A local public institution with international ambitions

Paris La Défense, transferred of governance from the State to local authorities, is in response to the challenge of modernising the business district and ensuring its continued attractiveness. The most important task is to transform the district into a place where people can live as well as work. Paris La Défense have responsibility for both planning and management, allowing it to drive the district’s development forward and compete with its international rivals. The institution continues to deliver day-to-day management, whilst developing activities in public spaces and other urban projects.
Constantly increasing numbers of coworking spaces and incubators

Paris La Défense makes innovation a major ambition for the international attractiveness of the business district. The development of coworking spaces, and the establishment of startups and incubators illustrate that it is a dynamic district and the place to be. For this, the development of new ways of working and workspaces must be an integral part of Paris La Défense’s dynamism by a new flexible and quality offering. Paris La Défense now has 20,000 m² of coworking spaces, which include major companies like Nextdoor and Kwerk, as well as more confidential structures. They offer tailored short and medium-term services for individual or team projects and variable budgets. Over the last few months, the impact and efficiency of the new ways of working have also produced new types of spaces within the companies. At the beginning of 2019, Paris La Défense will have an additional 20,000 m² of spaces (by Regus) in the Belvédère building, entirely rehabilitated and to be delivered at the beginning of next year.

Focus on Swave, the fintech startups incubator
The profusion of these new spaces encouraging more flexible ways of working has boosted the establishment of startups, to work in complementarity with the key accounts and to develop joint projects. French government and its key account partners in the financial sector have therefore worked together to create the Swave, a fintech incubator managed by Paris&Co, recently established in Paris La Défense. The main objective of this programme is to encourage testing of new projects and services and to accelerate the development of young companies which invent new models for the financial sector and its users (B2B and B2C). Also, the launch of this new platform is an opportunity to federate, on a major project, all the finance value chain players located in Paris La Défense’s business district where this sector’s key accounts are located.

Coworking spaces at Paris La Défense: today 20,000 m², 20,000 m² more to come in 2019.

The Swave: 23 startups already settled.
New living and entertainment areas

To develop the existing volumes under the esplanade, Paris La Défense has chosen to promote these spaces by two major new offerings which will significantly enhance the business district’s possibilities.

FOCUS ON TABLE SQUARE, a place devoted to gastronomy and catering
A new elegant and contemporary Paris address offering all the variety of French gastronomic expertise for everyone. Its location in the heart of the business district will provide a 360° panorama which takes in the Esplanade and the Grande Arche.
With a surface area of more than 4,500 m² and 800 m² of terraces, 3 new buildings will be entirely devoted to gastronomy, with a high-end restaurant, a bistronomy offering with international cuisine and quality takeaway lunches and include a lounge area. It is scheduled to open in summer 2019.

FOCUS ON OXYGEN, the new hybrid address
In autumn 2018 a new catering and entertainment area open in Paris La Défense in an inspiring concept. Located at the entry of the business district, with an exceptional view of the Arc de Triomphe. Oxygen will host business services, well-being, leisure and catering activities, as well as a festive event space of more than 300 m² which will change throughout the day and night:
• a modern brasserie and a cocktail bar (Liquid Corp / Rostang) for clubbing evenings;
• Icône, a new coworking space concept devoted to creative minds (Avec Investissements), with services, notably La Barbière de Paris;
• two fast-food restaurants: a 100% organic restaurant (Bioburger) and a salad bar (Prairie);
• a pizzeria (Marco Marco).
FOCUS ON THE QUATRE TEMPS SHOPPING CENTRE

The Quatre Temps is Europe’s largest shopping centre with over 220 shops and 36 restaurants open 24/7 and a concierge service. The shopping centre, with international brands such as Tissot, Michael Kors, Lacoste, Uniqlo and many others, hosts more than 43 million French and international visitors each year. Its 16 cinemas provide varied cultural entertainment for the 180,000 La Défense employees. The Quatre Temps Shopping Centre significantly reinforces La Defense’s attractiveness both locally and internationally.

FOCUS ON THE PARIS LA DÉFENSE ARENA

The Paris La Défense Arena is Europe’s largest multimode stadium with a capacity of up to 40,000 and is a veritable living, leisure and cultural space. It was inaugurated in October 2017 by a Rolling Stones concert event and up to 50 shows are programmed annually. In addition to concerts and sports competitions, the Arena also proposes a tailor-made offer for companies wishing to organise corporate events, in a site with very good accessibility. The Paris La Défense Arena is a symbol of the business district’s transformation and will renew Paris La Défense’s image and bolster its international reputation over the long term.

Paris La Défense Arena: up to 40,000 people, 50 shows each year offices, shops, brasserie and one gastronomic restaurant.

Les Quatre Temps: 43 million visitors each year, 220 shops, 36 restaurants, 16 cinemas.

One of Europe’s largest leisure destinations
PARIS LA DÉFENSE, A TOP LEVEL PROPERTY OFFERING FOR INTERNATIONAL COMPANIES

The scale of its financial ecosystem (banking-insurance and also asset management and venture capital) make Greater Paris the priority destination for post-Brexit relocations.

As its international attractiveness will be reinforced within the next three years, La Défense, Paris’ business district, is the obvious first choice for international companies: its quality property offering (major platforms, latest generation towers, high service and environmental performance level) served by one of the largest transport hubs and with a high level of electricity supply security (dual loop specific to the business district, in addition to the Ile-de-France region security loop).

Initial transactions directly linked with Brexit were signed very recently:
- Chubb, the largest American damage insurance company in terms of share capital, which was in the City of London, has chosen to relocate its European head office in the Carpe Diem tower (arrival scheduled for June 2019 in 4,400 m²).
- The European Banking Authority (EBA) will install its 200 employees in La Défense’s Europlaza tower before March 2019.

A total of more than 3,500 direct jobs could be relocated to the Paris Ile-de-France Region according to Europlace. This figure could rise to 20,000 with indirect jobs.

In 2019, Paris La Défense will welcome Chubb and The European Banking Authority.
PROPERTY MARKET

USER TRANSACTIONS: CONFIRMED DYNAMISM FOR PROPERTIES LESS THAN 5000 M²

In the first six months of 2018, transactions involving 70,338 m² were recorded within the La Défense business district area, a figure slightly less than the first six months of 2017. The increasing trend for small and medium surface areas is confirmed with transactions representing 47,144 m² in the first six months. This is partly explained by the expansion needs of large companies but also by the increasing proportion of SMEs moving to the business district.

The major transactions are less dynamic with only three transactions of more than 5,000 m². The small number of major transactions can be explained in particular by a temporary shortage of new property in this market segment.

THE LOWEST VACANCY RATE SINCE 2010

Only 5,300 m² of restructured property is currently available whereas almost all new or restructured buildings delivered in 2018 were pre-sold (32,000 m² for the Hauts-de-Seine Departmental Council (CD92) in the Paris La Défense Arena, arrival of Spaces in the Belvédère building and of RTE in Window), which testifies to the attractiveness of the business district for the major users. There is a continued decline in the immediately available offering and the immediate stock has reached 162,509 m², reducing the vacancy rate to 4.8% in the second quarter of 2018, its lowest level since 2010.

Between 2019 and 2020, over 250,000 m² of grade A office buildings available for commercialisation will be delivered in the business district, a considerable renewal of the offering and meeting the diversity of the needs (Trinity, Carré Michelet, Canopy, Akora, Landscape, Alto).

1. Source CBRE Research/Immostat.
2. Source CBRE Research/Immostat.
3. Source CBRE Research.
In the wake of the business district (and not included in the transaction figures), close to the Grande Arche, new tertiary addresses are being created in the Seine-Arche sector resulting from the public space design and development work by the Paris La Défense Public Authority:

- in the Terrasses area, Groupama rents 7,800 m² in the Dreamview building, continuing the creation of a 67,000 m² campus in five buildings with a living and services unit. The Groupama Campus will have 3,300 employees in this sector which is very well served by public transport;
- there is a more recent phenomenon involving the boulevard de La Défense which concentrates two of the largest transactions in the Paris region in this first quarter of 2018, with the rental of 51,000 m² by Technip FMC in the Icade Origine building, to be delivered in 2019, and the Vinci operation on its own behalf in the L'Archipel building, to be delivered in 2021.

In total, the demand for transactions in the Seine-Arche sector has reached 126,900 m², which makes this a record year and demonstrates its ability to propose a truly complementary offering to the business district towers.

**INVESTMENT REVIEW:**
The core and shell development projects and the rent increase trend in the forecasts illustrate investor and user confidence in the district.

€ 288 MILLION

This is the amount invested in the first six months of 2018 in Paris La Défense, with in particular the sale of Aurore tower (bought from Carlyle by the Aermont Capital LLP investment fund) and of The Curve (sold by Perial to Monceau Assurances).

**BETWEEN 4 AND 5.65 %**

This is the yield of the quality property in La Défense, it is between 4 and 6 % in Nanterre (Seine-Arche) in the second six months of 2018.

**€ 550**

Rent level. For quality second-hand buildings, it can reach € 4857.

4. Source CBRE Research/Immostat.
5. Source CBRE Research/Immostat.
6. Source CBRE.
7. Source CBRE.
ORIGINE

A TURNKEY RENTAL CONTRACT OVER A FIXED 9-YEAR TERM SIGNED WITH TECHNIP FMC (51,000 M² USABLE SURFACE AREA)

- Origine is a mixed project developed by the investor and owner Icade SA, and Icade Promotion (Delegate Owner) planned for delivery at the end of 2020
- Paris La Défense, as developer, has worked with Icade on the interface between the public spaces and the project, to ensure successful insertion in the urban framework. This work is also carried out with Technip to take account of the future user’s constraints and allow him to be able to project himself in his environment. Project currently in progress.

- The building has an innovative construction with a mixed wood/concrete structure and has achieved an ambitious environmental certification and label level (Excellent HQE level, Excellent BREEAM level, Gold LEED level, Silver WELL Core & Shell level, E2C2 E+ C- level, BiodiverCity, WiredScore).

L’ARCHIPEL

THE VINCI GROUP’S FUTURE HEAD OFFICE, AN OPERATION ON ITS OWN BEHALF GROUPING THE TEAMS ON 62,700 M²

- L’Archipel is an emblematic property development (total of 90,000 m²) in the Les Groues development sector near La Défense and which creates the link to the University of Nanterre. This project involves the construction of a new urban facade on a new development area along the boulevard de La Défense.
- Stage 1: delivery of the Vinci head office with 4 office buildings and shops, including an access to the future Eole station (direct link to the Haussmann-St Lazare station). This project will embody the Group’s values and the role of the reinvented head office, and will encourage new ways of working.
- Stage 2: core and shell development of a 10,200 m² office building and of a 184-room hotel.

Paris La Défense, Division of Urban Attractiveness; September 2018 - Photo credits: Carlos Ayesta / Anne-Claude Barber / Luc Boegly / 11h45 / Maud Caubet Atelier et Quadriflore Architecture / Enia architectes / Stéphane Malka / Unibail / Jean-Paul Viguier et Associés.

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