, and a client who insists on one isn't a client we can help. The saving looks good until something goes wrong, and then you've lost everything you paid.**
>
> Rise Real Bali

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What should you check before paying a deposit?

Whichever route you take, the paperwork decides whether it holds up. We run these checks on every property before a client pays anything. Once they pass, the question becomes which villa: our property listings show the lease term on every card, and the area guides compare nightly rates and entry prices.

- Look up the land certificate in the BPN register (the Sentuh Tanahku app or bhumi.atrbpn.go.id) and make sure the name matches the seller.
- Walk away from a girik. Since February 2, 2026 these old tax records no longer prove title.
- Zoning (RDTR) must allow housing, and tourist accommodation too if you'll rent.
- A building approval (PBG) should exist for the villa, plus a certificate of occupancy (SLF) once it's finished.
- For short-term rental, the business license (NIB) has to sit with the right entity.

What this means for buyers

01 Only Indonesian citizens can hold freehold, and no residence permit changes that.

02 Leasehold has no visa rule and no price floor, which is why it covers most of the market, but it's only as strong as its contract.

03 Residents with a KITAS or KITAP can put the villa on Hak Pakai in their own name, provided a house costs Rp 5 bn or more.

04 Buyers who want to rent commercially or hold several villas usually end up with a PT PMA.

FAQ

Can foreigners buy land in Bali?

Not as freehold, which the Basic Agrarian Law keeps for Indonesian citizens. What a foreigner can do is lease land, hold Hak Pakai with a stay permit, or hold HGB through a company they own.

Do I need a visa to buy property in Bali?

You need one for Hak Pakai: a KITAS, a KITAP or the Second Home visa. A leasehold, or a purchase made by your own PT PMA, can be signed without a residence permit.

Can I rent out a villa I hold under Hak Pakai?

The title is granted for living in, and only one per person or family. If income is the goal, look at a lease that allows subletting or at a company with a business license.

Which route is quickest?

A leasehold, usually. There's no permit check and no minimum price, just the contract and the notary, whereas Hak Pakai waits on your stay permit and a PT PMA has to be registered first.

Can I sell a leasehold before it ends?

Yes, as long as the contract allows assignment. The buyer is paying for the years you have left, so the price falls as the lease gets shorter.

How we know this

We started from the statutes behind each route and read the rules on titles, minimum prices and company capital in the original regulations or in two independent legal summaries. Catalog shares and the median term come from our own tally of published listings in September 2026. Treat this as orientation rather than legal advice, and have a notary (PPAT) confirm the structure for your purchase.

— Basic Agrarian Law, Law 5/1960 (UUPA)

— Government Regulation 18/2021 on land rights

— Kepmen ATR/BPN 1241/2022, price floors for foreigners

— BKPM Regulation 5/2025, PT PMA capital

— Government Regulation 34/2017, tax on land rental

— Bali Provincial Regulation 4/2026 (DNT Lawyers summary)

— Rise Real Bali catalog count, September 2026

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Disclaimer

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