With just over 1,765,800 m² taken up during the first three quarters of 2017, the Ile-de-France office market showed growth of 2% compared to the same period in 2016. After a dip in the second quarter, the third quarter was more robust, with 606,000 m² transacted. As such, the threshold of 1.65 million m² (the 10-year average for the first nine months of the year in Ile-de-France) has been reached. In total, take-up for the full year 2017 should come in at between 2.5 and 2.6 million m² in 2017, compared to 2.4 million m² in 2016 and 2.3 million m² in 2015.

Once again, the large unit segment saw the briskest business over the quarter. Transactions over 5,000 m² increased by 15% in 2017 compared to 2016. In particular, Orange leased 57,000 m² in Bridge in Issy-les-Moulineaux while Altaréa Cogedim leased 22,000 m² at 87 rue de Richelieu in Paris. Over the quarter there were 20 transactions of over 5,000 m² totalling 262,500 m². Business for small and medium-sized units was solid, despite a 6% decline vs. 2016.

Generally speaking, it is districts like the Western Crescent and the Inner Rim that have flourished so far this year. This is particularly the case for the Northern Inner Rim and the Southern River Bend which are back well above their 10-year averages (lease by Conseil Régional d’IDF in Influence 1.0 for 33,000 m² and Cap Gemini in Aquarel with a similar floor area). As such, take-up has risen significantly in Neuilly/Levallois, the Southern River Bend and the Northern Inner Rim. Conversely, other districts, such as the Central Business District (CBD) Opéra and La Défense have fallen short of their 10-year averages this year.

Availability within a year stood at 4.46 million m² on October 1, 2017, a 1% increase compared to Q3 2016. Supply had started contracting after 2015 due to the low level of completions. We are now seeing the opposite effect and supply is on the rise again. The proportion of new and refurbished premises is low and only represents 22% of total supply, a figure that has changed little for several years. The vacancy rate is meanwhile narrowing, down to 6.7%, vs. 7.4% two years earlier. The highest vacancy rates are still in the Western Crescent (including 16.6% in Péri-Défense) and the lowest in Paris Inner City (3.2%). Supply under construction stands at 1.3 million m² while schemes with planning permission amount to about a million m². Developers prefer pre-let schemes, with just 8% of units expected to be launched speculatively.

**AT A GLANCE**

**PARIS OFFICE MARKET**

Q3 2017

ILE-DE-FRANCE OFFICE MARKET CONFIRMS ITS HEALTHY TREND

Office cycle
Take-up (9 months)

Source: Immobilier, BNP Paribas Real Estate

Availability within a year (as of October, 1)

Source: BNP Paribas Real Estate

Future supply

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

<table>
<thead>
<tr>
<th></th>
<th>2016 Q3</th>
<th>2017 Q3</th>
<th>Immediate supply*</th>
<th>Vaccancy rate*</th>
<th>Immediate supply*</th>
<th>Take-up</th>
<th>Immediate supply*</th>
<th>Take-up</th>
<th>Immediate supply variation</th>
<th>Take-up variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paris CBD</td>
<td>260,000</td>
<td>316,000</td>
<td>186,000</td>
<td>2.9</td>
<td>315,000</td>
<td>-28%</td>
<td>-0%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Paris outside CBD</td>
<td>332,000</td>
<td>461,000</td>
<td>339,000</td>
<td>3.4</td>
<td>409,000</td>
<td>+2%</td>
<td>-11%</td>
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</tr>
<tr>
<td>La Défense</td>
<td>294,000</td>
<td>234,000</td>
<td>293,000</td>
<td>8.2</td>
<td>98,000</td>
<td>-0%</td>
<td>-58%</td>
<td></td>
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<tr>
<td>Péri Défense</td>
<td>399,000</td>
<td>117,000</td>
<td>430,000</td>
<td>16.6</td>
<td>167,000</td>
<td>+8%</td>
<td>+43%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Neuilly/Levallois</td>
<td>157,000</td>
<td>69,000</td>
<td>123,000</td>
<td>8.5</td>
<td>108,000</td>
<td>-22%</td>
<td>+57%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northern River Bend</td>
<td>103,000</td>
<td>22,000</td>
<td>124,000</td>
<td>15.3</td>
<td>14,000</td>
<td>+20%</td>
<td>-38%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southern River Bend</td>
<td>236,000</td>
<td>122,000</td>
<td>214,000</td>
<td>8.3</td>
<td>221,000</td>
<td>-9%</td>
<td>+81%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Northern Inner Rim</td>
<td>325,000</td>
<td>28,000</td>
<td>326,000</td>
<td>10.5</td>
<td>135,000</td>
<td>0%</td>
<td>+382%</td>
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</tr>
<tr>
<td>Southern Inner Rim</td>
<td>240,000</td>
<td>69,000</td>
<td>260,000</td>
<td>10.6</td>
<td>84,000</td>
<td>+8%</td>
<td>+22%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eastern Inner Rim</td>
<td>99,000</td>
<td>70,000</td>
<td>91,000</td>
<td>3.9</td>
<td>44,000</td>
<td>-8%</td>
<td>-37%</td>
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<td></td>
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</tr>
<tr>
<td>Outer Rim</td>
<td>1,156,000</td>
<td>224,000</td>
<td>1,152,000</td>
<td>6.5</td>
<td>172,000</td>
<td>-0%</td>
<td>-23%</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,601,000</td>
<td>1,733,000</td>
<td>3,538,000</td>
<td>6.8</td>
<td>1,766,000</td>
<td>-2%</td>
<td>+2%</td>
<td></td>
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</tr>
</tbody>
</table>

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

### Availability within a year

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<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Paris CBD</td>
<td>443,000</td>
<td>377,000</td>
<td>-15%</td>
<td>182,000</td>
<td>188,000</td>
<td>+3%</td>
</tr>
<tr>
<td>Paris outside CBD</td>
<td>502,000</td>
<td>555,000</td>
<td>+11%</td>
<td>287,000</td>
<td>272,000</td>
<td>-5%</td>
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<tr>
<td>La Défense</td>
<td>396,000</td>
<td>334,000</td>
<td>-16%</td>
<td>117,000</td>
<td>261,000</td>
<td>+214%</td>
</tr>
<tr>
<td>Péri Défense</td>
<td>504,000</td>
<td>517,000</td>
<td>+3%</td>
<td>44,000</td>
<td>182,000</td>
<td>+314%</td>
</tr>
<tr>
<td>Neuilly/Levallois</td>
<td>237,000</td>
<td>168,000</td>
<td>-30%</td>
<td>62,000</td>
<td>66,000</td>
<td>+6%</td>
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<tr>
<td>Northern River Bend</td>
<td>129,000</td>
<td>140,000</td>
<td>+9%</td>
<td>+9%</td>
<td>+9%</td>
<td>+9%</td>
</tr>
<tr>
<td>Southern River Bend</td>
<td>369,000</td>
<td>382,000</td>
<td>+4%</td>
<td>181,000</td>
<td>90,000</td>
<td>-50%</td>
</tr>
<tr>
<td>Northern Inner Rim</td>
<td>334,000</td>
<td>417,000</td>
<td>+25%</td>
<td>16,000</td>
<td>118,000</td>
<td>+683%</td>
</tr>
<tr>
<td>Southern Inner Rim</td>
<td>297,000</td>
<td>311,000</td>
<td>+5%</td>
<td>26,000</td>
<td>5,000</td>
<td>-81%</td>
</tr>
<tr>
<td>Eastern Inner Rim</td>
<td>116,000</td>
<td>133,000</td>
<td>+15%</td>
<td>38,000</td>
<td>54,000</td>
<td>0%</td>
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<tr>
<td>Outer Rim</td>
<td>1,086,000</td>
<td>1,130,000</td>
<td>+4%</td>
<td>63,000</td>
<td>76,000</td>
<td>22%</td>
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<tr>
<td><strong>Total</strong></td>
<td>4,412,000</td>
<td>4,461,000</td>
<td>+1%</td>
<td>1,015,000</td>
<td>1,311,000</td>
<td>+29%</td>
</tr>
</tbody>
</table>

Source: BNP Paribas Real Estate
6 BUSINESS LINES in Europe

A 360° vision

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Real Estate for a changing world