

KEY FIGURES

1.94 B€

Volumes

3.67 B€

Volume at Q1 2025

107

Nb. of transactions

4

Assets > 100M€

50%

Weight of > 100 M€ transactions

YoY trend

PRIME YIELDS

	Prime yield	Trend
Office	4,00%	▶
Retail	4,25%	▶
Logistic	4,75%	▶
Light Ind.	5,40%	▶

Source: Cushman & Wakefield, Research, France

AMIDST GEOPOLITICAL UNCERTAINTY, THE PROPERTY INVESTMENT MARKET CLOSED THE FIRST QUARTER OF 2026 AT €1.94 BILLION

VOLUMES AT THEIR LOWEST SINCE 2010, A LEGACY OF A CHALLENGING 2025

The French commercial property investment market recorded €1.94 billion in Q1 2026, down 47% on Q1 2025 and at a comparable level to that of Q1 2010 (€1.89 billion). This result is primarily due to the aftermath of a difficult 2025: political instability in the second half of the year had slowed the release of assets onto the market and weighed on investor confidence. Signs at the start of 2026 had, however, suggested a resurgence in investor appetite, which was quickly thwarted by the outbreak of conflict in Iran, which crystallised a wait-and-see attitude even before the first transactions of the year could materialise.

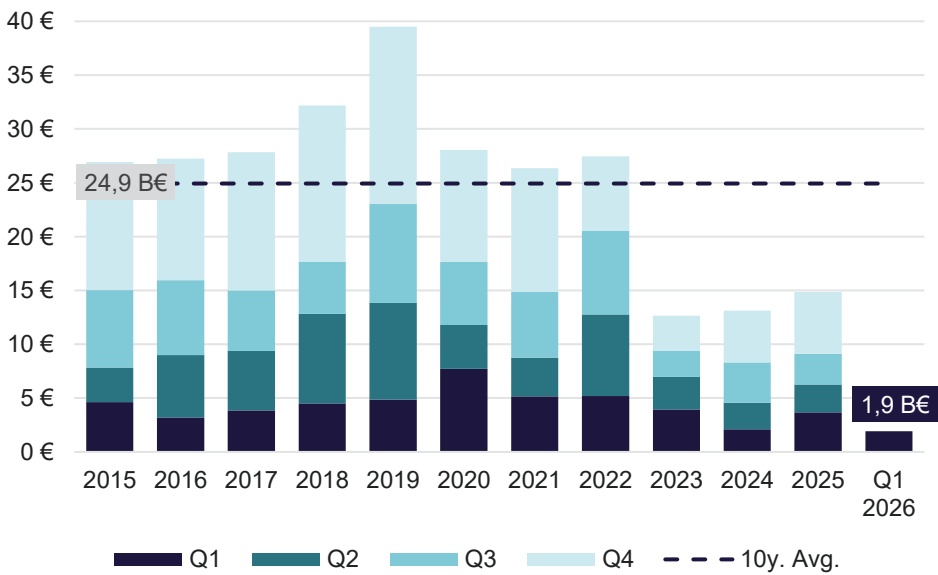
THE APPROACH OF THE REFINANCING CYCLE IS EXPECTED TO INCREASE THE AVAILABLE SUPPLY, BUT NORMALISATION REMAINS DEPENDENT ON PRICE ADJUSTMENTS

Sellers’ acceptance of a further price adjustment remains a prerequisite for any significant normalisation of investment volumes. The approach of refinancing deadlines is likely to automatically increase the number of assets coming onto the market in the coming quarters, indirectly exerting downward pressure on prices. Consequently, the message to sellers is clear: postponing a sale by six months to a year will not secure better terms.

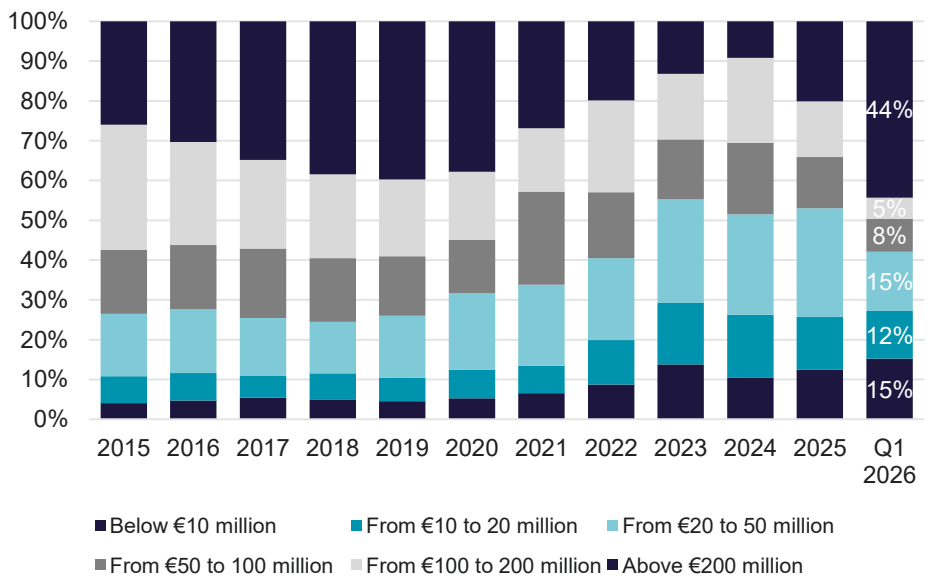
BOND MARKET VOLATILITY NOT SEEN SINCE 2022, THE IMPACT ON VOLUMES WILL ONLY BECOME APPARENT IN THE SECOND HALF OF THE YEAR

The 10-year OAT yield rose by more than 60 basis points in less than five weeks, from 3.21% at the end of February to 3.83% at the end of the quarter, its highest level since June 2009 and the sharpest bond market shock since 2022. This movement reflects fears of a return of imported inflation via energy prices, forcing the ECB to revise its expectations regarding the stability of key interest rates. Prior to the conflict, the markets had not priced in any probability of an ECB rate hike in 2026. The unavoidable lead times for executing transactions (around six months) mean that the full impact of this new geopolitical and bond market landscape will only become fully apparent in the second half of 2026.

INVESTMENT VOLUMES BY QUARTER, €BN



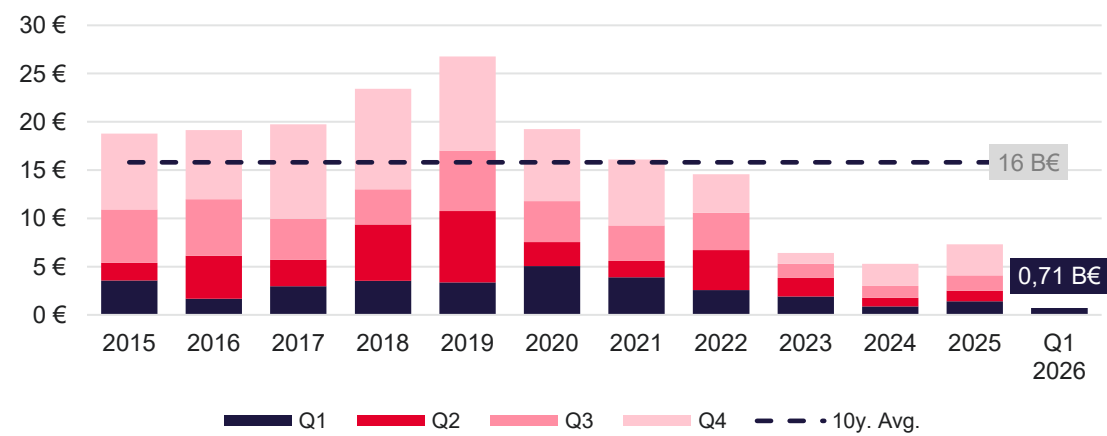
INVESTMENT VOLUME BY LOT SIZE, %



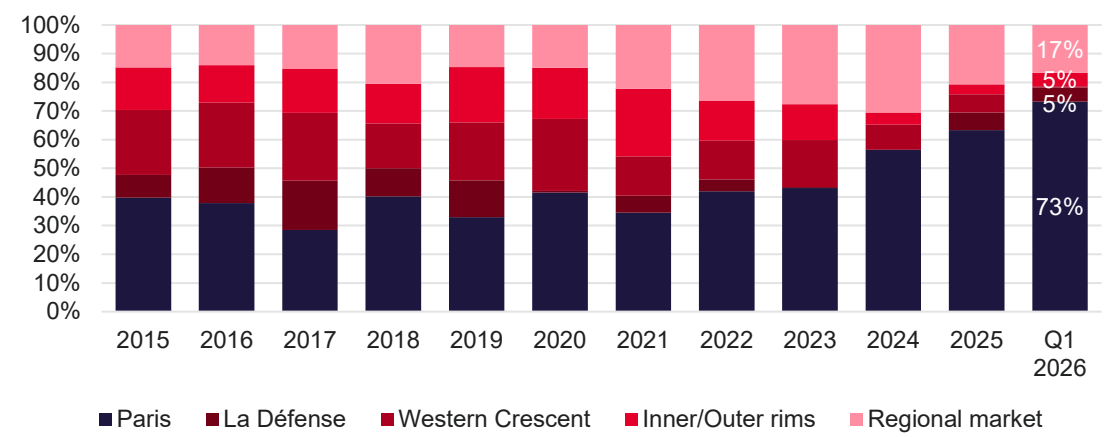
Source: Cushman & Wakefield, Research, France

A PAUSE AT THE END OF THE FIRST QUARTER OF 2026

OFFICE INVESTMENT VOLUMES BY QUARTER, € BILLIONS



OFFICE INVESTMENT VOLUMES BY LOCATION, IN %



KEY FIGURES

Investment volume

711 M€

VS 1 420 M€ at Q1 2025

37 %

Share of office investments

60%

Share of international investors

YoY trend

Outlook

TWO MAJOR TRANSACTIONS ACCOUNT FOR 50% OF THE SECTOR’S BUSINESS

The office sector closed the first quarter of 2026 at €711 million, down 50% compared with the first quarter of 2025 (€1.42 billion, compared with €862 million in Q1 2024). The asset class is on the front line facing the effects of geopolitical instability, the repercussions of which are immediate, even though the upward trend recorded throughout 2025 had suggested a strong return of capital to prime assets in Paris’s Central Business District. Against this backdrop, two major transactions dominated the quarter, accounting for 50% of recorded volumes: the sale by SFL to Hines of 83-85 Avenue Marceau (Paris 8), and the sale of 46 Rue Notre Dame des Victoires (Paris 2) by CNP/AEW to Barings.

Île-de-France accounted for 78% of transaction volumes, a level close to that of 2025 (82%) and up on 2024 (69%), thereby extending the trend towards concentration already observed. The Central Business District (CBD) recorded €451 million in transaction volumes, representing 65% of the asset class total. The regions, meanwhile, ended the quarter at €106 million, down 24% compared to the same period in 2025 (€140 million).

BEYOND A WAIT-AND-SEE APPROACH, A SHORTAGE OF GOODS THAT IS STRUCTURALLY LIMITING VOLUMES

A structural supply constraint is weighing on the market; whilst capital is available, the market offers very few core products in the €80-100 million range, which accounts for the bulk of investor interest. This shortage is all the more detrimental given that, in the current climate, investors are demanding high risk premiums on core assets with large ticket sizes.

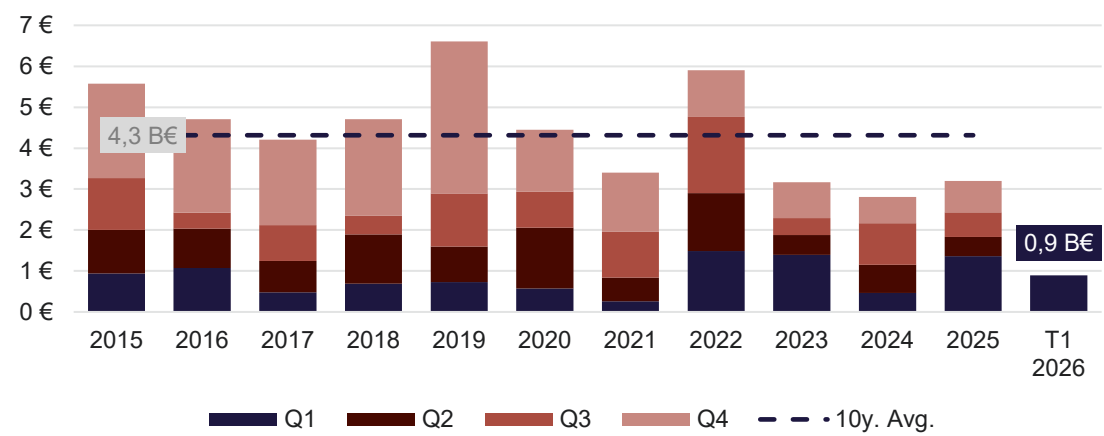
SUBSTANTIAL OFFICE INVESTMENTS

Date	Deal	Area	Seller	Buyer	Price	Surface
Q1 2026	83-85 MARCEAU	Paris CBD	SFL COLONIAL	HINES	>200 Millions	9 700 sqm
Q1 2026	46 NDV	Paris CBD	CNP /AEW	BARINGS	From 100 to 200 Millions	8 300 sqm
Q1 2026	32 IENA	Paris CBD	ABEILLE REIM	HINES	From 20 to 50 millions	3 000 sqm
Q1 2026	TOUR FRANKLIN	La Défense	LASALLE / PAREF / SOREMI / HSBC / AEW	Private investor	From 20 to 50 millions	30 000 sqm
Q1 2026	2 HOCHE	Paris CBD	AMUNDI	ROKA / INDOSUEZ	From 20 to 50 millions	2 200 sqm
Q1 2026	HELIOS	Hauts-de-France	PRAEMIA REIM	CORUM AM	From 20 to 50 millions	8 900 sqm
Q1 2026	BERKELEY AND STANFORD	Brittany	KEYS / ATLAND	OTOKTONE	From 20 to 50 millions	8 000 sqm
Q1 2026	KOSELIG	Northen first ring	MELFIM	FTI	From 10 to 20 millions	16 400 sqm
Q1 2026	SLB	Occitanie	COVIVIO	LAZARD	From 10 to 20 millions	5 800 sqm
Q1 2026	OCTOPUS	Second ring	Private investor	Private investor	From 10 to 20 millions	5 400 sqm

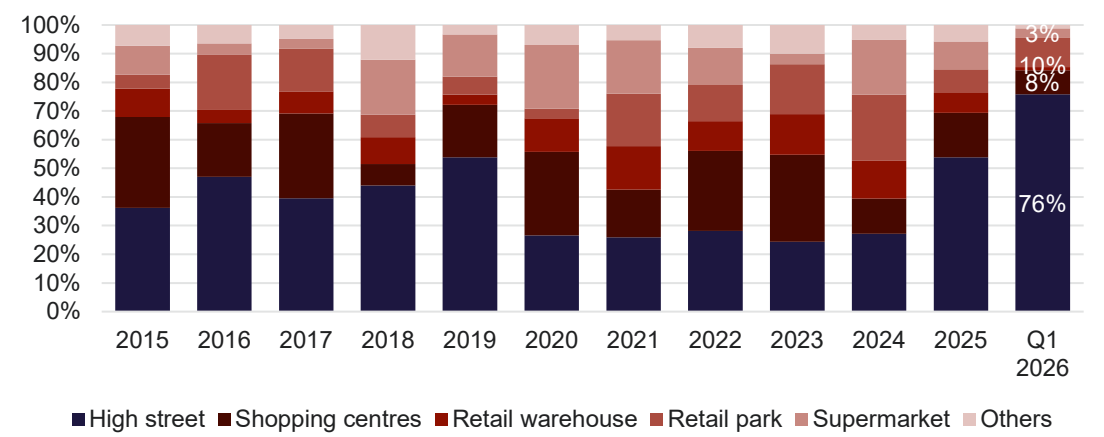
Source: Cushman & Wakefield, Research, France

RETAIL CLOSED THE QUARTER WITH A 46% SHARE OF STANDARDISED VOLUMES

RETAIL INVESTMENT VOLUME BY QUARTER, €BN



RETAIL INVESTMENT VOLUME BY ASSET TYPE, %



KEY FIGURES

Investment volume

895 M€

VS 1 360 M€ at Q1 2025

YoY trend

▼

Outlook

▲

46 %

Share of retail investments

YoY trend

▲

Outlook

▼

38 %

Share of international investors

YoY trend

▲

Outlook

▶

SOLID VOLUMES COMPARED WITH Q1 2025, WITH A HIGH CONCENTRATION OF LARGE ORDERS

With €849 million invested in Q1 2026, the retail sector is down on Q1 2025 (€1.36 billion), but the comparison is skewed by the Kering transaction (€837 million), a one-off deal with no equivalent during that period. Compared with Q1 2024 (€463m), the quarter actually shows solid growth, confirming healthy fundamentals. Activity remains highly concentrated, as four transactions exceeding €50 million, two of which were over €100 million, accounted for 86% of the volume, which is well above the ten-year average of 61%. Another key highlight is that portfolio disposals accounted for 56% of the total value, driven by the Brookfield/Galeries Lafayette, Frey and AEW/Realty Income deals.

A BUSTLING MARKET IN THE HIGH STREET SECTOR

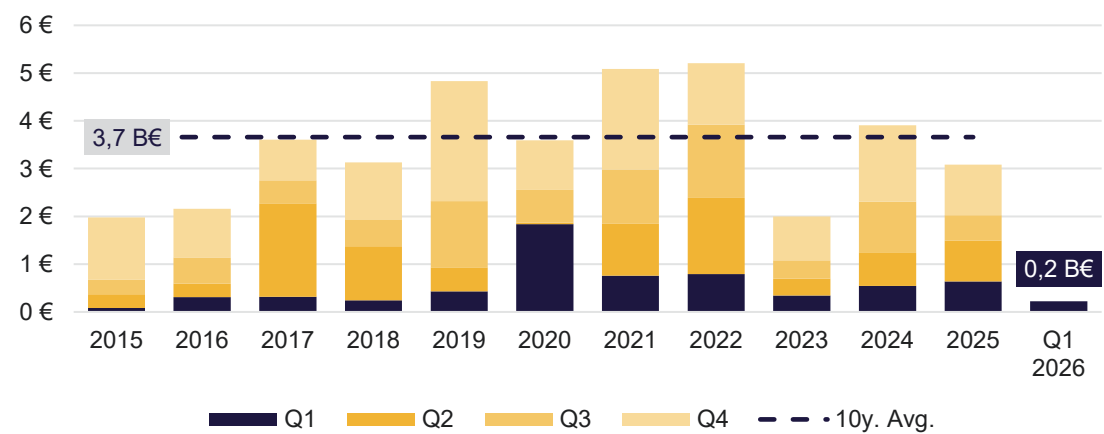
During 2025, the scarcity of properties in certain segments, including retail parks, tended to slow the deployment of capital in the retail market. At the end of the quarter, 10% of transaction volumes related to this asset class (compared with 8% the previous year). The high street segment remained buoyant, accounting for more than three-quarters of the quarter’s transaction volumes. As regards investment types, the reversal in the trend regarding the nature of acquisitions, in favour of value-add, reflects the decisive weight of two high street transactions: the sale of the Galeries Lafayette portfolio to Brookfield (€280m) and the sale of 91 Champs-Élysées (€346m), which together account for 70% of the volume.

SUBSTANTIAL RETAIL INVESTMENTS

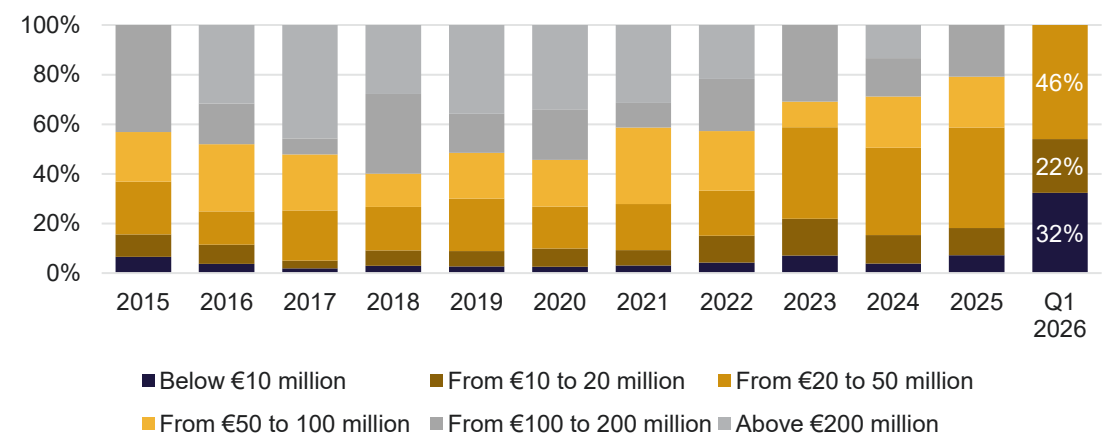
Date	Deal	Area	Seller	Buyer	Price	Surface
Q1 2026	91 CHAMPS ELYSEES	Paris	URSSAF	FONCIÈRE RENAISSANCE / MIMCO	>200 Millions	4 200 sqm
Q1 2026	BHV MARAIS	Paris	GALERIES LAFAYETTE	BROOKFIELD / BT IMMO	>200 Millions	NA
Q1 2026	Pfo. FREY	Regional pfo.	FREY	Banking pool	Confidential	45 100 sqm
Q1 2026	Pfo. DECA	France pfo.	AEW	REALTY INCOME	From 20 to 50 Millions	22 300 sqm
Q1 2026	112 RICHELIEU	Paris	Privé	Groupe Villa	From 10 to 20 Millions	1 000 sqm

A MARKET UNDER PRESSURE

LOGISTICS INVESTMENT VOLUMES BY QUARTER, €BN



BREAKDOWN OF INVESTMENTS IN LOGISTICS ASSETS, IN %



KEY FIGURES

Investment volume

225 M€

VS 636 M€ at Q1 2025

YoY trend

▼

Outlook

▲

Share of logistic investments

12 %

Share of international investors

59 %

PERSISTENT WAIT-AND-SEE ATTITUDES ARE WEIGHING ON SALES VOLUMES IN A DETERIORATING MACROECONOMIC ENVIRONMENT

The French logistics investment market closed the first quarter of 2026 at €226 million, down 64% year-on-year, returning to levels close to those of 2018 (€243 million). All 18 transactions recorded were below €100 million, with the majority valued at under €20 million. The backbone sector accounted for 51% of volumes (€115m), slightly down on 2025. This decline is part of a challenging geopolitical and fiscal climate that is fuelling a pronounced wait-and-see attitude, particularly among foreign buyers. France has seen its share of European volumes erode to around 4%.

A MARKET CHARACTERISED BY A PERSISTENT IMBALANCE BETWEEN BUYERS AND SELLERS

The wait-and-see attitude of buyers, particularly foreign buyers, is the main obstacle to a recovery, against a backdrop of geopolitical instability linked to tensions in the Middle East and inflationary pressures caused by rising oil prices. Whilst the desire to invest in France remains strong, it is proving difficult to bridge the gap between sellers’ asking prices and buyers’ expectations. This pricing discrepancy, combined with an uncertain fiscal and political environment, is delaying investment decisions and pushing back the market’s hoped-for recovery to an uncertain date.

Prime rates in France have adjusted very slightly to 4.80%, reflecting above all the lack of transactions of this kind.

SUBSTANTIAL LOGISTICS INVESTMENTS

Date	Deal	Area	Seller	Buyer	Price	Surface
Q1 2026	NOVES	PACA	ABERDEEN	M&G REAL ESTATE	From 20 to 50 Millions	28 600 sqm
Q1 2026	LE BIGNON	Pays de la Loire	6ÈME SENS IMMOBILIER	ERAFP	From 20 to 50 Millions	18 700 sqm
Q1 2026	BARENTIN	Normandie	FM LOGISTIC	ARGAN	From 20 to 50 Millions	19 700 sqm
Q1 2026	ST MAURICE DE GOURDANS	Auvergne-Rhône-Alpes	HUDSON	NUVEEN	From 10 to 20 Millions	11 500 sqm
Q1 2026	MARSEILLE	PACA	Private investor	BOWERY / GROSVENOR	From 10 to 20 Millions	6 600 sqm

Source: Cushman & Wakefield, Research, France

KEY FIGURES

Property type	Volume 2025	Transaction nb.	Transactions >100M€ (nb.)	Investment share	Share of pfo.	Prime yield
Office	711 M€ (1 420 M€)	39	350 M€ (2)	49%	6%	4,00%
Retail	895 M€ (1 360 M€)	30	610 M€ (2)	46%	54%	4,25%
Logistic	225 M€ (636 M€)	18	0 M€ (0)	12%	22%	4,80%
Light Industrial	104 M€ (249 M€)	20	0 M€ (0)	5%	19%	5,60%
TOTAL	1 936 M€ (3 666 M€)	107	961 M€ (4)	100%	31%	

CONTACTS

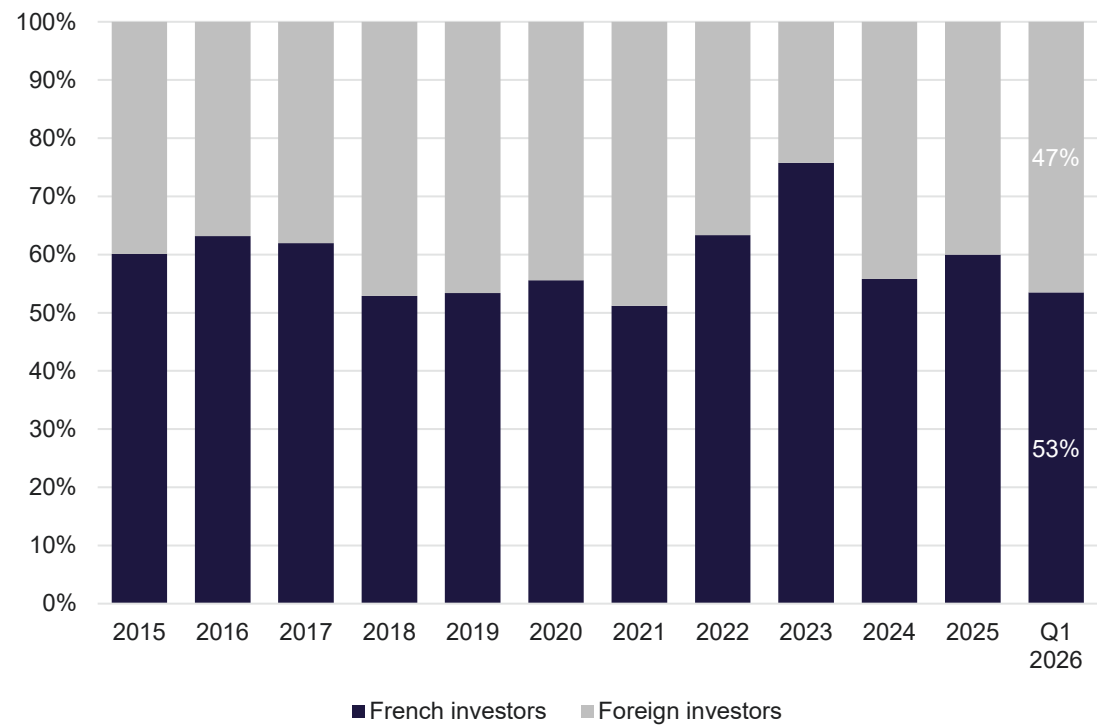
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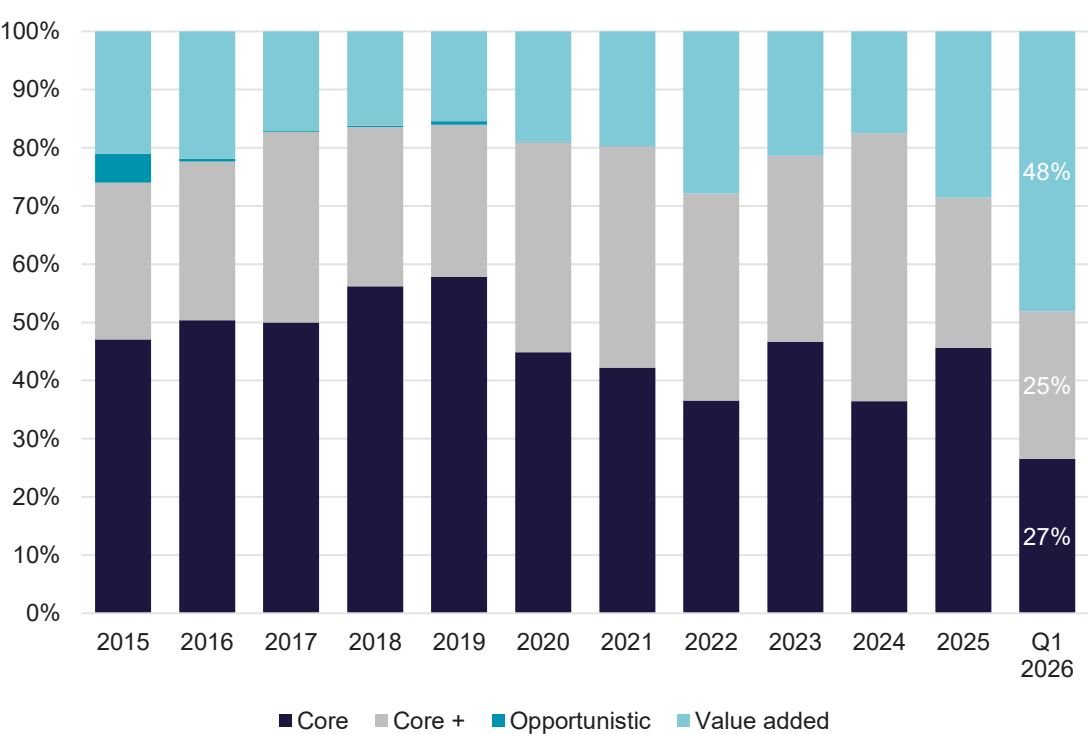
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CAPITAL SOURCE LOCATION



CAPITAL STRATEGY STYLE



Source: Cushman & Wakefield, Research, France

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