

Updated quarterly, our dashboards provide a concise synopsis of occupier activity in Europe's markets.



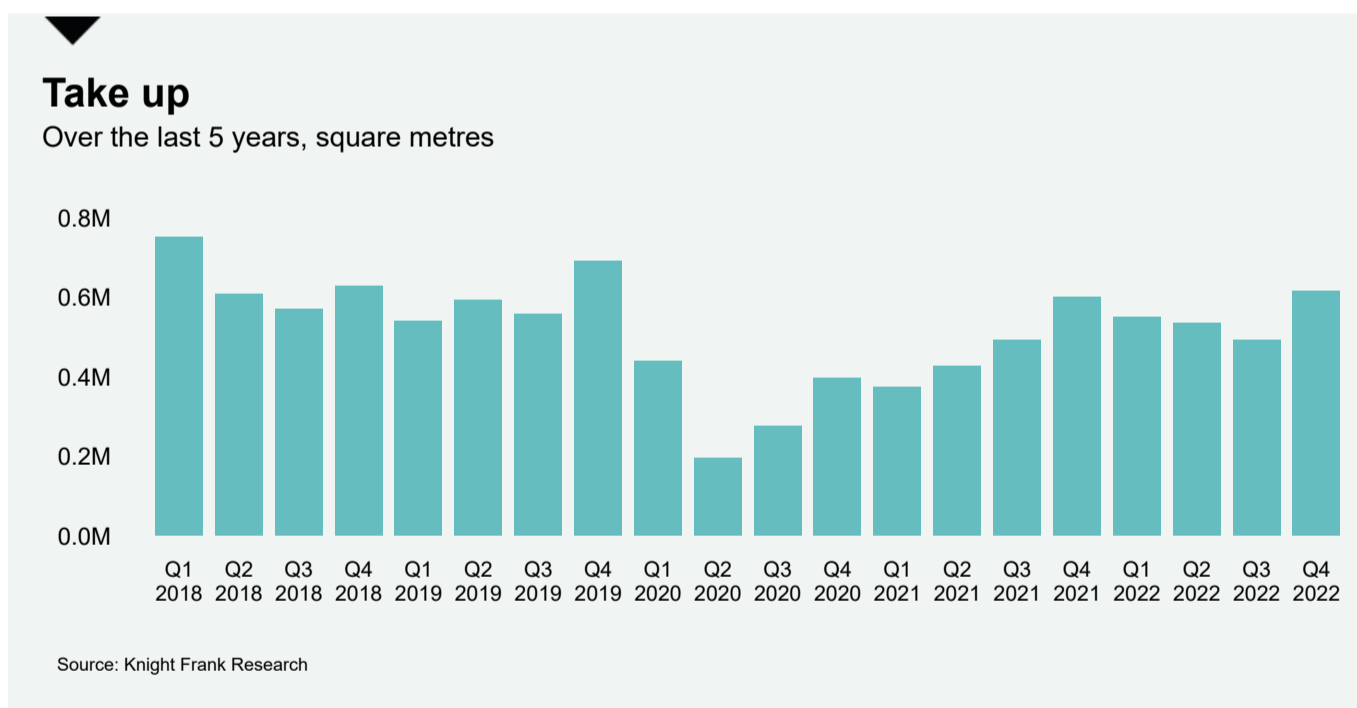
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Paris - Île-de-France Office Market

Research, Q4 2022

OCCUPIER MARKET HEADLINE FIGURES

TAKE UP		VACANCY RATE		AVERAGE RENT	
616,413	2.6%	7.7%	6.2%	€ 480	7.9%
SQM	YOY CHANGE	RATE	5 YR AVERAGE	RENT (PSQM)	YOY CHANGE

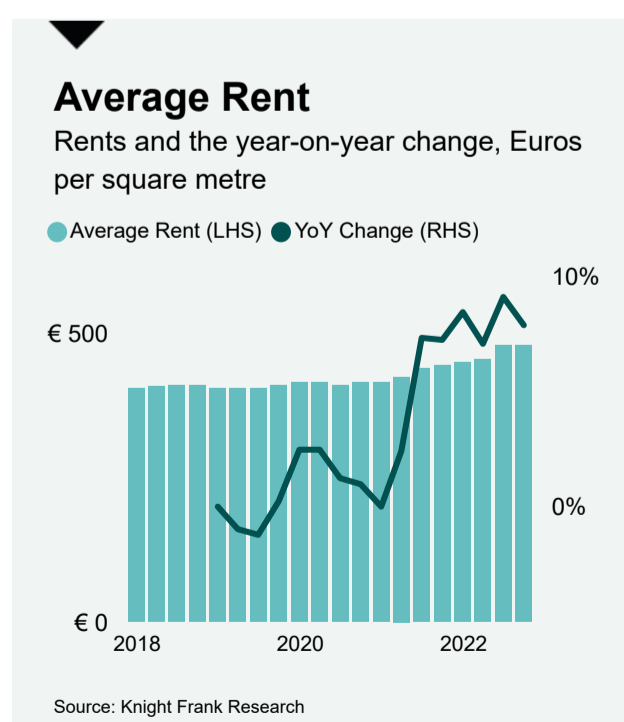
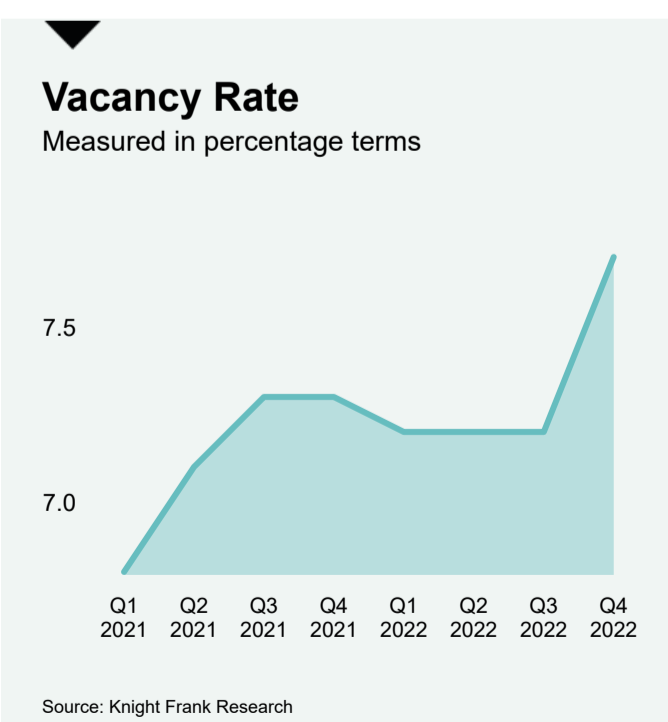


OCCUPIER HEADLINES

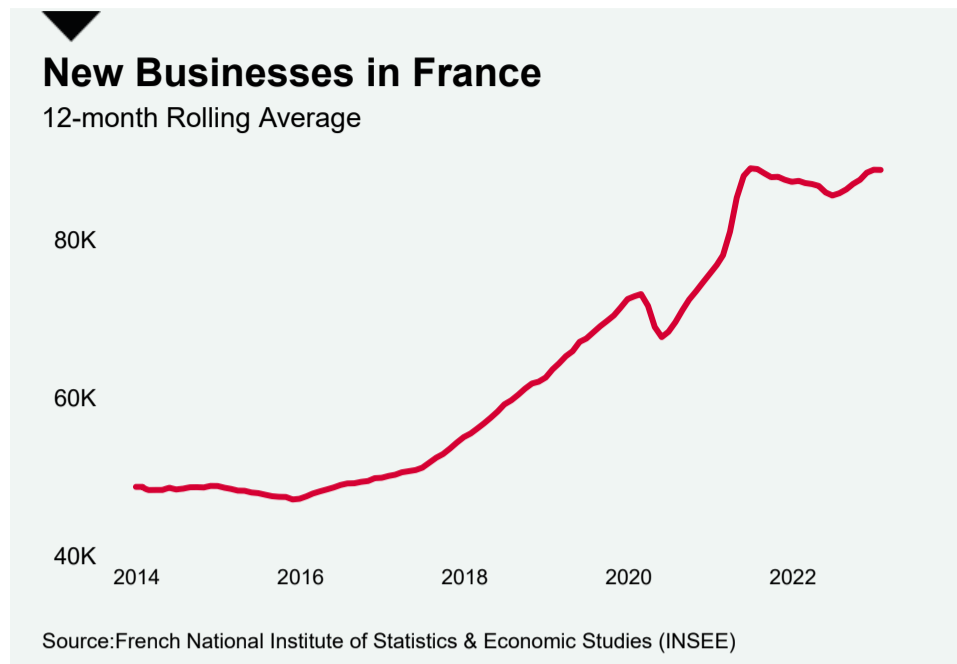
In the Paris Ile-de-France market, 2022 ended on a positive note with 616,000 sqm of office space let or sold to occupiers in Q4, an increase of 26% on the previous quarter. This volume brings the total amount of office space let or sold to occupiers in 2022 to 2.19 million sqm, a result 16% higher than in 2021 and very close to the ten-year average.

Demand from coworking and education tenancies was stronger in 2022 than the previous year, but tech companies' activity slowed significantly in the second half of the year, against a backdrop of a slowdown in fundraising and a decrease in valuations.

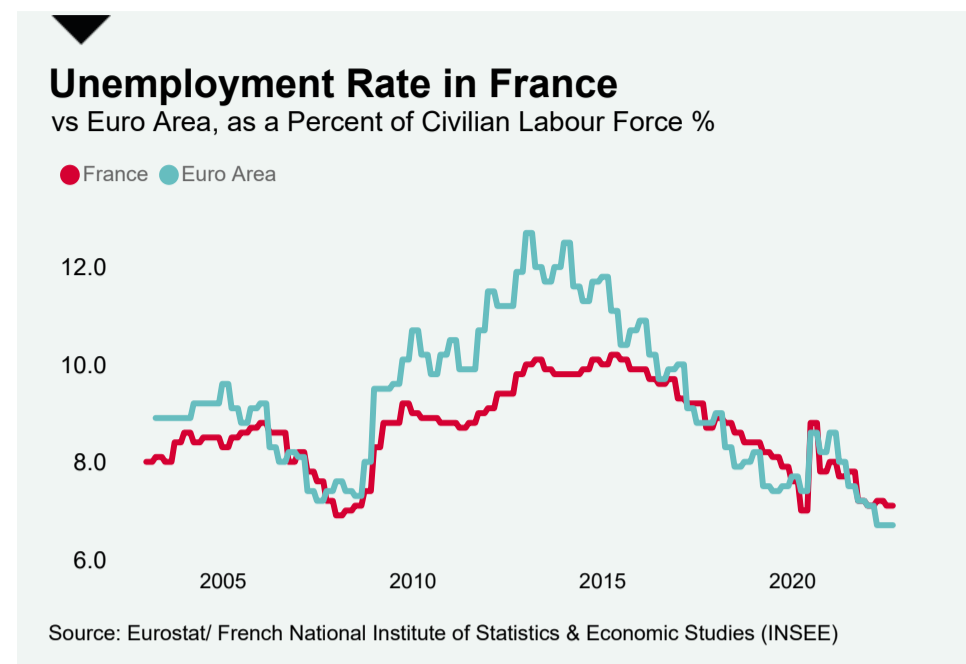
In most suburban sectors, negotiation conditions are more favourable to tenants than before the start of the health crisis, with generous rental incentives sometimes in excess of 30 or even 35% in certain office hubs. As a result, the gap has widened with Inner Paris and its most expensive districts, the CBD in particular, where prime rents continue to climb.



ECONOMIC INDICATORS



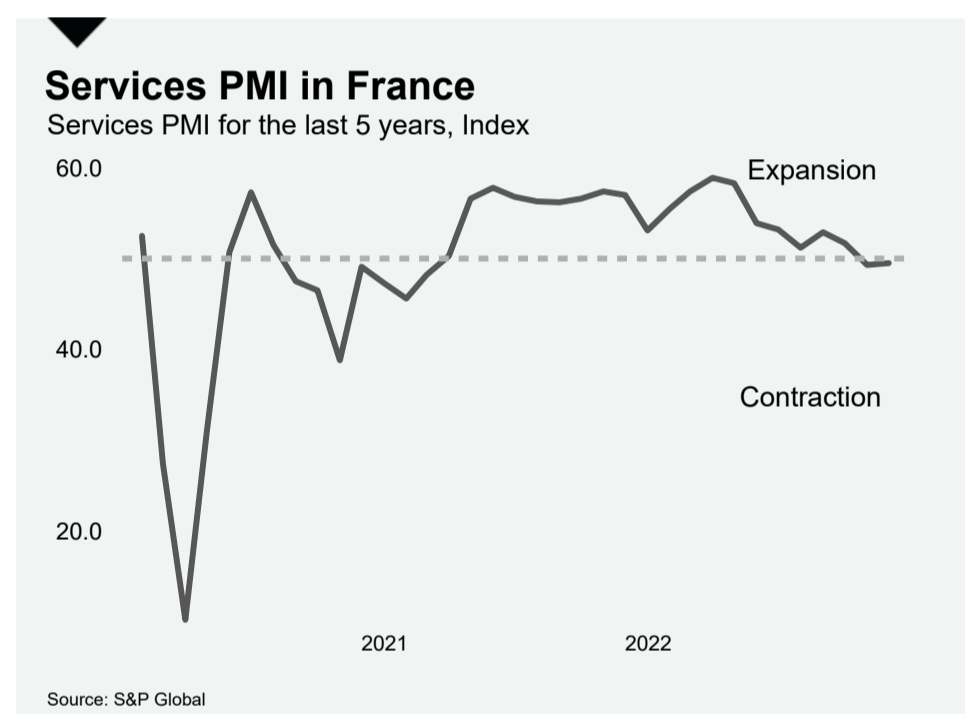
New business starts in France have been on a growth trajectory over the last 7 years, with only a minor slump during the pandemic, followed by a strong recovery thereafter. The momentum slowed again in 2022 but has since shown clear signs of returning to a positive direction.



The unemployment rate in France has ticked upwards slightly and is anticipated to increase further as a result of economic uncertainty.



Service sector employment expectations in France fluctuated in Q4 2022, rising to 9.10 in November before ticking downwards to 7.60 in December. These levels are well within pre-COVID normals and are expected to improve in 2023.



The service sector PMI in France dipped into contractionary territory in Q4 2022, recorded at 49.50 in December. On the other hand, business sentiment strengthened somewhat as input price inflation eased.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you

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