BNP PARIBAS REAL ESTATE
GUIDE TO
INVESTING IN PARIS
Q4/2011
IN COLLABORATION WITH
Baker & McKenzie
IN ASSOCIATION WITH
Business Immo
ABOUT BNP PARIBAS REAL ESTATE...

BNP Paribas Real Estate is the market leader in commercial real estate services across Europe with €618 million of gross turnover, €141 million of gross operating profit and 3,300 employees.

We manage more than 30.5 million sq m in commercial real estate across Europe.

84,000 valuations completed across Europe in 2010.

€47m gross turnover
Real Estate Strategy: 57%
Project Management: 35%
Occupier Services: 8%

€11 billion of assets under management across Europe.

Market leader in Europe in commercial Property Development.

One transaction every 14 minutes
4,300 commercial real estate transactions completed in 2010.
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Paris and its region by numbers

€552 BN - GDP of the Ile-de-France in 2010, 29% of national wealth

982 - population density per km²

1200 - the number of identified areas of economic activity in 2010

11.7 million - the number of inhabitants, 19% of the French population

720,000 - companies in 2009

50 million m² - the office park

83% - the share of employment concentrated in the tertiary

Sources: INSEE, ORIE

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Foreword

Over the last 15 years, the Parisian real estate market has successfully positioned itself as the largest office market in Europe. It has a stock of over 50 million m², over 2 million m² of take-up per annum and the second largest investment market in Europe with around 10 billion euro invested per annum, just behind London.

This leading position is due to the well balanced diversity and the strength of its leasing market, composed of large industries, service providers, public sector and financial services.

Paris is also the world capital for tourism, with over 40,000 tourists arriving every day. This gives the Paris market a leading position in the hotel industry and luxury retail markets.

The Parisian real estate market offers international investors all types of opportunities in a clear and transparent market place.

This guide outlines the top ten reasons to invest in Paris alongside key statistics and investors interviews.

We will describe the Greater Paris submarkets and the major future infrastructure projects concerning the region.

Together with Baker & McKenzie we have collated practical information on navigating the fiscal and legal aspects of investing in Paris.

We hope you find this guide a useful insight into the Parisian real estate market.

Etienne Prongué
Director International Investment
BNP Paribas Real Estate
Depth of the office market

With take-up of around 2 million m² in Q3 2011, the Greater Paris office market has done better than to simply withstand the underlying crisis. It has posted growth of 20% compared to the same period in 2010. Better still, with take-up of 788,000 m², Q3 2011 saw the second highest performance of the last ten years. These healthy figures were thanks to the trend for large units. Deals for over 5,000 m² accounted for around 487,000 m² of office take-up in a single quarter, thanks in particular to SFR in Saint-Denis and Carrefour in Massy. All told, BNP Paribas Real Estate teams expect transactions to reach 2.3-2.4 million m² in 2011, making Ile-de-France the biggest service market in Europe. Forecasts for 2012 range from 2.0 to 2.2 million m².

Solid and varied demand

Commercial demand for offices in Ile-de-France remains high at BNP Paribas Real Estate, even rising by 7% between 2010 and 2011 to around 1.9 million m². There has been a sharp increase in demand for units of over 5,000 m² (+34%). These indicators confirm the high appeal of the Paris market, which goes hand in hand with an extraordinary breakdown in company business sectors. In 2011, the biggest consumer of floor space – Banking-Finance-Insurance – represented just 20% of total demand in Ile-de-France.
Investors as keen as ever

With investment up by 32% in Q3 2011, breaking through the €10bn threshold, the commercial real estate market in France is seen as a proper safe haven. This is particularly the case for offices, which accounted for two thirds of investment i.e. €6.5bn over the first 9 months. Offices in Ile-de-France are still the showcase products, accounting for over half of total commercial real estate investment in France (€5.4bn), with a concentration in Paris (€2.4bn). In 2011, BNP Paribas Real Estate forecasts overall investment of between €14bn and €15bn, i.e. in line with the average over the last ten years.

Controlled office supply

There was a significant dip in office availability from Q3 2010 to Q3 2011, in fact over that 12 month period availability dropped by 6% to 4.5 million m². The Paris market has a vacancy rate of 7.1% that is unlikely to change much by the end of the year. This fall is firstly attributable to the high consumption of new or refurbished offices. As such, these now only account for 23% of the total stock compared to 26% a year earlier. At the same time, second hand availability has stabilised. However, it is primarily due to the level of construction, which remains under the control of developers. Although planning permission has been granted for over 1.3 million m², the level of new building starts stands at just 583,000 m².

Genuine market transparency

This is specific to the French market. In 2001, the top four commercial real estate advisors, including BNP Paribas Real Estate, created an economic interest group, Immostat. The purpose of this EIG is to improve the readability and transparency of the market for occupiers and investors and provide them with “more uniform and better quality” indicators. As such, Immostat produces overall indicators on the state of the office, warehouse and investment markets in Ile-de-France, indicating take-up volumes each quarter, the level of investment and average office rents in Ile-de-France. Each member of the EIG then provides its own analysis of the various markets and its own forecast. Since Q2 2009, Immostat and IPD have a strategic partnership agreement whereby Immostat delegates the management and development of its databases to IPD France.
Rents have stabilised

The provisional headline rent for second hand offices in Ile-de-France in Q3 2011 stands at €318 excl. tax and charges/m²/year, according to the latest Immmostat-IPD statistics. It has risen very slightly compared to the previous quarter, when it was €314 excl. tax and charges/m²/year. This average indicator hides the disparities between rents of €650/m² for new products in the CBD and €266/m² on the Northern River Bend.

Headline rents for all office types combined should rise 2% during 2012, probably as much as in 2011, in a central scenario, according to the Research teams of BNP Paribas Real Estate. However, divergences between the trends should be much higher, with rents for new offices that could show high growth in the most sought-after quarters and second-hand rents at best flat in districts with very plentiful availability. In a pessimistic scenario, rents could contract by an average of 5% in Ile-de-France.

Winning retail position

Paris remains a market apart in the world of retail: as an image destination, it attracts international brands, with more upscale and luxury retailers than anywhere else in France. The retail market is also very active in the capital, a favourite for brands... and tourists. The big names understand the market and position themselves in the most prestigious locations. At the top of the tree is the Champs-Elysées, with the opening last May of Abercrombie & Fitch, illustrating the enthusiasm of US fashion brands for the world’s most beautiful avenue. Its compatriot Tommy Hilfiger followed suit in November. Banana Republic and Levi Strauss are the next lined up. European names are no laggards, with the return just before Christmas of Marks & Spencer on the Avenue, alongside Louis Vuitton and Guerlain. Indeed, luxury goods players are keen on other traditional districts: rue Saint-Honoré, rue du Faubourg Saint Honoré, boulevard Saint Germain or rue de Grenelle, while the Marais – which appears to be pushing outwards – is popular among mid/upscale boutiques.

Logistical hot spot

The logistics real estate market is showing encouraging signs, with take-up increasing to 788,000 m² over H1 and a gradual decline in availability (~7% to 3.5 million m²). Ile-de-France has confirmed its position as one of the top logistics hubs in France, with 336,000 m² taken up over H1 2011, of which 45% was grade A warehouses. The Paris region thereby accounts for 43% of national transactions, which remain concentrated along the corridor stretching from Lille to Marseille via Lyon. In terms of investment, logistics are the poor relation of commercial real estate, with just €548m invested over the first nine months of the year (5.6% of total investment), but with the most appealing yields: 7.20% for grade A warehouses.
The place to be for hotel investors

In Europe, the French hotel market is the place to be for investors keen on this type of asset. As such, according to BNP Paribas Real Estate teams, after having tripled in 2010, investments climbed by 155% year-on-year to 30 June 2011. H1 saw investment of €836m in 22 transactions. Naturally, Paris was in pole position, accounting for €560m, with international investors particularly interested in luxury hotels. As such, the biggest deal of the year was the Marriott Champs-Elysées, sold to the Abu Dhabi Investment Authority for €250m.

Housing as scarce as ever

House prices are still at heady heights in Paris and its environs, with averages of €8,150/m² in Paris proper and €4,410/m² in the Inner Suburbs according to figures published by the Paris – Ile-de-France chamber of notaries. Although they have slowed over the past few months, prices in the capital have nevertheless increased by 22.5% in a year and even by 39% over the past twenty years. A sharp increase guaranteeing secure real estate assets.

Meanwhile, the undersupplied rental market is reaching record highs. These rents have rocketed +50% in just 10 years and by +43% in the Inner Suburbs according to the latest figures from OLAP (Observatoire des Loyers de l’Agglomération Parisienne). The vacancy rate for the housing stock is therefore close to zero and it is a market where anything can be let. This is likely to continue. The population of Ile-de-France is set to reach between 12.1 and 12.7 million by 2030 compared to 11.6 million in 2008.
How we did it

Greater Paris is a deep and transparent real estate market which attracts international and institutional investors. Testimonials.

We concentrate on finding investments in Paris.

RAPHAËL COLOMBU
Head of Real Estate Markets France – Commerz Real France

What do you consider the main strengths and weaknesses of the Paris region property market?
«The French office market is a very liquid, stable and diversified market which continues to have priority focus for our investors. Compared to other European markets the French real estate market bids traditionally high quality properties with secured cash flows. In 2011, very few such products have been brought on the market because of the insecurity due to the economic situation and the reluctance of financing institutes. Most investors are looking for green properties with rental security. The concurrence on those investment opportunities made life very hard for investors like Commerz Real on the acquisition point of view. On the other hand, this weakness was the opportunity for us to bring some disposals and achieve good benefits for our investors.»

What will be your investment strategy in the short and medium term in the Greater Paris market?
«We concentrate on finding investments in Paris or within the first ring of Ile-de-France with prominent tenants, a long term letting and with an investment volume up to 100 M€. In a middle-term, we will aim at valorising the portfolio of our different funds with logistic, retail and office properties with best quality standards and an established localisation in the Paris area and the regions.»

What do you see as the most attractive assets in the Paris market?
«Commerz Real’s priority lies on qualitative and stable investments. For example properties with BREAM certifications offer long perspective return for our funds. Developments with a pre
What do you consider the main strengths and weaknesses of the Paris region property market?

«The Parisian market is two-fold: core and the rest... CBD (Central Business District) markets are the only really resistant to the risk: it is a deep and strong market with a lot of healthy tenants despite of the crisis. At the same time, tenants will reduce charges and optimize the number of the workstations hence individual surfaces leased may be downsized. The investors therefore have to treat their tenants as partners and take into consideration their concerns.»

What will be your investment strategy in the short and medium term in the Greater Paris market?

«To spread risk and enhance performance, Union Investment has a strict policy of investing in a mix of uses, regions and property sizes. Investments in city-centre office space and business parks are the mainstay of the company’s investment strategy. In addition, Union Investment is investing in logistics properties, shopping centres and business hotels in selected locations that offer the prospect of attractive returns over the medium and long term. Sustainable real estate investment is an integral part of Union Investment’s business strategy. Since 2009, the company has made significant progress towards its goal of creating a property portfolio that is sustainable on as many levels as possible. This issue is a key element of our strategy. We intend to make further investments in France, but not only in Paris we are also looking for investments in Lyon and Marseille for example.»

What do you see as the most attractive assets in the Paris market?

«Thanks to their stable returns and sustainable rental income, office buildings in Paris figure prominently in Union Investment’s investment strategy. Their combination of security and liquidity, together with a revival in performance, are a strong argument in favor of such products as a key investment option for private investors in our open ended funds.»
In May 2011, Abercrombie & Fitch opened its first flag-ship store in France, at 23, Champs-Elysées, the most popular avenue for the retail in Paris, in a building owned by Immobilière Dassault. Isabelle Gence, Managing Director of Immobilière Dassault, commented:

«Our main objective was to optimise the property's value, following the departure of our previous tenant, Thai Airways. We approached BNP Paribas Real Estate to define and implement the best strategy. The first question was to choose between an immediate relocation or a refurbishment to improve the long-term asset value. Then, we conducted a brainstorming session about the prime use of the property: offices or retail? We worked on different scenarios: multi-occupation, division of space and improving access to the building. For the refurbishment scenario, we defined the various options, including changes to the façade, retail outlets operating on the ground floor, basement level and first floor, and offices in the upper floors. BNP Paribas Real Estate worked on all of these options and considered the optimisation of the rental values. The rental value recommended by BNP Paribas Real Estate convinced Immobilière Dassault to opt for a change of the use of the building into retail outlets. BNP Paribas Real Estate produced a bilingual marketing file aimed at national and international chains and identified suitable prospects including Abercrombie & Fitch. In September 2007, Michael Jeffries, CEO of the American chain, travelled from Colombus to visit the site and dedicated a specific team to examine the project’s feasibility. We signed the lease in December 2007 under certain conditions, and started the design phase of the project in January 2008. The planning permission was obtained a year later. The building was delivered in July 2010 and by May 18th 2011 it was ready to be opened to shoppers for the first time. Looking at the queue at the front of the store everyday, you can understand the fabulous success of this story.»

We approached BNP Paribas Real Estate to define and implement the best strategy.
Guide to Paris submarkets

Where invest in Greater Paris? The French capital has many business sectors to discover in the following pages.

**Paris CBD**

Paris Central Business District (CBD), the leading district in the capital, saw take-up of 314,000 m² over the first nine months of 2011, similar to the equivalent period in 2010. This stable trend conceals a sharp fall in transactions over Q3 2011 of -16%. Above all, take-up of small and medium-sized units fell by over a third. Over the full year 2011, Paris CBD should see take-up of around 400,000 m². Consequently, rents have stopped rising. A levelling off or even a readjustment of rents is expected in the coming months, notably in the Etoile district, the most expensive area in Paris. Meanwhile, one year availability has continued the decline, that began several quarters ago with 479,000 m² available, i.e. a fall of 8% over one year.

### Key Figures

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<td>652€/m² (Etoile)</td>
<td>4.5% - 5%</td>
<td>4.7%</td>
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<td>619€/m² (Opéra)</td>
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<th><strong>Take-Up</strong></th>
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<td>478 000 m²</td>
<td>307 000 m²</td>
<td>314 000 m²</td>
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Outside the CBD, albeit still in the capital, BNP Paribas Real Estate data shows 427,000 m² of transactions over the first nine months of 2011. This is a historic performance that should see the 500,000 m² threshold breached this year, thanks to a particularly buoyant market for premises of over 5,000 m² (204,000 m² taken up). There was a slight decline in availability throughout the year (-4%) to 686,000 m² in Q3 2011. This fall was solely attributable to the consumption of new or refurbished units. The volume of new supply has fallen by 18% over a year, while that of second hand assets has stabilised. Given the low level of completions in the pipeline the vacancy rate may stabilise at below 5% by the end of the year.
La Défense

Bottom of the cycle for La Défense. The celebrated business district saw take-up of just 96,000 m² over the first nine months of the year, compared to 114,000 m² in 2010, the worst performer in Île-de-France (-14% over one year). La Défense is a volatile market by definition and business was reminiscent of 2004 in terms of take-up. The market continues to suffer from the low level of deals for large units - there was just one transaction for more than 5,000 m² in Q3. Conversely, the segment of small and medium-sized units (0 – 5,000 m²) continues to shore up the market with about 55,000 m² taken up over the first nine months of the year (+30% over one year).

Despite the decline in take-up, availability has also fallen, by 28% over one year to 240,000 m² as of October 1st, 2011. The deterioration in the economic climate has forced certain players to postpone or abandon their plans for towers in the scope of the La Défense renewal project. This is the case for the Italian insurer Generali, which has pulled out of building its tower. The market is now waiting for the construction of forthcoming towers Eqho, Majunga, Phare, D2 and Air². The next completion, the Carpe Diem (42,000 m²) is scheduled for end-2012.

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**Key Figures**

- **96 000 m²**
  - Take-up

- **191 000 m²**
  - Immediate supply

- **5,7%**
  - Vacancy rate

- **240 000 m²**
  - Supply one year

- **5,6% - 6,2%**
  - Prime yields

- **564€/m² (new)**
  - Average rents

- **435€/m² (2nd hand)**
  - Average rents
Western Crescent

The Western Crescent office market has enjoyed an impressive 55% growth in take-up up to 478,000 m² over the first nine months of the year, compared to 309,000 m² over the same period in 2010. The market trend in the west was boosted by the culmination of several major deals of over 10,000 m², the most significant being on the Northern River Bend, where 173,000 m² was taken up thanks to the arrival of Thales (78,600 m²) and Coface (29,500 m²). The “Péri-Défense” has proved to be a spill-over opportunity for occupiers of the business district. Take-up there has risen by 23% to 120,000 m². The district has benefited for the proximity of La Défense to attract new occupiers seeking high quality premises at more competitive rents. Furthermore, new supply is drying up, with just 51,000 m² as of October 1st, 2011 (down 44% over the year). Neuilly-sur-Seine and Levallois-Perret are still sought after by companies. The proof is in the continuous recovery in transactions since 2010, with take-up of 74,000 m² (+7% over one year).

On the Southern River Bend, the market is stabilising pending future major deals, with 110,000 m² taken up over the first three quarters. It suffers from the fact that its rents are almost identical to Paris-CBD. For the same price, occupiers prefer the 15th arrondissement.
**Inner Rim**

After a flat first half, the Parisian Inner Rim came to life over the summer. With 172,000 m² taken up over Q3 2011 alone, the office market in the Inner Rim shows a 78% increase compared to the same period in 2010 and carries the overall take-up to 259,000 m² over the first nine months of the year. There was a significant 32% increase in the volume of deals over 5,000 m² which was boosted by SFR’s move to Saint-Denis for over 120,000 m².

Supply has stabilised over the past year with about 600,000 m² available at the end of Q3 2011. This conceals major disparities between to the condition of buildings, with a downward trend for new or refurbished products (-19%) and upward for second hand (+16%).

**Key figures**

- **259 000 m²**
  - Take-up
- **507 000 m²**
  - Immediate supply
- **9,5%**
  - Vacancy rate
- **599 000 m²**
  - Supply one year
- **5,85% - 6,25%**
  - Prime yields
- **average rents** (New office)
  - **282€/m²**
Outer Rim

There has been a significant rise in take-up, which stood at 384,000 m² over the first nine months. As for Ile-de-France as a whole, it was major deals that drove activity. Carrefour took 85,000 m² in Massy while Egis moved into 27,800 m² in Guyancourt. Availability over the past year has declined slightly compared to Q3 2010 to 1.3 million m². Despite this contraction, the market remains oversupplied. Although the shelving of building starts should help to remedy this imbalance, other measures such as lowering of rents and more generally the restructuring of existing buildings appears to be necessary. In the absence of adjustment, there is an increasing trend towards segmentation between insufficient new availability and, at the same time, ever-increasing second hand availability.
Key legal and technical terms

The law firm of Baker & McKenzie gives you the legal keys to decrypt the French property market

REAL ESTATE INTEREST

The term "real estate" includes:
• the land, soil and sub-soil; and
• any buildings or structures built on it.

Real estate property is held by: ownership or lease agreement.

NATIONALITY RESTRICTIONS ON LAND OWNERSHIP

There are generally no restrictions on foreign ownership of French lands subject to very few authorisations are to be obtained and where administrative declarations shall be made, as the case may be. However, exchange control applies to real estate activities and may trigger filing obligations for statistical purposes.

REGISTRATION OF REAL ESTATE INTEREST

Documents transferring real estate properties located in France must be published at the Land Registry (Conservation des Hypothèques) in order to be binding upon third parties. To this end, the deed of sale of a real estate property must be drawn up by a Notary. Leases whose duration exceeds twelve (12) years must also be registered at the Land Registry.
MAIN PERMITS OR LICENSES REQUIRED FOR BUILDING OR OCCUPYING REAL ESTATE

As a matter of general principle, a demolition permit and/or a building permit will have to be obtained if a building is to be built or if a building is to be demolished and rebuilt or renovated.

As regards use of premises, especially in the Paris area, French Construction and Dwelling Code (Code de la Construction et de l’Habitation) provides that premises with residential use cannot have any other use unless specific authorisation is obtained from relevant public authorities.

Specific authorisation (CDAC) is also needed to open retail premises with a sales area in excess of 1,000 m².

BINDING AGREEMENTS FOR SALE

Parties are legally bound as soon as they execute a reciprocal sale and purchase agreement under conditions precedent and/or a final sale and purchase agreement. However, under French law, a sale is binding between vendor and purchaser as soon as there is an agreement on the subject matter of the transaction and on the price. As a consequence, an unqualified offer letter made by a purchaser which is duly accepted by the vendor could result in a binding sale and purchase agreement.

PRE-EMPTION RIGHT

Land is divided into different zones. In some of these zones, local authorities (municipalities or other local authorities) benefit from a right of pre-emption which must be cleared before the sale of the real estate properties and, in specific cases, the sale of the shares in the property company. In specific areas, such pre-emption also applies to the sale of business (Fonds de commerce) and sale of right to the lease (Droit au bail).

In addition, tenants under the most part of residential leases benefit from a right of pre-emption in case of sale of the property.
NEED TO KNOW

USUAL FORMS OF LEASES

- **Commercial lease**: is a lease in which a business is carried out. The French commercial code, governs the duration, renewal and termination of commercial leases, rent review, use of the premises, sub-letting and assignment of the lease. The duration of commercial leases cannot be less than nine years. Other provisions, such as maintenance and repairs, are governed by legal provisions of the French civil code.

- **Ground lease (Bail à construction)**: is a lease under which tenant undertakes to construct buildings on landlord’s plots of land and to maintain these buildings in a good state of repair. The term of the ground lease will be between 18 years and 99 years. Ground leases grant an immovable property right to tenant. During ground lease term, the tenant will remain the owner of the constructions. Upon termination, landlord will become the owner of the constructions and improvements.

- **Residential lease**: is a lease of residential property, which is in France, regulated by specific rules. As a matter of general principle, a residential lease is entered into for six years if the landlord is a company or for three years if the landlord is an individual.

FINANCING OF REAL ESTATE INVESTMENTS

Real estate investments are generally financed with equity contribution and with a bank financing. Real estate bank financing are usually structured as mortgage backed loans (secured by a mortgage over the financed property and as the case may be, by other security interests over the borrower’s assets, e.g. rent receivables, insurance receivables, and over the shares of the borrower), enabling the lender to benefit from a priority ranking over the borrower’s assets and cash-flows.

TERMINATION OF COMMERCIAL LEASE / SECURITY OF TENURE

As a matter of general principle, the landlord cannot terminate commercial lease during the nine year period. However, the tenant benefits from a triennial right of termination, but it may contract out of such triennial right of termination. Notice to quit must be delivered by a process-server (Huissier de justice) six months in advance. Security of tenure is an essential aspect of French regulations on commercial leases and is the right of tenant to obtain renewal of the commercial lease upon its expiry and landlord cannot refuse to grant such renewal without paying compensation for eviction to tenant.
FRENCH GREEN LEASES

An environmental annex detailing the energy consumption in the building and the respective obligations of the landlords and tenants will have to be attached to office or retail leases. This will apply to new leases entered into as from 1st January 2012 and for ongoing leases or renewed leases as at 13 July 2013 for surface areas in excess of 2,000 m². The content of this annex will be detailed in a decree to be enacted within the next few weeks.

ENERGY PERFORMANCE REQUIREMENTS FOR BUILDINGS

Different French laws enacted over the past few years provide for minimum energy efficiency requirements for existing and new buildings. A specific energy efficiency report (Diagnostic de performance énergétique) has been created which states the quantity of energy used or to be used according to the type of use of the building. This report shall be communicated to purchasers and tenants.

ENVIRONMENTAL LAWS AFFECTING THE USE AND OCCUPATION OF REAL ESTATE

French Environmental Code (Code de l’Environnement) set specific standards and regulations affecting the use and occupation of real estate. For instance, specific authorizations and/or administrative approvals and/or declarations are required by environmental legislation for starting or ceasing operation of a classified facility (Installation classée) such as industrial and manufacturing activities.
Rent: how France is positioned relative to its

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<td>Ownership or lease agreement.</td>
<td>• Ownership; • Condominium or partial ownership; • Hereditary building right (real estate-like right in rem entitling its holder to build on land owned by a third party).</td>
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<th>What rights over real property are required to be registered?</th>
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<td>All documents transferring or encumbering real estate properties must be published at the Land Registry (Conservation des hypothèques) in order to be binding upon third parties.</td>
<td>Rights in rem over real estate require registration, including: • Ownership; • Easements, pre-emptive purchase rights, usufruct rights, priority notices and hereditary building rights; • Land charges, mortgages and rent charges.</td>
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<th>What property documentation do you need to register?</th>
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<td>Generally no restrictions except under certain circumstances where exchange control provisions trigger filing obligations.</td>
<td>Generally, no restrictions apply to foreign ownership of German real estate.</td>
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<th>Are there nationality restrictions on land ownership?</th>
<th>FRANCE</th>
<th>GERMANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>In case of direct sale of real estate properties, French notaries, and in case of indirect sale, any legal counsel.</td>
<td>Typically, seller’s lawyer prepares the first draft of the sale and purchase agreement to be marked-up by buyer’s lawyer and subsequently negotiated until a final agreement is reached.</td>
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<table>
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<tr>
<th>Who usually produces the documentation in real estate transactions?</th>
<th>FRANCE</th>
<th>GERMANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Offer letter; • Due diligence report; • Promise or sale and purchase agreement under conditions precedent; • Final sale and purchase agreement.</td>
<td>• Offer letter, confidentiality agreement, information memorandum; • Due diligence report; • Sale and purchase agreement; • Acquisition finance arrangements; • Asset/property/facility management agreements.</td>
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<thead>
<tr>
<th>What are the main usual documents involved in a real estate acquisition?</th>
<th>FRANCE</th>
<th>GERMANY</th>
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## European neighbors

<table>
<thead>
<tr>
<th>ENGLAND &amp; WALES</th>
<th>SPAIN</th>
<th>ITALY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ownership or lease agreement.</strong></td>
<td>• Freehold or other rights in rem, either securing an obligation (mortgage) or granting a limited right over the property (usufruct, other rights of use, or right to build); • Leasehold (which can be registered with the Property Registry).</td>
<td>• Ownership; • Usufruct; • Right in rem entitling its holder to build on land owned by a third party.</td>
</tr>
<tr>
<td><strong>All documents transferring or encumbering real estate properties must be published at the Land Registry in order to be binding upon third parties.</strong></td>
<td>Some specific real estate rights need to be registered in order to be effective, such as mortgages or rights to build. However in general terms, real estate rights are not required to be registered to be effective, but in practice any transfer of real estate assets is registered in order to benefit from the publicity provided by the Property Registry.</td>
<td>Rights in rem over real estate require registration, including: • Ownership; • Easements, pre-emptive purchase rights, usufruct rights, priority notices and hereditary building rights; • Land charges and mortgages.</td>
</tr>
<tr>
<td><strong>No</strong></td>
<td>No. Spanish law has adapted its foreign investment rules to a system of general liberalisation, without distinguishing between EU residents and non-EU residents. Depending on the specific investment carried out, a number of administrative requirements must be met, generally after an investment (or liquidation of an investment) is made, with the Spanish Foreign Investment Registry.</td>
<td>Generally, no restrictions apply to foreign ownership of Italian real estate.</td>
</tr>
<tr>
<td><strong>The Seller’s legal counsel in relation to asset sales and also, usually, in relation to indirect sales (share sales).</strong></td>
<td>Any party can prepare the relevant documentation. Generally, the purchaser’s lawyers prepare the initial draft of the purchase agreement. Such agreement, when final, is inserted in a public deed which is authorised by a Notary Public. Apart from very specific exceptions, only Public Deeds authorised by a Notary Public have access to the Property Registry.</td>
<td>Usually, seller’s lawyer prepares the first draft of the sale and purchase agreement to be marked-up by buyer’s lawyer and subsequently negotiated until a final agreement is reached.</td>
</tr>
<tr>
<td>• Offer letter; • Due diligence report; • Sale contract; • Transfer.</td>
<td>• Due Diligence report; depending on the specific asset, a technical or environmental report is also usually requested by the purchaser; • Reservation or Promise of sale and purchase under conditions and penalties in case of relinquishment; • Purchase Agreement. The Purchase Agreement is sometimes replaced by an Option to Purchase, granting the beneficiary the right to proceed with the purchase of the property within an agreed period of time; • Transfer Deed to be executed before a Notary Public.</td>
<td>• Offer letter; • Due diligence report; • Promise or sale and purchase agreement under conditions precedent; • Final sale and purchase agreement.</td>
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</table>
Acquisition: how France is positioned relative to Germany

<table>
<thead>
<tr>
<th>What are the usual form of real estate leases?</th>
<th><strong>FRANCE</strong></th>
<th><strong>GERMANY</strong></th>
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</thead>
<tbody>
<tr>
<td>• Ground leases <em>(whereby the tenant undertakes to construct buildings on landlord’s plot of land)</em></td>
<td>• Commercial leases;</td>
<td>• Commercial leases;</td>
</tr>
<tr>
<td>• Commercial leases;</td>
<td>• Residential leases;</td>
<td>• Residential leases;</td>
</tr>
<tr>
<td>• Tenancy agreements <em>(Pachtverträge)</em>.</td>
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<td>• Tenancy agreements <em>(Pachtverträge)</em>.</td>
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<thead>
<tr>
<th>Are commercial lease provisions freely negotiable?</th>
<th><strong>FRANCE</strong></th>
<th><strong>GERMANY</strong></th>
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</thead>
<tbody>
<tr>
<td>Certain legal provisions mainly relating to the duration and to the tenant’s right of renewal are mandatory. Other provisions not covered by the French commercial code are freely negotiable.</td>
<td>Generally, commercial lease provisions can be widely negotiated between the parties. However, if lease provisions qualify as general terms and conditions, they are subject to a particular scrutiny and have to comply with a specific set of statutory provisions and case law to be valid.</td>
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<tr>
<th>Is there a maximum term for commercial leases?</th>
<th><strong>FRANCE</strong></th>
<th><strong>GERMANY</strong></th>
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<tbody>
<tr>
<td>Commercial leases cannot be less than 9 years, but may be entered into for a longer term. Tenants benefit from a triennial right of termination but it may contract out such right. Commercial leases longer than 12 years must be published with the Land Registry.</td>
<td>Commercial leases may have an indefinite term subject to termination within the statutory or contractually agreed notice periods. Generally, fixed terms must not exceed a term of 30 years. A lease agreement providing for a fixed term of more than 30 years will be deemed a lease having an indefinite term after 30 years, and then be subject to termination within the statutory notice periods.</td>
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<tr>
<th>How are commercial rents reviewed?</th>
<th><strong>FRANCE</strong></th>
<th><strong>GERMANY</strong></th>
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<tbody>
<tr>
<td>Commercial rents may be indexed on an annual basis. However, an index is only valid if it relates directly to the object of the contract or the activity if one of the parties <em>(generally the National Cost of Construction index published by the French State Statistical Institute is chosen by the parties)</em>. In addition, legal rent review can occur every three years if specific criteria are met.</td>
<td>Rents under commercial leases binding the landlord to a term of at least ten years may be linked to the consumer price index published by the German Federal Statistical Office. Commercial leases may also provide for a stepped rent or a lease review clause instead to adjust the rent to fair market rent at the time of renewal or extension.</td>
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<thead>
<tr>
<th>What are the basic obligations of landlords?</th>
<th><strong>FRANCE</strong></th>
<th><strong>GERMANY</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Repairs and maintaining the structure of the rented premises <em>(generally major repairs)</em>;</td>
<td>• Hand over the leased space in the agreed condition;</td>
<td>• Hand over the leased space in the agreed condition;</td>
</tr>
<tr>
<td>• Insure the rented premises.</td>
<td>• Repair and maintain the roof and shell of the property;</td>
<td>• Repair and maintain the roof and shell of the property;</td>
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<td>• Insure the property.</td>
<td>• Insure the property.</td>
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<tr>
<th>What are the basic obligations of tenants?</th>
<th><strong>FRANCE</strong></th>
<th><strong>GERMANY</strong></th>
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</thead>
<tbody>
<tr>
<td>• Pay rent and service charges;</td>
<td>• Pay rent and service charges;</td>
<td>• Pay rent and service charges;</td>
</tr>
<tr>
<td>• Keep the rented premises in good maintenance and repair;</td>
<td>• Keep the rented property in good maintenance and repair;</td>
<td>• Keep the rented property in good maintenance and repair;</td>
</tr>
<tr>
<td>• Insure its belongings, merchandise and goods within the rented premises.</td>
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</table>
### ENGLAND & WALES
- Ground leases (whereby the tenant undertakes to construct buildings on landlord's plot of land);
- Commercial leases;
- Residential leases.

### SPAIN
- Residential Lease;
- Non-Residential Lease;
A Non-Residential Lease is a lease the main purpose of which is different from that of the Residential Lease (i.e. commercial, services, etc.).

### ITALY
- Commercial leases;
- Residential leases.

#### Yes
The Non-Residential Lease is in principle governed by the will of the parties and, failing that, provisions of the Urban Leases Act (Ley de Arrendamientos Urbanos or L.A.U.) of 1994. Additionally, the Civil Code is supplementary.

#### No
Leases longer than seven years must be registered at the Land Registry.

#### Generally an ‘open market’ basis but the parties can agree indexation or any other basis.
Rents are reviewed through the system agreed by the parties. The most usual systems to carry out such review are:
- Review to adapt the rent to current market value. This could be through appraisal by a real estate expert;
- Review to adapt the rent to the Consumer Price Index (IPC);
- By establishing a scale of rent increases through the rent term.

#### This will depend on the terms agreed between the parties. Usually in a multi-occupied building the landlord retains responsibility for repair of the structure, common parts and insurance and is reimbursed via a service charge. However, in single let buildings, particularly for a non-office use, the tenant will assume liability for the repair of the entire building and also for insurance.
- The basic obligation of the landlord is to guarantee that the tenant enjoys peaceful possession of the property through the lease term and can use it for the purposes established in the lease agreement. This means that the landlord shall undertake, at his/her own cost, all necessary works to keep the property in the agreed conditions to be enjoyed by the tenant. In some cases, such works may entitle the landlord to increase the rent;
- Under certain circumstances, the landlord might be obliged to indemnify the tenant in case of refusal of extension of the lease term once the initially agreed expiries.

- Pay rent and service charges;
- Keep the rented premises in good maintenance and repair;
- Insure its belongings, merchandise and goods within the rented premises. (but please see comments above in relation to single let buildings).

#### This cannot provide for a stepped rent or a lease review clause to adjust the rent to fair market rent.

- Hand over the leased space in the agreed condition;
- Repair and maintain the structure of the rented premises (generally major repairs);
- Insure the property

- To pay rent and service charges;
- To keep the rented premises in good maintenance and repair the damages to the property by the tenant or normal uses

- Pay rent and service charges;
- Keep the rented premises in good maintenance and repair;
- Insure its belongings and goods within the rented premises as well as other risks connected with the activities carried out in the premises.
This overview highlights the potential tax consequences of direct or indirect investments in French real estate by non-resident investors. In this respect, Baker & McKenzie tax partner, Olivier Mesmin, has outlined below the principle tax issues raised by the acquisition, rental and sale of French real estate by foreign investors, both individual and corporate.

1. ACQUISITION OF THE FRENCH REAL ESTATE: VAT AND TRANSFER TAX

In principle, transactions relating to less than 5-year old buildings are subject to VAT and transfer tax is applicable to the other transactions. A major real estate VAT reform entered into force on March 10, 2010. VAT on real estate properties is now ruled by the standard VAT principles but some transactions remain VAT-exempt and subject to VAT election. In general, the liable person for the VAT is the seller. This new regime lays on the main distinction between transactions on real estate assets performed by person or entities liable to VAT and transactions on real estate assets.
performed by person or entities which are not liable to VAT. Transactions performed by persons or entities which are not liable to VAT are, as a matter of principle, VAT exempt. These transactions are thus subject to transfer tax at the standard rate of 5.09006%.

Concerning transactions performed by persons or entities which are liable to VAT, the following distinctions must be made:

> In case of acquisition of a land to be built (“terrain à bâtir”):
  - VAT at 19.6%
  - Transfer tax at 5.09006%, but no transfer tax is payable, provided that the purchaser takes and respects the commitment to complete the building works within four years as from the acquisition or publicity tax at 0.715% if the purchaser takes the commitment to resell it within five years.

> In case of acquisition of a land which cannot be qualified as land to be built:
  - VAT-exempt but possibility of electing for the application of the VAT at 19.6%
  - Transfer tax at 5.09006%, but no transfer tax is payable, provided that the purchaser takes and respects the commitment to complete the building works within four years as from the acquisition or publicity tax at 0.715% if the purchaser takes the commitment to resell it within five years.

> In case of VEFA:
  - VAT at 19.6% on the purchase price
  - Publicity tax at 0.715%

> In case of acquisition of a new building (i.e. completed since less than 5 years):
  - VAT at 19.6% on the purchase price
  - Publicity tax at 0.715%

> In case of acquisition of a building completed since more than five years:
  - VAT-exempt but possibility of electing for the application of the VAT at 19.6% on the purchase price
  - Transfer tax at 5.09006% or publicity tax at 0.715% provided that the purchaser takes and respects the commitment to resell it within five years.

2. TAX ON RENTAL INCOME

> Non-resident individuals:
Non-resident individuals may invest in French either by directly purchasing the real estate asset, or by purchasing the shares of a French company which holds the real estate asset. Individuals receiving rental income from French real estate are subject to French income tax at the progressive rate, up to 41%.

It should be noted that non-resident individuals owning real estate assets, directly or through a company, in France, which are not rented out may be liable to income tax on a
basis corresponding to three times the rental value of the building, save that the individual is a resident of a country with which France has concluded a tax treaty (section 164 C of the FTC).
When the real estate asset is held through a corporation, the individual shareholder will be subject to a withholding tax (standard rate of 25% which may be reduced by most of double tax treaties) on the dividends received from the company.

> Non-resident companies:
Rental income deriving from French properties and received by a foreign corporate shareholder are subject to Corporate Income Tax, in France, at the rate of 34.43% (331/3% + surcharge).

3. VAT ON RENTS

As a general rule, the lease of unfurnished buildings (without equipment) allocated to professional activities (e.g. offices) is exempted from VAT. The lease of residential buildings is never subject to VAT. However, pursuant to article 260, 2 of the French Tax Code (“FTC”), where properties are leased for professional purposes, the landlord can voluntarily elect for VAT on its rental income, notably in order to be in position to deduct VAT on expenses attached to the building rented (or to be rented) (e.g. VAT upon acquisition, VAT upon works ...).

4. EXIT TAXES

Subject to double tax treaties provisions, gains realized by a non resident (individual or company) upon the sale of a French real estate asset are subject to capital gain tax in France.

- The real estate asset is sold by a foreign individual:
The capital gain realized on an occasional basis, is subject to a French withholding tax at the standard rate of 33 1/3%. Nevertheless, the rate can be decreased at 19% when the seller is an EU individual resident (+ Island, Norway and Lichtenstein), except in case of usual basis sales (the rate remains at 33 1/3%).

- The real estate asset is sold by a EU (+ Island, Norway and Lichtenstein) resident company
Capital gains generated as from March 1, 2010 are calculated in the same way as capital gains generated
by French corporate taxpayers, i.e. based on the difference between the disposal proceeds and the deemed net book value of the building at the time of the disposal. The capital gain is taxed at the rate of 33 1/3%.

5. REAL ESTATE TAXES

There are two main annual local property taxes in France. The first one is a residence tax ("taxe d’habitation") which must be paid by the occupiers, as at January 1st of the year, of the building. The second one is the land tax ("taxe foncière"), which must be paid by the owner, of the building. This tax is due for the year by the owner of the property as at January 1st of the said year even though the property is sold during the year. Both taxes are paid by resident and non-resident.

6. OTHER TAXES

There are few other taxes to be taken into account when investing in French real estate, in particular the wealth tax and the 3% tax.
Key Transport changes

The Grand Paris Metro must have a positive impact on transport in the Ile-de-France region and on economic, regional and sustainable development.

Nowadays, 70% of travel within the Ile-de-France region is from suburb to suburb, 80% of which by car. This is due to the lack of an effective alternative in public transport. These suburban trips have in fact increased by 50% in 25 years but unfortunately public transport has not kept up with change. For suburban inhabitants, using public transport often requires passing through the centre of Paris, which results in extended travel times and overcrowded metro and RER lines.

THE AVANTAGES OF THE GRAND PARIS METRO

The Grand Paris Metro will be bigger, more spacious, more comfortable and accessible to everyone
- It will travel at an average speed of approximately 65 Km/h, which is three times faster than that of the existing metro
- It meets the need to travel quickly from suburb to suburb: the Grand Paris Metro.
- It will provide a solution to the congested and overcrowded existing lines. The Grand Paris Metro will reduce traffic by an average of between 10 and 15% on all existing metro lines.
- It will open up the whole region to the TGV stations and the airports (Roissy-CDG, Orly, Le Bourget), therefore improving access to national and international regions.
A SUPPORT TO ECONOMIC AND URBAN DEVELOPMENT

The new transport network will become the backbone of Grand Paris development. The Grand Paris transport network will encourage the economic development of the Paris region and the metro will be a pivotal part in balancing out the East and West of the Paris region by doing away with the notion of “jobs in the west, housing in the east”. The Grand Paris metro aims to:

- support economic development by connecting the important business clusters – the region’s driving forces for growth. These clusters will be open to France and to the world thanks to 8 stations connected to the TGV network and airports.
- foster regional development. The creation of a new public transport service will be followed by the development of city districts, combining housing and employment. The objective is to build 70,000 new accommodation solutions per year in the Ile-de-France region (compared to approximately 38,000 at present).

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT:

The Grand Paris Metro is a sustainable development project, which will reduce the number of cars on the roads, as people turn to public transport. By 2035, the automatic metro will see some 18,000 trips in morning rush hour made by public transport rather than by car.

The reduced congestion thanks to the metro will, in itself, significantly reduce road traffic pollution in terms of energy (2% drop in fuel consumption) and in terms of polluting emissions (2% drop in CO2 emissions, 0.9% drop in NOx emissions, 0.7% drop in particulate matter). The implementation of an automatic metro, enabling the densification of the train itself, will in fact mean that it will take up 13,000 hectors less space by 2035.

A €20.5 BILLION INVESTMENT

The project under contracting ownership of Société du Grand Paris will require an investment to the tune of €17.5 billion before 2025. The agreement estimates the planned infrastructures to cost €20.5 billion in expenses for the period 2010-2025. This estimation includes up to €2 billion for the completion of a “local East arch”.

The funding required by Société du Grand Paris for the completion of the Grand Paris public transport network is based on:

- three kinds of allocated tax revenue: a flat tax applicable to network companies (IFER), a specific tax on equipment, and a fraction of the council tax for the offices;
- a State donation of €4 billion, unblocked and spent depending on the needs of Société du Grand Paris;
- local taxes from local authorities, especially as part of the €900 million budget previously allocated to the completion of the automatic bypass.

Future Paris / DECEMBER 2011 - INVESTING IN PARIS
Hot Spots in future Paris

Discover 10 outstanding real estate programs that illustrate the Paris of the coming years.

32 Blanche gets back to its roots

32 Blanche was originally a steel-framed building dating back to 1910, built as warehousing for Galeries Lafayette. Located in the heart of Paris, rue Blanche, in the 9th arrondissement, it is a fine illustration of the metallic industrial architecture of the early 20th century. These historical origins are what architect Franck Hammoutène has sought to rediscover in a refurbishment scheme that has brought the building into the 21st century. Today, the building is organised as a unit within an urban block with 21,000 m² of offices. The units can be rented from 1,800 to 2,750 m², a 450-seat restaurant, a 163-seat auditorium and a landscaped roof terrace of 1,300 m², offering a panoramic 360° view of the capital. Last but not least is the architect’s touch: an array of mirrors at the heart of the building to let in as much light as possible.

Architect: Franck Hammoutène
Paris CBD, 9th arrondissement,
Station Trinité (line 12)
Certification: HQE
Horizons, Jean Nouvel’s “anti-tower”

Very media friendly – if not yet a media legend - the Horizons tower by Jean Nouvel is one of the showcase buildings of the new Boulogne-Billancourt district “Île Seguin-Rives de Seine”. This unique “anti-tower” concept stands 89m high and boasts 18 floors. “Horizons” comprises 36,465 m² of offices, a staff canteen and services: auditorium, fitness, “conciergerie”... But Horizons is above all a new vision of the office building, organised in three different strata. The piled structure is a pretext to introduce terraces, show up differences and invent new spaces. From the massive, mineral base of the Horizons, rises a ceramic structure, studded in white, black and brick in a nod to the site’s industrial past, which for a long time was land used by Renault. The last five floors give way to a glass building, offering a spectacular view over Boulogne and its surroundings. Between the buildings, hanging gardens are based on the vegetation of the nearby Parc Saint-Cloud.

Architect: Atelier Jean Nouvel
Boulogne-Billancourt (92), “Île Seguin-Rives” de Seine district
Certification: HQE
Turning back the clock for Pont de Sèvres towers: Citylights

Built in the 1970s, previous Pont de Sèvres towers, rising to 100m in Boulogne-Billancourt, are to be entirely refurbished according to a design by architect Dominique Perrault and renamed Citylights. This grouping of about 80,000 m² of offices, spread across three towers, is to be modernised and brought into the era of “very high energy performance”. City1, City2 and City3, the well-named towers, will thereby meet the requirements for “HQE Renovation” and “BREEAM Very Good” certification, as well as aiming for the refurbished and new low-energy building labels (Démarche BBC rénovation & neuf). The work is to be undertaken by BNP Paribas Immobilier, starting in Q3 2012, for completion in Q4 2014. The scheme stands at the entrance to the new Boulogne-Billancourt business district.

Architect: Dominique Perrault
Boulogne-Billancourt (92), business district
Certification: HQE Renovation and BREEAM Very Good
Labels targeted: BBC (low-energy building) renovation & new
Completion: Q4 2014
So Ouest: village spirit

A new urban trend is afoot in the Levallois-Perret district. On the doorsteps of La Défense and Paris, and close to the main arteries, So Ouest embodies this metamorphosis. The 83 m 25-floor high-rise, completed in October 2011, has total useful floor space of 33,409 m², as well as 1,000 m² of archives and 313 parking places. At the heart of a newly qualified site, next to new public facilities and 1.4 hectares of landscaped garden, So Ouest will combine a latest generation shopping centre of 50,000 m², restaurants, services, a cinema, a media library, etc. All in all, the ideal mix for lively district, a “village spirit” in keeping with its citizens’ expectations. Moreover, the design is of the highest quality and sustainability.

Architect: Epstein & Glaiman
Levallois-Perret (92), Eiffel district,
Station Louise Michel (line 3)
Certification: HQE and THPE
**CARPE DIEM: La Défense freshens up**

A demolition/reconstruction project as part of the La Défense facelift. A latest-generation skyscraper such as might be seen in New York, designed by the American architect Robert A.M. Stern. Carpe Diem is a project of international scope in keeping with the ambitions of Europe’s leading business district, measuring 162m.

The tower is under construction and features the latest environmental innovations. With useful floor space of 47,000 m² including a complete range of services, Carpe Diem will also accommodate a greenhouse in its foyer, as well as a hanging garden on its top floor.

As part of the renewal scheme, paved public areas are also being refurbished and direct access improved.

**Architect: Robert Stern**
**La Défense (92), Corolles district**
**Completion scheduled for end 2012**
**Certification targeted: HQE, Leed gold level and THPE**

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**Le Tivoli: historic address**

Le Tivoli stands at the foot of Gare Saint-Lazare. In addition to the charms of a Haussmann building, it should soon offer the ultramodern performances, since it is being renovated to comply with several environmental labels. The project comprises seven buildings refurbished in 2001 with six floors and 3 basement levels, organised around a garden “à la française”.

There are 19,000 m² of useful floor space as well as 3,300 m² below ground level, including 170 parking places. The scheme notably includes the former hotel of the railway company PLM, which later became the headquarters of SNCF. Le Tivoli will have a staff canteen and a 320-seat auditorium. Right in the heart of the capital’s business district, this alluring address boasts the best possible transport links.
Ecowest, a Two-in-One scheme on the banks of the Seine

Designed by architects DGM et Associés and B&B Architectes, Ecowest is a 9-floor office building of about 58,000 m², in Levallois-Perret (92). On the Quai Michelet, the scheme, on the banks of the Seine, is divided into two buildings of 37,000 m² and 21,000 m². The two buildings can be occupied separately, each with a staff canteen and a large furnished terrace overlooking the Seine. However for occupiers looking for over 50,000 m² on the banks of the Seine, the pair can be combined to form a single building. Ecowest will provide a full range of services: a 300-seat auditorium, a 300 m² fitness and a “Conciergerie”. This is an elegant and transparent scheme that is aiming for both HQE and BREEAM Very Good certification and is to be RT 2012 compliant.

Architect: DGM et Associés, B&B Architectes - Bourstin
Levallois-Perret (92), Seine riverbank
Targeted certifications: 2011 HQE and BREEAM Very Good
Completion: H2 2015
Zenora, high performance

In Q3 2014, the Zenora office scheme in Issy-les-Moulineaux will take the place of a former post office sorting centre. It is being developed by BNP Paribas Immobilier, in a joint project with Poste Immo, in Issy-les-Moulineaux. The scheme is designed by Jean-Paul Viguier, and totals 48,500 m² of offices, with two buildings of 24,000 m² each – Noda and Vega – linked by a footbridge. The architecture is striking and boasts high energy performance. Its inner and outer layers create thermal insulation and its adjustable slats enable Zenora to limit thermal excesses or losses. Such qualities have earned it both HQE and BREEAM certification, as well as the specific environmental Issy-les-Moulineaux charter Isseo, and the BBC (low-energy building) label.

Architect: Agence Jean-Paul Viguier SA d’Architecture
Issy-les-Moulineaux (92)
Certification: BBC, HQE, BREEAM, ISSEO
(environmental quality charter for Issy-les-Moulineaux buildings)
Completion: Q3 2014
Visalto: Paris on the doorstep

Visalto is a mixed development on Boulevard d’Indochine in Paris (19th arrdi). Located close to the main transport routes, it will be just next to the T3 Tramway station (that is scheduled for the end 2012). Built by architect Jean Mas (Ateliers 2 3 4), the Visalto office building will have 29,000 m² floor area spread over seven floors as well as three basement levels. The building is also to feature a restaurant, cafeteria, auditorium and gym. With a facade of over 170m, the property will have excellent visibility from the peripherique ringroad. A 3* hotel with floor area of 5,421 m² will offer 149 rooms designed by Manuelle Gautrand (Manuelle Gautrand Architecture). A 130-room student residence of 3,878 m² is to be designed by Jacques Moussafir (Moussafir Architectes Associés). The three buildings are to share a single plot of 10,000 m².

Architect: Atelier 234
Paris non-CBD, 19th arrondissement
Scheduled for completion: Q4 2013
Certificates: BBV and HQR
Issy Seine, a new eco-district on the banks of the Seine

A new eco-district is set to rise on the banks of the Seine, at Issy-les-Moulineaux. Developed by BNP Paribas Immobilier, the scheme built on a former industrial wasteland is ideally located in the Hauts-de-Seine district and accessed via the T2 and REC C Issy-Val de Seine. Close to the Ile Saint-Germain Park, at the intersection of Mail des Hirondelles and Rue du Passeur de Boulogne, the scheme includes 240 low energy (BBC) housing units, ranging from studio apartments to 6-room duplexes, mostly with balconies and terraces. There are solar panels on the roof, the apartments have been designed to give the maximum sunlight and the building has optimum positioning. The carefully drafted scheme also complies with the Isseo environmental charter, introduced by the city and signed by BNP Paribas Real Estate. This development will be one of the first buildings to earn this certification.
Our Investment Department

Our French Investment Team deals with Investors (Investment Funds, Insurances / Pension Funds, Property Developers, Private Investors...) within the framework of advisory missions for asset transfer or acquisition (single assets, portfolios, company sales, sale & lease back...)

During 2010, we have strengthened our leading position and consolidated our market shares with nearly €2.6 Bn of transactions, consisting of all types of products (ie. 196 assets: offices, retail, industrial, warehouses/logistics, sites, hotels).

Our consultants will make you profit from our deep knowledge of the French real estate market, dynamic analysis of different actors, including their investment criteria and their acquisition or arbitrage policy, allows us to offer you a personalized view whatever your strategy.

The BNP Paribas Real Estate organisation and its international coverage (30 countries worldwide) allow us to reach large international markets.

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At BNP Paribas Real Estate our people work with you to build targeted and integrated real estate solutions for your every need:

**Property Development, Transaction, Consulting, Valuation, Property Management and Investment Management.**

With our international scope, expertise and on-the-ground presence, you’ll find the perfect partner that can ensure the success of your real estate projects.