The **Residential investment** market

FRANCE | 2025 REVIEW & 2026 OUTLOOK



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2025 key figures

4.2 billion euros

was invested in the French residential market in 2025, an **increase of 22% year-on-year** but a **decrease of 21% compared to the average for the last five years.**

The Greater Paris Region accounts for

55 % of sums invested

in the residential market in France in 2025* compared to 64% in 2024. This decrease reflects the weight of national portfolios, which are particularly significant in the student housing sector.

All asset classes combined,

12 transactions

⩾ 50 million euros

were recorded in France in 2025. These accounted for 47% of investments made during the period, a share inflated by the sale of five portfolios over €100 million.

2.7 billion euros

was invested in the traditional French residential market in 2025, a volume down 6% compared to 2024. Activity was largely concentrated in the Greater Paris Region (86%), particularly in Paris (62%).

The total amount invested in the student housing market is

1.25 billion euros

an increase of **750%** compared to 2024 and 350% compared to the average for the last five years. On the other hand, activity was sluggish, even stagnant, in other managed sectors (senior housing, co-living).

733 million euros

spent on pre-emptions and acquisitions of private housing by the City of Paris and social landlords in 2025 in the French capital**. This brings the total amount spent since 2023 to over €1.8 billion.

*Source: Newmark / *excluding the Greater Paris Region share of national portfolios / **Transactions completed or in progress.*

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The residential market

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Key figures

(data for 12 rolling months, unless otherwise stated)

	2025 (f)	2024	Trend
Financing			
Volume of new home loans*	€145 B	€116 B	▲
Average rate – Personal loans*	3.10 %	3.51 %	▼
Developments			
Number of new homes approved**	378,806	329,876	▲
Number of new housing starts**	272,692	260,156	▲
Sales – exisiting housing			
Number of sales – Housing in France***	921,000	845,000	▲
Number of sales – Housing in the Greater Paris Region***	121,790	109,809	▲
Sales – new housing			
Reservations - New block residential - Institutional investors***	54,024	5, 232	▼
*including institutional investors other than social housing providers****	10,255	8,035	▲
Reservations – New apartments – Private sellers***	62,630	65,669	▼
Properties for sale – New apartments – Private sellers***	67,872	57,404	▲
Average time to sell – New apartments (quarters)****	7.4	6.6	▼

** Data for 12 months, as at end-November 2025, excluding renegotiations*
*** Data for 12 months, as at end-November 2025*
**** Data for 12 months, as at end-September 2025*
***** Data for Q3 2025 and Q4 2024*
Sources: ACPR, Banque de France, Notaires de France, Notaires du Grand Paris, SDES, ECLN, Sit@del2, INSEE, Newmark

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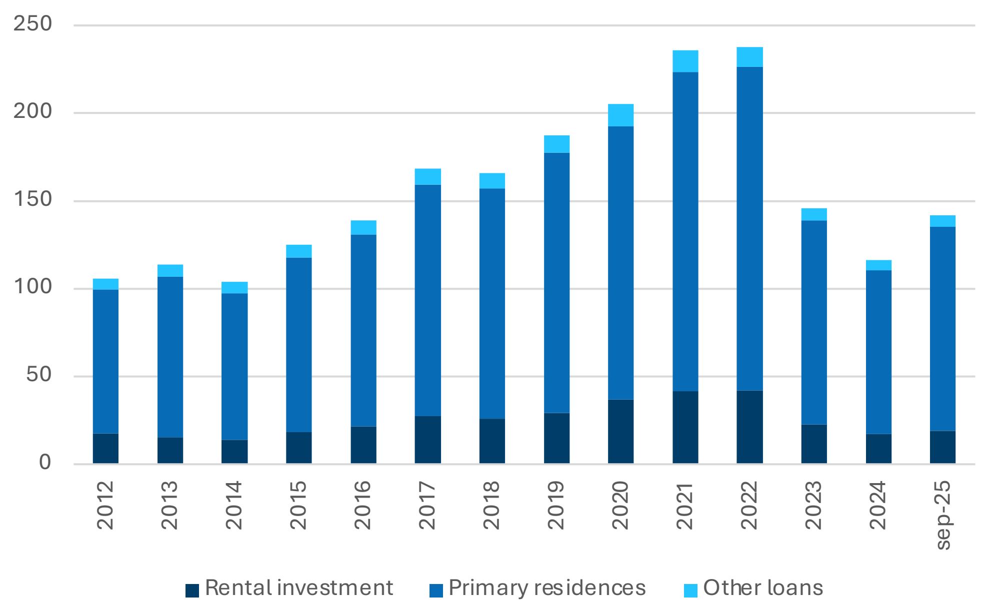
Resumption of loan issuance

After peaking at over 4.10% in early 2024, **the average rate on home loans to individuals fell by 100 basis points**, stabilizing at around 3.10% since spring 2025. This improvement in financing conditions has led to a rebound in home loan production, although this mainly concerns primary residences. For these, loan production has returned to its 2023 level.

Rental investment is taking longer to recover, with its share of loan production reaching only 13% compared to 15-18% over the last 10 years. Several factors are hindering rental investment: the growing number of municipalities introducing rent controls, the sharp rise in property taxes, the disappearance of the Pinel scheme at the end of 2024, and the ban on renting energy-inefficient properties, even though the EPC reform reopens the possibility of renting hundreds of thousands of properties from January 1, 2026. Finally, it will be necessary to monitor the effects of the **creation of the status of private landlord** included in the 2026 Finance Bill. Intended to boost rental investment through tax advantages, mainly in new properties, it is **considered insufficient by some in the real estate profession.**

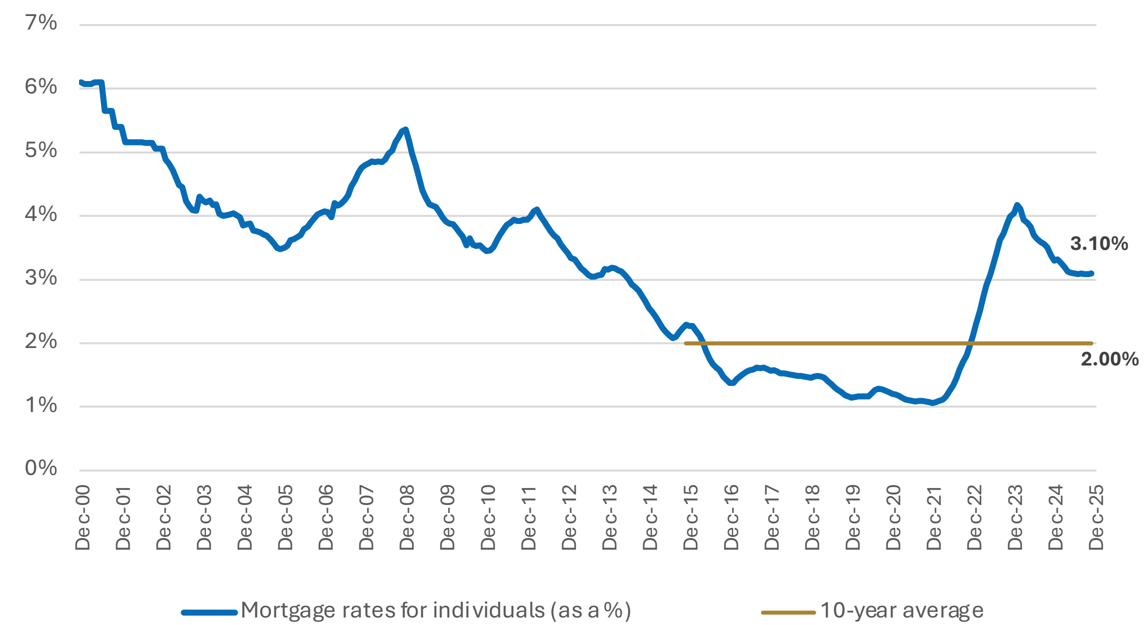
Home loans issued

In billions of euros, over 12 rolling months, excluding renegotiations



Average rate for personal mortgage loans

Excluding renegotiations

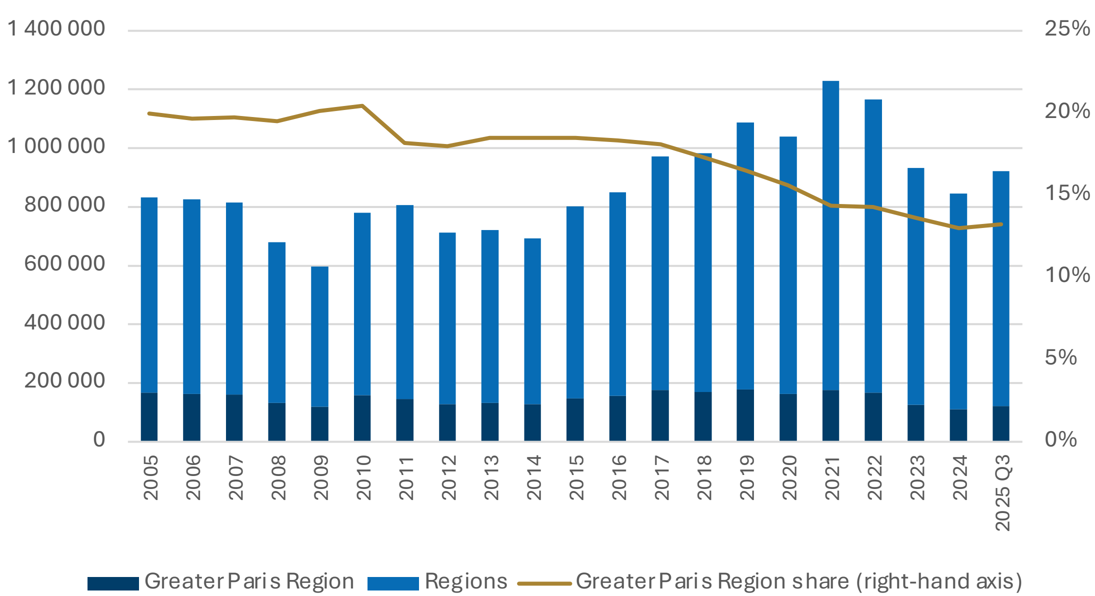


Sources : Banque de France, ACPR Banque de France

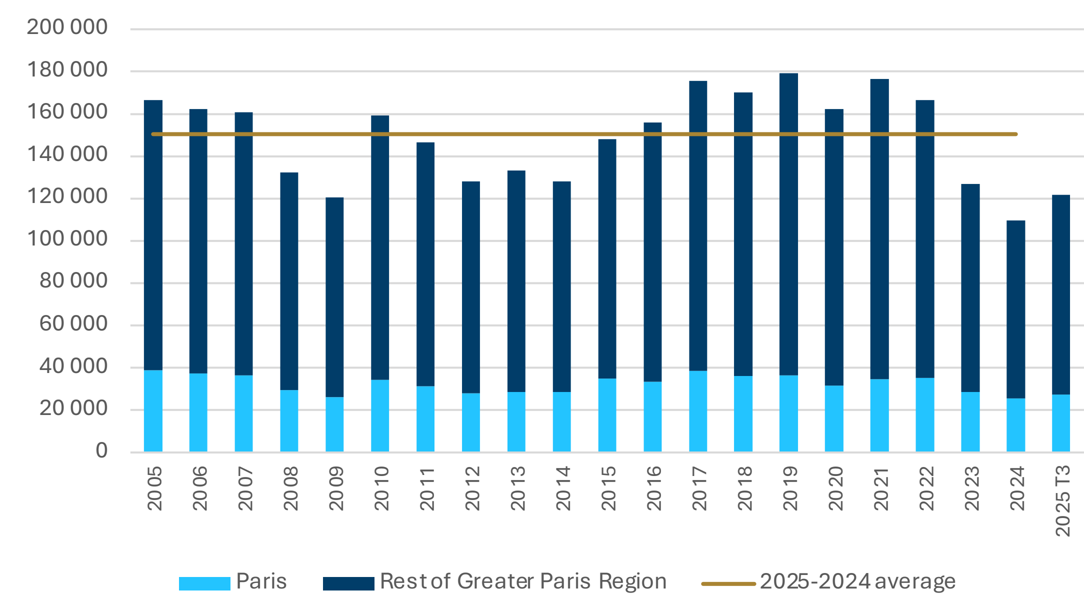
Sales to individuals: the low point is behind us

In France, the number of existing home sales to individuals fell by a third between the peak in summer 2021 (~1.25 million transactions over 12 months to the end of August) and the low point in September 2024 (832,000). Since then, the market has gradually recovered, helped by improved financing conditions. With 921,000 sales over 12 months at the end of Q3 2025 (and a forecast of 940,000 sales by the FNAIM at the end of the year), the volume remains below the levels observed from 2017 to 2024 but exceeds that recorded between 2000 and 2016, when the housing stock was smaller (30 million in 2000 compared to just over 38 million in 2024). **While transaction activity has already returned to its 2017 level in the regions, it is recovering more slowly in the Greater Paris Region** (122,000 sales, including 86,000 apartments over 12 rolling months) and remains below the average for the last 20 years (150,000 sales, including 105,000 apartments). This phenomenon is part of a context of an almost constant decline in the share of the Greater Paris Region in the number of sales, which fell from 20% in 2005 to 13% in 2025. Demographics are not to blame, as the population of the Greater Paris Region grew by 10% during this period, compared with a 9% increase nationally. The reason seems to lie more in the **sharp deterioration in real estate purchasing power** of Greater Paris Region residents in the context of soaring prices in recent years, while the introduction of rent controls has slowed rental investment in Paris.

Sales of existing homes to individuals in France (12-month rolling period)



Sales of existing homes to individuals in the Greater Paris Region (12-month rolling period)



Sources : Notaires de France, ADSN-BIEN - Notaires du Grand Paris

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Slight rebound in new production

In the Greater Paris Region, as in the rest of the country, new housing production collapsed in 2023-2024, with the number of housing starts reaching its lowest level in 25 years.

The worst seems to be behind us, as there was an increase in building permits and, to a lesser extent, in housing starts in 2025. **This recovery is still tentative**, with the number of construction projects started in the last 12 months (as of the end of November 2025) remaining 17% below the average seen since 2000.

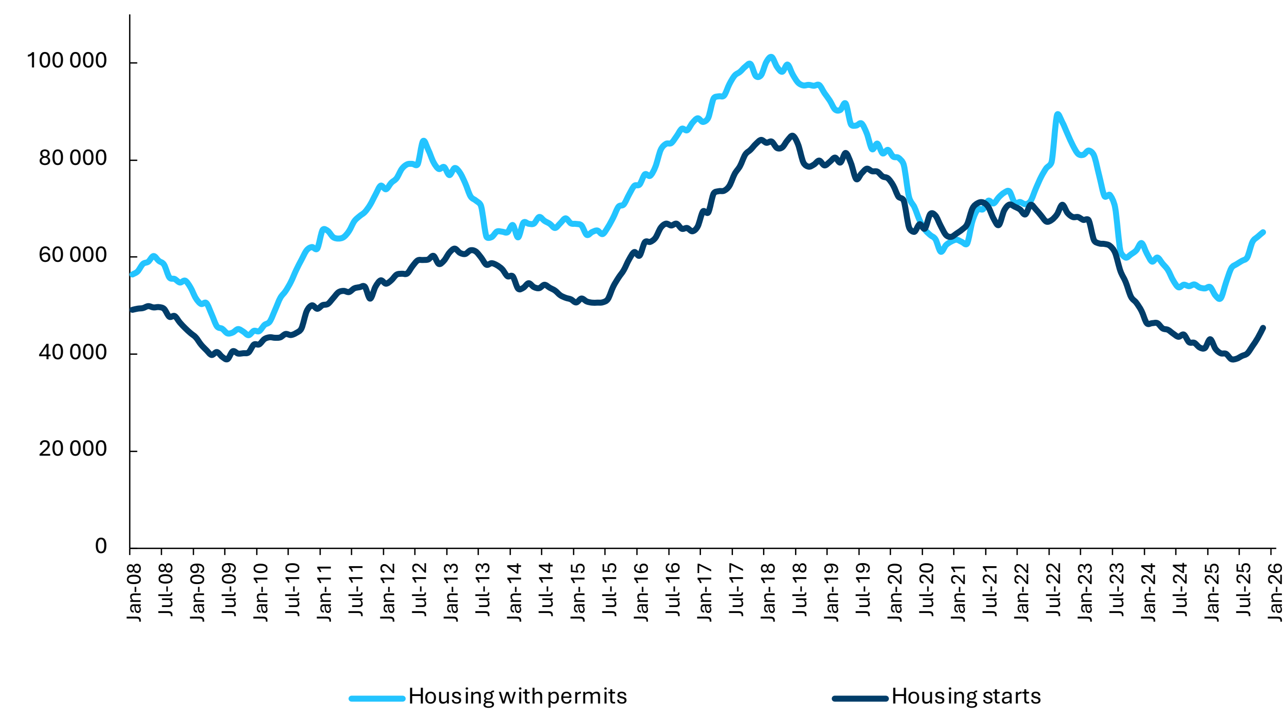
Indicators for the new-build market continue to urge developers to exercise caution, with the number of reservations by individuals (62,600 over 12 months) and block sales (54,000, 81% of which were by social landlords) far below long-term levels. The average time taken to sell new apartments is 7.4 quarters, compared with 3.5 quarters between 2017 and 2022.

Again, at the national level, the 378,800 housing units approved and the 272,700 housing units started in the last 12 months (at the end of November 2025) are **far from the target of 400,000 to 450,000 housing units to be created each year to meet needs by 2040.**

The slowdown in new construction in recent years was strongly linked to the deterioration in purchasing power in the real estate market, but also to the sharp rise in construction costs (ICC up 23% between the end of 2020 and mid-2024). In this regard, the context is slightly more favorable, with the ICC falling by 8% between the beginning of 2024 and Q3 2025.

New housing production in the Greater Paris Region

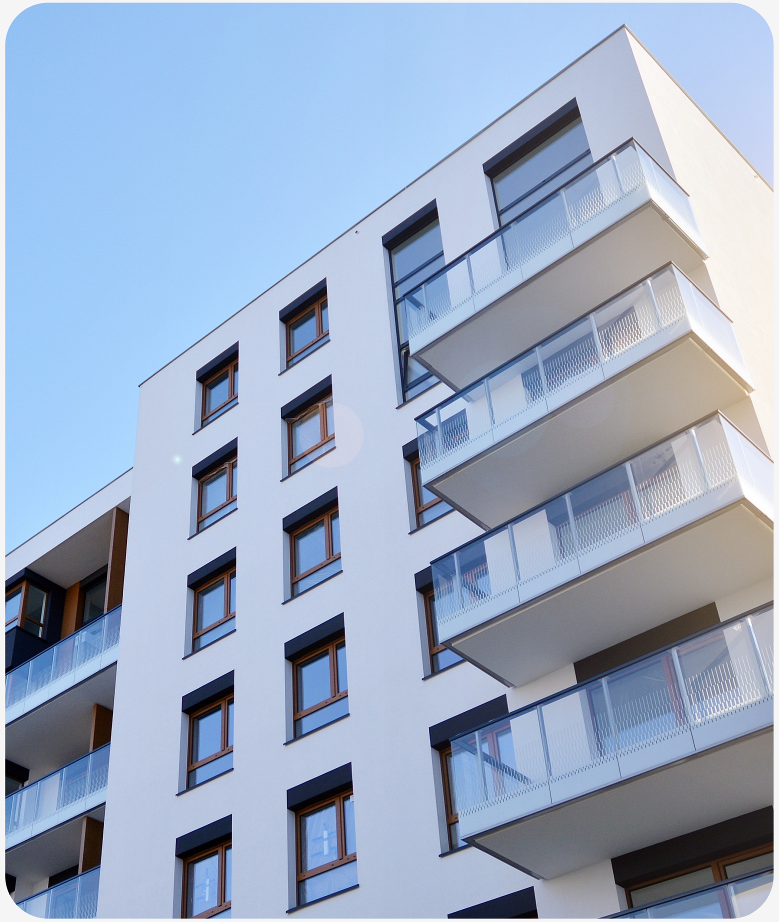
Permits obtained and construction starts (12-month rolling period)



Sources : SDES

Investment volumes

Key figures – Traditional and managed residential properties



	2025	2024	Trend
Investments			
Investment volumes in residential real estate in France	€4.2 B	€3.5 B	▲
Number of transactions ≥ €50 M	12	12	▶
Share of transactions ≥ €50 M	47 %	26 %	▲
Share of portfolios	34 %	13 %	▲
Share of foreign investors	33 %	11 %	▲
Share of volume invested in the Greater Paris Region	55 %	78 %	▼
Share of volume invested in traditional residential	65 %	84%	▼
Share of volume invested in managed residential	35 %	16%	▲

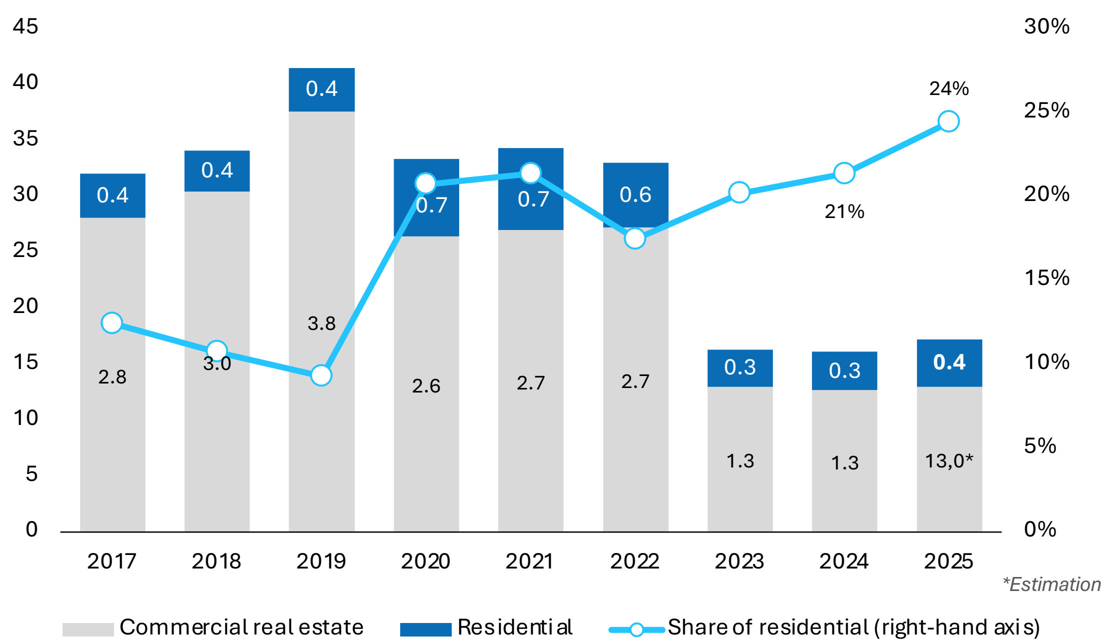
Source : Newmark

Confirmed rebound in the residential market

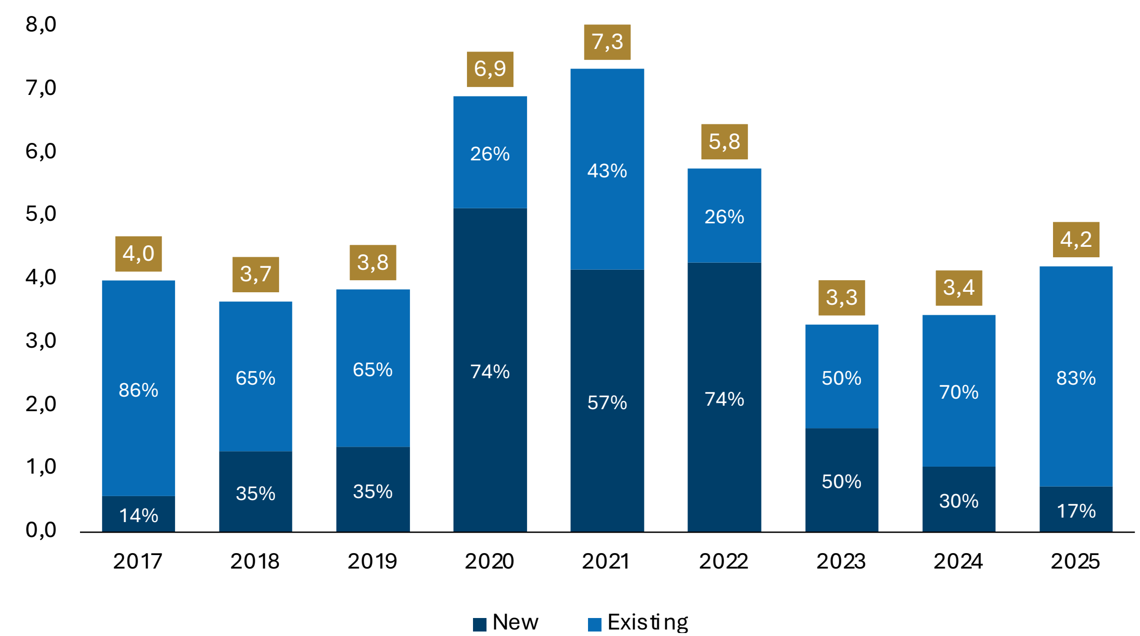
Total investment in the residential market (traditional and managed) in France is expected to reach €4.2 billion in 2025, compared with an average of €5.3 billion over the last five years, representing an increase of 22% compared with 2024. **The residential sector has therefore gained ground in real estate asset allocation**. Growing for the third consecutive year, its share of investments in France (excluding hotels and healthcare) reached **24%, a record level**.

Existing properties are proving to be the driving force behind the residential market: with €3.5 billion invested in 2025, this market sector has seen a 45% increase over one year and accounts for 83% of all sums invested in residential real estate. Conversely, **investment in new construction continues to contract**, totaling only €730 million in 2025, the lowest level since 2017. Activity in new construction has mainly focused on managed residential programs, particularly student housing, which is one of the few sectors offering depth and operational clarity. In recent years, new construction has been in a prolonged slump, with fewer new programs being launched, limiting the supply available for investment. In this context, **a rapid recovery seems unlikely, particularly given the expected impact of the 2026 municipal elections.**

Share of residential real estate in investment volumes in France, all asset types*, in billions of euros



Investment volumes in residential property in France by property condition, in billions of euros



Sources : Newmark / Immostat / RCA / *Commercial real estate (offices, retail, industrial).

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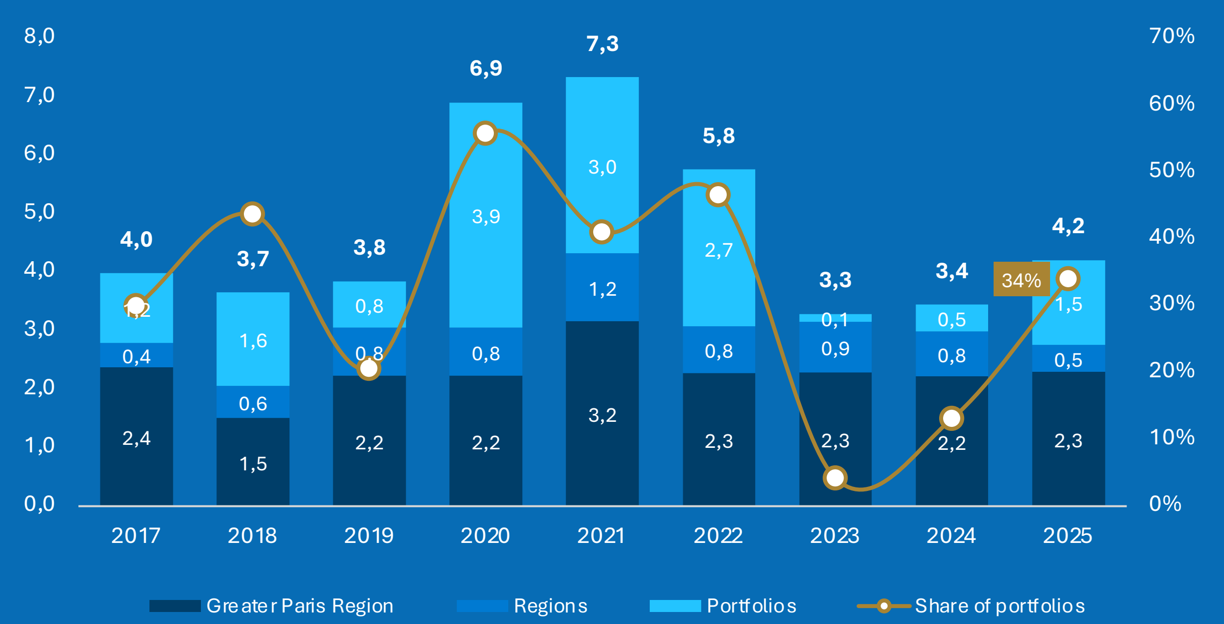
The Greater Paris Region accounts for more than half of total investment

The increase in volumes in 2025 is mainly due to strong portfolio sales. After two sluggish years, portfolios have re-established their leading role, accounting for **34% of the sums invested in the French residential market**, compared with 4% in 2023 and 13% in 2024. These portfolios mainly concern the managed residential sector, as illustrated by Gecina's sale of the "YouFirst Campus" portfolio to Nuveen for €567 million. The French residential market also benefited from the **upturn in activity in the Greater Paris Region**, which, with €2.3 billion in 2025, captured 55% of the amounts invested in France in 2025 (compared to an average of 46% over the last five years). On the other hand, **the regions saw a slowdown**, with investment volumes at their lowest since 2017.

Investment volumes in residential properties, traditional and managed
Geographical breakdown in billions of euros



Geographic breakdown of residential investment volumes in France

5-year average		2025
46 %	Paris / Greater Paris Region	55 %
16 %	Regions	11 %
38 %	Portfolios	34 %

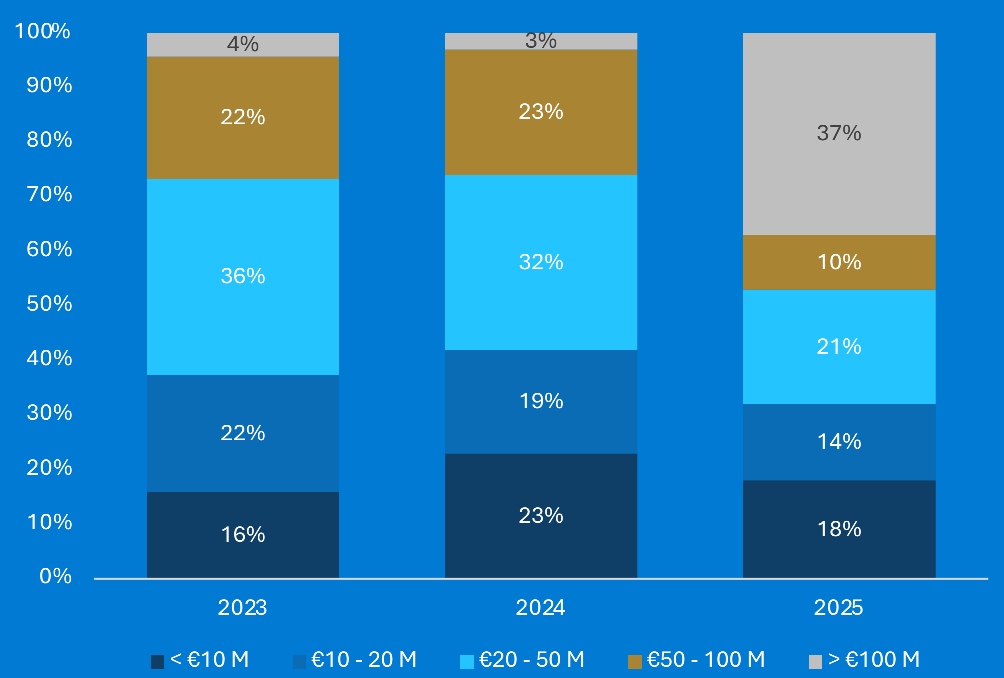
Sources : Newmark, Immostat, RCA

Fewer transactions, but more large transactions

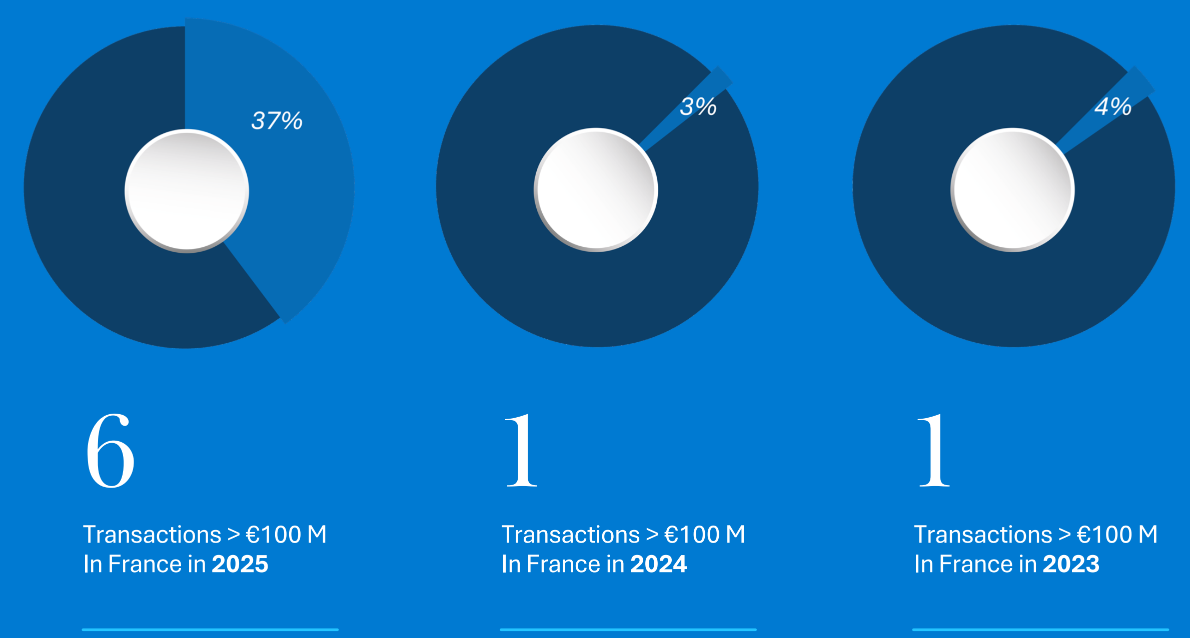
One of the highlights of 2025 was the strong performance of very large transactions. **Six deals exceeding €100 million were recorded last year**, compared with just one in 2023 and one in 2024. In addition to the "Chirac block" (formerly the "Branly block" in Paris' 7th arrondissement), these transactions involved five national portfolios (YouFirst Campus, Nexus, France Campus, Emeis, and Camplus), **mostly in the managed residential sector**.

These six transactions exceeding €100 million accounted for 37% of the amounts invested in 2025 and therefore contributed significantly to the overall positive performance of the residential market last year.
On the other hand, the total number of transactions, all sizes combined, fell by more than 10% (251 in 2025 after 282 in 2024). This decrease is mainly due to **lower liquidity and increased selectivity in the medium-sized transaction category**. Only six transactions were recorded in the €50-100 million category, compared with 11 in 2024 and 10 in 2023. **Transactions between €20 and €50 million also decreased in number and volume**, with around 30 sales totaling nearly €900 million.

Investment volumes in France, broken down by amount category



Share of transactions > €100 million out of total amounts invested in France



Sources : Newmark / ImmoStat / RCA

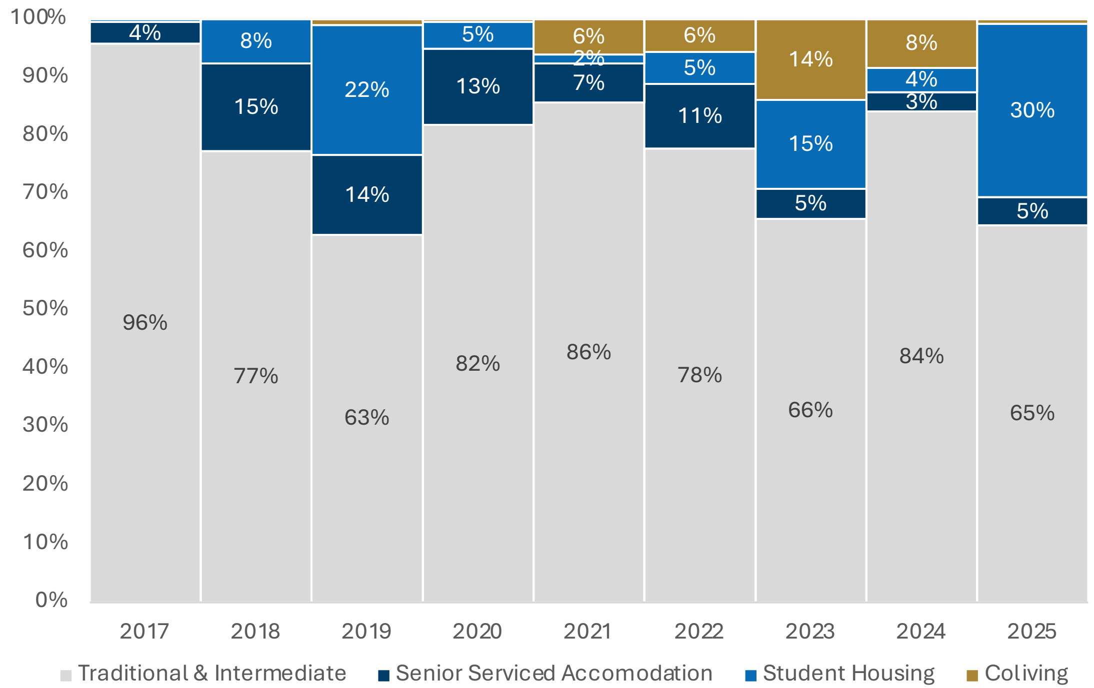
A record year for managed residential properties

The **share of managed properties** in residential investment in 2025 (35%) is **at its highest since 2019**. This performance is mainly due to the success of student serviced accommodation, which posted both record volume (€1.25 billion) and market share (28%) on account of 12 transactions, including four portfolio deals.

The appeal of student serviced accommodation contrasts with the low level of activity recorded in the coliving (€34 million) and senior serviced accommodation (€202 million) sectors, **whose fundamentals currently appear less robust than those of student housing**.

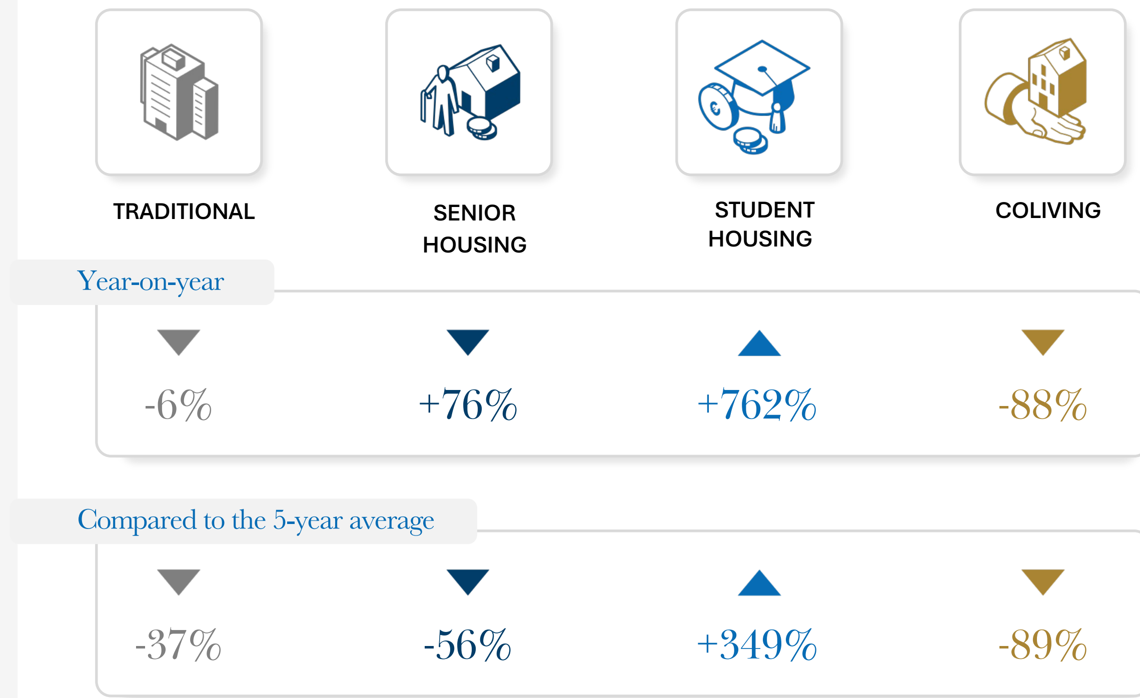
In total, the volume invested in the French managed residential market reached nearly €1.5 billion, **slightly exceeding the previous record set in 2019**. The trend was less favorable in the traditional residential market, with just over €2.7 billion invested in 2025. This amount, slightly lower than in 2024 by 6%, is down 37% compared to the average for the last five years.

Volumes invested in France, breakdown by asset type



Sources : Newmark / RCA, ImmoStat

Investment volumes in France by asset type



Sources : Newmark / RCA, ImmoStat

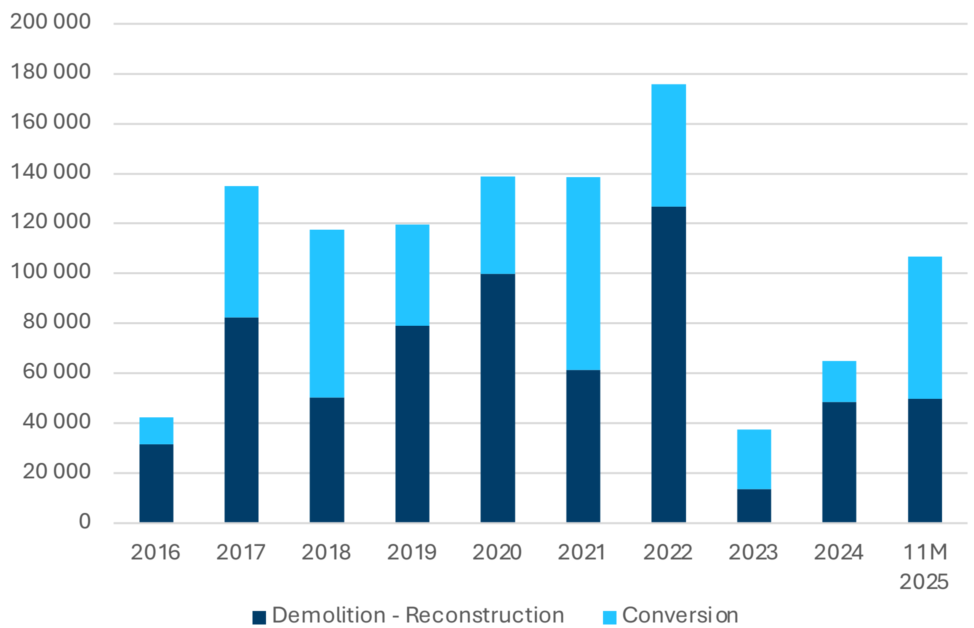
Rebound in the conversion of offices into housing

Traditionally, for technical and financial reasons, the conversion of offices into housing has been carried out less through the transformation of existing buildings than through demolition and reconstruction. However, the growing focus on environmental issues seems to be having a tangible impact, with a **sharp increase in the number of conversion projects launched in 2025** in the Greater Paris Region.

Taking into account all types of office-to-housing conversions (demolition/reconstruction and conversion), the number of projects launched increased significantly in 2025 compared to 2023-2024. However, these conversions remain **below the levels observed between 2020 and 2022**, when the market context was more favorable to off-plan sales.

Among the most significant recent launches are Hines' conversion of the Liberté 2 building into the "Aparto" student housing property in Charenton, Icade's conversion of part of City Park in Levallois into student housing, and Kaufman & Broad's conversion of the former Gefco headquarters in Courbevoie.

Office space (> 1,000 sq m) converted into housing
Construction projects started in the Greater Paris Region (in sq m)



Source : Newmark, Sitadel

Examples of office buildings acquired for conversion into housing (traditional or managed) in the Greater Paris Region in 2025

BUILDING / ADDRESS	CITY	SELLER	BUYER	AREA SQ M
Tour Beside	Puteaux (92)	Left Bank	ADIM	13,000 sq m
Newside	La Garenne-Colombes (92)	CNP Assurances	FTI	18,000 sq m
62 rue Louis Blériot	Boulogne-Billancourt (92)	OFI Invest	Mark / Eternam	4,900 sq m
Astrée	Montrouge (92)	BNP Paribas Reim	Bouygues Immobilier / CDC	4,500 sq m
20 rue des Pavillons	Puteaux (92)	Amundi	Mirabeau AM / LNC	7,800 sq m
14 av. des Olympiades	Fontenay-sous-Bois (94)	La Française Rem	FTI	4,500 sq m
36 rue de Vouillé	Paris 15	Pro BTP	City of Paris	4,100 sq m
59 rue Marius Aufan	Levallois-Perret (92)	TotalEnergies	Bouygues Immobilier / Sogelym	4,750 sq m
34 rue Baudin	Issy-les-Moulineaux (92)	Immobel	Bouygues Immobilier	3,400 sq m

Source : Newmark

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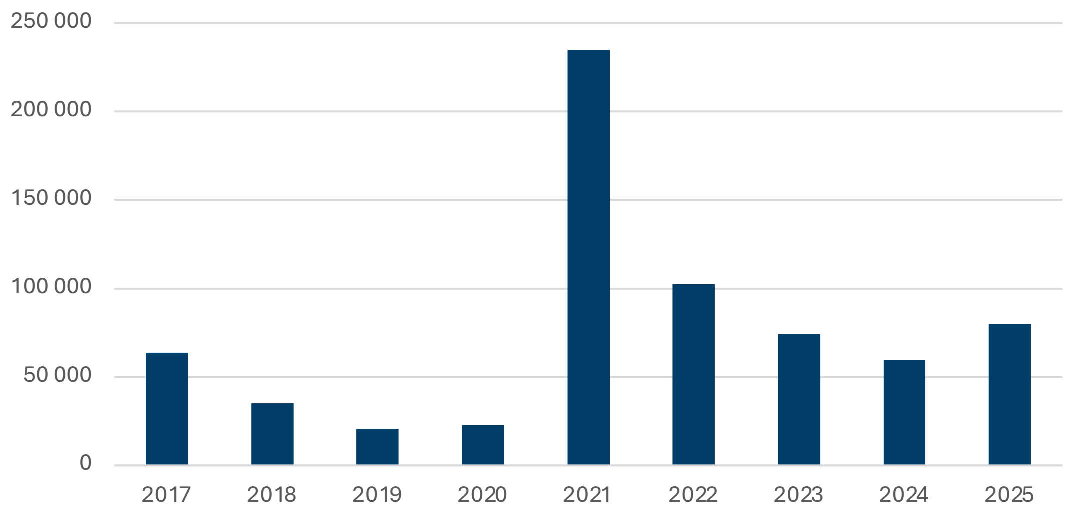
Projects concentrated in the Western Crescent

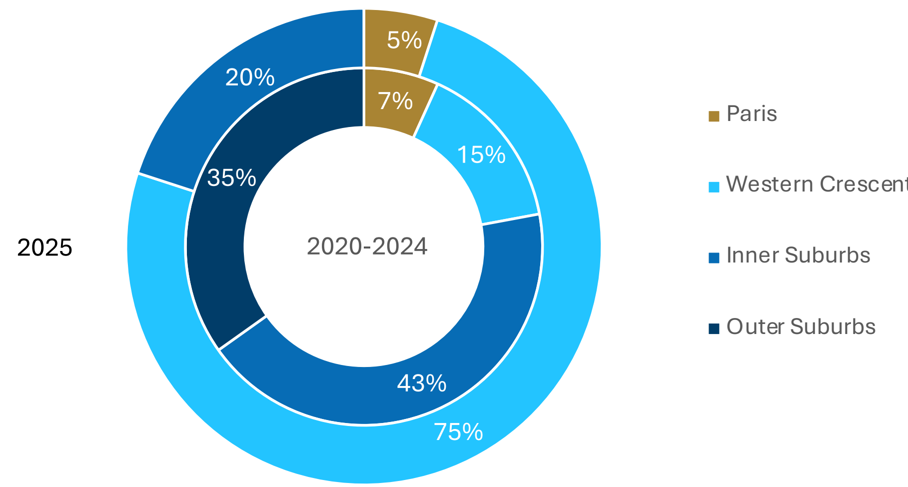
With a slight increase in 2025, acquisitions of office space intended to be replaced by housing are primarily concentrated in the Western Crescent. This sector therefore **accounted for three-quarters of the volume invested in assets to be converted into housing in 2025, far ahead of the Inner Suburbs**. The towns in the Péri-Défense area are particularly sought after: they generally have high office vacancy rates and relatively high housing prices, which makes it easier for developers to break even. Managed residential properties (mainly Senior Serviced Accommodation and co-living) are the preferred format for conversion projects, accounting for 53% of housing starts in the Greater Paris Region since 2020. In Paris, the conversion of offices into hotel accommodation has traditionally been the preferred option. However, there has been a sharp slowdown in this phenomenon since 2024, in line with the new restrictions of the bioclimatic local urban town plan ("PLU") regulations. On the other hand, **the trend towards converting public premises into social housing (traditional or student housing) is accelerating**. Some of these projects involve office buildings vacated by public administrations, such as the project to convert 20-22 rue Geoffroy Saint-Hilaire (Paris 5th) into around 50 family homes.

Office space acquired for conversion into housing in the Greater Paris Region, in sq m



Source : Newmark

Geographical breakdown of investment volumes in offices to be converted into housing in the Greater Paris Region



Source : Newmark

Spotlight on traditional residential property in the Greater Paris Region

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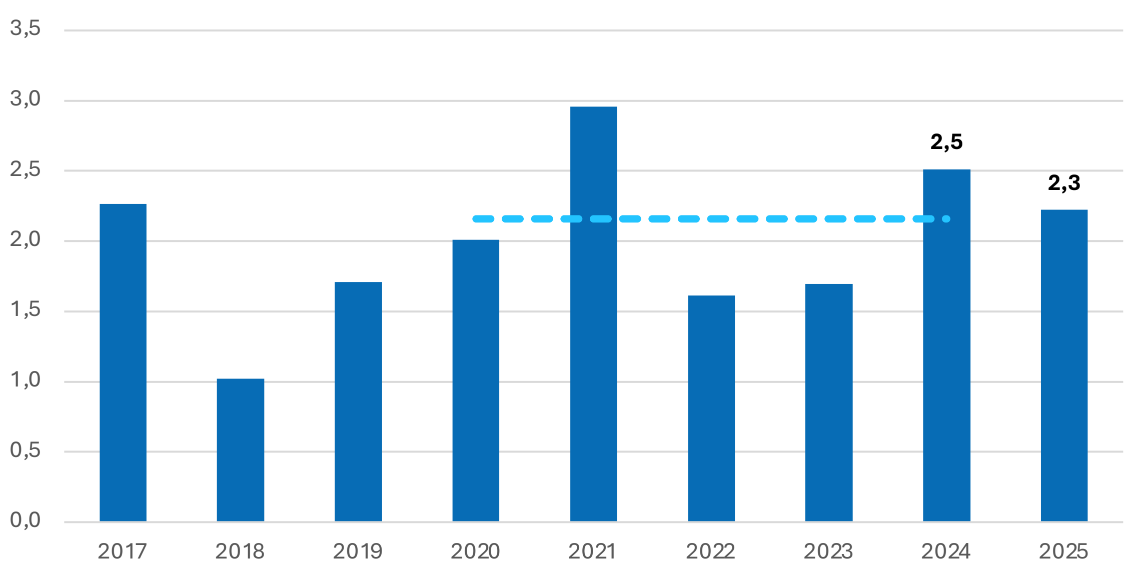
Paris accounts for a very large share of activity

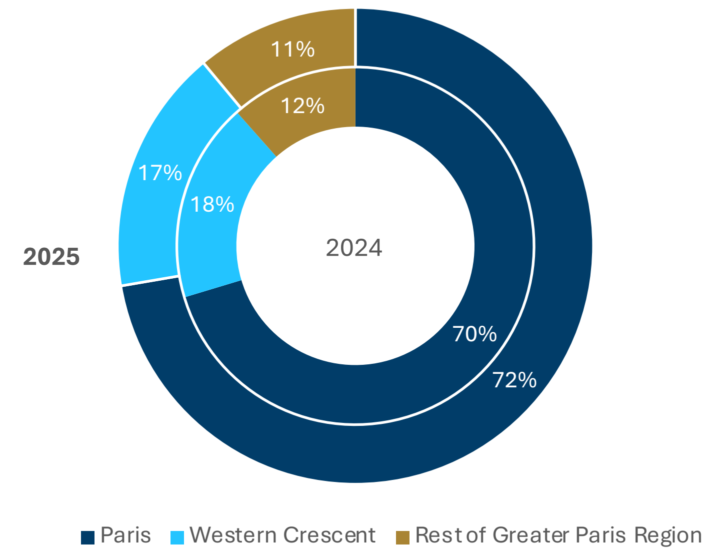
Nationwide, investment in traditional residential property totaled €2.7 billion in 2025, slightly down on 2024 (-6%). With €2.3 billion, **the Greater Paris Region accounted for 86% of the total amount invested in France.** Activity fell by 7% year-on-year but remains 8% higher than the average for the last five years. Paris dominates the Greater Paris market. **The capital accounts for 72% of the sums invested in the region**, a share inflated by numerous acquisitions by the City and social landlords in several arrondissements (12th, 20th, etc.). The Paris market was also buoyed by several sales over €20 million to predominantly French investors (short-term, private, and institutional operators) in some of the capital's most expensive neighborhoods (7th, 8th, 16th, etc.). **The western part of the Greater Paris Region is also attractive,** with several significant transactions recorded in the Hauts-de-Seine department (22-24 Boulevard d'Inkermann and 58 Boulevard Victor Hugo in Neuilly-Sur-Seine, 60-72 Avenue Paul Doumer in Rueil-Malmaison, etc.).

Investment volumes in traditional residential real estate in the Greater Paris Region

In billions of euros



Geographical breakdown of investment volumes in traditional residential real estate in the Greater Paris Region



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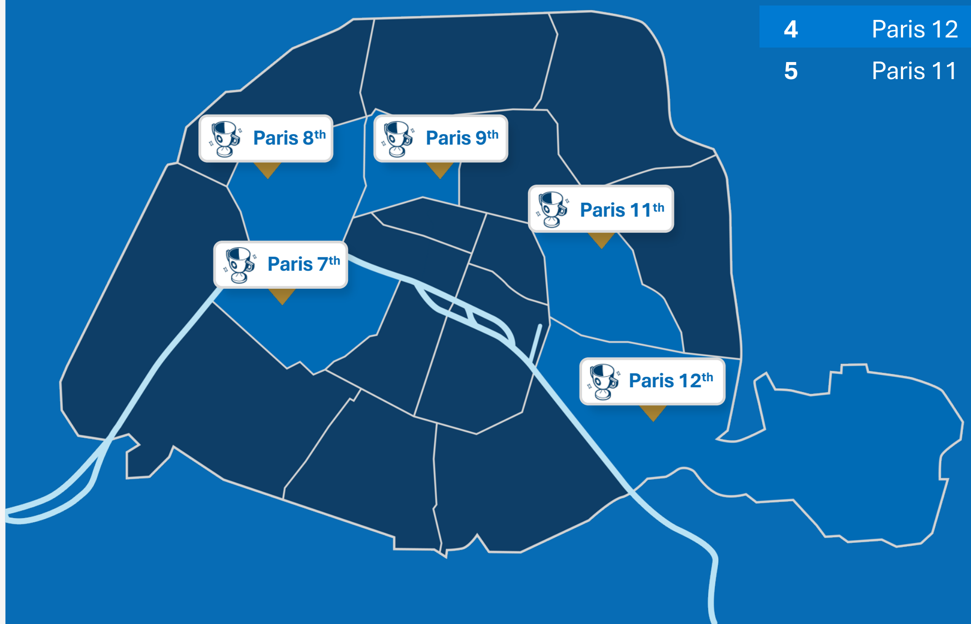
Top 5 in Paris and the Greater Paris Region

Traditional residential investment in the Greater Paris region in 2025 – Share of each city/arrondissement in the total amount invested

TOP 5 - PARIS

1	Paris 7	10%
2	Paris 9	7%
3	Paris 8	7%
4	Paris 12	6%
5	Paris 11	5%



TOP 5 – OUTSIDE PARIS

1	Neuilly-sur-Seine (92)	4%
2	Rueil-Malmaison (92)	3%
3	Bois-Colombes (92)	2%
4	Levallois-Perret (92)	1%
5	Vanves (92)	1%

Sources : Newmark / RCA

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Significant transactions – Traditional residential in the Greater Paris Region

2025 examples

Building / Address	City	Seller	Buyer	Total Area sq m	Amount
Nexus Portfolio*	France	Ampère Gestion	Tikehau	78,000 sq m	> €100 M
Chirac block (formerly the Branly block)	Paris 07	Private investors	Eric Sitruk / Thomas Fabius	10,622 sq m	> €100 M
24-26 rue Sibuet	Paris 12	Gecina	City of Paris	10,700 sq m	€50-100 M
59 rue de l'Assomption	Paris 16	OFI Invest	CDC II	6,481 sq m	€50-100 M
42-52 & 58-60 rue de la Py	Paris 20	Gecina	City of Paris	8,800 sq m	€50-100 M
14 Passage Sainte-Anne Popincourt	Paris 11	Generali	CDC 2I	6,200 sq m	€50-100 M
Square d'Orléans | 80 rue Taitbout**	Paris 09	BNP (PFA)	Baumont / Picture AM	14,000 sq m	€20-50 M
72 avenue Paul Doumer	Rueil-Malmaison (92)	Gecina	ACM	5,500 sq m	€20-50 M
16-20 rue Quincampoix	Paris 04	Pimco	Kerria AM	4,186 sq m	€20-50 M
18-20 rue Sibuet	Paris 12	Gecina	Paris City Hall	4,600 sq m	€20-50 M
58 boulevard Victor Hugo	Neuilly-sur-Seine (92)	Icade / Artbridge	AG2R La Mondiale	2,938 sq m	€20-50 M
35 avenue de Suffren	Paris 07	Axa	Barings	2,202 sq m	€20-50 M
51 rue de Monceau	Paris 08	Private investors	Freo	1,800 sq m	€20-50 M
22-24 boulevard d'Inkermann	Neuilly-sur-Seine (92)	Private investors	Herrmann	2,321 sq m	€20-50 M
24 boulevard Poissonnière	Paris 09	OFI Invest	RIVP	3,622 sq m	€20-50 M
84 rue Charles Laffitte	Neuilly-sur-Seine (92)	Private investors	Abenex	2,794 sq m	€20-50 M
111-113 avenue de Fontainebleau	Le Kremlin-Bicêtre (94)	Ampère Gestion	Valophis	4,909 sq m	€20-50 M
45 rue de Lisbonne	Paris 08	OFI Invest	Agarim	1,815 sq m	€20-50 M
5 rue Edouard Fournier	Paris 16	Private investors	Alvarium Osesam	1,828 sq m	< €20 M
54 rue de Ponthieu	Paris 08	AG2R	Caso Patrimone	1,767 sq m	< €20 M
24 rue de Surène	Paris 08	Private investors	Hestia IM	1,396 sq m	< €20 M

Source : Newmark

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

**National portfolio comprising assets in the Greater Paris Region / **mixed-use assets (estimated volume attributable to residential)*

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A market dominated by public players and operators with short-term strategies

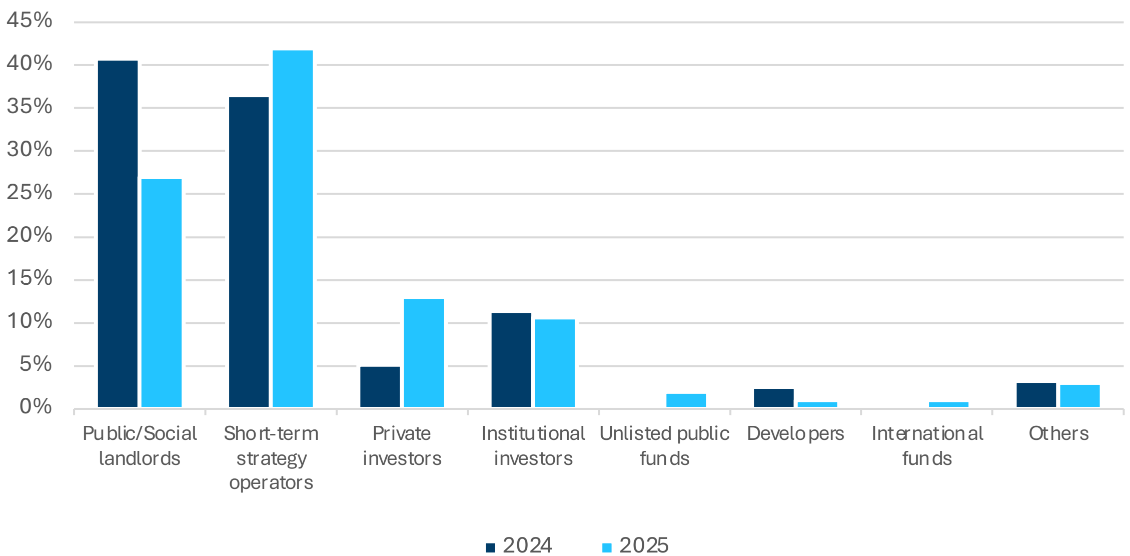
Investment in traditional residential property in the Greater Paris Region was clearly dominated in 2025 by domestic players, who were often able to commit equity with a view to creating value (private investors) or over the very long term (City of Paris and social landlords, institutional investors). **Private investors were active in transactions that very rarely exceeded €20 million**. The acquisition of the "Chirac block", the largest transaction of the year involving traditional residential property, was a notable exception.

Operators with a short-term strategy, taking advantage of the discount between block prices and individual sales, **were the main drivers of the market**, accounting for 42% of the amounts invested in the Greater Paris Region. Institutional investors, for their part, signed a few large transactions (CDC II in Paris, ACM in Rueil-Malmaison, AG2R La Mondiale in Neuilly, etc.). Finally, public players remained important market participants, with a share of nearly 30% (see pages 24-27).

However, economic and political uncertainties seem to be weighing on the activity of **foreign investors, who were virtually absent from the acquisition** market. This is also the case for **public funds** (SCPI, OPCI), which favor asset classes offering better returns or other European countries.
On the **seller** side, there are three types: private sellers (whose share is inflated by the sale of the Ilot Chirac), institutional sellers, and listed real estate companies (notably through sales by Gecina).

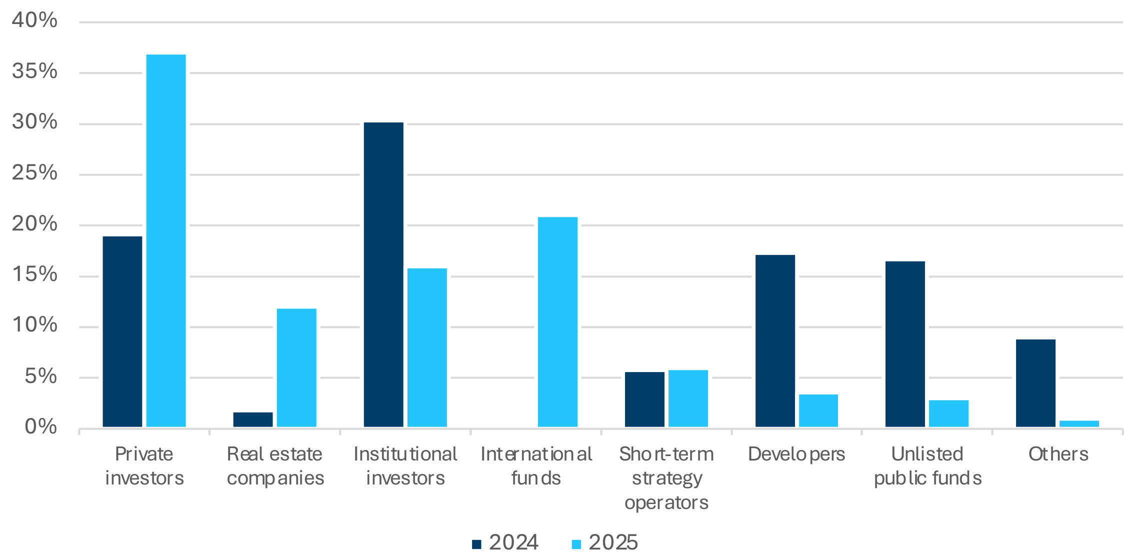
Investment volumes by buyer type

% share, traditional residential in the Greater Paris Region (excluding national portfolios)



Investment volumes by seller type

% share, traditional residential in the Greater Paris Region (excluding national portfolios)



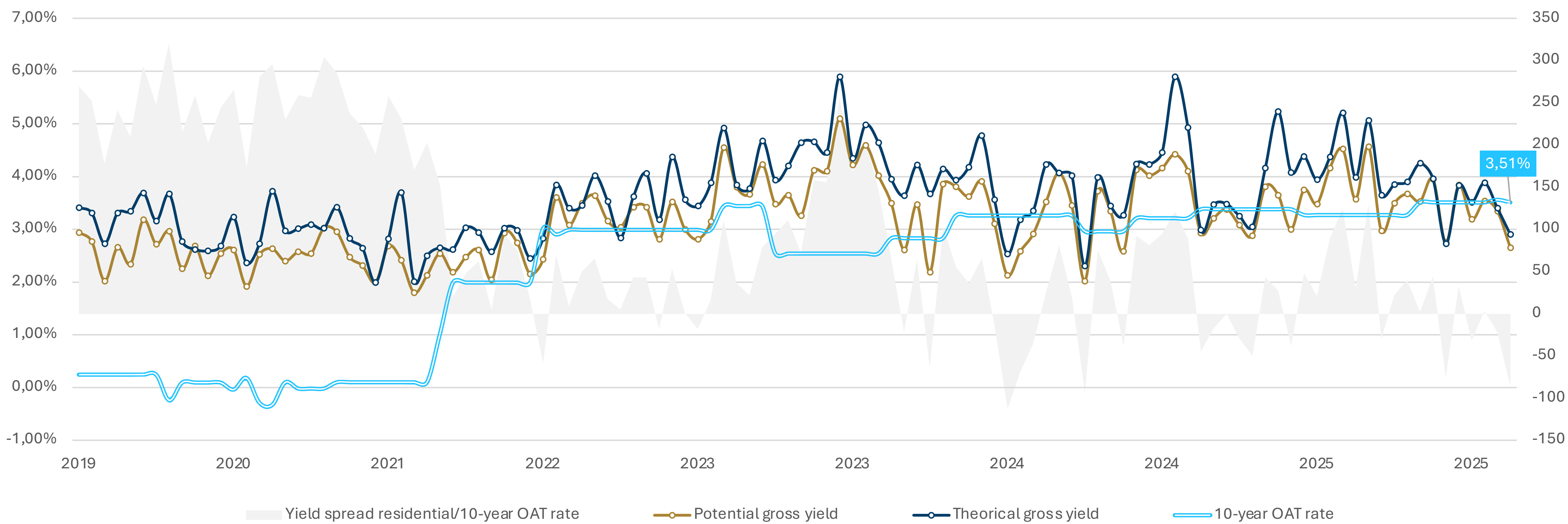
Sources : Newmark / RCA

An asset class that is mostly uncorrelated with OAT rates

Between 2019 and 2022, Newmark analyzed 37 residential asset sales in Paris totaling €850 million. These transactions show an average gross potential yield of 2.48%.

The same exercise was carried out for 2023-2024 based on a sample of 50 transactions totaling €1.5 billion, revealing an average yield of 3.40%. In 2025, while the OAT rate remained broadly stable at around 3.50%, an analysis of 25 transactions totaling €466 million shows an average rate of 3.50%, **an increase of nearly 100 basis points compared to the 2019-2022** period and **a similar level to the 2023-2024** period.

Change in prime yields (%)



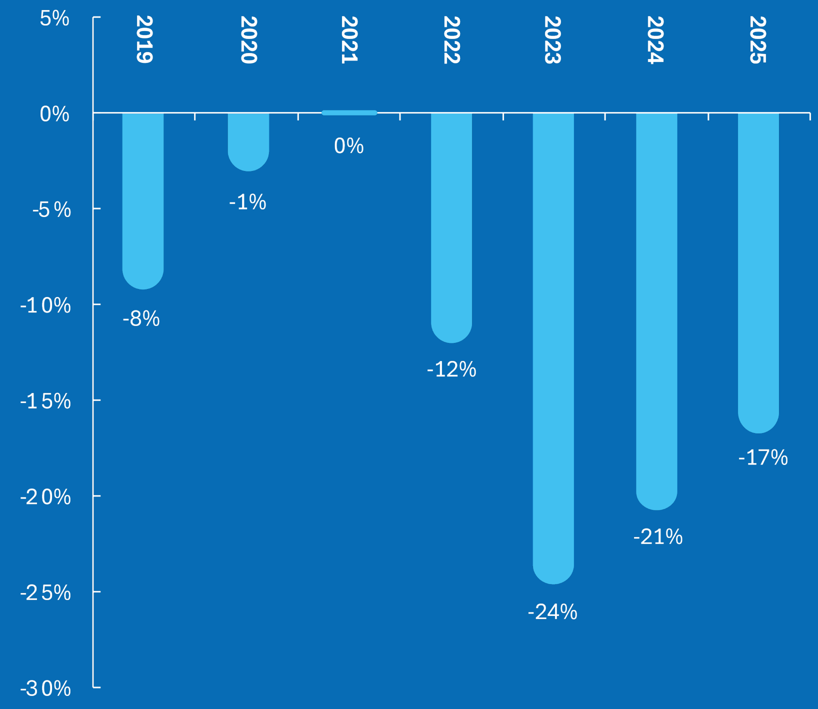
Sources : Newmark / Banque de France

Significant block discount persists

In the Paris real estate market, discount levels have fluctuated significantly since 2019: after a gradual decrease just before and during the Covid-19 pandemic (when a "block premium" even started to appear on certain transactions), 2023 and 2024 saw a sharp return to block discounts. However, after peaking at 24% in 2023 and then falling slightly in 2024 (21%), **the average block discount in Paris and the Hauts-de-Seine department fell again in 2025 to 17%.** Sometimes substantial, it can vary **greatly from one transaction to another**.

Block sales of residential buildings in Paris and Hauts-de-Seine in 2025 show metric prices ranging from €5,000/sq m to just over €15,000/sq m.

Average block discount in Paris and the Hauts-de-Seine department



Scope of analysis

115

Transactions in Paris and the Hauts-de-Seine

With a total volume of **€2.8 B**

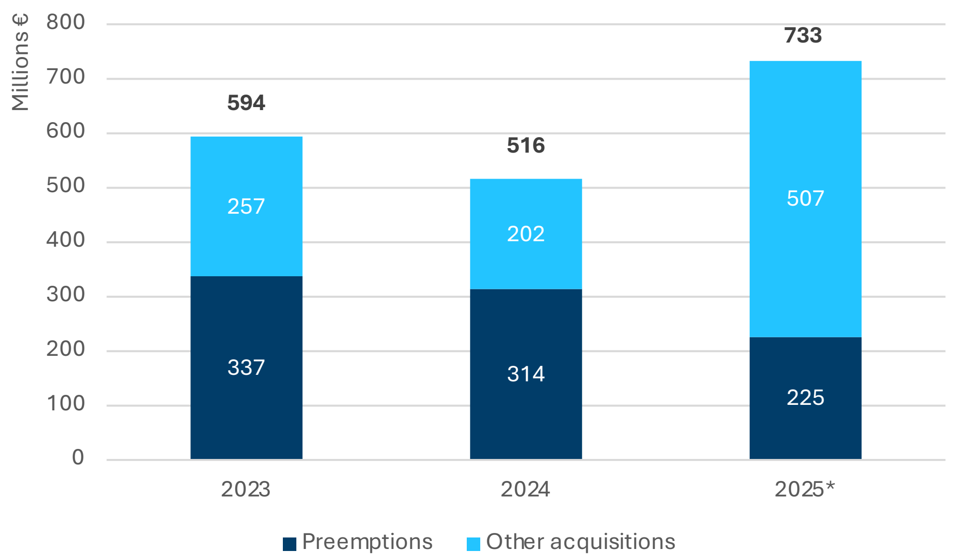
Sources : Newmark

More than €1.8 billion for public housing in Paris

In 2025, public players (the City of Paris and social landlords) remained **the leading players in the block sales market in the French capital**, with more than €730 million invested or in the process of being acquired (preemptive rights and acquisitions). **This brings the total amount spent by the City and its landlords since 2023** to produce social and affordable housing in Paris to more than €1.8 billion.
While new construction and the conversion of existing housing continue to slow down, acquisitions and preemptions within the private housing stock will remain the City's preferred means in 2026 to move closer to its goal of 40% public housing by 2035. Although this target will be difficult to achieve (it would require the creation of nearly 6,000 social housing units per year, compared to less than 2,700 in 2024), the City of Paris is maintaining its heavy investment in social housing with €800 million earmarked in the initial budget. However, the upcoming municipal elections (March 15-22, 2026) make the situation more uncertain. **In the event of a change in the municipal executive, housing policy could take a completely different direction**, with some candidates announcing their intention to stick to the 25% social housing target in the capital and give priority to affordable housing rather than social housing.

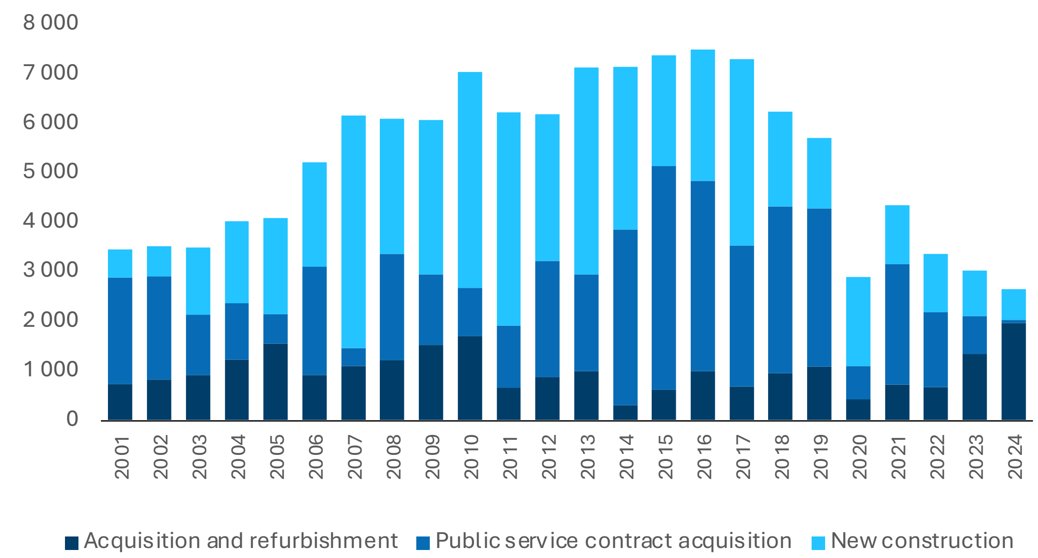
Amounts invested by the City and social housing landlords in Paris

*Acquisitions and preemptions**



Change in the number of social housing units financed in Paris

Per year and by funding category



*Sources : Newmark / City of Paris / *Transactions completed and in progress*

Source : City of Paris, processing by Paris Urban Planning Office

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Examples of housing acquisitions and preemptions in Paris

By the City of Paris and social landlords, in 2024 and 2025

Type	Address	Arrond.	Seller	Buyer	Area SQ M	Net price €
Acquisition	25-31 avenue du Docteur Arnold Netter	Paris 12	OFI Invest	RIVP	15,730	€50 - 100 M
Acquisition	24-26 rue Sibuet	Paris 12	Gecina	RIVP	9,845	€50 - 100 M
Acquisition	42-52 / 58-60 rue de la Py	Paris 20	Gecina	RIVP	8,570	€50 - 100 M
Acquisition	82-84 rue Balard	Paris 15	CNP	Paris Habitat	6,490	€20 - 50 M
Acquisition	18-20 rue Sibuet	Paris 12	Gecina	RIVP	4,635	€20 - 50 M
Preemption	38-40 avenue des Gobelins	Paris 13	Allianz	RIVP	4,380	€20 - 50 M
Preemption	24 boulevard Poissonnière	Paris 9	OFI Invest	RIVP	3,620	€20 - 50 M
Acquisition	29-33 rue de Buzenval	Paris 20	CNP	Paris Habitat	3,580	€20 - 50 M
Preemption	22 rue Jean Daudin / 40 rue Lecourbe	Paris 15	BMF	RIVP	2,400	€20 - 50 M
Preemption	155 boulevard Saint-Germain	Paris 6	Private investors	Paris Habitat	1,290	< €20 M
Preemption	127 rue du Faubourg Saint-Antoine	Paris 11	Private investors	City of Paris	3,510	< €20 M
Preemption	121-123 rue Didot	Paris 14	-	Paris Habitat	3,000	< €20 M

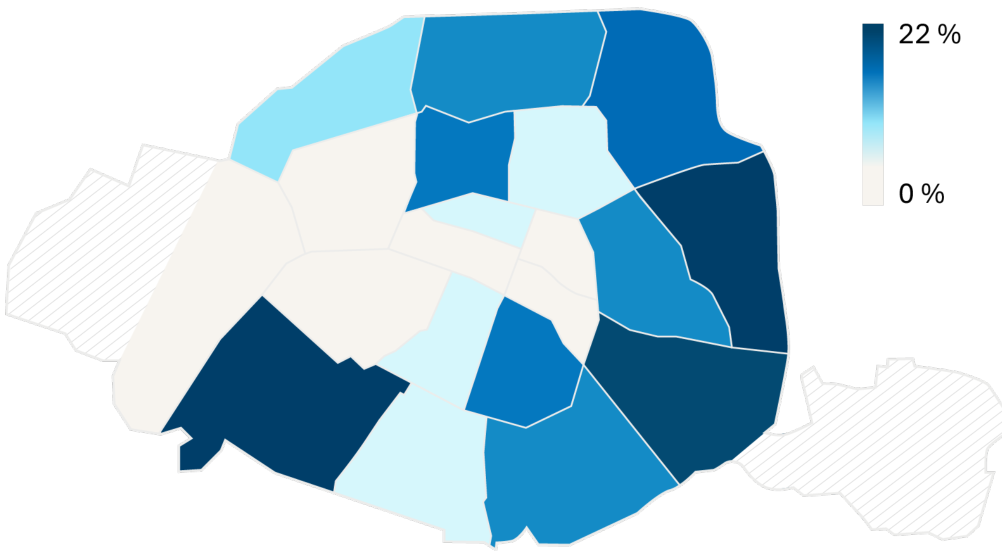
Sources : Newmark / City of Paris

€50 - 100 M | €20 - 50 M | < €20 M

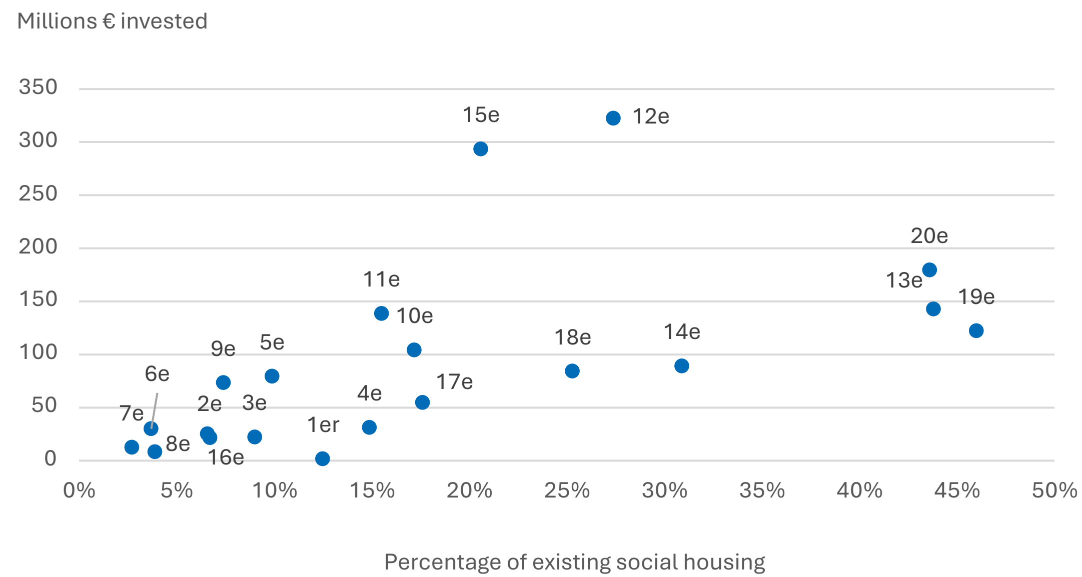
Persistent imbalances

Since 2023, the City and its landlords have accelerated preemptions and acquisitions in certain arrondissements experiencing a shortage of social housing, such as the 10th, 11th, and 15th. However, **their distribution remains very uneven**. The rate of social housing varies from less than 3% in the 7th arrondissement to more than 40% in the 13th, 19th, and 20th arrondissements, where the City is nevertheless continuing to expand its social housing stock. The fact that these are the arrondissements with the lowest metric values naturally facilitates the acquisition of buildings, even if the work involved is often substantial. **The City and its landlords have also remained very active in arrondissements that have achieved equilibrium**, such as the 12th, where some of the most significant projects in recent years have been identified. On the other hand, affordable housing remains underdeveloped, regardless of the arrondissement, despite the needs of the population and the City's announcements that it aims to bring this type of housing to 10% of the capital's housing stock by 2035. It was in this context that the Affordable Housing Fund ("*Foncière du Logement Abordable*") was created at the end of 2024. Its objective is to invest €120 million per year, without targeting any particular arrondissements, as investments will depend on market opportunities. The first acquisitions were made in 2025, such as 31-33 rue Pajol in the 18th arrondissement.

Breakdown by arrondissement of the sums invested (or currently being invested) by the City and social landlords in Paris in 2025



Amounts invested (or in the process of being invested) by the City and social landlords since 2023 and percentage of existing social housing by arrondissement



Sources : Newmark / City of Paris

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Large-scale sales by real estate companies and institutional investors

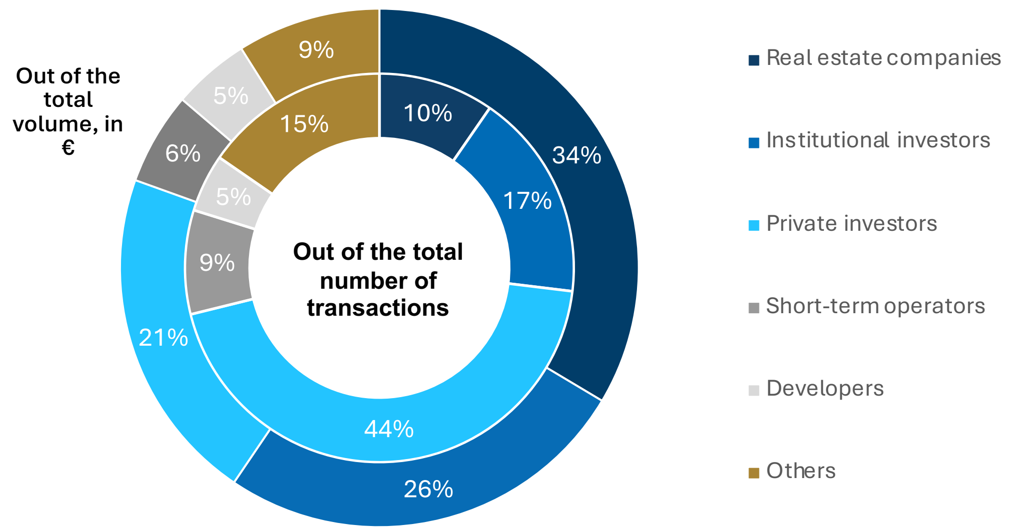
The average size of acquisitions and preemptions recorded between 2023 and 2025 in Paris is relatively modest, at just over €13 million. However, seven transactions of between €50 million and €100 million have been completed or initiated since 2023, including four in 2025. These transactions, which enable the City to achieve its objectives more quickly in terms of creating public housing, include 25-27 avenue du Docteur Arnold Netter (Paris 12th arrondissement) and 42-52 and 58-60 rue de la Py (Paris 20th arrondissement), purchased by RIVP.

While the sellers are **largely private individuals**, the buildings they sell are mostly fairly modest in size, accounting for a significant proportion of the total number of buildings preempted or acquired by the City and social landlords (44% since 2023), but a smaller proportion of the amounts committed (21%).

Conversely, **the share of institutional investors and real estate companies in the total volume is high**, as the buildings they sell are often large, such as those sold by Gecina in 2024 and 2025 (24-26 rue Sibuet, 42-52 and 58-60 rue de la Py).

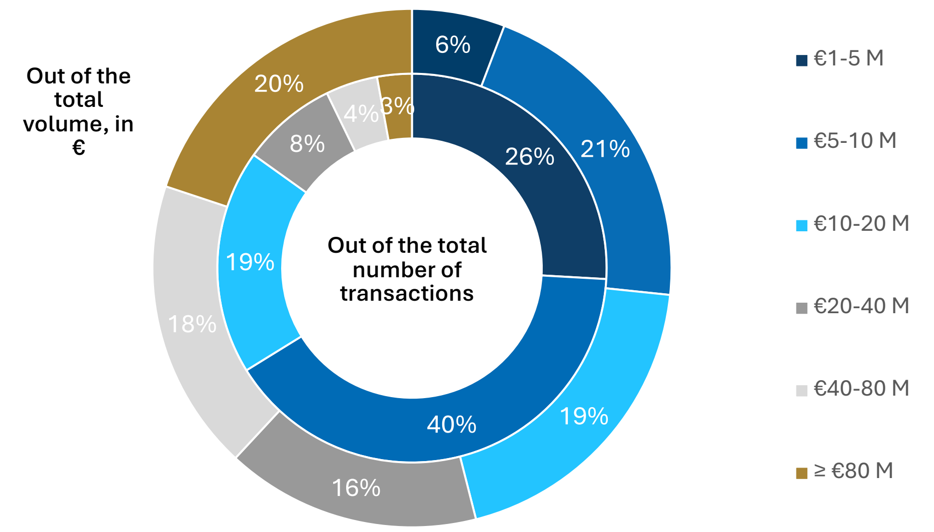
Breakdown of sums invested (or currently being invested) by the City and social housing providers in Paris by type of seller, between 2023 and 2025

Transactions > 1 million euros



Breakdown of sums invested (or currently being invested) by the City and social landlords in Paris by amount bracket, between 2023 and 2025

Transactions > 1 million euros



Sources : Newmark / City of Paris

Spotlight on managed residential property in France

Context and recent trends/developments/changes

Student housing

- Total student enrollment reached **3.04 million** in 2025, representing an annual growth rate of 1.7% over 10 years.
- **Foreign students account for 11% of the student population in France.** Their numbers have grown by 3.3% per year over the past 10 years.
- Only **11 % of students live in student housing** (compared to 33 % living at home).
- **There are 1,400 serviced student residences** in France, providing **183,280 beds**. Since 2021, 62 new student residences have been created each year (providing 6,860 beds).
- There are also **244,000 social housing units for students** in France, with production accelerating (9,000 units financed in 2025 compared to an average of 6,410 between 2014 and 2023).
- **Average rent** for serviced student residences: **€980 in Paris**/€810 in the rest of the Greater Paris Region/€595 in other regions.
- **Main operators** of private student residences: Les Estudines and Studéa.

Coliving

- **Young workers** face **increasing difficulties in accessing housing** in the traditional residential market (insufficient income, short-term contracts, lack of rental guarantees, lack of supply, etc.).
- **Strong growth in the coliving market** in recent years: from a few hundred units in 2018 to **24,000 in 2025.**
- Like serviced student accommodation, co-living is often considered a viable option for **office conversion projects.**
- A **wide range of concepts** of varying sizes (from converted houses to residences with over 100 units).
- Some concepts target **specific groups**: seniors, intergenerational groups, people in difficult circumstances or with disabilities, etc.

Senior housing

- **7.3 million people aged 75+** in France (+2% per year over 10 years / **11% of the population).**
- **1,300 senior housing facilities** totaling **104,000 beds**, with a **sharp increase in supply** in recent years (~100 new facilities created per year).
- Average age of admission: 80 years / **Median age of residents : 86 years.**
- Average retirement pension of residents: €2,140 (vs. €1,540 net for all retirees). **Senior Serviced Accommodation is aimed more at the wealthy retired population**, with the pensions of unmarried/civil partnership residents being 13% higher than those of residents in for-profit nursing homes and 46% higher than those in all categories of nursing homes combined.
- In addition to the private Senior Serviced housing stock, there are **2,180 independent living facilities for low-income seniors** with moderate rents (112,000 beds) often managed by local authorities, CCAS (Community Centers for Social Action) and social landlords. Their occupancy rate is falling (from 94% at the end of 2011 to 84% at the end of 2023).

Sources : Newmark, Xerfi, Sénat, OVE, DREES, MESR/SIES

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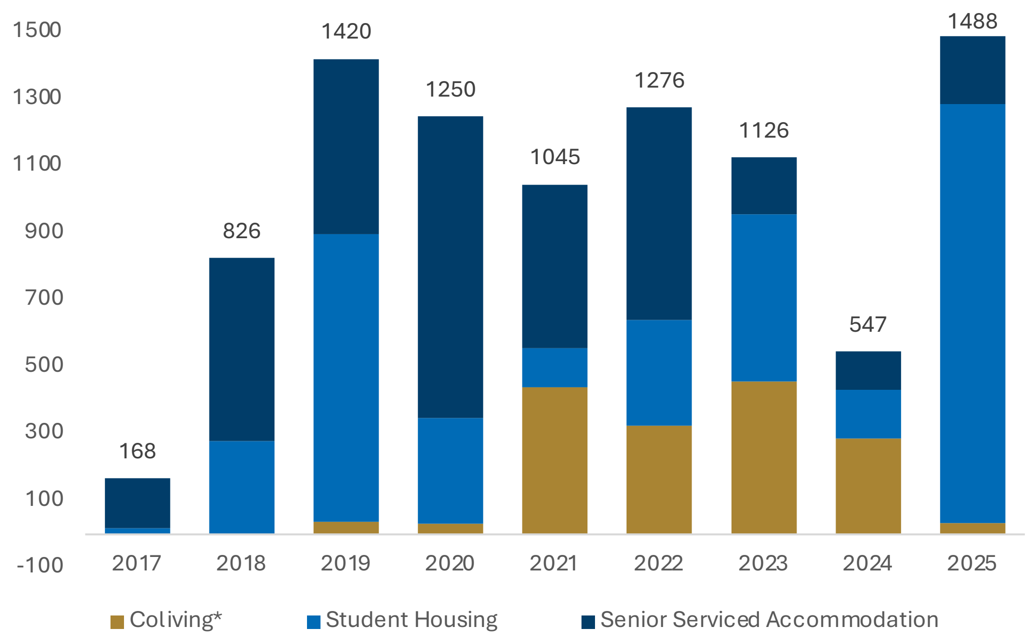
The year of student housing

Investment in the French managed residential market totaled nearly €1.5 billion in 2025, slightly exceeding the previous record set in 2019. **This exceptional performance was mainly driven by investor appetite for student housing**, with 12 transactions totaling more than €1.2 billion. The sale of four national portfolios accounted for 76% of the total amount invested in this market sector: YouFirst Campus (Nuveen and GSA), France Campus (JP Morgan and QuinSpark Investment Partners), Big (Greystar), and Camplus (Invesco and DEA Capital). This contrasts sharply **with the co-living market, which was sluggish in 2025** (€34 million). The model raises questions, as the multiplicity of concepts makes it difficult for investors to understand and occupancy rates do not always meet expectations. Some local authorities (led by Paris) have also expressed their hostility towards co-living, accusing it of circumventing urban planning and rent control regulations. Finally, despite an increase compared to 2024, **investment in senior housing remained relatively low** compared to the 2018-2022 period.

Volumes invested in managed residential properties in France

(Breakdown by managed asset class)



** Including volume of "intergenerational" housing*

Investment volumes in France

	5-year average	2025
Student housing	€279 M	€1,252 M
Coliving	€308 M	€34 M
Senior housing	€462 M	€203 M

Sources : Immostat, RCA, Newmark

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Significant transactions – Managed residential

2025 examples in France

Type	Building / Address	City	Seller	Buyer	Operator	Area sq m	Amount
Student	YOUFIRST portfolio (18 assets)	France	Gecina	Nuveen RE / GSA	Youfirst	≈ 75,000 sq m	> €100 M
Student	France Campus portfolio (6 assets)	France	CBRE IM	JP Morgan AM / QuinSpark Investment Partners	Greystar	≈ 28,000sq m	> €100 M
Senior	Emeis portfolio (16 assets)	France	Emeis	TwentyTwo / Azora Capital	Emeis	83,000 sq m	> €100 M
Student	Portfolio (4 off-plan assets)	France	Various developers	Invesco / DeA Capital	Camplus	22,360 sq m	> €100 M
Student	”Delage” Student residence	Courbevoie (92)	Interconstruction	Hines	Aparto	18,833 sq m	€50-100 M
Student	”Big” portfolio (4 assets)	France	Catella IM	Greystar	Greystar	25,800 sq m	€50-100 M
Student	Rue Tarfaya	Toulouse (31)	Linkcity	Greystar	Greystar	11,648 sq m	€20-50 M
Student	33 boulevard Victor Hugo	Saint-Ouen (93)	Novaxia	EQT Partners	Sergic (Twenty Campus)	4,625 sq m	€20-50 M
Student	“The Place” 19-21 rue Emile Duclaux	Suresnes (92)	Cardinal Promotion	Aberdeen	Cardinal Campus	3,244 sq m	€20-50 M
Student	3 rue Galilée	Ivry-sur-Seine (94)	Noe Reim	The Boost Society	The Boost Society	7,500 sq m	€20-50 M
Student	2-6 rue Alexandre Dumas	Saint-Ouen (93)	Eiffage	Uxco	Uxco	3,000 sq m	€20-50 M
Student	“Arena Campus” 7 rue de Madrid	Schiltigheim (67)	Nacarat	Valority Acquisition	Les Belles Années	8,450 sq m	< €20 M

Source : Newmark

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

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International players dominate the market

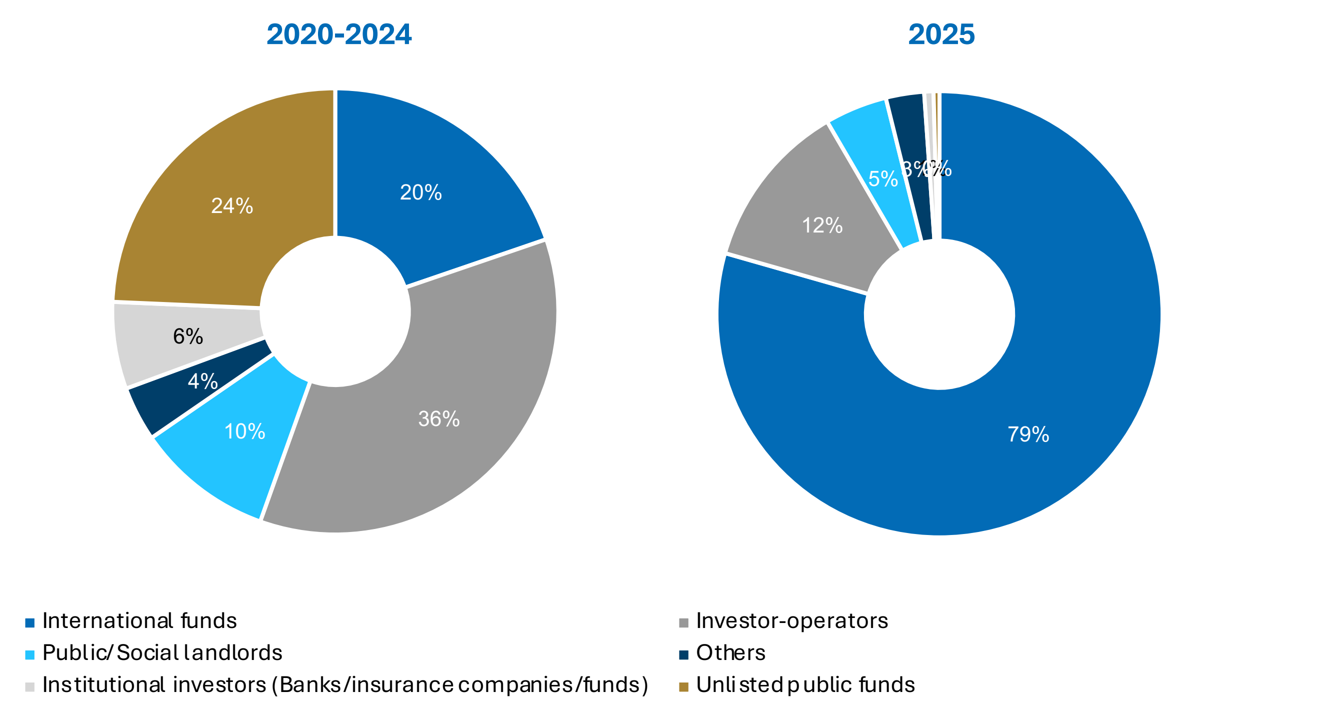
The managed residential market differs from the traditional housing market in that it features a significant presence of international players, whose acquisitions in France are generally part of their **development of pan-European networks**. These players, which are mainly Anglo-Saxon (Nuveen, Global Student Accommodation, Hines, Greystar, etc.) or majority North American-owned (Uxco Group), were **the main players in the managed residential market** (and more specifically in the student housing market) **in 2025**.

In addition to the acquisition of the "YouFirst Campus" portfolio by Global Student Accommodation, which, in partnership with Nuveen, will eventually roll out its Yugo brand, several investor-operators have acquired residences in order to roll out their own brands: Uxco Group (St-Ouen), Greystar (Canvas in Toulouse and the Big portfolio), The Boost Society (Kley in Ivry-sur-Seine), Hines (Aparto in Courbevoie), and the joint venture between Invesco, Italy's DEA Capital, and Banque des Territoires (Camplus portfolio). Other Anglo-Saxon investors have also been active, such as JP Morgan (France Campus portfolio), Aberdeen (Suresnes), and TwentyTwo RE (senior housing portfolio, in association with Spain's Azora Capital).

French investors, meanwhile, have seen their share shrink over the years: they accounted for nearly 80% of the amounts invested in managed residential properties between 2020 and 2024 and **only 21% in 2025**.

While investment in managed residential properties has mainly focused on off-plan sales in recent years, **activity was more balanced in 2025** with, in addition to off-plan sales, acquisitions of existing residences (notably the YouFirst Campus, France Campus, and Emeis portfolios) and recently delivered residences (The Boost Society in Ivry).

Investment volumes in the managed residential market by buyer type, in France



Sources : Newmark, RCA

Outlook

Macroeconomic, political, and regulatory outlook

In 2026, the **economic situation in France** will remain mixed. Unemployment will rise slightly but could fall back in 2027 and 2028. GDP growth, which is still relatively weak, will strengthen slightly in 2026 and 2027 (+1%, after +0.9% in 2025).

Household confidence is likely to remain below its long-term average. The French savings rate is therefore expected to remain high. This could encourage individuals to return to the real estate market in greater numbers if market conditions continue their slow recovery.

Financing conditions are not expected to deteriorate due to controlled inflation and stable ECB deposit rates (~2.00% in 2026) or even fall slightly in the event of an economic slowdown. On the other hand, the risk premium on real estate relative to the 10-year OAT will remain suppressed by political instability and the deterioration of public finances.

This **political instability** is damaging to the real estate industry. It fuels uncertainty in many **legal and tax matters** (status of private landlords, increase in inheritance tax on large estates, transformation of the real estate wealth tax into a tax on unproductive wealth, etc.). Private investment in the residential market could also be affected by the reform of the 150-0 B ter measure, which would reduce the potential for real estate reinvestment.

The housing market is also likely to be impacted by the **municipal elections** in March 2026. Election periods are traditionally low points in terms of permit approvals. However, the current cycle is unusual in that it reached a low point in early 2025 before beginning a slow recovery.

The outcome of the election will also determine whether **rent control policies**, which currently affect 72 local authorities including Paris, will continue. Several recent studies downplay their impact, even highlighting their negative effects on the market.

Regarding the rental market, the **reform of the method for calculating the energy efficiency rating** (“DPE”) from January 1, 2026, would remove 850,000 homes from the category of energy-inefficient properties and could therefore help to ease the rental pressure being felt in large cities.

Sources : Banque de France, Insee

Outlook for the residential investment market

Traditional residential

Due to sellers' wait-and-see attitude, partly linked to political instability, fewer buildings were put on the market in the second half of 2025. **This is expected to limit investment volumes in the first half of 2026**.

In Paris, the significant sums allocated to housing policy by the city will continue to inflate the amounts invested. However, the **outcome of the municipal elections will determine whether this policy** continues, as well as whether the PLUb local urban plan measures promoting the conversion of offices into housing are maintained.

Virtually absent from the traditional residential market in 2025, **international investors** are not showing (at this stage and **with a few exceptions**) **any signs of greater interest** at the start of 2026.

The risk premium for traditional residential property is likely to remain low, which is why investors will continue to **favor value-add**, taking advantage of block discounts. Operators with short-term strategies will therefore continue to drive the market.

Student housing

Student housing will continue to benefit in 2026 from the **appetite of foreign funds and investor/operators** in a core/core+ approach.

This appetite will contribute to the **dynamism of new developments**, with an expected acceleration in the opening of student housing facilities by 2027 (115 new residences for 20,000 beds on an annual basis).

The following points, however, should be noted:

- **social/intermediate housing provision is also accelerating** (creation of 10,000 homes per year until 2030 in France);
- risk of a **reduction in student purchasing power** related to the 2026 finance bill (freezing/abolition of housing benefits or end of other benefits for certain students);
- **structural slowdown in student numbers** in France (+11,800 per year from 2026 to 2030 and stability from 2031 to 2033, compared with +46,800 between 2016 and 2025).

Coliving

With co-living increasingly viewed with suspicion by local authorities, **volumes will remain low in 2026.**

The Paris City Council recently voted in favor of a resolution affirming its “*rejection of co-living projects, deemed incompatible with its housing and urban planning policy*.” Other cities also perceive co-living as a product reserved for the wealthiest and **circumventing rent controls.**

Another complaint raised is that the multiplicity of legal statuses and contractual arrangements (serviced accommodation, hotel accommodation, furnished shared accommodation, civil leases, etc.) would allow co-living to **circumvent urban planning regulations.**

The very use of the term “coliving” could be phased out to avoid resistance from public authorities. **The acceptability of projects in large cities will certainly increasingly depend on the integration of social and societal** aspects (intergenerational, inclusive concepts, etc.).

Senior housing

In 2025, the only transactions that took place were opportunistic (real estate and business with a change of operator or a sharp increase in the yield applied), which explains why **many marketing efforts were unsuccessful.**

Volumes are expected to remain low in 2026. This will limit **the opening of residences** in the coming years despite significant demographic potential (2.8 million seniors losing their independence in 2050 compared to 2 million in 2021).

The model remains **constrained by its “in-between” nature**: seniors and their families generally prefer to remain at home as long as assistance is available. This is also the case for the government, for budgetary reasons.

On the other hand, **nursing homes become necessary if health issues become too significant**, even though this sector suffers from significant recruitment difficulties.

Sources : Newmark, MESR-SIES

FOR ADDITIONAL INFORMATION:

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