After the first signs of recovery emerged in the third quarter, the office market in Île-de-France confirmed its healthy trend over the last 3 months of 2015. The late start that stretched from January to June was compensated for and, with 2,210,000 m² transacted over the year, take-up is ultimately finishing very slightly up (+1%) compared to 2014. However, it remains below the 10-year average of 2,318,000 m².

Despite growth in volumes at the end of the year thanks to major deals, such as the lease by La Poste of 42,500 m² in Lemnys in Issy-les-Moulineaux, or Novartis with 42,000 m² in the Les Fontaines building in Rueil-Malmaison, major deals (over 5,000 m²) slipped 16% in volume and 11% in number compared to 2014. Conversely, small and medium-sized units enjoyed an increase (+12%), whether for units of 0 – 500 m² (+10%), 500 – 2,000 m² (+13%) or 2,000 – 5,000 m² (+14%).

The shift back by occupiers to traditional business districts was particularly advantageous to Paris Inner City, which accounted for 43% of take-up in Île-de-France in 2015. Transactions there are up by 15% vs. 2014, whether in the CBD (+18%) or the non-CBD districts (+11%). With a 92% increase in volumes, the Southern River Bend by far outperformed the districts outside Paris and saw a great increase for both large units (+283%) and small ones (+13%). While Péri-Défense also enjoyed an increase in take-up compared to 2014 (+27%), the other districts were more challenged. While confirming its appeal by attracting new occupiers from outside, La Défense suffered from a lack of transactions for large units and saw a 41% fall in take-up. Although the Southern Inner Rim and the Outer Rim matched their performance of 2014, take-up in these districts was a long way short of the 10-year average. Transactions fell in other districts.

Availability within a year on January 1, 2016 stood at 4.85 million m², down 2% compared to the end of 2014. The share of new premises has meanwhile continued to slide and now accounts for just 19% of total supply, i.e. 960,000 m². However, supply under construction in Île-de-France increased by 31% in a year, to 820,000 m². The vacancy rate in Île-de-France remains stable vs. Q3, at 7.4%. Despite a 0.9 percentage point decline over the last three months, Péri-Défense still has the highest vacancy rate in the region at 16.9%. With a 15% vacancy rate, the Northern River Bend is also well above the regional average. Conversely, Paris Inner City still has the lowest figure at 4.7%.

The end of 2015 appeared to confirm the resumption of economic growth in France. Supported by the continuation of low interest rates, cheap commodities and a favourable European monetary policy, French GDP should grow by 1.4% in 2016, after 1.2% in 2015. Salaried employment in Île-de-France should follow a similar trend, with 18,000 more jobs expected in 2016. These favourable conditions for the Île-de-France office market underpin our first estimate for take-up in 2016, at around 2.3 million m².
OFFICE MARKET IN ÎLE-DE-FRANCE

Take-up (12 months)

Availability within a year (as of 1st January)

Future supply

Source: Immostat

Source: BNP Paribas Real Estate
# OFFICE MARKET IN ÎLE-DE-FRANCE

<table>
<thead>
<tr>
<th>Area</th>
<th>Immediate supply*</th>
<th>Vacancy rate*</th>
<th>Take-up</th>
<th>Immediate supply*</th>
<th>Vacancy rate*</th>
<th>Take-up</th>
<th>Immediate supply variation</th>
<th>Take-up variation</th>
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</thead>
<tbody>
<tr>
<td>Paris CBD</td>
<td>372,000</td>
<td>5.7</td>
<td>378,000</td>
<td>308,000</td>
<td>4.7</td>
<td>447,000</td>
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<td>+18%</td>
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<td>Paris outside CBD</td>
<td>477,000</td>
<td>4.9</td>
<td>451,000</td>
<td>461,000</td>
<td>4.8</td>
<td>503,000</td>
<td>-3%</td>
<td>+12%</td>
</tr>
<tr>
<td>La Défense</td>
<td>409,000</td>
<td>11.4</td>
<td>237,000</td>
<td>362,000</td>
<td>9.8</td>
<td>141,000</td>
<td>-11%</td>
<td>-41%</td>
</tr>
<tr>
<td>Péri Défense</td>
<td>326,000</td>
<td>15.0</td>
<td>140,000</td>
<td>339,000</td>
<td>16.4</td>
<td>178,000</td>
<td>+4%</td>
<td>-27%</td>
</tr>
<tr>
<td>Neuilly/Levallois</td>
<td>160,000</td>
<td>11.3</td>
<td>193,000</td>
<td>149,000</td>
<td>10.6</td>
<td>84,000</td>
<td>-7%</td>
<td>-56%</td>
</tr>
<tr>
<td>Northern River Bend</td>
<td>270,000</td>
<td>14.6</td>
<td>71,000</td>
<td>277,000</td>
<td>15.0</td>
<td>62,000</td>
<td>+3%</td>
<td>-13%</td>
</tr>
<tr>
<td>Southern River Bend</td>
<td>274,000</td>
<td>11.2</td>
<td>153,000</td>
<td>246,000</td>
<td>10.0</td>
<td>293,000</td>
<td>-10%</td>
<td>+92%</td>
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<tr>
<td>Northern Inner Rim</td>
<td>240,000</td>
<td>9.9</td>
<td>127,000</td>
<td>239,000</td>
<td>9.9</td>
<td>80,000</td>
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<td>-37%</td>
</tr>
<tr>
<td>Southern Inner Rim</td>
<td>217,000</td>
<td>10.5</td>
<td>59,000</td>
<td>233,000</td>
<td>11.3</td>
<td>60,000</td>
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<td>+2%</td>
</tr>
<tr>
<td>Eastern Inner Rim</td>
<td>114,000</td>
<td>7.1</td>
<td>56,000</td>
<td>104,000</td>
<td>6.5</td>
<td>43,000</td>
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<td>-23%</td>
</tr>
<tr>
<td>Outer Rim</td>
<td>1,165,000</td>
<td>6.2</td>
<td>320,000</td>
<td>1,188,000</td>
<td>6.3</td>
<td>320,000</td>
<td>+2%</td>
<td>+0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,024,000</strong></td>
<td><strong>7.7</strong></td>
<td><strong>2,184,000</strong></td>
<td><strong>3,906,000</strong></td>
<td><strong>7.4</strong></td>
<td><strong>2,210,000</strong></td>
<td><strong>-3%</strong></td>
<td><strong>+1%</strong></td>
</tr>
</tbody>
</table>

* end of period
Source: Immostat, BNP Paribas Real Estate

### Availability within a year

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Paris CBD</td>
<td>582,000</td>
<td>458,000</td>
<td>-21%</td>
<td>80,000</td>
<td>83,000</td>
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</tr>
<tr>
<td>Paris outside CBD</td>
<td>658,000</td>
<td>704,000</td>
<td>+7%</td>
<td>202,000</td>
<td>282,000</td>
<td>+40%</td>
</tr>
<tr>
<td>La Défense</td>
<td>501,000</td>
<td>456,000</td>
<td>-9%</td>
<td>0</td>
<td>94,000</td>
<td></td>
</tr>
<tr>
<td>Péri Défense</td>
<td>393,000</td>
<td>487,000</td>
<td>+24%</td>
<td>18,000</td>
<td>59,000</td>
<td>+228%</td>
</tr>
<tr>
<td>Neuilly/Levallois</td>
<td>189,000</td>
<td>192,000</td>
<td>+2%</td>
<td>35,000</td>
<td>42,000</td>
<td>+20%</td>
</tr>
<tr>
<td>Northern River Bend</td>
<td>293,000</td>
<td>304,000</td>
<td>+4%</td>
<td>31,000</td>
<td>8,000</td>
<td>-74%</td>
</tr>
<tr>
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<td>452,000</td>
<td>391,000</td>
<td>-13%</td>
<td>66,000</td>
<td>80,000</td>
<td>+21%</td>
</tr>
<tr>
<td>Northern Inner Rim</td>
<td>269,000</td>
<td>234,000</td>
<td>-13%</td>
<td>32,000</td>
<td>41,000</td>
<td>+28%</td>
</tr>
<tr>
<td>Southern Inner Rim</td>
<td>279,000</td>
<td>315,000</td>
<td>+13%</td>
<td>58,000</td>
<td>56,000</td>
<td>-3%</td>
</tr>
<tr>
<td>Eastern Inner Rim</td>
<td>125,000</td>
<td>113,000</td>
<td>-10%</td>
<td>26,000</td>
<td>26,000</td>
<td>+0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,962,000</strong></td>
<td><strong>4,851,000</strong></td>
<td><strong>-2%</strong></td>
<td><strong>624,000</strong></td>
<td><strong>820,000</strong></td>
<td><strong>+31%</strong></td>
</tr>
</tbody>
</table>

Source: BNP Paribas Real Estate
IMMOSTAT AREA

Source: Immostat
BUSINESS LINES en Europe
A 360° vision

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