SUMMARY

ARIEF SEANTERO BUDIMAN. The Influence of Internal and External Factors on Capital Structure of Properti and Real Estate Companies in Indonesia Stock Exchange. Supervised by TONY IRAWAN and LUKYTAWATI ANGGRAINI.

Indonesia's population growth continues to increase, causing the need for property and real estate also increased. However, there is still a gap between residential needs (residential property) and availability (Directorate of Economic and Monetary Statistics 2011). In addition, in the last few years the growth in commercial property supply also experienced a slowdown in line with the slowing economic growth of Indonesia. However, this sector still has the potential to grow in view of the increase in direct investment, recorded in the last five years investment in the property market and real estate has increased.

Property and real estate sub-sector is a capital intensive sub-sector, where capital is allocated as a fund in the process of purchasing land and construction, so companies need large capital from external sources. Funds need not be separated from management policy decisions in the use of capital structure through own capital and debt. The factors that influence the capital structure are internal factors and external factors. Therefore, the purpose of this study is to analyze the factors that influence the decision of the company's capital structure. Objects in this study are companies engaged in property and real estate sub-sector in accordance with the criteria of research (15 issuers) with the study period from 2006-2015. The method used to analyze the factors is panel data regression.

Based on the results of the company analysis on the property sub-sector and real estate using the capital structure policy that followed the concept of pecking order theory. Significant fundamental factors affect the company's capital structure such as growth of company assets (Growth), liquidity that negatively affects STDA. While tangibility, age of company, and Non Debt Tax Shield positively influence to LTDA. Then the macroeconomic factors (external) that have a significant effect is the negative negative GDP both on STDA and LTDA and SBI have a negative effect on STDA.

This research recommends company management to stick to pecking order theory concept. In addition, the company needs to pay attention to the liquidity of the company which will affect the company's ability to meet its short-term liabilities so that the company can increase its credibility to gain long-term debt trust by creditors.

Keywords: property, real estate, capital structure, debt