Investment over the first three months of 2019 came in at € 3.8bn, i.e. a fall of 17% compared to Q1 2018. This lacklustre first quarter comes in the wake of a particularly strong finish to 2018. Investment will doubtless regain its health in the coming months, which should enable 2019 to draw close to the € 30bn mark, or even break through it once again.

In Q1 2019, **Offices** accounted for 64% of investment, representing a fall of 29%. This fall was even more pronounced in Île-de-France, where less than € 2bn was invested, i.e. a fall of 34% vs. Q1 2018. Indeed, there were fewer than 50 transactions over the quarter, and none for over € 200m. The biggest deals were for around € 190m, such as the sale of the Le Spazio building in Nanterre or the Sakura scheme in Fontenay-sous-Bois bought by Primorial. Among the main deals, we note the acquisition of the Le Cristalia building in Rueil-Malmaison by a South Korean fund, showing that Asian investors are already getting involved in France in the first quarter. Office investment in the regions is fairly similar to that of last year, i.e. about € 500m. This respectable figure stems mainly from the robust trend in Lille, which secured the top place among regional cities in Q1, ahead of Lyon.

**Retail** too saw a soft start to the year. This asset category has not yet benefitted from showcase sales on the Parisian High Street, a segment that was a major market driver in 2018. However, the trend should reverse over the course of the year, notably with the sale of Nike’s flagship on the Champs Elysées, expected to be finalised at the end of Q2. We would however note the sale of two designer outlet centres in Roubaix and Troyes for € 300m.

The situation is quite the opposite for **Logistics**: this asset category continues to grow and enjoyed an outstanding first quarter. The amount invested doubled, from € 213m in Q1 2018 to € 420m in Q1 2019. Two single-asset deals of over € 50m each drove the market. In addition, there have been portfolio transfers, such as that sold by Kuehne Nagel to 6ème Sens for about € 60m. It is therefore shaping up to be a good year for Logistics.

**Industrial premises** benefitted this year from the signing of a large-scale portfolio: "Mosaic Parks", made up of 52 assets located in Île-de-France totalling over 215,000 m², acquired by Amundi Immobilier and the Panhard group for about € 200m.

Prime office yields in Île-de-France remain flat. However, yields are likely to contract further in the CBD in 2019. In the regions, following dramatic contractions in 2018, prime yields should stabilise in most markets but could tighten further in some cities, such as Toulouse or Strasbourg. In the absence of major deals, the prime yield in Retail remains at 2.50% but could narrow slightly further for a fine prime Parisian street-level asset. The yield for logistics assets contracted further over the quarter, from 4.75% to 4.50% and further declines are expected. The prime yield for Industrial premises stands at around 5.60% and should also fall further this year.
## INVESTMENT IN COMMERCIAL REAL ESTATE IN FRANCE (€ MILLIONS)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total amount invested in France</strong></td>
<td>3,710</td>
<td>4,561</td>
<td>3,808</td>
</tr>
<tr>
<td>including amount invested in Île-de-France*</td>
<td>2,496</td>
<td>3,043</td>
<td>2,367</td>
</tr>
<tr>
<td>Offices</td>
<td>2,729</td>
<td>3,414</td>
<td>2,438</td>
</tr>
<tr>
<td>Warehouses</td>
<td>239</td>
<td>211</td>
<td>420</td>
</tr>
<tr>
<td>Industrial premises</td>
<td>98</td>
<td>94</td>
<td>325</td>
</tr>
<tr>
<td>Retail</td>
<td>467</td>
<td>621</td>
<td>507</td>
</tr>
<tr>
<td>Services</td>
<td>176</td>
<td>222</td>
<td>118</td>
</tr>
</tbody>
</table>

* source: Immostat is an economic interest group that recorded all units over €4 million concerning commercial real estate.

<table>
<thead>
<tr>
<th><strong>Geographic breakdown</strong></th>
<th>2017</th>
<th>2018</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Paris</td>
<td>74%</td>
<td>75%</td>
<td>64%</td>
</tr>
<tr>
<td>Regions</td>
<td>26%</td>
<td>25%</td>
<td>36%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Investment amount</strong></th>
<th>Q1 2017</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; €5 million</td>
<td>188</td>
<td>127</td>
<td>117</td>
</tr>
<tr>
<td>€5 - 10 million</td>
<td>199</td>
<td>275</td>
<td>153</td>
</tr>
<tr>
<td>€10 - 20 million</td>
<td>311</td>
<td>458</td>
<td>400</td>
</tr>
<tr>
<td>€20 - 50 million</td>
<td>819</td>
<td>762</td>
<td>1,118</td>
</tr>
<tr>
<td>€50 - 100 million</td>
<td>552</td>
<td>776</td>
<td>252</td>
</tr>
<tr>
<td>&gt; €100 million</td>
<td>1,641</td>
<td>2,164</td>
<td>1,768</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,710</td>
<td>4,561</td>
<td>3,808</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Type of investors</strong></th>
<th>2017</th>
<th>2018</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds</td>
<td>34%</td>
<td>50%</td>
<td>46%</td>
</tr>
<tr>
<td>Sovereign funds</td>
<td>2%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Insurance</td>
<td>10%</td>
<td>17%</td>
<td>4%</td>
</tr>
<tr>
<td>SLIC (Reit)</td>
<td>6%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Other landholding companies</td>
<td>4%</td>
<td>5%</td>
<td>12%</td>
</tr>
<tr>
<td>SCPI</td>
<td>31%</td>
<td>13%</td>
<td>27%</td>
</tr>
<tr>
<td>OPCI</td>
<td>3%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Private investors</td>
<td>7%</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>
## INITIAL PRIME YIELDS

### Offices in Île-de-France

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
<th>Trend 2019 / 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paris CBD</td>
<td>3.15%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>®</td>
</tr>
<tr>
<td>Paris outside CBD</td>
<td>3.50%</td>
<td>3.25%</td>
<td>3.25%</td>
<td>®</td>
</tr>
<tr>
<td>La Défense</td>
<td>4.75%</td>
<td>4.10%</td>
<td>4.00%</td>
<td>®</td>
</tr>
<tr>
<td>Western Crescent</td>
<td>3.65%</td>
<td>3.25%</td>
<td>3.25%</td>
<td>®</td>
</tr>
<tr>
<td>Inner Rim</td>
<td>4.35%</td>
<td>3.80%</td>
<td>3.80%</td>
<td>®</td>
</tr>
<tr>
<td>Outer Rim</td>
<td>5.35%</td>
<td>5.20%</td>
<td>5.20%</td>
<td>®</td>
</tr>
</tbody>
</table>

### Offices in Regions

<table>
<thead>
<tr>
<th>Location</th>
<th>Q1 2017</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
<th>Trend 2019 / 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lyon</td>
<td>4.00%</td>
<td>3.90%</td>
<td>3.85%</td>
<td>®</td>
</tr>
<tr>
<td>Aix / Marseille</td>
<td>5.75%</td>
<td>4.70%</td>
<td>4.70%</td>
<td>®</td>
</tr>
<tr>
<td>Lille</td>
<td>4.90%</td>
<td>4.50%</td>
<td>4.15%</td>
<td>®</td>
</tr>
<tr>
<td>Nice / Sophia Antipolis</td>
<td>5.50%</td>
<td>5.50%</td>
<td>4.75%</td>
<td>®</td>
</tr>
<tr>
<td>Toulouse</td>
<td>5.80%</td>
<td>5.40%</td>
<td>5.00%</td>
<td>®</td>
</tr>
<tr>
<td>Strasbourg</td>
<td>5.95%</td>
<td>5.95%</td>
<td>5.80%</td>
<td>®</td>
</tr>
<tr>
<td>Nantes</td>
<td>6.10%</td>
<td>6.10%</td>
<td>4.75%</td>
<td>®</td>
</tr>
<tr>
<td>Bordeaux</td>
<td>5.25%</td>
<td>5.10%</td>
<td>4.95%</td>
<td>®</td>
</tr>
</tbody>
</table>

### Grade A Warehouses

<table>
<thead>
<tr>
<th>Location</th>
<th>Q1 2017</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
<th>Trend 2019 / 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Paris</td>
<td>5.50%</td>
<td>4.90%</td>
<td>4.50%</td>
<td>®</td>
</tr>
<tr>
<td>Regions</td>
<td>5.60%</td>
<td>4.90%</td>
<td>4.50%</td>
<td>®</td>
</tr>
</tbody>
</table>

### Industrial Premises

<table>
<thead>
<tr>
<th>Location</th>
<th>Q1 2017</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
<th>Trend 2019 / 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Paris</td>
<td>6.40%</td>
<td>5.90%</td>
<td>5.60%</td>
<td>®</td>
</tr>
</tbody>
</table>

### Retail

<table>
<thead>
<tr>
<th>Location</th>
<th>Q1 2017</th>
<th>Q1 2018</th>
<th>Q1 2019</th>
<th>Trend 2019 / 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street-level store in Paris</td>
<td>2.75%</td>
<td>2.75%</td>
<td>2.50%</td>
<td>®</td>
</tr>
<tr>
<td>Shopping centres in France</td>
<td>4.20%</td>
<td>4.20%</td>
<td>4.50%</td>
<td>®</td>
</tr>
<tr>
<td>Retail parks in France</td>
<td>4.50%</td>
<td>4.50%</td>
<td>4.60%</td>
<td>®</td>
</tr>
</tbody>
</table>
BUSINESS LINES in Europe

A 360° vision

Implantations

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93424 Aubervilliers
Tél. : +33 (0) 1 49 93 70 73

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167, Quai de la Bataille de Stalingrad
92867 Issy les Moulinaux Cedex
Tél. : +33 (0) 1 47 59 20 04

Ergany
Immeuble Tennessee
8 allé Rosa Luxembourg
BP 50272 Ergany
Tél. : +33 (0) 1 34 30 86 46

Regions

Aix-en-Provence
Parc du Golf - 84120
350 rue Jean René Guilibert
13290 Aix-en-Provence
Tél. : +33 (0) 4 42 90 72 72

Annecy
PAC Des Glaisins
19 avenue du Pré de Chailles
74040 Annecy-le-Vieux
Tél. : +33 (0) 4 50 64 12 12

Bordeaux
Opus 33
63-64 quai de Paludate
33600 Bordeaux
Tél. : +33 (0) 5 56 49 09 12

Dijon
Immeuble le Richelieu
10, boulevard Carnot
21000 Dijon
Tél. : +33 (0) 3 80 67 35 72

Grenoble
Immeuble le Grenat
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38100 Grenoble
Tél. : +33 (0) 4 76 85 43 43

Lille
100, Tour de Lille
Boulevard de Tournon
59777 Lille
Tél. : +33 (0) 3 20 06 99 00

Lyon
Stex 1
15 rue des cuirassiers
69003 Lyon
Tél. : +33 (0) 78 63 62 61

Marseille
44, boulevard de dunkerque
131527 - 13235 Marseille Cedex 2
Tél. : +33 (0) 4 91 56 03 03

Metz
WTC Technopôle de Metz
2, rue Augustin Fresnel
57082 Metz Cedex 3
Tél. : +33 (0) 3 87 37 20 10

Montpellier
Immeuble Le Triangle
26, allée Jules Maïs
34205 Montpellier Cedex 02
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Mulhouse
Bevery Plaza
15 rue de Strasbourg
67300 Strasbourg
Tél. : +33 (0) 3 89 48 09 50

Nancy
Immeuble Les Portes d’Australie
40 rue Victor
54000 Nancy
Tél. : +33 (0) 3 83 95 88 88

Nantes
14, mail Pablo Picasso
BP 115
44016 Nantes Cedex 2
Tél. : +33 (0) 2 40 20 20 20

Nice
Immeuble Phoenix – Arénas
455, promenade des Anglais
06285 Nice Cedex 3
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Orléans
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45000 Orléans
Tél. : +33 (0) 3 82 62 09 01

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35000 Rennes
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31432 Toulouse Cedex
Tours
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