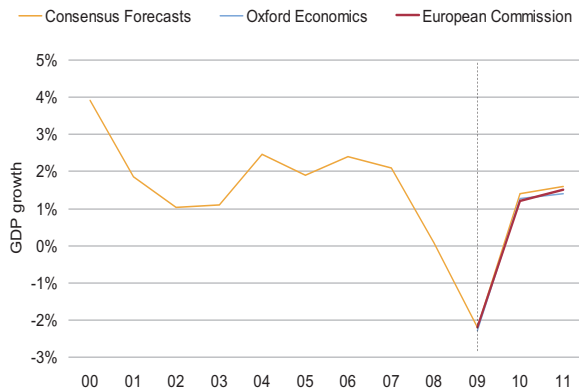


Quarterly data bulletin

France commercial property markets

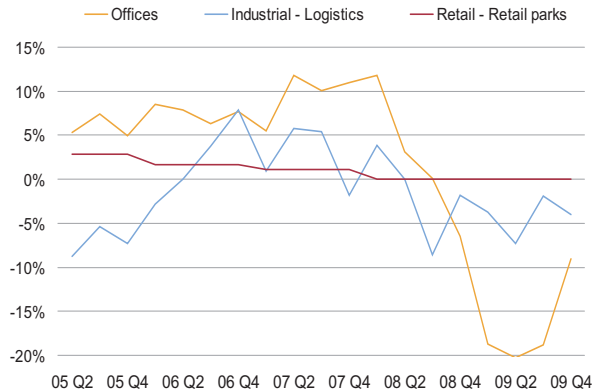
2009 Q4

Economic background and forecasts



Source: Consensus Forecasts / Oxford Economics / EC

Annual rental value growth



Source: Savills Research

“On the investment side, improvements are multiplying. Most sought-after letting markets recorded a renewal of activity during the last quarter of 2009 but no sign of a generalised restart is still perceptible.



Hervé Blanchet - Head of the Paris office

- Office take-up increased by 48.3% this quarter to reach 549,800 sqm. The annual drop in demand was limited to approximately 23.5% with 1,811,000 sqm transacted in 2009. The immediate supply increased for the 5th consecutive quarter (5.9%) and reached 3.6 millions sqm reflecting a vacancy rate of 7.2%. Prime rent in the CBD increased to €644/sqm/year over the considered period. However it still shows a negative annual rental growth of -10.4%.
- The transacted volume of warehouses bounced back by 16.4% this quarter to 310,000 sqm. Demand is mainly focused on turnkey premises, with for consequence a widely negative net absorption. As a result, the immediate supply grew by 16.2% to reach 3.27 million sqm. Headline rents resisted the growing downward pressure but incentives remained on the rise.
- The announcement of the future reduction of the scrapage scheme has stimulated car purchases during the 4th quarter, allowing a quarterly increase of 3.0% in household consumption (1.0% y-o-y). Retailers' demand was still concentrated exclusively on prime locations. Rental values remained stable over the quarter as well as over the full year.
- Signs of improvement in the investment market strengthened. Amounting to €3.55 billion (69.0% q-o-q), investments during the last quarter of 2009 was closer to the long-term average level. Signs of recovery include notably the release of the credit market and the extension of the geographical locations targeted by investors. For the whole year, the turnover remained nevertheless weak, €7.9 billion, -43.2 % compared to 2008. Prime yields for offices and retail parks moved down by 20bps and 25bps respectively since October.

Savills
Research

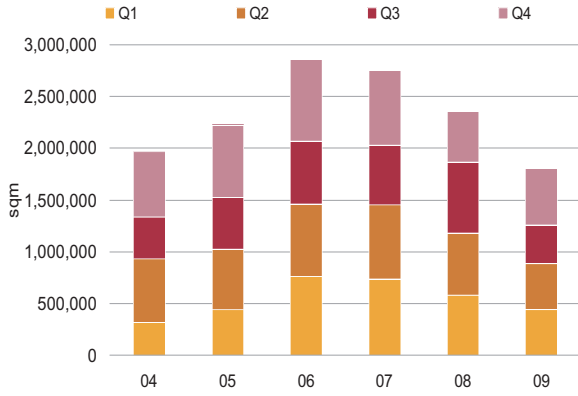
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Offices

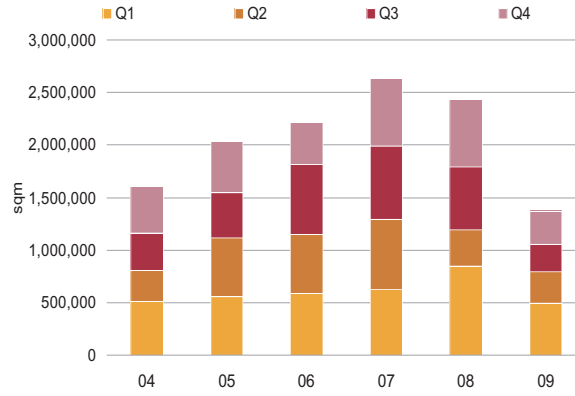
Industrial > 10.000 sqm

Take-up - IDF



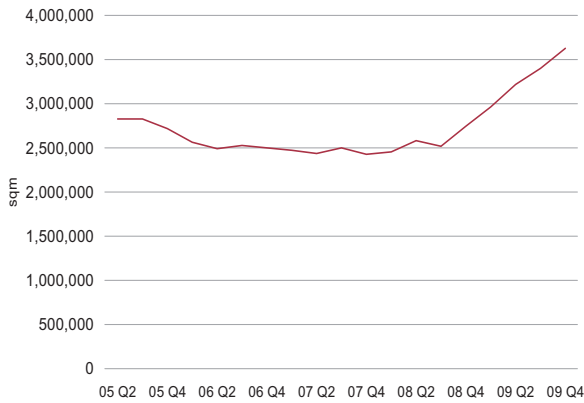
Source: Savills Research

Take-up - France



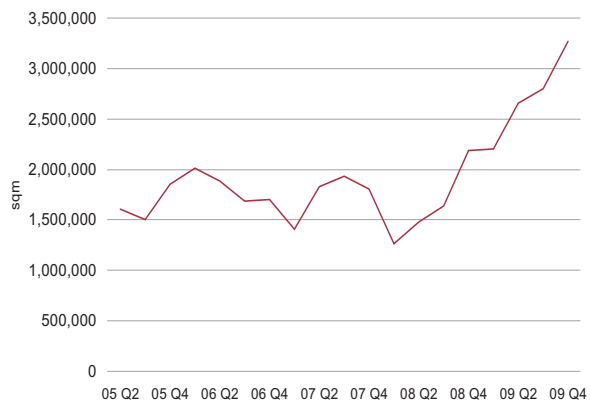
Source: Savills Research

Immediate supply - IDF



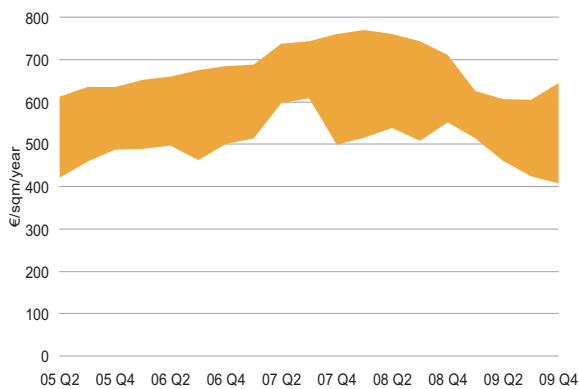
Source: Savills Research

Immediate supply - France



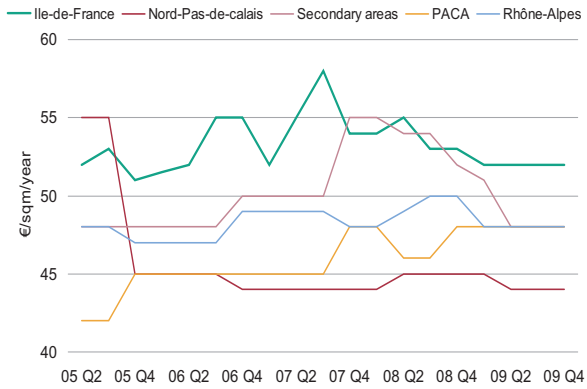
Source: Savills Research

Rental values - Paris CBD



Source: Savills Research

Rental values - France

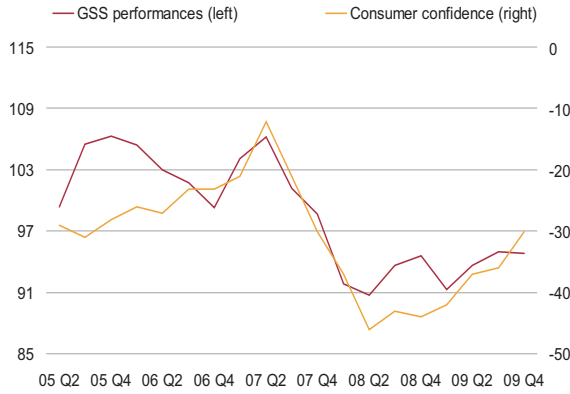


Source: Savills Research

Retail

Investment

Consumer confidence and GSS performances

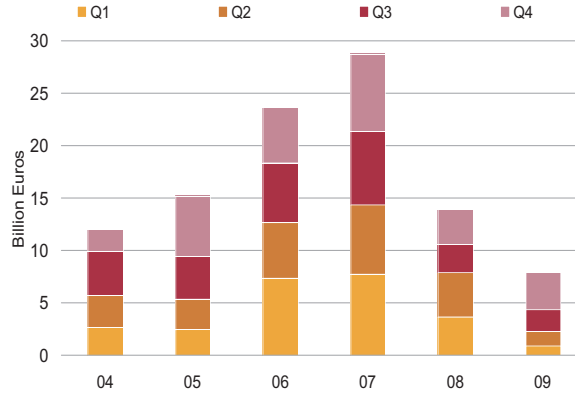


Source: INSEE, CNCC

* GSS: Large specialised retail units

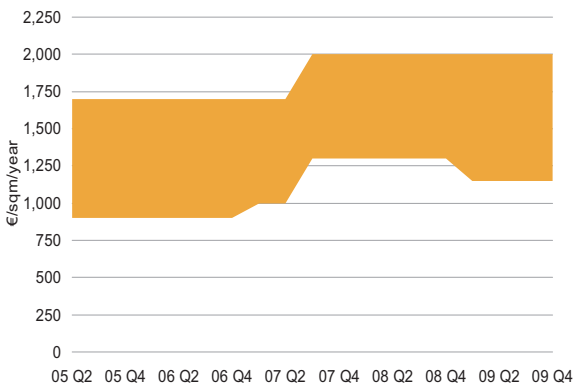
** Index calculated on monthly turnovers

Investment volume



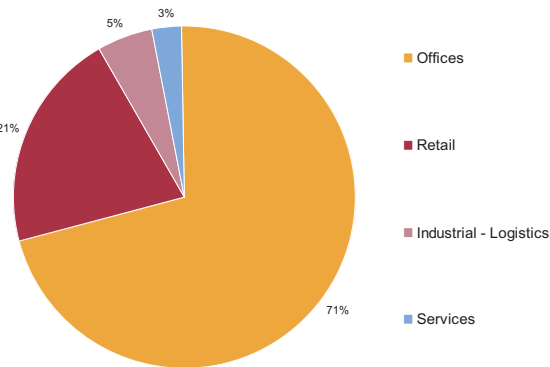
Source: Savills Research

Shopping centres rents



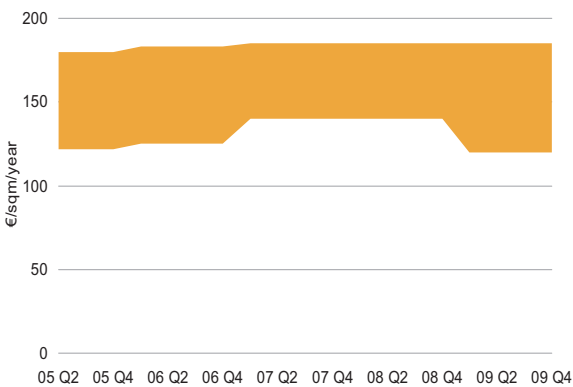
Source: Savills Research

Investment breakdown per type of asset



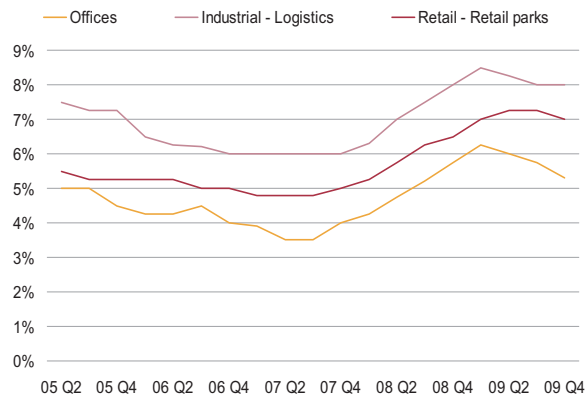
Source: Savills Research

Retail parks rents



Source: Savills Research

Yields



Source: Savills Research

Quarterly data bulletin

France commercial property markets

Rents and yields data

	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4
Offices	Rental values €/sqm/year				Yields			
Prime Paris CBD	626	606	604	644	6.00%	5.75%	5.50%	5.30%
Second-hand Paris QCA	513	460	424	408	7.00%	6.75%	6.50%	6.25%
Prime La Défense	561	550	530	530	6.50%	6.25%	6.25%	6.25%
Second-hand La Défense	460	460	454	461	7.25%	7.25%	7.00%	6.75%
Prime Lyon	217	260	233	234	7.00%	6.75%	6.50%	6.50%
Second-hand Lyon	115	145	174	197	8.75%	8.50%	8.50%	8.50%
Industrial (>10.000 sqm)	Rental values €/sqm/year				Yields			
Prime IDF	52	52	52	52	8.50%	8.25%	8.00%	8.00%
Second-hand IDF	45	43	43	43	9.00%	9.25%	9.50%	9.50%
Prime Rhône-Alpes	48	48	48	48	8.50%	8.75%	8.50%	8.50%
Second-hand Rhône-Alpes	35	35	35	35	9.25%	9.50%	9.50%	9.50%
Prime Lille	45	44	44	44	8.50%	8.50%	8.50%	8.50%
Second-hand Lille	35	35	35	35	9.50%	9.50%	9.75%	9.75%
Prime PACA	48	48	48	48	8.50%	8.50%	8.50%	8.50%
Second-hand PACA	35	35	35	35	9.25%	9.50%	9.75%	9.75%
Retail	Rental values €/sqm/year				Yields			
Retail park prime location	185	185	185	185	6.50%	7.00%	7.25%	7.00%
Retail park secondary location	120	120	120	120	7.50%	8.50%	8.50%	8.50%
SC prime location	2 000	2 000	2 000	2.000	5.25%	6.00%	5.75%	5.50%
SC park secondary location	1 150	1 150	1 150	1.150	5.75%	7.00%	7.25%	7.25%

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