

GLOBAL SPOTLIGHT

Paris, France



Paris is France's premier centre of economic activity.

- France has been established as a key market for international property investment, increasingly attracting foreign investors.
- Investors have shown interest primarily in new products and sectors such as retirement and nursing homes, clinics and apartment hotels. To date, the French have been the leading investors in the market, with more than 50% of acquisitions.
- Office inventory in the Paris region is estimated to exceed 2.6 million square meters. Prime yields for office properties are in the range of 4.25% in the central business district (CBD) of Paris, 4.6% in La Défense, and 6% in the Province.
- Prime average rental transactions in the CBD have been rising at a slow pace. They are registered at over €700 net per square meter per year. Rental values are expected to continue their slow rise by a reduction in commercial incentives and a rise in prime rents.
- The average vacancy rate in the Paris office market is 5.2%. This represents approximately 2.5 million square meters. The markets of Paris and La Défense became tighter with the vacancy rate falling to 3.8% and 5.6% respectively.
- The market for warehouses in the Paris Region, with a take-up approaching 1 million square meters, has increased. Average rents for new warehouses in Paris are between €45 per square meter per year and €55 per square meter per year. In the other major markets in the regions, rents have risen slightly to range between €30 per square meter per year and €40 per square meter per year.

For further information on doing business in this market, please contact David Perry, Vice President, EMEA, by email at dperry@naiglobal.com or call +44 20 7182 7342.

Paris At A Glance

Population	2,153,600
Location	Capital of France
GDP	\$2.154 trillion
Inflation	1.5%
Interest	4.10% European Central Bank Benchmark Bond -10yr
Unemployment	8.7%
Conversion	€ 0.77 = US \$1

Property	Net Rent/M2/Year		Net Rent/SF/Year	
	Low	High	Low	High
City Centre Office Class A (Prime)	€ 400	€ 650	\$48.26	\$78.48
Suburban Office Class A (Prime)	€ 150	€ 410	\$18.10	\$49.47
Industrial Warehouse	€ 45	€ 55	\$5.43	\$6.64

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At A Glance

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\$40 billion	Annual Transaction Volume
200	MSF of Property Management

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