

retail lab

The Retail Market
in France

June 2026



Introduction

The difficult conditions that prevailed in 2025 have continued into 2026, in an **environment shaped by the war in the Middle East** and a highly uncertain political climate in France ahead of the 2027 elections. As a result, household consumption is no longer driving economic growth, held back by a persistently high savings rate, rising inflation and growing unemployment, while confidence among households and businesses continues to deteriorate. **In this challenging macroeconomic environment, the retail sector remains sluggish.** Bankruptcy filings remain at a high level, and many retailers, whether in fashion, services, home furnishings, or food and beverage, are facing legal proceedings, prolonging the restructuring trend that has been underway in recent years.

That said, **There are several encouraging signs, starting with the resilience of international tourism:** following a record year for foreign visitor spending in 2025, the near-term outlook remains positive, despite the Middle East conflict and disruptions to air traffic. According to forecasts updated in early May, air travel bookings for the April–September 2026 period

are expected to grow by 5% year-on-year in the Greater Paris region. The growth in tourist arrivals is providing **valuable support to retail activity across France's leading destinations**, particularly Paris and the PACA region (Cannes, Nice, Saint-Tropez, etc.).

Moreover, the worsening macroeconomic backdrop is not affecting retailers' plans for expansion. At this same time last year, Newmark identified nearly 130 retailers planning a total of 2,000 potential store openings in France. In 2026, that figure has already risen to **141 retailers and 2,355 potential store openings**. Notably, international brands continue to arrive in France, with new entrants flooding in and several iconic names, including Alo Yoga, which Newmark has been honoured to support with its recent and upcoming store openings in Saint-Tropez, Cannes, and on the Champs-Élysées in Paris.

In the capital, **vacancy rates are falling on prime shopping streets, averaging 3.2% at the end of April 2026, compared to 4.4% a year earlier**, while rental values are holding steady, or even facing upward pressure, in the most

sought-after locations. Retail space remains in particularly short supply **along Paris's high-end shopping streets, where Newmark predicts an increase in store openings in 2026**, the majority of which will be net store openings. Furthermore, while demand from international retailers – across all market segments – remains primarily focused on prime locations, a few **up-and-coming areas are beginning to attract interest** (Rue de Richelieu). **Vacancy rates are also declining on some of the secondary prime retail locations** (Rue du Faubourg Saint-Antoine, Avenue Victor Hugo, etc.).

Finally, retail parks remain sought-after for their accessibility, their price positioning and the growing diversity of their retail offering. They also continue to occupy the vast majority of new retail space, boosted this year by the **completion of the largest project delivered in France in the past fifteen years: the 65,000 sq m 'Valvert' shopping centre**, developed by Compagnie de Phalsbourg in the La Croix Blanche zone in Sainte-Geneviève-des-Bois (91).

The investment market remains sluggish, with volumes down significantly compared with 2025. However, prime yields are broadly stable on the highest-quality assets, reflecting investors' **extremely selective approach and a strongly polarised market**, rather than a widespread loss of confidence in the retail asset class. A number of major transactions have recently been completed, including the sale of 29–33 Champs-Élysées, on the advice of Newmark; **other sizeable deals are currently being finalized**, across both Paris and major out-of-town assets, confirming ongoing appetite for the most premium properties.

In this context of rapid market reshaping – driven by a growing focus on prime assets and locations, the rise of new concepts, the emergence of emblematic new brands, and the rationalization of store networks – **this latest edition of our Retail Lab seeks, as every semester, to decode the key trends shaping the French retail market**. The topics addressed, the data presented, and the innovations highlighted in **our interview with Marie Cheval, CEO of Carmila and President of FACT**, with whom we had the pleasure of speaking, perfectly demonstrate the opportunities available to those capable of anticipating and responding to the market's ongoing transformation.

Newmark's Retail team is available to discuss key trends in the retail sector and help you succeed in your future projects.

We hope you enjoy reading this edition!



Antoine Salmon
Co-Head of Retail Leasing



Vianney d'Ersu
Co-Head of Retail Leasing



Malo Lacroix
Director Capital Markets



Romain Galante
Deputy Director Capital Markets

Key figures on France's retail market



+1.7%

Expected rise in inflation in 2026 (+0.9% in 2025)



+0.7%

Expected increase in household consumption in 2026 (+0.4% in 2025)



15

Number of brands subject to legal proceedings in 2026 at the end of April (54 in 2025*)



77.3%

Hotel occupancy rate in Paris in March 2026 (79.2% in March 2025)



2,355

Number of potential store openings in France announced by retailers in 2026, at the end of April** (3,079 in 2025*)



71

New foreign brands arriving in France in 2026, at the end of April (99 in 2025*)



30

Luxury store openings expected in Paris in 2026, of which 53% are new stores (28 in 2025*, of which 52% new stores)



3.2%

Average vacancy rate in Paris at the end of April 2026*** (4.4% as of end of April 2025)



€15,000

Prime rental value €/sq m/year Zone A on the Champs-Élysées



66%

Share of retail parks in total new sq m of retail complexes in 2026* (74% in 2025)



€1.1 bn

Retail investment volumes in France in 2026 at the end of April (€3.3 bn in 2025*)



4.00%

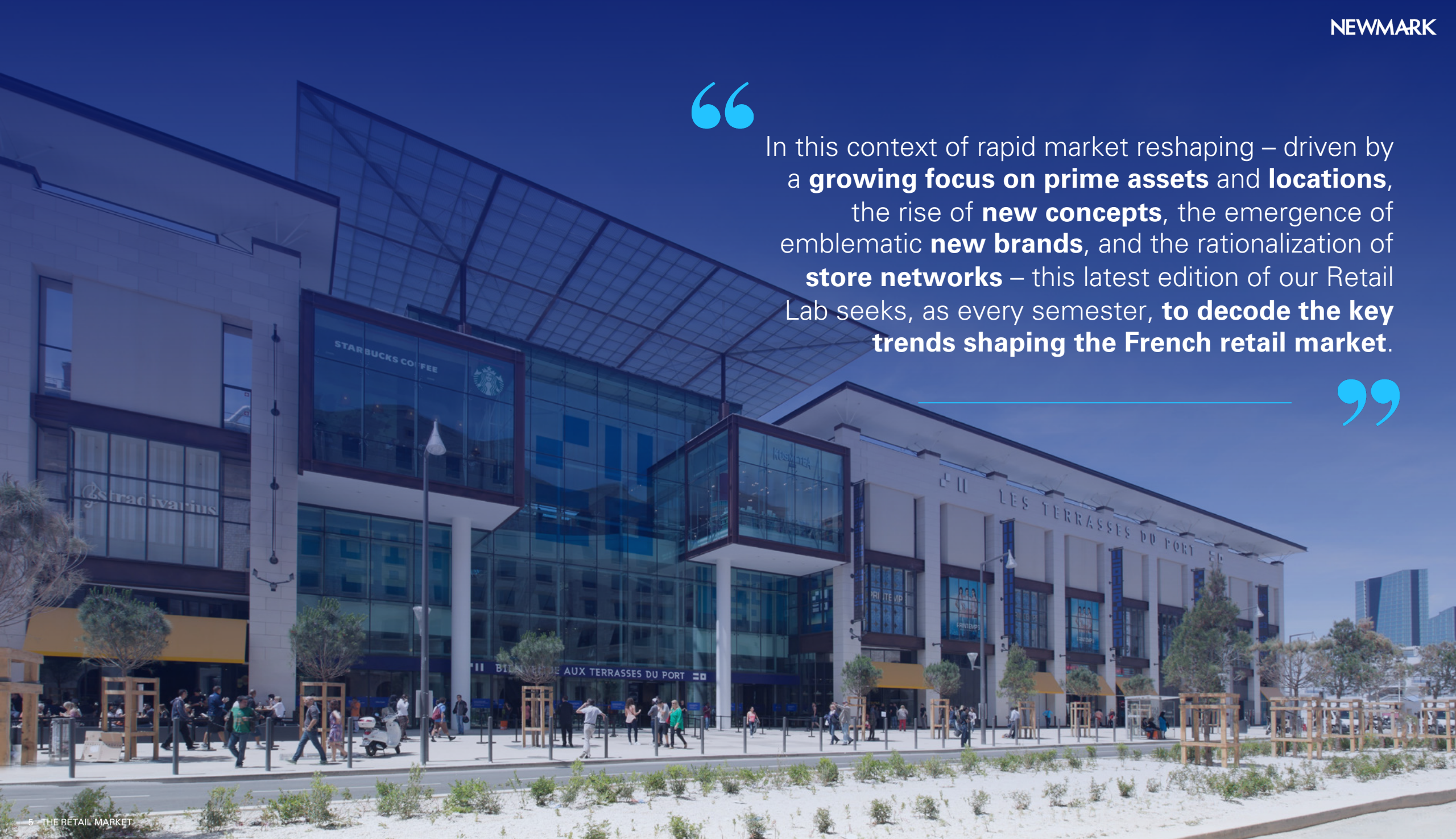
Prime retail yield in Paris (4.00% at the end of 2025)

Sources: Newmark, INSEE, Banque de France / *Full-year forecast / **Retailers planning to open 5 or more stores in France / ***Based on a sample of 24 prime locations

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ECONOMIC CONTEXT

THE RETAIL MARKET IN FRANCE

Forecasts upended by an uncertain global backdrop

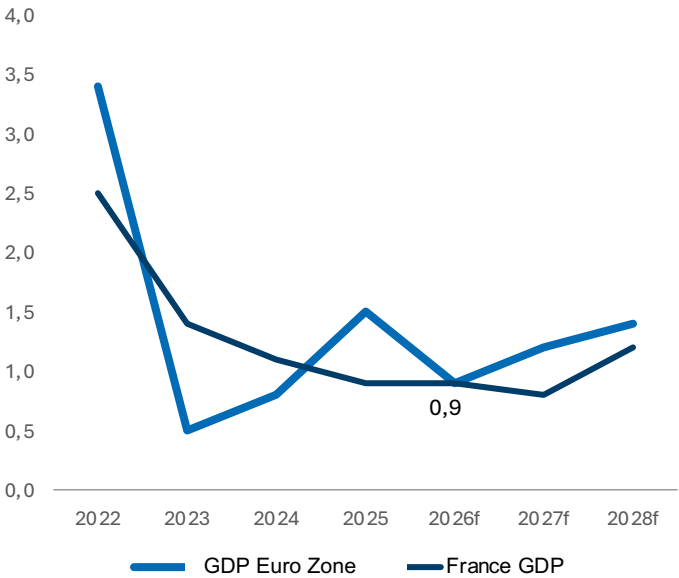
Despite a volatile environment, affected by tariffs and the ongoing war in Ukraine, the Eurozone economy experienced a relative upturn in 2025, with GDP growth of 1.5%. However, **in France, economic activity slowed (+0.9% vs. +1.1% in 2024) and is expected to stagnate this year.** GDP growth forecasts

for 2026 have been revised downwards due to the geopolitical situation in the Middle East and its short- to long-term impact on global trade, inflation, interest rates and consumption. **These international tensions are compounded by ongoing political uncertainty in France,** which remains high one year ahead of key elections (presidential and

legislative). **If the situation returns to normal, economic activity could stabilise in 2027 and then accelerate in 2028,** with annual GDP growth of 1.2%, supported by a recovery in household consumption and corporate investment.

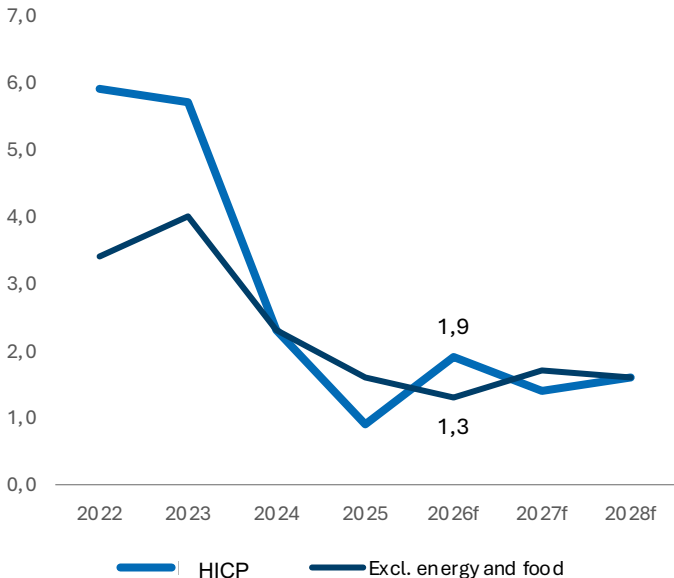
GDP

Annual increase in France and Europe, in %



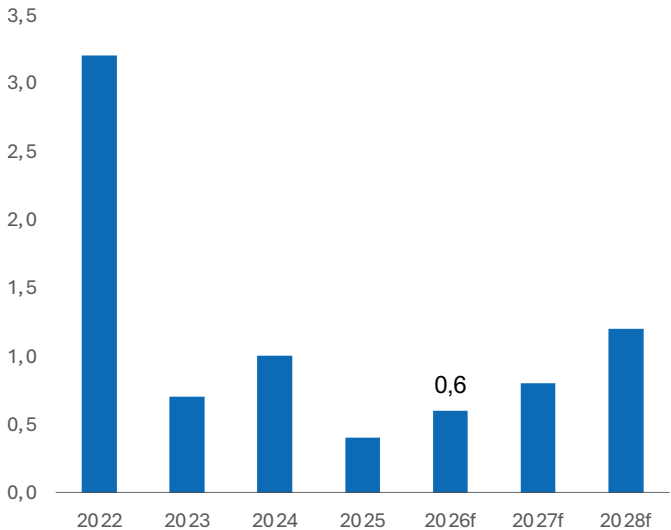
Consumer prices

Annual increase in France, in %



Household consumption

Annual increase in France, in %



Sources: INSEE, Banque de France

French people remain avid savers

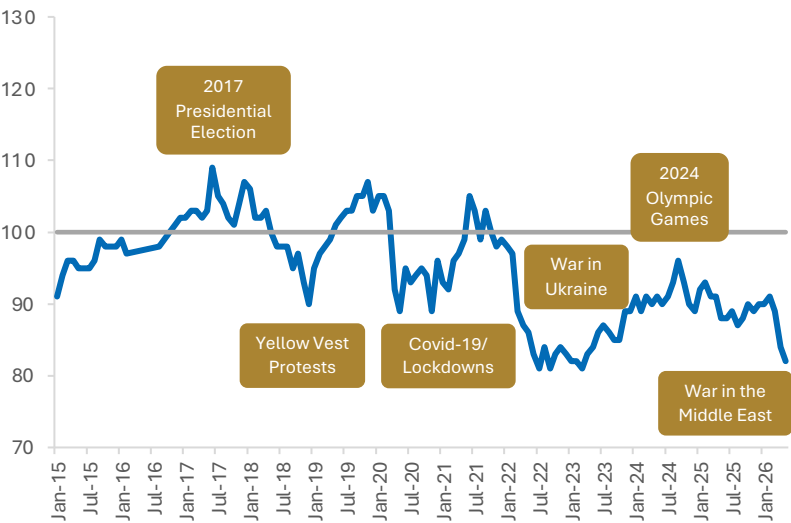
One reason for France’s lower GDP growth in 2025 compared with the Eurozone as a whole is **the strong propensity of French households to save rather than spend**. Consequently, household spending increased by just 0.4% in 2025, following a 1% increase the previous year. Having risen steadily since mid-2022, the French household savings rate peaked

at 18.5% in Q2 2025, before edging down slightly towards the end of the year (17.5% in Q4). By comparison, this rate averaged 14% between 2012 and 2019. While the Banque de France anticipates a **gradual recovery in consumption, the conditions for this are far from guaranteed**, amid the **risk of rising inflation** which could erode

purchasing power, and an increasing unemployment rate (from 7.3% at end-2024 to 8.1% in Q1 2026). **The decline in household confidence comes as no surprise, with the confidence index** returning to levels last seen in the first few months of the war in Ukraine.

Consumer confidence

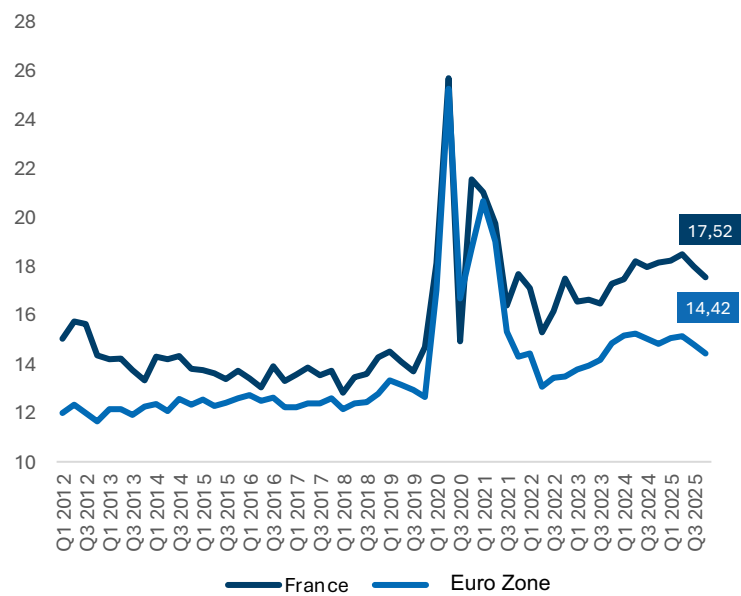
In France, composite indicator



Source: INSEE

Household savings rate

In France and the Eurozone, as % of gross disposable income



Source: Eurostat



How is the war in the Middle East affecting consumption in France?

While the outbreak of the Middle East conflict had relatively little impact on business activity in Q1 2026, headwinds of varying magnitude are expected over the coming months, as the conflict drags on and the business climate deteriorates. **In April, the business climate indicator dropped to levels last seen during the dissolution of France’s National Assembly in mid-2024.**

In the near term, the primary effects of the war are reflected by the energy crisis and a sharp rise in oil prices. Brent crude rose by 60% between end-2025 and end-May 2026. In terms of retail, **higher fuel prices are having a negative impact on out-of-town locations**, which could benefit city centres, where footfall increased slightly in March according to Procos data.

The rise in energy prices will inevitably have an impact on inflation. Kept under control in 2025 (+0.9% on average vs. +2.1% for the Eurozone), inflation already started rising at the start of the year. In its March forecasts, the Banque de France outlined three inflation scenarios for 2026, **ranging from 1.7% (central scenario) to 3.3% (adverse scenario).**

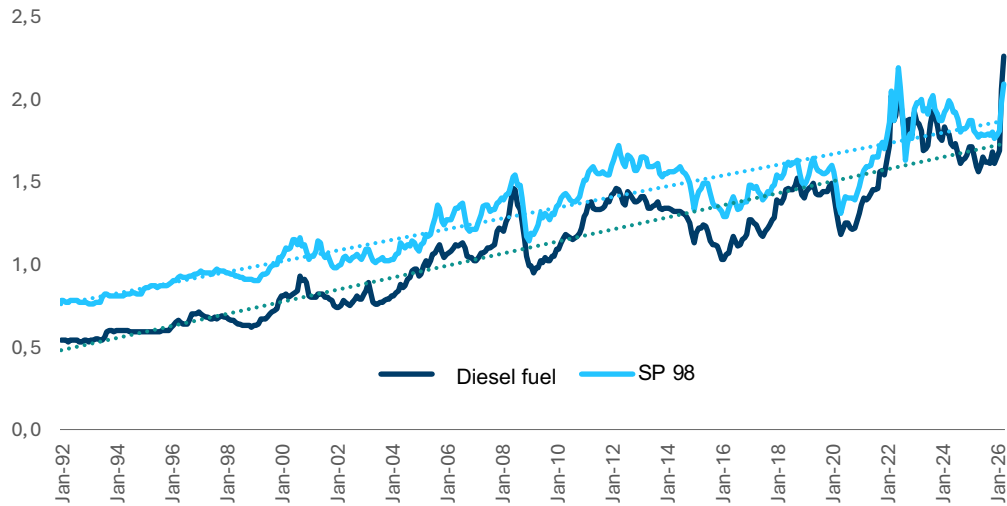
The resulting decline in purchasing power is likely to weigh on household consumption, especially if the unemployment rate continues to rise and confidence remains low. **A drop in spending and a shift towards lower-cost retailers and entry-level products** appear to be the most likely scenario if the conflict continues.

Furthermore, it is essential that Eurozone inflation does not drift too far from the 2% target, to avoid the ECB resuming interest rate hikes, which would have negative repercussions for the economy.

The French government currently estimates the conflict’s cost to its economy at €6 billion, primarily due to the increased debt burden, with the 10-year OAT yield gradually approaching 4% (versus 3.30% at end-February 2026). **Assistance measures to cope with the energy crisis will also contribute to higher public spending or restrictions in other areas**, with a negative impact over the medium to long term on economic activity and household purchasing power.

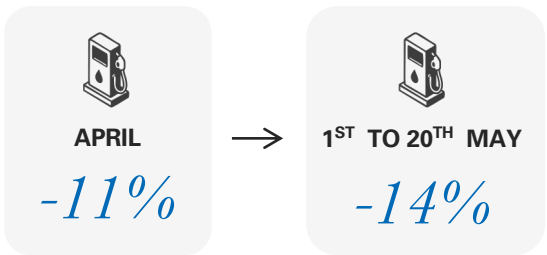
Fuel price trends

Average monthly retail prices in metropolitan France (€/litre)



Fuel consumption* in France

compared to the same periods in 2025



Sources: INSEE, Ministry of Economy and Finance/*All fuel types

OVERVIEW OF LEGAL PROCEEDINGS

THE RETAIL MARKET IN FRANCE

Bankruptcy filings continue to surge in early 2026

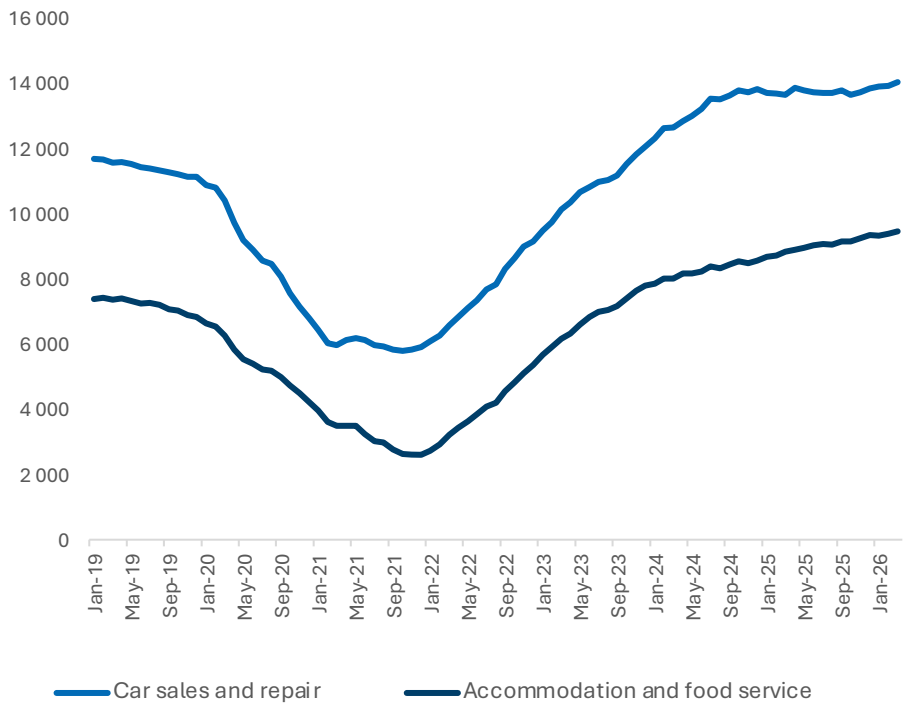
Across all sectors, on a rolling 12-month basis, 69,938 bankruptcy filings were recorded at end-March 2026, **up 5% year-on-year and 18% above the pre-Covid ten-year average** (2010–2019). Driven by high interest rates, **payment delays** — with average payment terms in France increasing to 14 days, up 2.4 days in three years — and deteriorating economic conditions, **insolvencies have reached a new record high**.

In the retail sector, this trend worsened in Q1 2026: after signs of improvement in 2025, more than 3,700 insolvency proceedings were recorded over the period, a 4% increase year-on-year according to Altares. Certain segments have been hit particularly hard, such as the fashion (+6.4%) and hair and beauty (+14.3%) sectors. On a rolling 12-month basis to end-March 2026, the car sales and repair sector recorded 14,046 insolvencies, **up 2.9% year-on-year and 7.5% above the 10-year average**, according to the Banque de France.

This increase is even more pronounced in the accommodation and food service sector, with an increase of 7.1% over the past 12 months, 28.4% above the ten-year average for 2010–2019.

Bankruptcy filings

12-month cumulative total in France



Source: Banque de France

Insolvency trends by sector

12-month cumulative total at end-March 2026

Change vs. March 2025

RETAIL



+2.9%

ACCOMMODATION
& FOOD SERVICE



+7.1%

Change vs 2010–2019 average

RETAIL



+7.5%

ACCOMMODATION
& FOOD SERVICE



+28.4%

Source: Banque de France

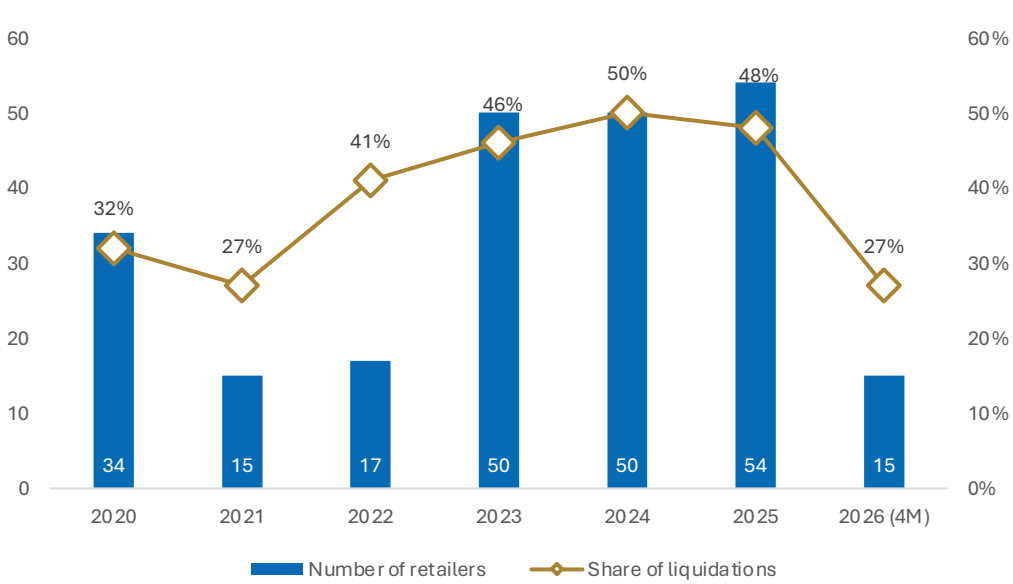
Around fifteen retailers already affected in 2026

Since 2023, 141 retailers have been subject to insolvency proceedings in France*, representing a combined network of over 9,000 stores before these proceedings. Over the same period, **47% of these outlets were closed or put back on the market, while 53% were retained or changed brand**. The pace of insolvencies picked up slightly in 2025, with 54 retailers facing proceedings, **including several iconic French retail brands** such as Gifi, Claire's, Naf Naf, Casa and Kaporal.

Conditions remain tough for retailers in 2026, with **around fifteen subject to legal proceedings as of end-April**, even though the proportion of liquidations has declined sharply. Several major cases have made headlines since the beginning of the year, including Alinéa, the IDKids group (Okaïdi, Obaïbi, Oxybul), Jott, Bouchara, Gibert and Minelli. Retailers on the Paris market remain relatively insulated from these difficulties, **with the exception of the fashion industry, where numerous mid-range and high-end brands** with a large number of stores in the capital have been affected (Café Coton, Ba&sh, Jott).

Number of retailers subject to proceedings**

12-month cumulative total in France



Source: Newmark/*The same retailer may have been subject to several legal proceedings over the period/**Retailers with more than 10 stores before any legal proceeding since 2020.



9,200

Total number of retailer stores subject to legal proceedings between 2023 and April 2026



53%

Stores retained or converted*



47%

Stores not retained (closed/put back on the market)

Source: Newmark/*Change of brand.

Significant increase in the share of food service brands affected by legal proceedings

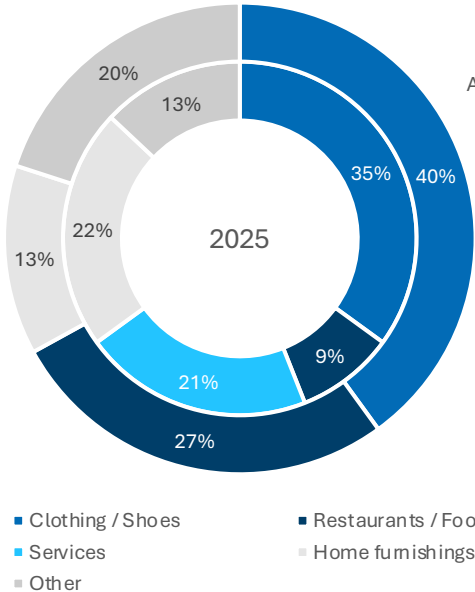
The fashion sector continues to be hit the hardest. The proportion of total retail proceedings in this sector in France has even increased, rising from **35% in 2025 to 40% over the first four months of 2026**. The sector continues to face stiff competition from pure players and the second-hand market, which is particularly popular among younger generations (nearly 20% of clothing purchased by 18–25 year-olds, according to the IFM). Moreover, **the macroeconomic environment is increasingly forcing consumers to make trade-downs**.

No market segment is immune, whether children's, men's or women's fashion, or low-cost, mid-range or high-end brands. The proceedings affecting Jennyfer, Kaporal, Naf Naf, Jott, IDKids and Ba&sh demonstrate this underlying trend, **although not all cases result in**

liquidation, as seen with Ba&sh, which exited its safeguard procedure following debt restructuring and the streamlining of its store network.

Home furnishings is another sector in difficulty. Several retailers are affected, including Casa (liquidated), Alinéa (liquidated), Maliterie (recently acquired) and more recently Bouchara, with fewer than half of its stores expected to remain open. Finally, the proportion of food service retailers undergoing legal proceedings is rising sharply (27% in 2026 after 9% in 2025), with several notable cases (Basilic & Co, Big Fernand, Pomme de Pain, etc.). Weighed down by **rising food and energy costs**, this sector has expanded significantly in recent years and **may now have reached saturation point in certain market segments**.

Breakdown by sector of retailers subject to legal proceedings
% of total number in France



Source: Newmark

Examples of legal proceedings recorded in 2025-2026



65

Number of brands subject to legal proceedings since the start of 2025



35%

Share of fashion in the total number of brands subject to legal proceedings since the start of 2025



16%

Share of the Greater Paris region in the total number of brand stores subject to legal proceedings since the start of 2025 (6% in Paris)

BRAND	SECTOR	TYPE OF LEGAL PROCEEDING	NUMBER OF STORES IN FRANCE*	GREATER PARIS SHARE	PARIS SHARE
Gifi	Home furnishings	Receivership	556	13%	2%
Groupe Idkids (hors Jacadi)	Clothing	Receivership	335	16%	3%
Claire's	Accessories	Liquidation	249	11%	4%
Jennyfer	Clothing	Liquidation	187	13%	2%
Naf Jawadi	Clothing	Receivership	174	13%	3%
Casa France	Home furnishings	Liquidation	143	9%	2%
Jott	Clothing	Receivership	102	27%	18%
Cyclable	Mobility	Receivership	70	27%	10%
Ba&sh	Clothing	Safeguard	75	37%	25%
Groupe Aura Literie (Maliterie)	Home furnishings	Receivership	68	6%	3%
Groupe Tomorrow Travel (Tomorrow Travel, Univairmer)	Services	Liquidation	66	12%	2%
La Barbe de Papa	Services	Liquidation	66	6%	0%
Basilic & Co	Food service	Receivership	64	8%	0%
Bouchara	Home furnishings	Receivership	53	2%	0%
Kaporal	Clothing	Liquidation	51	4%	0%
Café Coton	Clothing	Liquidation	49	49%	29%
Big Fernand	Food service	Safeguard	49	35%	8%
Pomme de Pain	Food service	Receivership	36	36%	8%
Alinéa	Home furnishings	Liquidation	36	0%	0%
Gibert	Culture	Receivership	26	46%	35%
Minelli	Footwear	Receivership	22	23%	18%

Retailers subject to proceedings in 2026

Sources: Newmark, Codata and brand websites/*Before the most recent proceeding, total number of own stores, excluding department store concessions.

DEVELOPMENTS AND NEW CONCEPTS

THE RETAIL MARKET IN FRANCE

Slight increase in the number of development plans

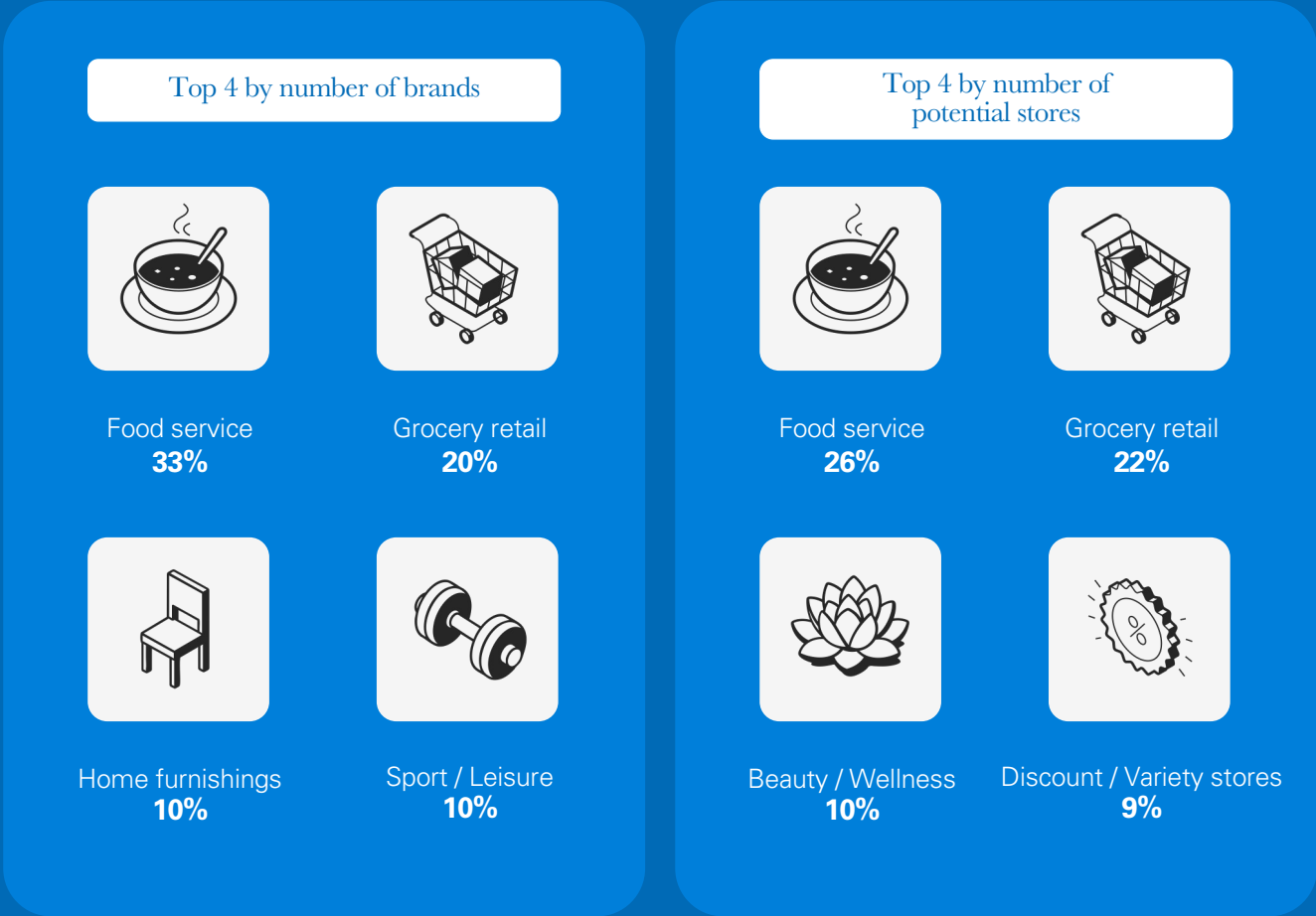
The number of development plans* has risen slightly since the same time last year. Newmark identified around 130 in that period, representing more than 2,000 potential store openings in France in 2025; this figure has now increased to **141, corresponding to 2,355 potential openings in 2026.**

These projects are broad-ranging, but **momentum continues to be driven primarily by food service and grocery retail** which together account for half of all potential openings, ahead of home furnishings, sport and leisure, and health and beauty. Certain segments within the food service sector remain buoyant, particularly **coffee, burgers, tacos, and fried chicken, as well as fresh produce and chain bakeries.**

More broadly, the development plans identified reflect **several underlying trends**: adaptation to new consumer expectations, growth of categories less sensitive to budget trade-offs, and the **search for new growth drivers through targeted expansion into specific territories**, such as mid-sized cities (e.g. IKEA 'Compact' in Limoges and Le Mans) and city centres in major metropolitan areas (local conveniences stores). Finally, **franchising remains a key strategy for brand expansion**: at end-2025, France had just over 93,000 franchised outlets, 35% more than ten years ago and 133% more than twenty years ago**.

Analysis of development projects*

Breakdown **by sector of the brands** with development plans in France in 2026, all sectors combined



Source: Newmark, * Development plan involving the opening of at least 5 stores over the year, ** Sources: French Franchise Federation, Banque Populaire.

Source: Newmark/* Development plan involving the opening of at least 5 stores over the year

Examples of developing brands and growth sectors

Recurring brands

Action	Adopt'	Ange
Centrakor	Burger King	Cash Converters
Chaussea	Colombus	Cultura
Décathlon	Feuillette	Fitness Park
Five Guys	G La Dalle	Grand Frais
Intersport	Krys	La Casa de las Carcasas
La Halle	Lidl	Maison Becam
Marie Blachère	Maxi Zoo	McDonald's
Normal	O'Tacos	Palais des Thés
Picard	Pokawa	Rituals
Screwfix		
Sophie Lebreuilly	Vib's	

Source: Newmark

Brands that are initiating, accelerating, or relaunching expansion plans

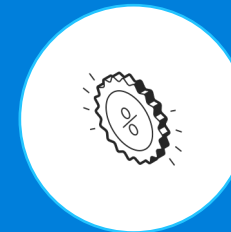
Adidas outlet	Alltricks	Alo Yoga	Animalis
Aroma-Zone	BattleKart	Cotti Coffee	Celio
Dunkin' Donuts	Ekosport	Emma	Eva
Fresh	Good News	Grain de Malice	Hadrena
Hall U Need	L'Atelier d'Amaya	Lefties	
Legami	Match	Mon-marché.fr	
Noir	Noz	On Air Fitness	Popeyes
Pop Mart	Primaprix	Sarenza	
Smyths Toys	Sweeek	Terranimo	
The French Bastards	Vevor	Wingstop	
Wycon	X²O	Zoli99	

Growth sectors



Food and Beverage

Coffee shops, fried chicken and taco outlets, bakeries, fresh food concepts, etc.



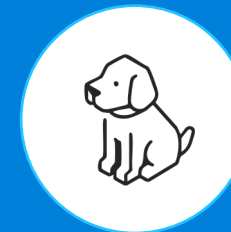
Discount

Variety, clearance and grocery stores

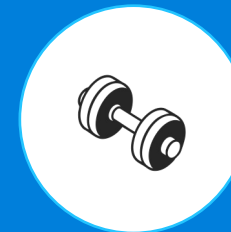


Leisure

Specialist complexes, padel centres, immersive experiences



Pet stores



Sport

Sportswear, fitness, sports equipment



Health and Wellness

Eyewear, health and wellness

Greater potential in out-of-town locations

The development projects and potential new store openings identified across the market are driving activity across the retail real estate sector as a whole. Several retailers are expanding across all types of locations. Nevertheless, **retailer expansion strategies are primarily focused on high-street locations and retail parks.**

On the high street, development is **largely being driven by food service and grocery retail.** Beyond these two sectors, expansion projects primarily concern personal services (healthcare, real estate agencies, etc.), fitness, and **urban concepts developed by brands**

traditionally located in out-of-town areas (e.g. Maxi Zoo in Rennes, Décathlon 'City' in Annecy, etc.).

In terms of the number of potential new stores, **development activity is stronger and more diversified in out-of-town locations**, with food and grocery retail accounting for a lower share of store openings. Other traditional sectors continue to expand in these areas, (e.g. home furnishings, discount retail, fitness, pet stores, automotive, footwear, etc.), while the **leisure sector is gradually expanding its footprint** (Nikito, Cube Challenges, Eva, Speed Park, etc.).

Analysis of development projects Breakdown by site type of retailers with development plans in France in 2026*

Share of the **total number of retailers** with a development plan



61%

High streets



60%

Retail parks



38%

Shopping centres

Share of the **total number of potential new outlets**



71%

Retail parks



53%

High streets



38%

Shopping centres

Sources: Newmark, Codata/*Predominant store format in the brand's existing store portfolio.
NB: The total exceeds 100%, as a brand may target different types of locations.

Over 70 foreign brands already identified

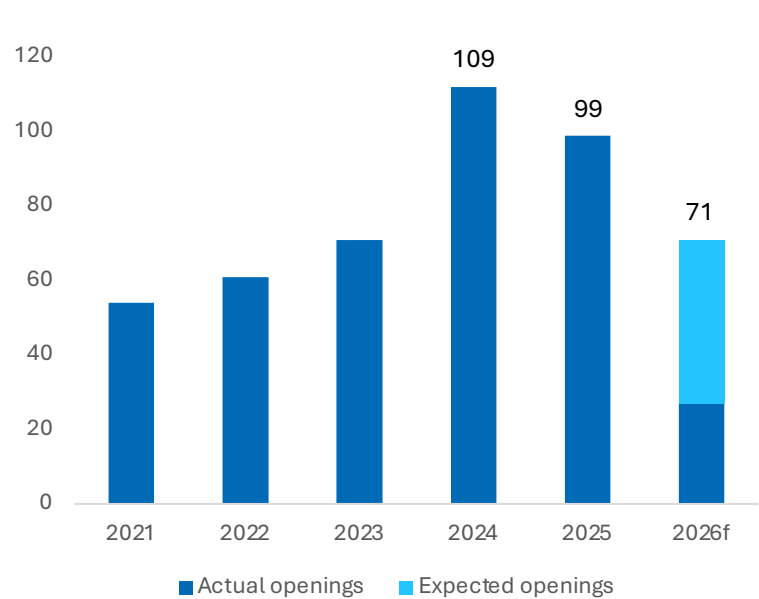
Following a record year in 2024 (109 new entrants in France) and a slight decline in 2025 (99 new entrants), arrivals of new foreign retailers remain at a high level in 2026. To date, **71 projects have been identified** for the current year, nearly 30 of which have opened since the start of the year, including Chopstix and Christen in Paris, Alo Yoga in Saint-Tropez, Homary in 'Domus' in Rosny-sous-Bois and Frame in Cannes, etc. The **fashion and food service sectors** continue to dominate, together accounting for 69% of all new market entrants anticipated in France in 2026, compared with 66% in 2025.

In the fashion sector, **two new arrivals are particularly noteworthy**: Lefties, the low-cost brand belonging to the Inditex group, and Alo Yoga, the American athleisure behemoth, which recently opened its first store in Saint-Tropez. Alo Yoga's expansion reflects both the success of the athleisure market and the **breakthrough of Californian lifestyle brands**, many of which have arrived in France in recent months, particularly in Paris (e.g. Frame and Reformation.).

In food service, **coffee shops continue to enjoy strong momentum**, accounting for nearly a third of all new entrants expected in this sector in 2026.

New foreign brands in France

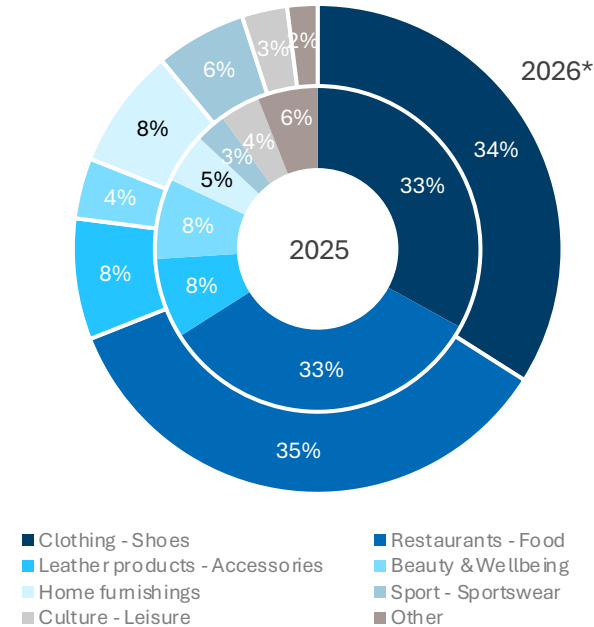
Number of first store openings per year



Source: Newmark

Breakdown by sector

Share of the total number of new arrivals in France



Source: Newmark / *Full-year forecast.

Growing momentum in the Saint-Honoré - Paix - Vendôme area and major projects on the Côte d'Azur

Paris continues to attract the vast majority of foreign brands that are opening their first store in France (68% of projects identified in 2026, following 72% in 2025 and 76% in 2024). Le Marais remains the **primary entry point for digital-native and high-end brands**, as an ideal testing ground that combines a young, trend-conscious Parisian customer base with international

tourists. In 2026, **the expanded 'Saint-Honoré-Paix-Vendôme area has emerged as a key destination**, with the arrival of new jewellery, fashion and niche fragrance brands looking to **establish their credentials at the heart of Paris's historic luxury quarter**.

Outside Paris, major shopping centres continue to be the preferred location for new entrants. Several projects have also been identified in **certain prime retail locations and high streets in the PACA region**, including Alo Yoga in Saint-Tropez, Frame on the Rue des United States in Cannes, and True Gamers in 'Cap 3000' near Nice.



Paris share

Share of the total number of first store openings by new entrants in France

68%

In 2026*

72%

In 2025

Source: Newmark/*Store openings projects with a specified location

Share of each district in total store openings by new entrant in Paris

1

Le Marais

In 2026*

27%

In 2025

30%

2

St-Honoré/
Paix Vendôme

In 2026*

16%

In 2025

7%

3

Rive Gauche

In 2026*

13%

In 2025

10%

Source: Newmark/* Store openings and projects with a specified location

Examples of new entrants

Recent and planned openings in France in 2026

BRAND	CATEGORY	ORIGIN	ADDRESS	FORMAT
A/Café	Food service	Netherlands	176 rue de Rivoli, Paris 1 st	High street
Alo Yoga	Fashion/Sportswear	United States	45 rue Gambetta, Saint-Tropez (83)	High street
Buffalo's Café	Food service	United States	Rosny 2, Rosny-sous-Bois (93)	Shopping centre
Chopstix	Food service	United Kingdom	58 rue du Faubourg Saint-Antoine, Paris 12 th	High street
Denza	Automotive	China	2 rue Ampère, Saint-Germain-en-Laye (78)	High street
Footshop	Fashion/Sportswear	Czech Republic	63 rue de Rivoli, Paris 1 st	High street
Frame	Fashion	United States	5-7 rue des United States, Cannes (06)	High street
Honest Greens	Food service	Spain	Esplanade de La Défense (92)	High street
Homary	Home/Decoration	United States	Domus, Rosny-sous-Bois (93)	Shopping centre
Lefties	Fashion	Spain	Valvert, Ste-Geneviève des Bois (91)	Retail park
Meller	Accessories	Spain	19 rue des Rosiers, Paris 4 th	High street
Oats Coffee	Food service	South Korea	34 rue Sainte-Anne, Paris 2 nd	High street
The Mercer Brand	Fashion	Netherlands	84 rue de Turenne, Paris 3 rd	High street
Toca Social	Leisure	United Kingdom	Westfield CNIT, Puteaux (92)	Shopping centre
True Gamers	Leisure	United Arab Emirates	Cap 3000, Saint-Laurent-du-Var (06)	Shopping centre
Universal Works	Fashion	United Kingdom	6 rue Temponières, Toulouse (31)	High street
Vanbruun	Accessories	Sweden	21 rue de la Paix, Paris 2 nd	High street
Veronica Beard	Mode	United States	56 rue François 1 ^{er} , Paris 8 th	High street

Openings outside Paris

Source: Newmark



FOCUS ON PRIME RETAIL STREETS IN PARIS

THE RETAIL MARKET IN FRANCE

Tourism: early signs of impact of the Middle East conflict

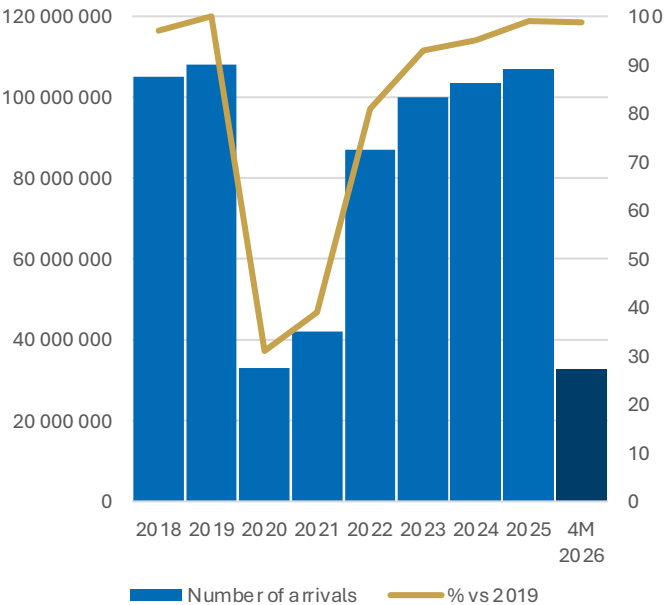
In 2026, tourism got off to a strong start in the Greater Paris region, with hotel overnight stays up 4% year-on-year in January and February. This momentum followed an excellent year in 2025, during which overnight stays rose by 7% compared with 2024 and hotel occupancy reached 72.9%, up 2.1 percentage points.

While the number of overnight stays remained high in March, **overnight stays by non-residents fell by 6% compared with the same month in 2025**, likely due to the outbreak of war in the Middle East. The geopolitical impact is clearly reflected in passenger traffic trends at Paris airports.

At the end of March 2026, passenger traffic stood at 98.7% of its level in 2019, **with growth still positive but slowing** (+1.5% year-on-year vs. an annual increase of 3.4% throughout the whole of 2025). This slowdown can partly be explained by **airspace restrictions in certain regions**, primarily affecting traffic from the Middle East.

Paris airport arrivals

Number of passenger arrivals at Orly and Roissy-CDG



+1.5%

Increase in arrivals in 2026 to end-March vs. the same period in 2025

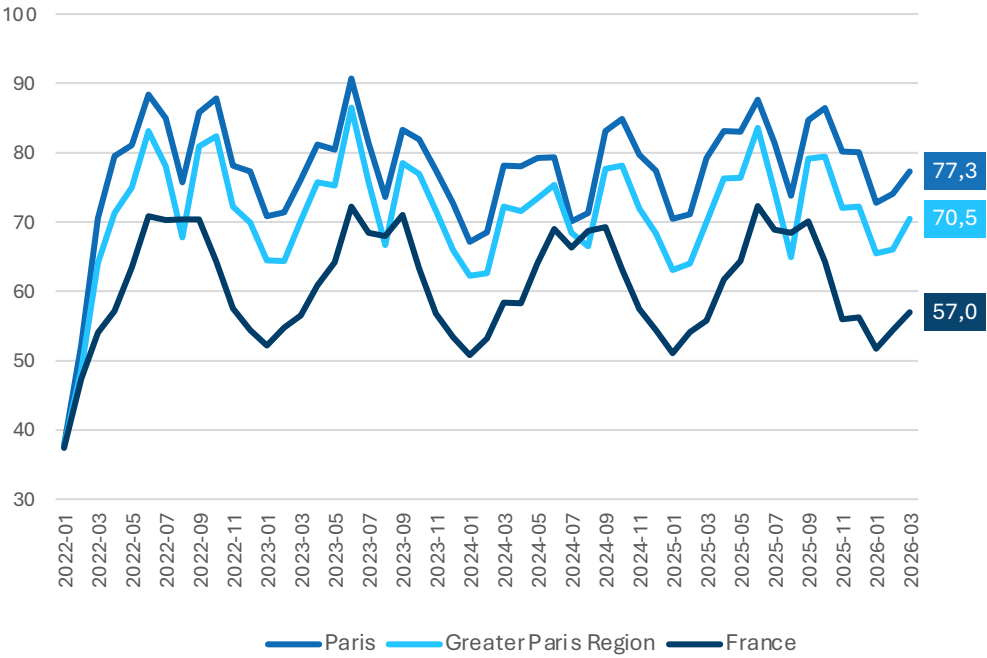


98.7%

% of traffic in 2026 at end-March vs. the same period in 2019

Hotel occupancy rate

By month, as a %



Source: ADP

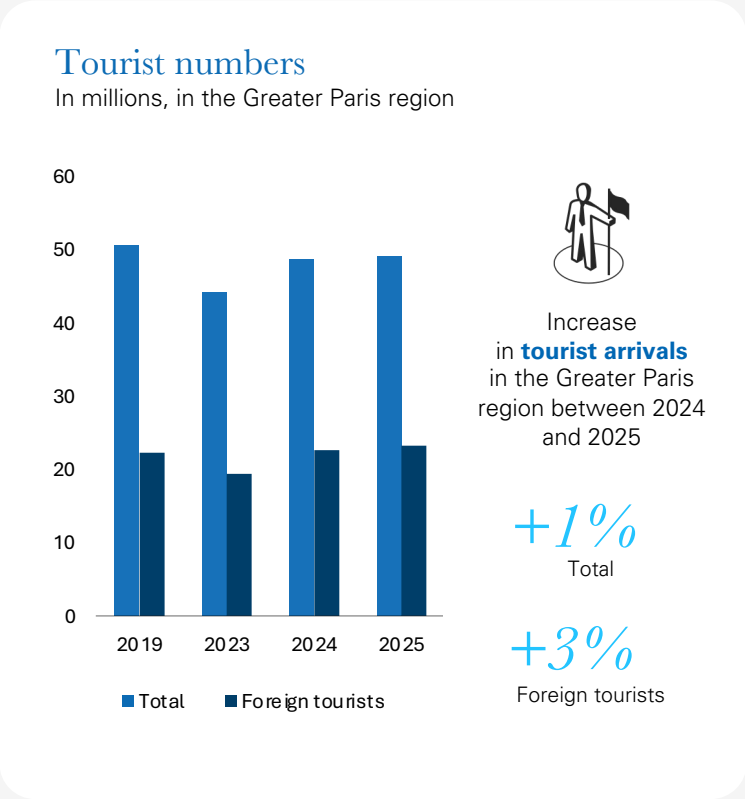
Source: INSEE

Tourism: no cyclical downturn

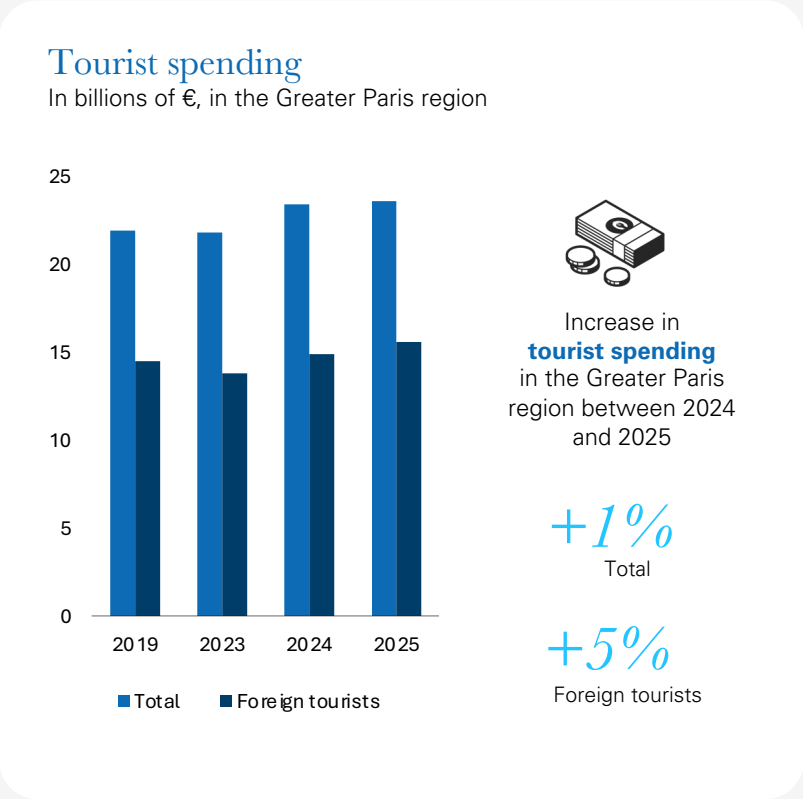
2025 confirmed foreign tourists’ role as a growth driver in the Greater Paris region: arrivals rose by 3% year-on-year, compared to a decline of 1% in French domestic tourists. American visitors remained the largest group at nearly 3 million, ahead of British tourists (2.5 million). Most notably, **tourist spending reached a record high**, propelled once again by foreign visitors (+5% year-on-year).

However, the average increase in spending across all tourist types was limited to 1%. Despite the Middle East conflict and ongoing geopolitical tensions in several regions of the world, the outlook for 2026 remains positive for now. According to forecasts updated in early May, **airline bookings are expected to increase by 5% year-on-year** from April to September.

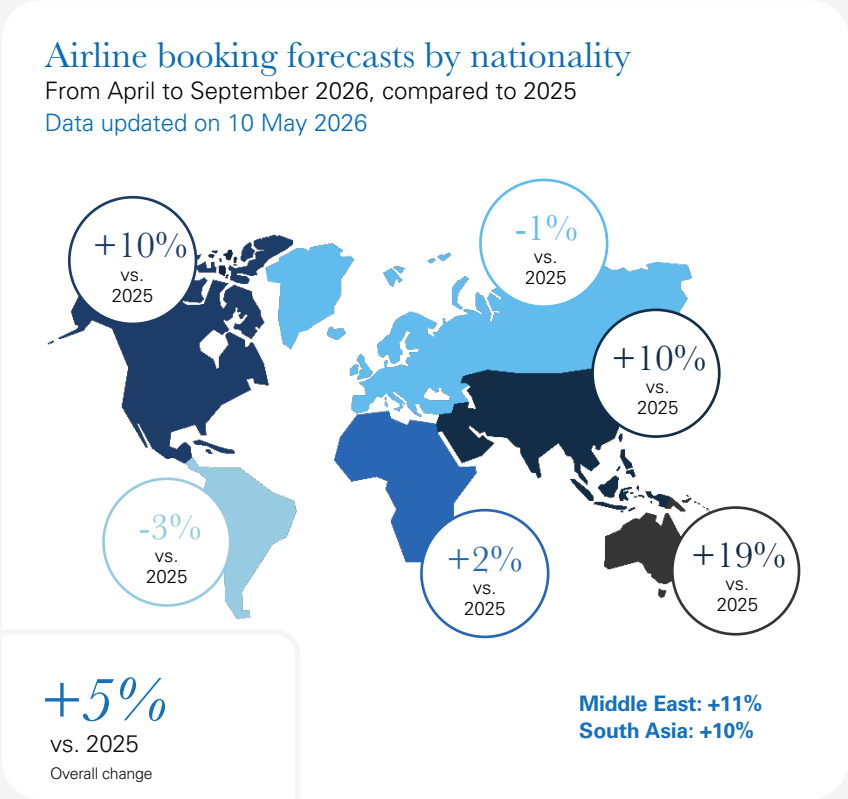
At this time, **no cyclical downturn appears to be on the horizon**. While arrivals from certain geographical areas are slowing (Europe, South America), this trend is being offset by positive growth in other strategic markets for Paris tourism (Asia, North America).



Source: Visit Paris Region



Source: Visit Paris Region



Sources: Forward Keys, Visit Paris Region

Tight market in Paris

Leasing activity in Paris remained buoyant in 2025, with numerous leases signed to support the still-high level of store openings in 2026. While major transactions continue to be signed, **overall volumes could drop this year** due to a less favourable macroeconomic environment and limited availability in some highly desirable areas. The average vacancy rate on prime retail streets has declined once again, reaching 3.2% at end-April 2026 compared with 4.4% at the same time last year.

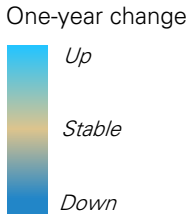
With the exception of the Paix-Vendôme area, vacancy rates have stabilised or fallen across all prime retail streets in Paris. The situation is particularly tight in Le Marais, the Opéra-Madeleine area and several luxury high streets, **maintaining upward pressure on rents and indicating the likely return of key money payments.**

The supply squeeze is reflected in a growing share of relocation, extension and renovation projects, confirming that **retailers are prioritising optimisation of**

existing portfolios rather than large-scale development. At the same time, **pop-up stores are booming.** They serve both as a sign of caution – allowing brands to test a market or location before making a long-term commitment – and as an increasingly popular marketing tool. Retailers use temporary stores to pilot new concepts **or capitalise on specific trends and key events,** combined with increasingly sophisticated digital strategies.

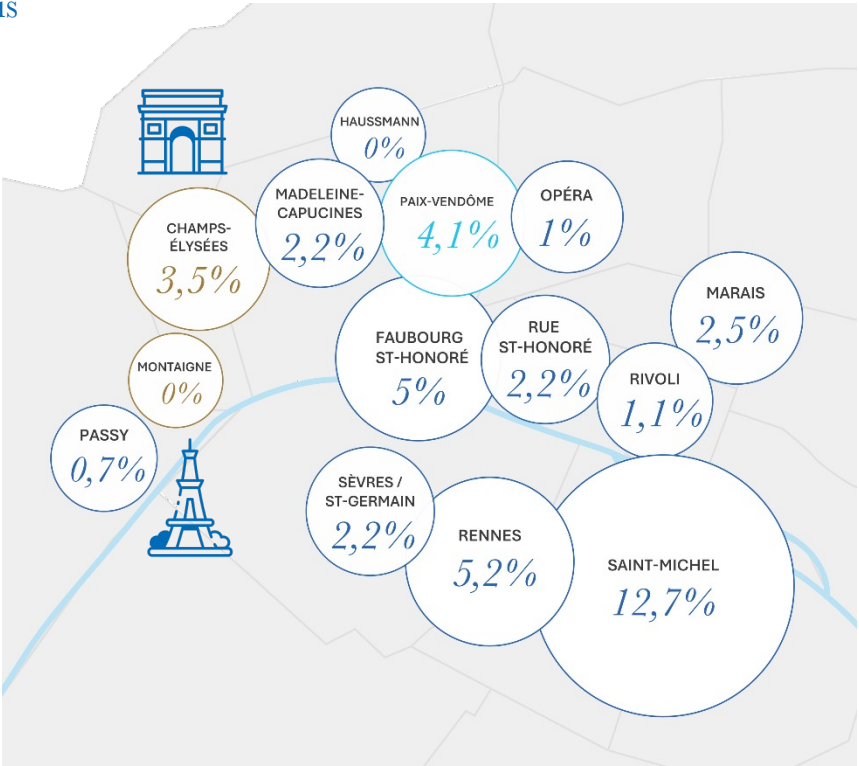
Outside the prime retail streets, the picture remains mixed: while a few locations are up-and-coming, such as Rue de Richelieu, **vacancy rates are falling in several secondary retail streets** (Rue du Faubourg Saint-Antoine, Avenue Victor Hugo, etc.). In contrast, vacancy rates remain high on other traditionally important shopping streets in the capital (Avenue du Général Leclerc, Rue du Commerce, etc.), although leasing activity is starting to benefit from more tenant-friendly lease terms in these areas.

Vacancy rate in Paris
In %, at end-April 2026



3.2%

Average vacancy rate
on prime retail streets
In Paris at end of April 2026
(4.4% at end of April 2025)



Source : Newmark/ NB: best section or full street depending on the location.

Rapid transformation of the retail landscape

An analysis of current and upcoming store openings on prime retail streets and in secondary retail locations reveals the ongoing transformation of the capital's retail market.

Much of this **momentum is driven by the food service sector, buoyed in particular by the rise of coffee shops** (Noir, Cuvée Noire, Good News, Cotti Coffee, the new 'Ladurée Café' concept, etc.) and the development of **'healthy' brand concepts**. In grocery retail, the pastry and chocolate segments continue to expand, while certain mass-market retailers such as Intermarché, and fresh food specialists such as Mon-marché.fr (Groupe Prosol), are increasing their footprint at an accelerated pace. **Beyond intensifying competition in the grocery sector**, these dynamics also highlight the growing presence in Paris of players traditionally found in out-of-town locations.

Other segments are also gaining ground, such as **premium wellness and healthcare concepts** (e.g. 'Sant Roc' in the 1st

arrondissement) and leisure operators. However, their expansion is sometimes hampered by the **limited availability of suitable retail premises** in the city centre.

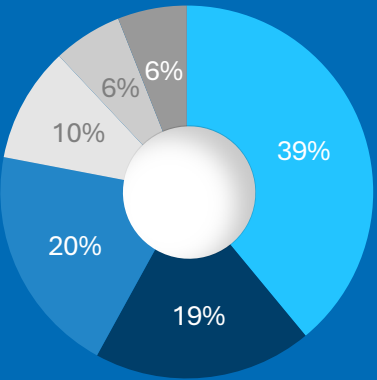
The fashion sector continues to lead the way in the number of store openings on prime retail streets, accounting for 39% since the start of 2025. **While a few mid-market major international groups have continued their development** (Inditex, Uniqlo, Mango, etc.), this segment remains marked by the closures of French clothing and footwear retailers such as Minelli and Café Coton.

The most significant **store openings are currently dominated by the premium segment**. This trend is reflected in the arrival of a new generation of American and European brands that **combine luxury and cool**, such as Toteme, Veronica Beard, Reformation and Alo Yoga. The latter is set to open several stores in the coming months, including a flagship store of over 2,000 sq m at 92 avenue des Champs-Élysées.

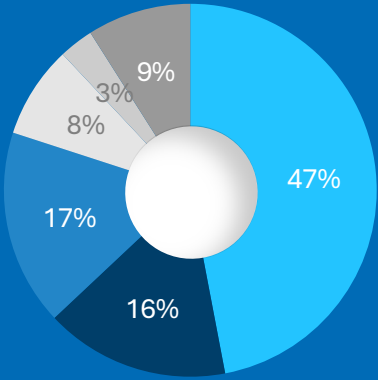
Breakdown of retail movements by sector in Paris

Based on all retail movements recorded on the 24 prime retail streets in Paris monitored by Newmark between the start of 2024 and the end of April 2026*

Sectors opening the most stores



Sectors closing the most stores



Sectors opening more stores than they are closing

Food service - Grocery retail
Leather goods- Accessories
Beauty – Wellness

Sectors closing more stores than they are opening

Clothing - Footwear
Services

Source: Newmark/* current and upcoming store openings, including pop-up stores..

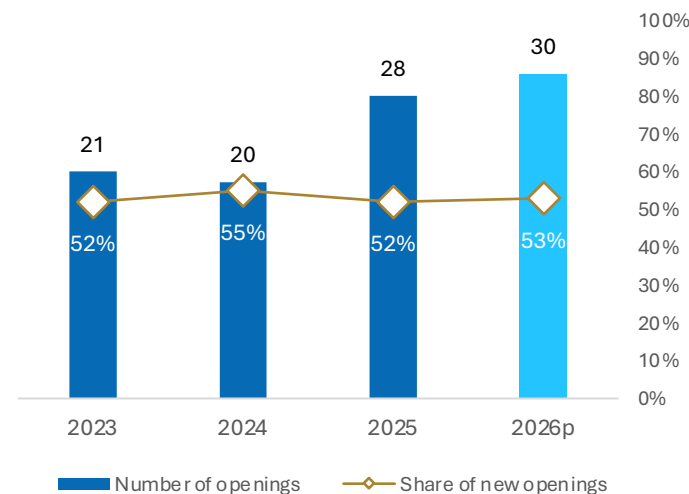
Luxury: a dynamic but highly selective sector

30 luxury store openings have been identified in Paris in 2026, and around twenty projects have already been recorded for 2027–2028. Despite ongoing concerns about the impact of geopolitical tensions, more than half of the store openings expected in 2026 are new entries, reflecting enduring confidence in the Paris market. **The watch and jewellery sector remains buoyant**, accounting for 43% of projects identified in 2026 compared with an average of 31% over the past five years. **Several major projects** are in the pipeline, (e.g. Cartier on Avenue Montaigne, Tiffany & Co. on the Champs-Élysées, Van Cleef & Arpels on Rue François 1^{er}, etc.).

In an uncertain climate, brands continue to prioritise the most established retail locations. Nearly 60% of the store openings expected in 2026 are concentrated in just three main streets: Rue Saint-Honoré, Faubourg Saint-Honoré and Avenue Montaigne. This concentration confirms that luxury houses continue to invest, albeit in a highly targeted manner, in the most secure locations that best reflect **their image, customer experience and brand desirability**. Despite the very limited availability of retail premises in the historic centre of Parisian luxury, projects remain rare on the Rive Gauche and **no alternative locations have yet emerged elsewhere in the capital**.

Luxury store openings in Paris

Number of openings per year and share of new openings



53%

Share of new stores among all luxury store openings planned in Paris in 2026
Compared with 44% on average over the past 5 years



43%

Share of watch and jewellery brands among all luxury store openings planned in Paris in 2026
Compared with 31% on average over the past 5 years

Source: Newmark

Luxury: major store openings

Examples of 2026–2027 store openings

In Paris

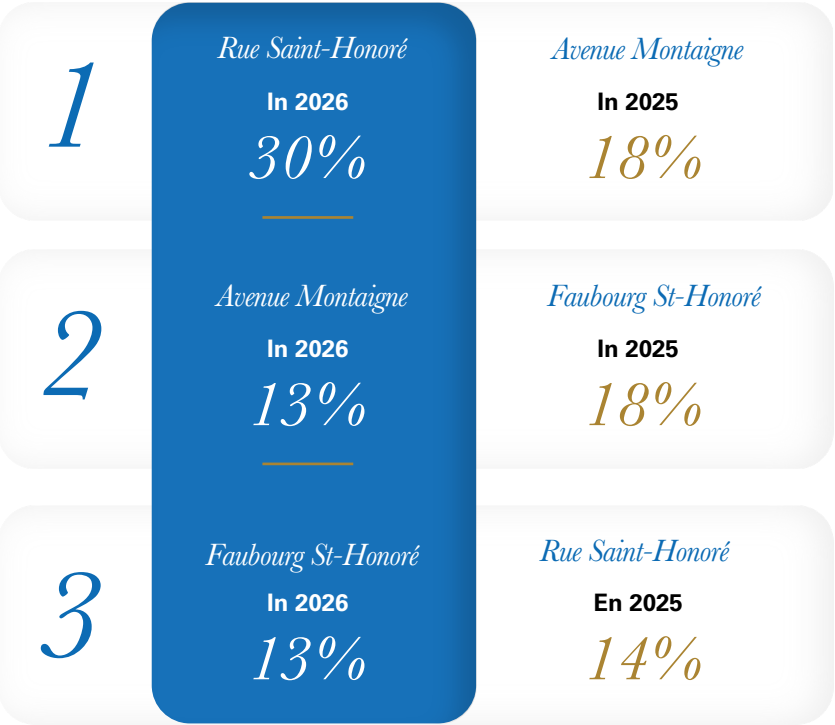
BRAND	ADDRESS	TYPE
Blancpain	11 rue du Faubourg Saint-Honoré, Paris 8 th	New opening
Bottega Veneta	372 rue Saint-Honoré, Paris 1 st	Relocation
Cartier	53 avenue Montaigne, Paris 8 th	New opening
Chanel	42 avenue Montaigne, Paris 8 th	Extension-Refurbishment
De Beers	12 rue de la Paix, Paris 2 nd	New opening
Gucci	235 rue Saint-Honoré, Paris 1 st	New opening
Gucci	56 avenue Montaigne, Paris 8 th	Relocation
Loewe	396 rue Saint-Honoré, Paris 1 st	Extension-Refurbishment
Louis Vuitton	28-32 rue François 1 ^{er} , Paris 8 th	Temporary store
Miu Miu	2 rue de Sèvres, Paris 6 th	New opening
Pasquale Bruni	5 rue du Faubourg Saint-Honoré, Paris 8 th	New opening
Ralph Lauren	122 avenue des Champs-Élysées, Paris 8 th	New opening
Saint Laurent	37 avenue Montaigne, Paris 8 th	New opening
Tasaki	2 rue de la Paix, Paris 2 nd	New opening
Tiffany & Co	7 rue de la Paix, Paris 2 nd	Relocation
Tiffany & Co	100 avenue des Champs-Élysées, Paris 8 th	Relocation
Van Cleef & Arpels	18-20 rue François 1 ^{er} , Paris 8 th	New opening

New creation

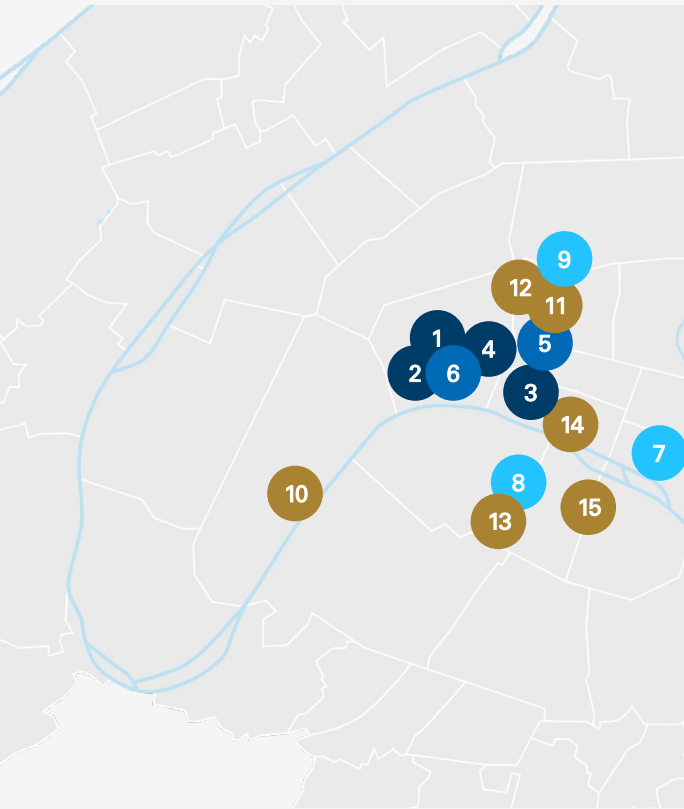
Source: Newmark

Streets favoured by luxury brands

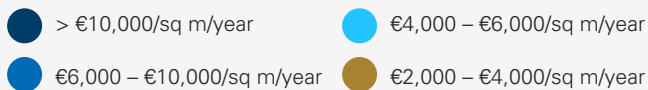
Share of each street in total luxury store openings in Paris



Paris prime retail streets: key indicators and recent developments



Zone A rent:



1 Av. des Champs-Élysées

ZONE A RENT
13,000 – 15,000
€/m²/year

VACANCY RATE
3.5% =

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
Alo Yoga, Lancaster, Louis Vuitton, Ralph Lauren, Swarovski, Tudor, Tumi, Zara

4 Rue du Fg Saint-Honoré

ZONE A RENT
10 000 – 12 000
€/m²/year

VACANCY RATE
5.0% ↓

LEVEL OF DEMAND
Average

RECENT AND UPCOMING OPENINGS
Blancpain, Glashütte, Hermès, Missoni, Roger Vivier, Pierre Cardin, Toteme

7 Le Marais

ZONE A RENT
5 000 – 6 000
€/m²/year

VACANCY RATE
2.5% ↓

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
Alo Yoga, Asphalte, Falconeri, Hoka, H&M, Kusmi Tea, Ladurée, LFDY, Marimekko, Nespresso, Reformation, Vans

10 Rue de Passy

ZONE A RENT
3 000 – 3 500
€/m²/year

VACANCY RATE
0.7% ↓

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
Arket, Falconeri, Figaret, Lassaussais, Le Cèdre Rouge, Poiray, Reformation, Swarovski

13 Rue de Rennes

ZONE A RENT
2 200 – 3 000
€/m²/year

VACANCY RATE
5.2% ↓

LEVEL OF DEMAND
Average/Weak

RECENT AND UPCOMING OPENINGS
Bang & Olufsen, Copains Paris, Gold Union, Kurv Studio, SMEG, Tudor

2 Avenue Montaigne

ZONE A RENT
13 000 – 15 000
€/m²/year

VACANCY RATE
0.0% =

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
Amina Muaddi, Cartier, Gucci, Loewe, Maison Michel, Malles Moynat, Saint Laurent

5 Rue de la Paix | Pl. Vendôme

ZONE A RENT
8 000 – 15 000
€/m²/year

VACANCY RATE
4.1% ↑

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
Burma, De Beers, Galénic, Poiray, Tasaki, Tiffany & Co, Van Cleef & Arpels

8 St-Germain | Sèvres

ZONE A RENT
4 000 – 5 000
€/m²/year

VACANCY RATE
2.2% ↓

LEVEL OF DEMAND
Average

RECENT AND UPCOMING OPENINGS
Birkenstock, Good News, Miu Kusma, Rolex, Van Cleef & Arpels

11 Avenue de l'Opéra

ZONE A RENT
2 500 – 3 500
€/m²/year

VACANCY RATE
1.0% ↓

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
Aroma-Zone, Delta Cafés, Grand Optical, Kusmi tea, L'Atelier d'Amaya, Manteigaria

14 Rue de Rivoli

ZONE A RENT
2 000 – 3 000
€/m²/year

VACANCY RATE
1.1% ↓

LEVEL OF DEMAND
Strong/Average

RECENT AND UPCOMING OPENINGS
Elho, Footshop, Häagen-Dazs, Manteigaria, Miniso, Muji, Stradivarius, Weekday

3 Rue Saint-Honoré

ZONE A RENT
12 000 – 14 000
€/m²/year

VACANCY RATE
2.2% ↓

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
APM Monaco, Bottega Veneta, Bucherer, Brunello Cucinelli, Gucci, Miu Butcherer, Tom Ford, Xerjoff

6 Rue François 1^{er}

ZONE A RENT
6 000 – 7 000
€/m²/year

VACANCY RATE
1.8% =

LEVEL OF DEMAND
Strong

RECENT AND UPCOMING OPENINGS
Akris, Chanel, Ex Nihilo, Ganni, Givenchy, Louis Vuitton, Parfums de Marly, Van Cleef & Arpels

9 Boulevard Haussmann

ZONE A RENT
4 000 – 5 000
€/m²/year

VACANCY RATE
0.0% ↓

LEVEL OF DEMAND
Average

RECENT AND UPCOMING OPENINGS
& Other Stories, Lancaster, Pop Mart

12 Madeleine | Capucines

ZONE A RENT
2 500 – 3 500
€/m²/year

VACANCY RATE
2.2% ↓

LEVEL OF DEMAND
Average

RECENT AND UPCOMING OPENINGS
Alpine, Bang & Olufsen, Clarks, Denza, Meilleur Moment, Van Cleef & Arpels

15 Boulevard St-Michel

ZONE A RENT
2 000 – 2 200
€/m²/year

VACANCY RATE
12.7% ↓

LEVEL OF DEMAND
Weak

RECENT AND UPCOMING OPENINGS
Amorino, Cotti, Dr. Martens, Ecouter Voir, Five Guys, Intermarché

Source: Newmark

NB: rental values refer to the most attractive section of each street/examples of openings include both new store openings and reopenings following renovation, transfer or extension.

Rankings: the 24 prime retail streets analysed by Newmark



Most represented retailers*

Across all 24 prime retail streets analysed by Newmark

ZARA
SOCIÉTÉ GÉNÉRALE
MAJE
LCL
LOUIS VUITTON
SANDRO
BNP PARIBAS
CIC
JIMMY FAIRLY
NICOLAS
SEPHORA
LEVI'S



Most represented groups*

Across all 24 prime retail streets analysed by Newmark*

LVMH
RICHEMONT
KERING
SMCP
INDITEX
SWATCH GROUP
ONIVERSE



The street with the most pop-up stores

**RUE SAINTE-CROIX
DE LA BRETONNERIE**
As % of total retail space



Streets that have attracted the most new foreign entrants over 10 years

RUE VIEILLE DU TEMPLE
RUE SAINT-HONORÉ
RUE DU TEMPLE



Streets with the least diverse retail offering

PAIX-VENDOME
Jewellery/Access. 78% + Clothing 12% = 90% of retail supply

RUE SAINT-HONORÉ
Clothing 47% + Leather/Access. 28% = 75% of retail supply

RUE DES FRANCS BOURGEOIS
Clothing 44% + Beauty 30% = 74% of retail supply



The street with the highest vacancy rate

BOULEVARD SAINT-MICHEL
By number of retail units and as % of total retail space



Streets with the most ongoing projects

**AVENUE DES CHAMPS-ÉLYSÉES /
RUE SAINT-HONORE**
By number of retail units

RUE FRANCOIS 1^{ER}
As % of total retail space



Streets where the fashion sector is most represented

**RUE DE RENNES / RUE VIEILLE
DU TEMPLE**
By number of retail units

AVENUE MONTAIGNE
As % of total retail space



Streets where luxury brands are most present

RUE SAINT-HONORÉ
By number of retail units

PLACE VENDOME
As % of total retail space



Streets with the most diverse retail offering

RUE DE RENNES
Clothing 33% · Leather/Access. 17% · Services 17% · F&B 11% · Beauty 9%.

AVENUE DES CHAMPS-ÉLYSÉES
Clothing 31% · Leather/Access. 28% · F&B 17% · Beauty 8%.

AVENUE DE L'OPÉRA
F&B 28% · Clothing 25% · Services 21% · Leather/Access. 12%...

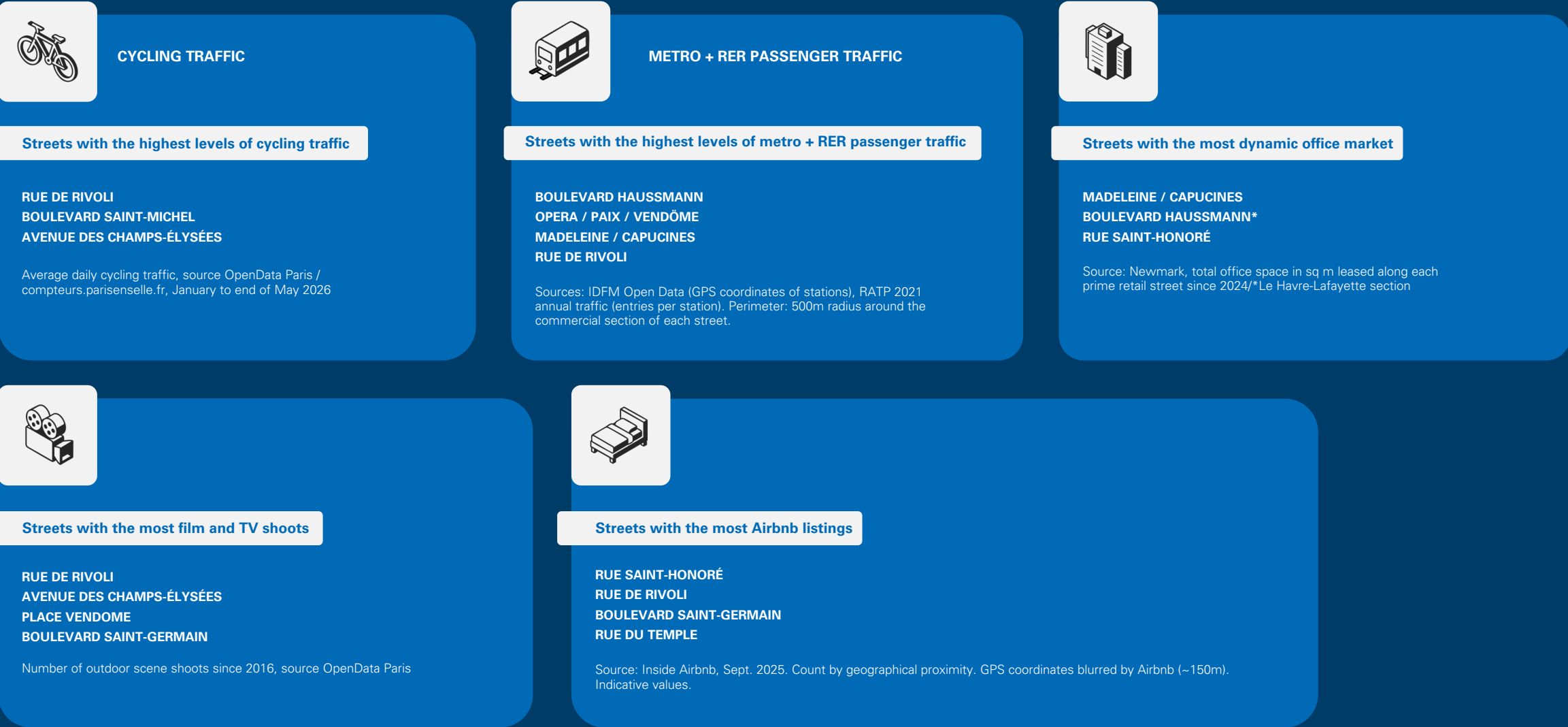


Streets where the F&B sector is most represented

BOULEVARD SAINT-MICHEL
By number of retail units

PLACE DE LA MADELEINE
As % of total retail space

Rankings: the 24 prime retail streets analysed by Newmark



Sources: Newmark, OpenData Paris, OpenData RATP, Inside Airbnb

RETAIL COMPLEXES:

Trends in new openings and spotlight on the leisure sector

THE RETAIL MARKET IN FRANCE



Slight rebound in retail complex openings

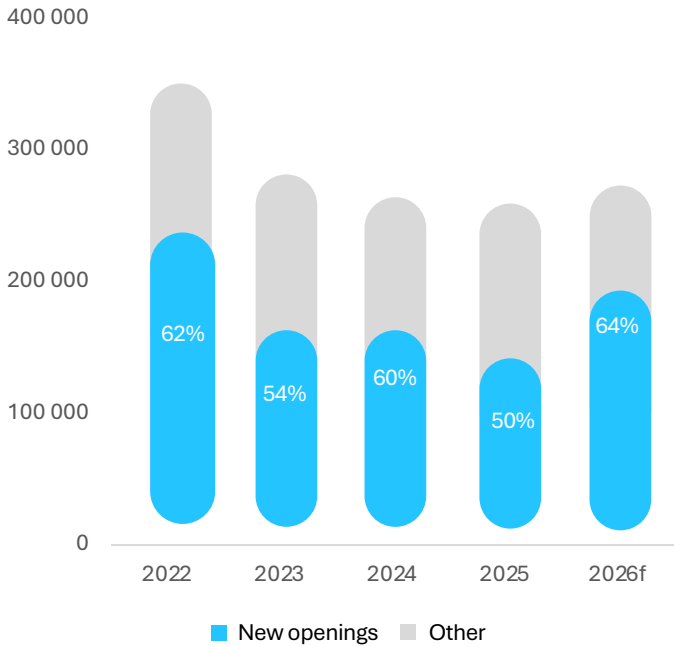
The volume of retail development projects had been declining steadily since 2021, reaching a low point in 2025. A slight upward trend is forecast in 2026, **with volumes 6% higher than last year** but still well below the peaks recorded in the mid-2010s. Moreover, a single large-scale project is largely

responsible for this increase: the 'Valvert' complex in Sainte-Geneviève-des-Bois (91). This also explains the increase in the average size of projects delivered in 2026, as well as the still predominant share of retail parks, which account for 66% of all new developments in 2026. Finally, there has been a **marked**

increase in the development of localised high street retail hubs, including schemes related to **new Grand Paris Express station districts** (Vitry-sur-Seine, Rosny-sous-Bois, etc.), as well as new mixed-use urban developments (Foch-Sully project in Roanne).

Trends in retail complex openings in France*

Annual total volume, projects > 5,000 sq m, all site types, in sq m



64%

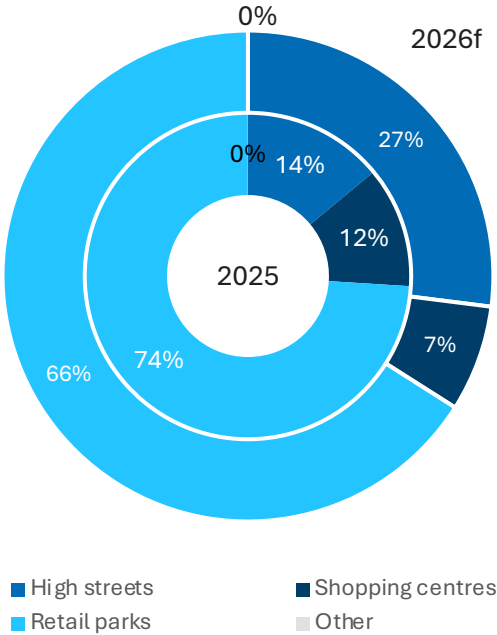
Share of new openings in total sq m to be delivered in France in 2026, vs. 57% between 2022 and 2025

9,900 sq m

Average size of projects to be delivered in France in 2026, vs. 10,200 sq m between 2022 and 2025

Breakdown of openings by type*

As a % of total volume



Sources : Newmark, Procos/*New openings, extensions or transfers-extensions.

Sources : Newmark, Procos/*New openings, extensions or transfers-extensions.

Diverse projects reflecting the retail sector’s transformation

Recently inaugurated, the 'Valvert' retail complex in Sainte-Geneviève-des-Bois is set to be the most significant new retail space in France in 2026. In terms of scale, this project — **the largest delivered since 'L'Atoll' near Angers in 2012** — could also prove to be one of the last developments of this magnitude for the foreseeable future. This complex, which will eventually include an outlet component, represents the culmination of the changes seen in out-of-town retail since the early 2000s. It is the **archetypal next-generation retail park**, characterised by a highly

diversified tenant mix, the increase in food service and leisure outlets, and greater emphasis on architectural quality and customer experience. Beyond this landmark project, the openings planned in 2026-2027 reflect **the diversification of projects and how retailers are adapting to new uses**, particularly with the growth of the leisure segment, which is often incorporated into redevelopment schemes. This trend is accelerating, driven in particular by opportunities arising from the **new availability of large retail spaces**, for example in the DIY and home

improvement sector (such as the conversion of the former Leroy Merlin in Saint-Priest) and even more so in food retail. Store closures and downsizing, together with the repurposing of car parks, are providing new retail **opportunities for different types of operators in large or medium-sized units** (such as the leisure hub built on a former car park in Cesson-Sévigné, the redevelopment of the former Casino supermarket at 'Shop Park' in Niort and the planned arrivals of New Yorker, Normal, Lidl, etc.).

Examples of retail complex projects in France

Planned openings in 2026 or 2027

YEAR	TYPE	PROJECT	TOWN/CITY	AREA SQ M	TYPE
2026	RP	VALVERT	Ste-Geneviève-des-Bois (91)	65,000	New opening
2027	HS	CANOPIA	Bordeaux (33)	31,000	New opening*
2027	Station	AUSTERLITZ	Paris 75013	25,000	Redevelopment-Extension
2027	Outlet	ALPES THE STYLE OUTLETS	Châtillon-en-Michaille (01)	20,400	New opening
2026	RP	BIOS	Bron (69)	17,000	Redevelopment-Transformation
2026	RP	LA LINIÈRE	Grande-Synthe (59)	13,000	New opening
2027	SC	LES TROIS FONTAINES	Cergy (95)	8,500	Redevelopment-Transformation
2026	Leisure	MONKY	Chauray (79)	7,500	Redevelopment-Transformation
2027	HS	QUARTIER FOCH-SULLY	Roanne (42)	7,500	Redevelopment-Transformation
2026	Leisure	HADRENA	Cesson-Sévigné (35)	7,000	Extension**
2027	Leisure	HALL U NEED	Saint-Priest (69)	5,000	Redevelopment-Transformation

Source: Newmark/*additional 15,000 sq m of leisure and food service retail space/**former car park converted into a leisure hub at the Rennes Cesson shopping centre.

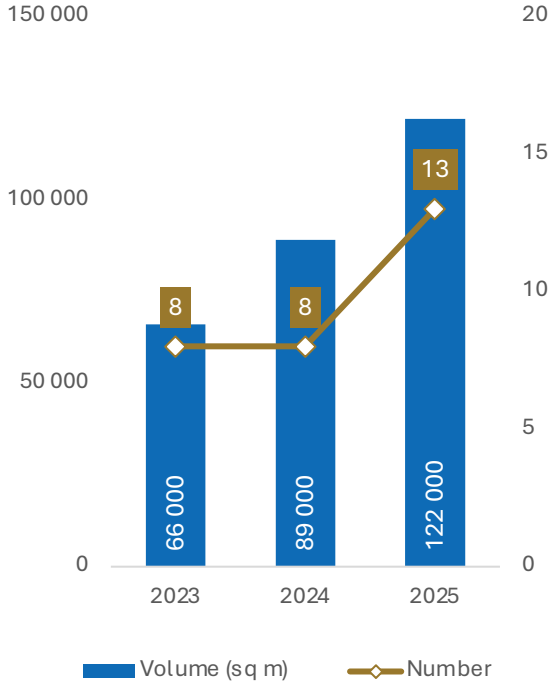
RP: Retail Park/SC: Shopping Centre/HS: High Street





Leisure complexes: volumes have doubled in two years

Number and volume of leisure complex openings per year
(new openings and redevelopments), projects > 5,000 sq m in France



26

Number of projects identified
between 2026 and 2028 in France



203,000 sq m

Volume of projects to be delivered
between 2026 and 2028 in France

Source: Newmark

Overview of the leisure sector

Examples of concepts

Main categories	Unit size ranges in sq m	Key players
Cinema	5,000 – 15,000	KINEPOLIS PATHE MEGARAMA UGC
Soccer	4,000 – 7,000	LE FIVE URBAN SOCCER
Padel	3,000 – 5,000	4PADEL URBAN PADEL SPORTFIELD
Climbing/Karting/Kids	1,000 – 3,000	BATTLEKART CLIMB UP ARKOSE ROYAL KIDS GULLI PARC HAPIK
Trampoline/Arcade	800 – 1,500	TRAMPOLINE PARK URBAN JUMP LA TETE DANS LES NUAGES
Immersive experience/ Action game/E-sport	300 – 1,000	EVA FORT BOYARD ADVENTURES RUSH SENSAS PRISON ISLAND TEAM BREAK ACTIVATE CUBE CHALLENGES
Quiz	300 – 500	QUIZ ROOM MUSI'QUIZ

Key multi-concept operators

HALL U NEED

HADRENA

MONKY

NIKITO

1055

UP2PLAY

SPEEDPARK

OVERLAND

KOEZIO

GAMES FACTORY

SMILE WORLD

L'AUTRE USINE

Recent and upcoming openings



Openings

- EVA Mulhouse-Wittenheim (500 sq m)
- Megarama multiplex in Corneilles-en-Parisis (6 screens)
- Urban Padel in Lille-Lesquin (9 courts)
- 4Padel in Bordeaux-Mérignac (14 courts)



New entrants

- First French location of Toca Social at the CNIT (2,400 sq m)
- First French location of True Gamers at Cap 3000



Projects

- Planned opening of Monky in Niort-Chauray (7,500 sq m)
- Planned opening of Speedpark in Cesson-Sévigné (6,000 sq m)
- Planned opening of Hall U Need in Lyon-Saint-Priest (5,000 sq m)
- Planned opening of a Pathé multiplex on île Seguin, in Boulogne-Billancourt (8 screens)

THE INVESTMENT MARKET

THE RETAIL MARKET IN FRANCE



Weakest start since 2012

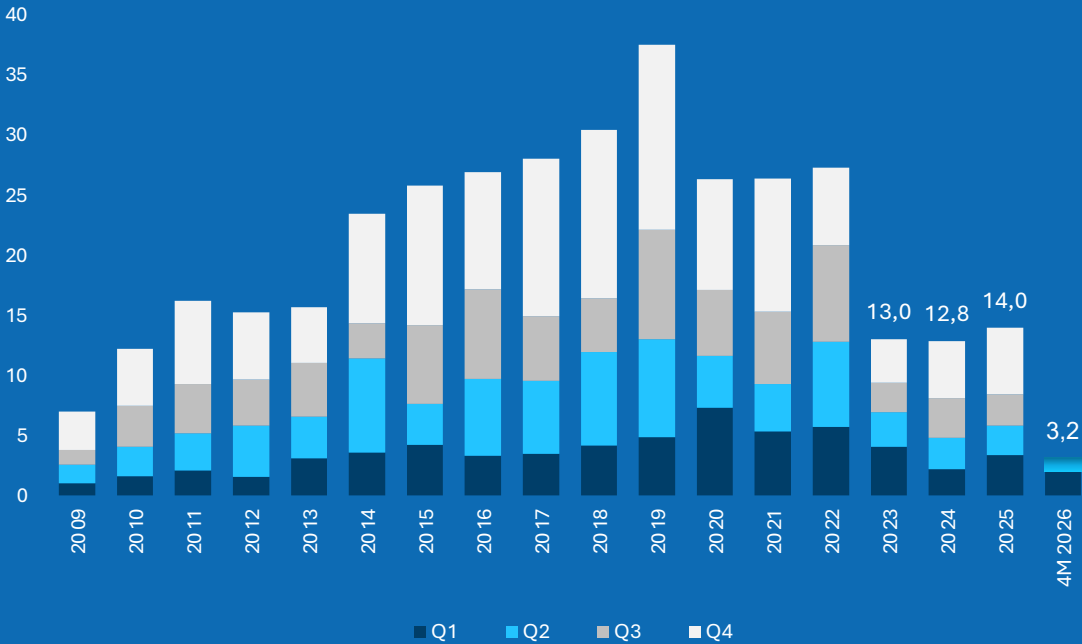
While showing a slight improvement in 2025 (€14 billion invested in France, up 9% year-on-year), the French commercial real estate investment market **came to a standstill** in Q1 2026, with only €2 billion invested over the period, a **sharp drop of 42% compared with Q1 2025** and the weakest start to the year recorded in nearly 15 years.

This downturn can be explained by the widening gap in pricing expectations between vendors and buyers, against a backdrop of a fast-deteriorating financial and geopolitical climate due to the war in the Middle East. However, volumes are expected to increase in Q2 2026, with **several large transactions already recorded in April, bringing total investment volumes in France to over €3 billion.**

Having regained their status as the leading asset class in 2025, **offices have further consolidated their position** since the start of 2026, accounting for 55% of total investment volumes over the first four months of the year. They are followed by retail (34%) and industrial (10%) assets, whose sharp decline is mainly due to a lack of major logistics portfolio transactions.

Investment volumes in France

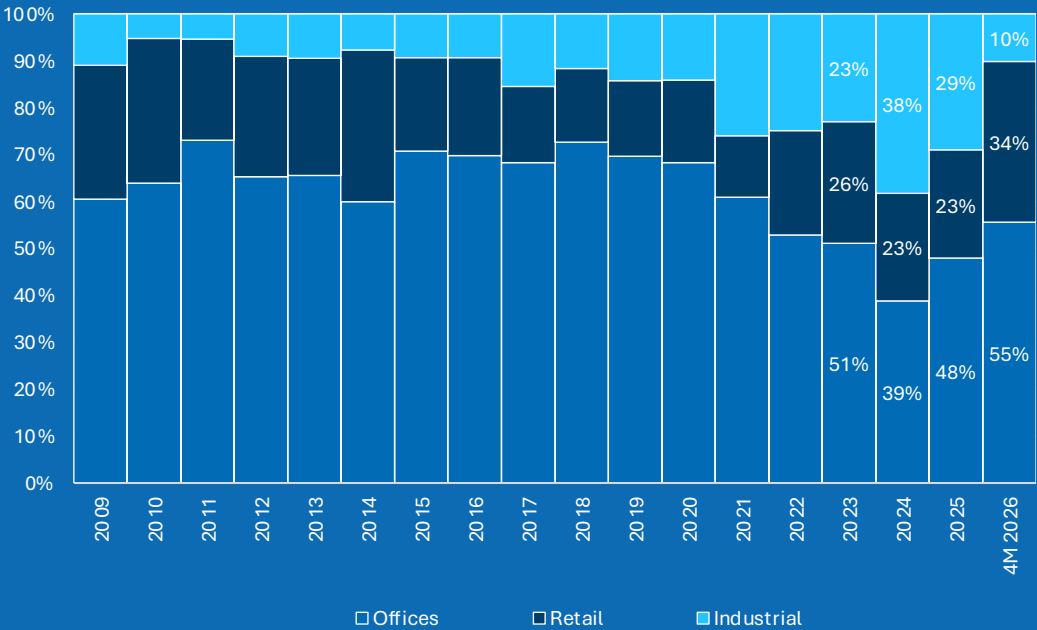
All asset classes combined (offices, retail and industrial), in billions of €



Sources: Newmark, RCA

Investment volumes in France, breakdown by asset class

Share as a %



Sources: Newmark, RCA

Strong concentration of activity in Paris’s prime retail streets

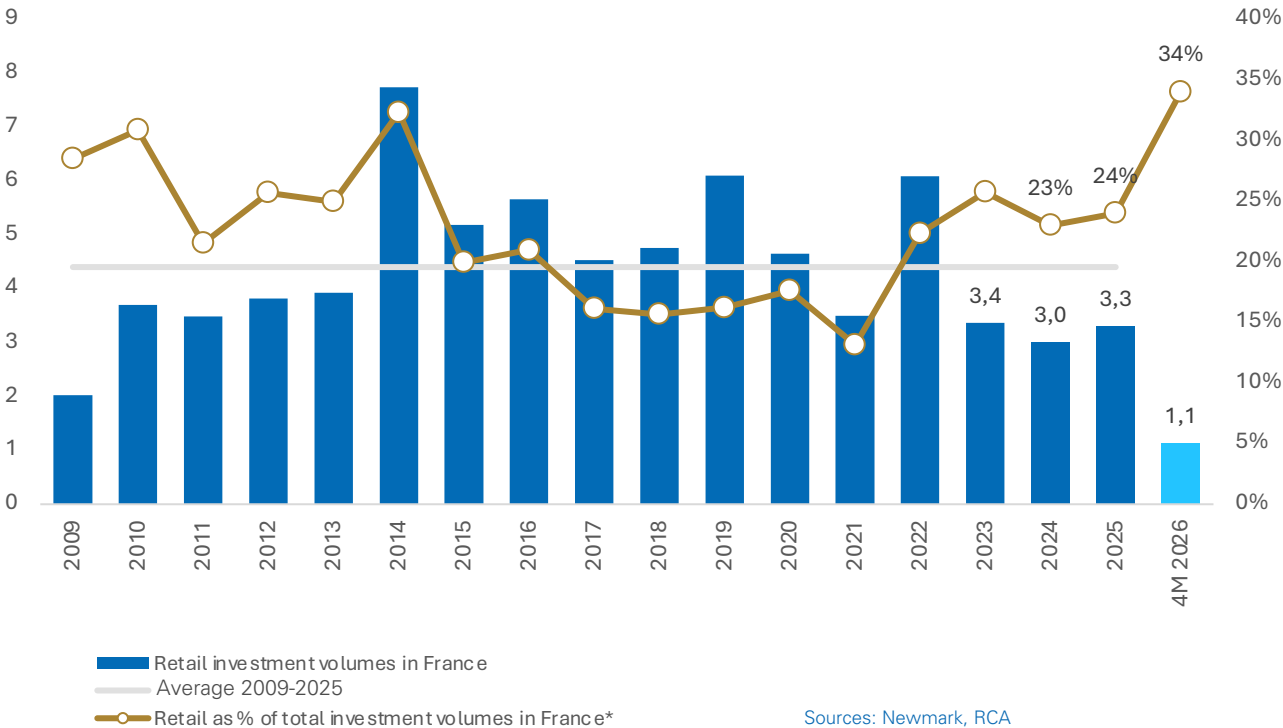
With €788m invested in the French retail market in Q1 2026, activity fell by nearly 40% compared with the same period last year. This decline should be put into perspective, however, as Q1 2025 was buoyed by the Kering/Ardian joint venture amounting to over €800 million. That said, activity remains highly unbalanced, with limited transactions and volumes inflated by large-scale deals in Paris. The acquisitions of 91 Avenue des Champs-Élysées by Foncière Renaissance and Mimco and of BHV Marais by Brookfield alone

account for more than three-quarters of the total French retail investment volumes in Q1 2026. This strong concentration of activity in the capital's prime retail streets was further demonstrated in Q2 with Icade’s sale of 29-33 Champs-Élysées, **bringing total retail investment volumes to more than €1.1billion at the end of April 2026.**

Activity in the retail park segment is expected to pick up in the coming months, which continues to attract strong interest from both French and international investors. Following Batipart's sale of a portion of its Adeo portfolio and the acquisition of the Oseraie retail park in Osny (95) by a new Belgian entrant, additional transactions are currently being negotiated, some involving substantial volumes.

Retail investment volumes

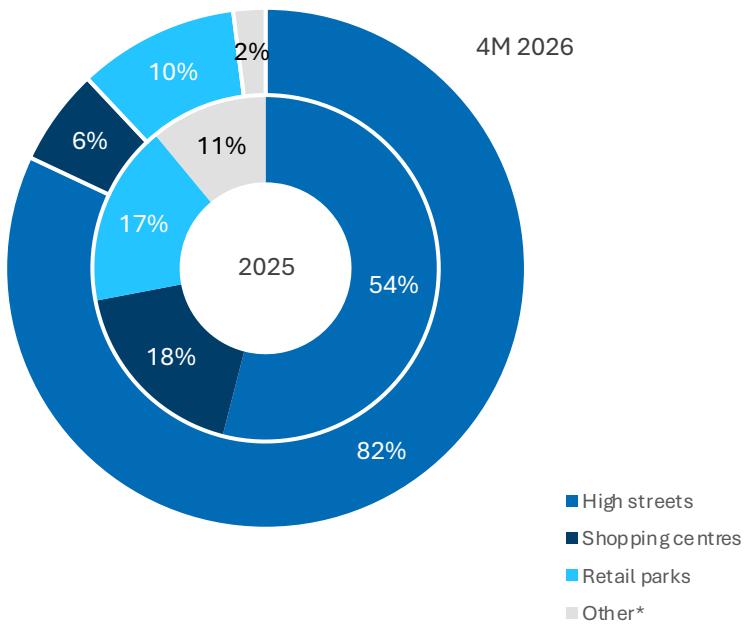
In France, in billions of €



Sources: Newmark, RCA

Retail investment volumes by type

Share of total volume as a %



Source: Newmark/ *Wholesale trade, factory outlets, hypermarkets, etc.

Investment transactions

Recent examples (Q1-Q2 2026)

TYPE	IMMEUBLE/ADDRESS	CITY	SELLER	BUYER	AREA SQ M	AMOUNT
HS	Le Marignan 29-33 avenue des Champs-Élysées*	Paris (75008)	Icade	Black Swan/Bain Capital	11,743	●
HS	91 avenue des Champs-Élysées*	Paris (75008)	Acoss	Foncière Renaissance/Mimco	4,200	●
HS	BHV Marais 52 rue de Rivoli	Paris (75004)	Citynove	SGM / Brookfield	45,000	●
SC	Aushopping Amiens Sud	Dury (80)	Ceetrus/Nhood	Private investor	41,000	●
RP	Adeo portfolio	France	Batipart	Realty Income	-	●
HS	Rue de la République portfolio	Marseille (13)	Geneal Invest Real Estate/Freo	La Régie du Commerce/Foncière Beauvau	19,098	●
RP	Retail Park L'Oseraie	Osny (95)	Compagnie de Phalsbourg	Retail Estates NV	12,734	●
HS	Three-store portfolio	Paris	Financière JL	Private investor	-	●
RP	Retail Park Shop Park Toulouse Fenouillet	Fenouillet (31)	Private investor	Mercialys	8,200	●
SC	Shopping gallery	Villers-Semeuse (08)	Mercialys	Coopérative U	4,761	●
HS	Bolia 20 rue Tronchet	Paris (75008)	BNP Paribas AM	AEW Europe	200	●
RP	Grand Frais, Burger King	Survilliers (95)	Telamon	Whiterock	2,563	●
RP	Grand Frais	Allonne (60)	-	Intergestion	2,706	●
HS	43 avenue de la Libération Charles de Gaulle	Le Bouscat (33)	Rivage AM (Parinaud)	Private investor	2,000	●

Transactions completed in Q2 2026 *Mixed-use asset comprising offices and retail space

HS: High Street, SC: Shopping Centre, RP: Retail Park

● > €200 M ● €100-200 M ● €50-100 M ● €20-50 M ● <€20 M

Source: Newmark

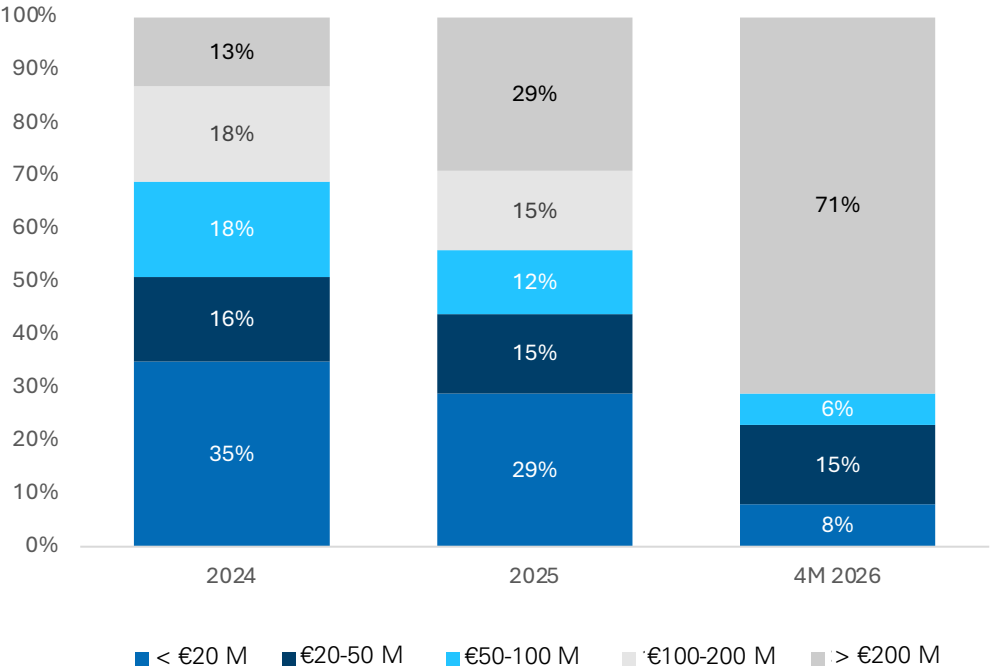
Three transactions account for three-quarters of total volumes

As in 2025, investors remain highly selective and retail investment volumes are still largely inflated by a limited number of major transactions in Paris. **Three transactions exceeding €200 million** (BHV Marais, 29-33 Champs-Élysées and 91 Champs-Élysées) account for **more than 70% of total retail investment volumes in 2026 at the end of April**.

The limited depth of the market is reflected in the **small number** of transactions – with only one deal in the €50-100 million bracket, namely Ceetrus's sale of the 'Aushopping Amiens Sud' asset – **and no transactions in the €100-200 million range**. **Transactions below €50m account for nearly a quarter of total investment volumes**, including several significant deals such as Batipart's sale of part of its

Adeo portfolio, the sale of the Oseraie retail park in Osny (95) and of the retail park in Toulouse Fenouillet (31), as well as the disposal of high-street portfolios in Marseille (Rue de la République) and Paris.

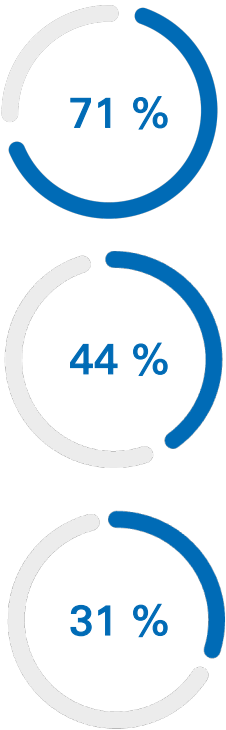
Retail investment volumes in France, breakdown by amount



Number of transactions > €100m in France



Share of total retail investment volumes in France



Sources: Newmark, RCA

Stabilisation of yields

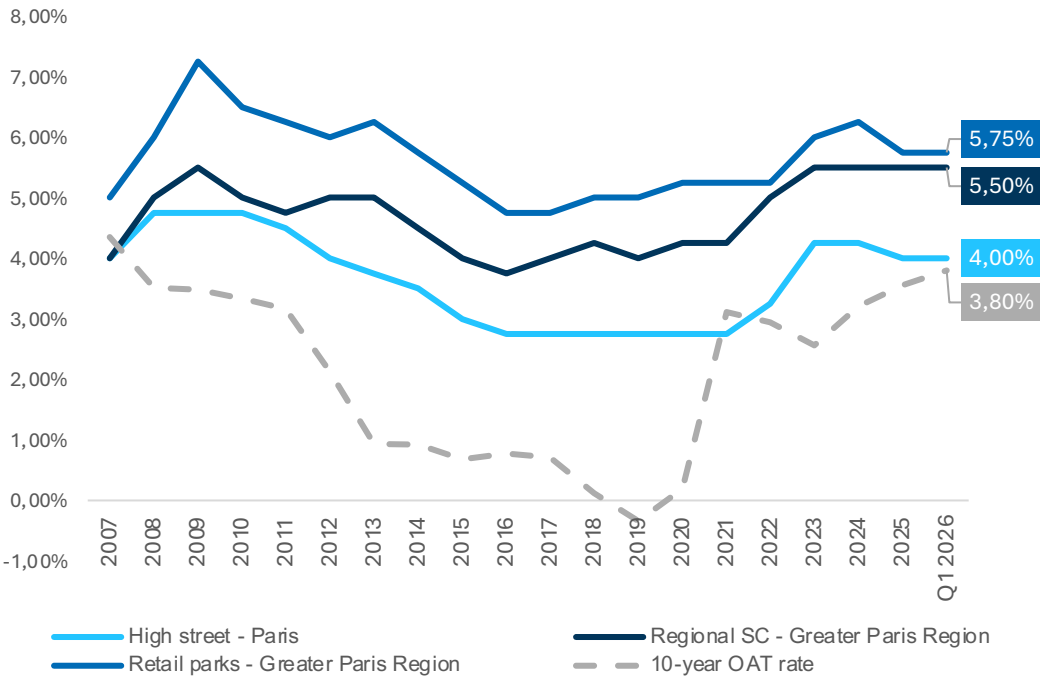
Against a backdrop of rising bond yields following the outbreak of the Middle East conflict, the 10-year OAT is approaching 4%, further narrowing the spread with prime yields for the best retail assets in Paris. Although the European Central Bank chose to leave its key policy rates

unchanged in March and April 2026, this decision was not enough to reassure bond markets, whose volatility is weighing on real estate pricing. Despite tighter market conditions, **prime retail yields in Paris have stabilised at around 4%.**

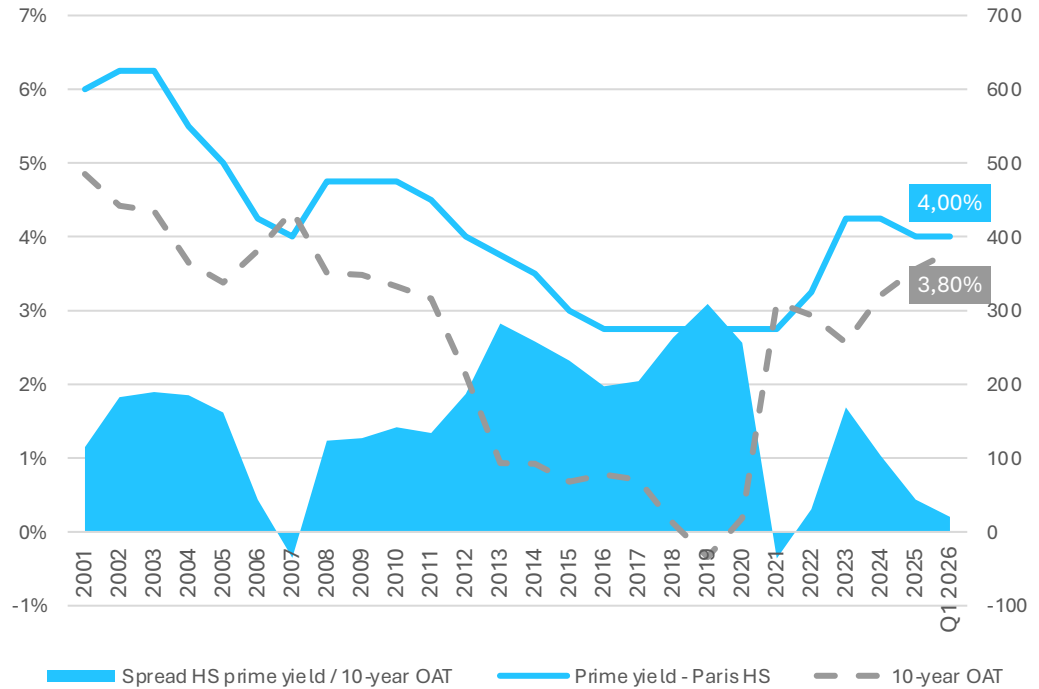
Retail parks remain highly sought after and continue to benefit from sustained investor demand, driven by the gradual rise in rental values. Prime yields for this sector stood at 5.75% at the end of Q1 2026.

Prime yields

Prime retail yield, as a %



Prime yield spread for offices/10-year OAT



Sources: Newmark, RCA, Banque de France

Sources: Newmark, RCA, Banque de France

INTERVIEW

Marie Cheval, CEO of Carmila & President of FACT

THE RETAIL MARKET IN FRANCE



INTERVIEW

CEO of Carmila, a major player in the commercial real estate sector in Europe with 250 centres across France, Spain and Italy, Marie Cheval reflects on the drivers behind the Group's strong performance in recent months, including organic growth, the development of specialty leasing, the expansion of retail media and the incubation of new brands, as well as the successful integration of Galimmo. As President of the Fédération des Acteurs du Commerce dans les Territoires (FACT), Marie Cheval also shares her vision of the major developments reshaping the sector, from the environmental upgrading of assets to the emergence of mixed-use districts, and outlines the role that shopping centres will play in the years ahead.



Marie Cheval

—
CEO of Carmila

President of the Fédération des Acteurs
du Commerce dans les Territoires (FACT)

In an unstable macroeconomic environment, Carmila published positive indicators for Q1 2026. What were the main drivers of this performance?

Over the past four years, our growth strategy, based on several complementary levers, has proven very effective. The first is **organic growth above indexation**, which lies at the heart of Carmila's model. This is underpinned by a constant drive to enhance our sites and adapt to changes in the retail landscape: **dynamic leasing activity, the constant renewal of the retail offering** – with 227 leases signed in Q1 2026, compared with 219 over the same period in 2025 – and the **continuous transformation of our portfolio**.

This renewal highlights the **central role of innovation in our growth**. In particular, this is demonstrated by our 'specialty leasing' activity, which injects new life into our centres via the hosting of differentiated pop-up stores; by 'Next Tower', which involves installing shared telecom infrastructure on unused land from Carmila's portfolio, Carrefour or partner landowners; and by 'Carmila Retail Development', our brand incubator, where we test and scale new concepts. These initiatives generate high-margin, capital-light

revenue streams that increase the Group's overall profitability. In this same vein, we have recently announced a **strategic partnership with JCDecaux to accelerate the development of physical retail media in our centres**, with the rollout of hundreds of data-driven, AI-powered digital screens.

Our growth is also driven by our Spanish operations, in a particularly favourable macroeconomic environment, as well as **by targeted portfolio disposals** – such as the recent sale of Villers-Semeuse – and, of course, by the integration of Galimmo, following Carrefour's acquisition of Cora.

This integration has significantly changed your portfolio. Where do things stand today?

The integration of Galimmo has added around fifty sites to our portfolio, bringing our total to 250 centres, which in itself is a powerful driver of organic growth. This **portfolio is a strong strategic fit with our own**: it includes several large-scale assets, such as Mundolsheim near Strasbourg, and has expanded our footprint in the north-east of France, thus increasing our

nationwide coverage. **The integration process is now complete**. We have already implemented a number of processes to align these assets with Carmila's standards: optimising occupancy rates, developing specialty leasing, modernising the retail offering, as well as launching targeted restructuring and renovation programmes. This momentum is supported by the long-standing partnership between Carrefour and Carmila, which enables us to rapidly implement projects on the ground.

Carmila was founded around twelve years ago by Carrefour and institutional investors. What are the specific terms of your partnership with Carrefour today?

The Carrefour Group is our main shareholder, with a 30% stake. But our partnership goes far beyond that: it is the cornerstone of Carmila's model. The Carrefour hypermarket buildings, as well as the car parks next to our centres, are owned by entities within the Carrefour Group, yet our customers make no distinction between the two brands. **We form a coherent ecosystem, which both Carrefour and Carmila have every interest in developing together**.

INTERVIEW

For us, the hypermarket is a powerful driving force that generates significant and consistent footfall. We are therefore extremely pleased to be associated with Carrefour hypermarkets – a format in which Carrefour continues to believe and constantly invests. **These stores are an integral part of French consumers' daily lives**, and their role is all the more important today when purchasing power is such a pressing concern. In return, Carrefour benefits from the work we carry out to enhance the value of our centres, whether through digital marketing or the modernisation and renovation of our assets.

Due to changes in the retail sector, real estate companies are required to consistently carry out fundamental work on their existing portfolios. What are the key pillars of your asset modernisation strategy?

This modernisation work involves improving the environmental performance of our assets, with a **target to reduce our greenhouse gas emissions by 90% by 2030**. To this end, we have launched a systematic technical upgrade programme: replacing HVAC equipment with innovative adiabatic systems, switching to LED lighting in all of our centres, deploying smart sensors to optimise building management, and installing rooftop solar panels. This strategy also includes **ambitious certification targets**, for example, we aim to obtain BREEAM certification for 100% of our major assets: a standard with strict requirements that sends a strong message to both our retailers and investors.

Another key driver behind the modernisation of our sites is improving the customer experience. While this concept may sometimes be overused, it remains critical, given that consumers today have so many options and are more demanding. This experience begins in the car park, hence the strategic importance we attach to these land assets, owned by Carrefour and which we are redeveloping in partnership with them.

In certain cases, this provides opportunities to significantly enhance the offering of our centres, attract more foot traffic and increase dwell times. At the Grand Vitrolles car park, we installed a 1,600 sq m Food Park in 2025, which accommodates several national food service chains. At our Rennes Cesson site, we are developing various leisure activities and are planning to deliver Speed Park and Fort Boyard Aventures facilities spanning 7,000 sq m in 2026.

Innovation therefore is about repurposing land assets and adapting them to new uses. What else are you doing to better integrate your centres into their local environment?

Firstly, it is worth noting that **Carmila is deeply rooted in local communities**. Our centres are true hubs of life, services and employment, welcoming 620 million visitors each year. With an average of 400 jobs per site, they are **essential to local economic growth**. They also play a key social role, hosting, for example, job

fairs and screening and prevention campaigns run by hospitals.

The general landscape has changed and we now play an even more active role in the transformation of our local regions. In France, hardly any new retail complexes are built from scratch anymore: **our sector has undergone a profound shift towards converting existing assets** and repurposing land for new uses. Against this backdrop, we are leading several major projects in partnership with Carrefour and Altarea, notably in Sartrouville and Nantes-Beaujoire, **where retail zones will be transformed into new mixed-use districts**. Carrefour is also undertaking this type of project, this time in partnership with Nexity, by redeveloping car parks or peripheral land around its centres to create housing. While these projects involve many stakeholders and interested parties, and are admittedly complex, they address one of the major challenges in local areas: **increasing the housing supply while bringing more residents to the primary catchment area of retail centres**.

This value creation through existing assets is at the core of our asset rotation strategy. **We operate as a net buyer**, allocating €100 million to new acquisitions each year, alongside €50 million in disposals, primarily involving assets from which we have already derived value. The assets we target for acquisition are those where we can create value, whether through retail optimisation or redevelopment opportunities, etc.



Cité Europe Shopping centre, Coquelles (62)



FAN Shopping centre, Mallorca (Spain)

INTERVIEW



Perpignan Clairia Shopping centre (66)

Finally, from your perspective as President of FACT, and looking ahead ten years, what do you see as the main challenges that retail real estate companies will face, and what role will shopping centres play in the economic and social life of local communities?

When you consider the profound changes that shopping centres have undergone over the past ten years, one thing is certain: we will need to continue adapting to the retail sector's ongoing transformation. That is the very nature of our

business, and this process is never complete. Increasingly, this will involve digital marketing: **our centres have become true omnichannel platforms**, and this aspect will only grow stronger.

We will also need to adapt to continual changes in the urban and suburban landscape. This raises broader questions around the development of mixed-use spaces, which will require addressing certain policy issues head-on, starting with the **simplification of regulatory frameworks,. This is essential for the continued evolution of our sites**, which must also be **adapted to make them more climate resilient**.

Finally, the **social aspect is fundamental in my view**. In a society that political scientist Jérôme Fourquet describes as an 'archipelago' – a fragmented France divided into increasingly separate communities – our shopping centres remain one of the few genuinely communal spaces: free, accessible and open to all.

I firmly believe that **this capacity to bring people together and remain at the heart of French people's everyday lives** is what will continue to underpin our industry's strength and relevance in ten years' time.

Newmark France Retail Team

A WEALTH OF EXPERIENCE

A team with vast experience in the Paris market, which it knows inside out from having completed many transactions, including some of the most significant in recent years.

A commitment to capitalise on this expertise and extend it to major regional cities, to support our landlord and retailer clients.

THE STRENGTH OF AN INTERNATIONAL NETWORK

Supporting retail brands in their development throughout France, as well as in many other European countries, through Newmark's 'Tenant Rep' teams based in London, Paris and Madrid;

Supporting landlords by applying our local market knowledge, combined with Newmark's ability to attract leading international brands to France, particularly from North America and Asia, and by drawing on the strength of our global platform and international network.

A MULTIDISCIPLINARY CAPITAL MARKETS TEAM

Extensive expertise in retail investment markets, across all asset types and market segments.

Retail Leasing



Antoine Salmon

Co-Head of
Retail Leasing

+33 (0)6 09 17 81 76
antoine.salmon@nmrk.com



Vianney d'Ersu

Co-Head of
Retail Leasing

+33 (0)6 75 26 03 96
vianney.dersu@nmrk.com



François Chouraqui

Director
Retail Leasing High Street

+33 (0)6 74 03 39 14
francois.chouraqui@nmrk.com



Sarah Aghion

Associate Director
Retail Leasing High Street

+33 (0)6 20 42 71 37
sarah.aghion@nmrk.com



Melchior Burrus

Associate Director
Retail Leasing High Street

+33 (0)6 34 62 59 63
melchior.burrus@nmrk.com



Louis Combet

Associate
Retail Leasing High Street

+33 (0)6 08 76 07 34
louis.combet@nmrk.com



Victor Janicot

Associate
Retail Leasing High Street

+33 (0)6 45 57 56 54
victor.janicot@nmrk.com

Capital Markets



Malo Lacroix

Director
Capital Markets

+33 (0)6 85 99 58 70
malo.lacroix@nmrk.com



Romain Galante

Deputy Director
Capital Markets

+33 (0)6 86 05 08 52
romain.galante@nmrk.com



Alexandre Lechat

Associate
Retail Leasing High Street

+33 (0)6 32 18 09 40
alexandre.lechat@nmrk.com



Clara Leclerc

Associate
Retail Leasing High Street

+33 (0)7 67 34 27 20
clara.leclerc@nmrk.com



Benjamin Liévin

Director
Retail Parks

+33 (0)7 64 55 48 92
benjamin.lievin@nmrk.com



Pascal Karsenty

Director
South East of France

+33 (0)6 74 03 39 14
pascal.karsenty@nmrk.com

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For more information, please contact:

David Bourla

Head of Research

t + 33 6 80 66 95 36
david.bourla@nmrk.com

NEWMARK

11 rue de la Chaussée d'Antin
75009 Paris

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