

Paris Mapped: Charting the best performing & up-and-coming areas across prime Paris

Prime residential property prices in Paris rose by 6.4% in 2019, says Savills, up from 4.5% in the previous year to out-perform most other prime global cities.

• By PrimeResi • 9th March 2020

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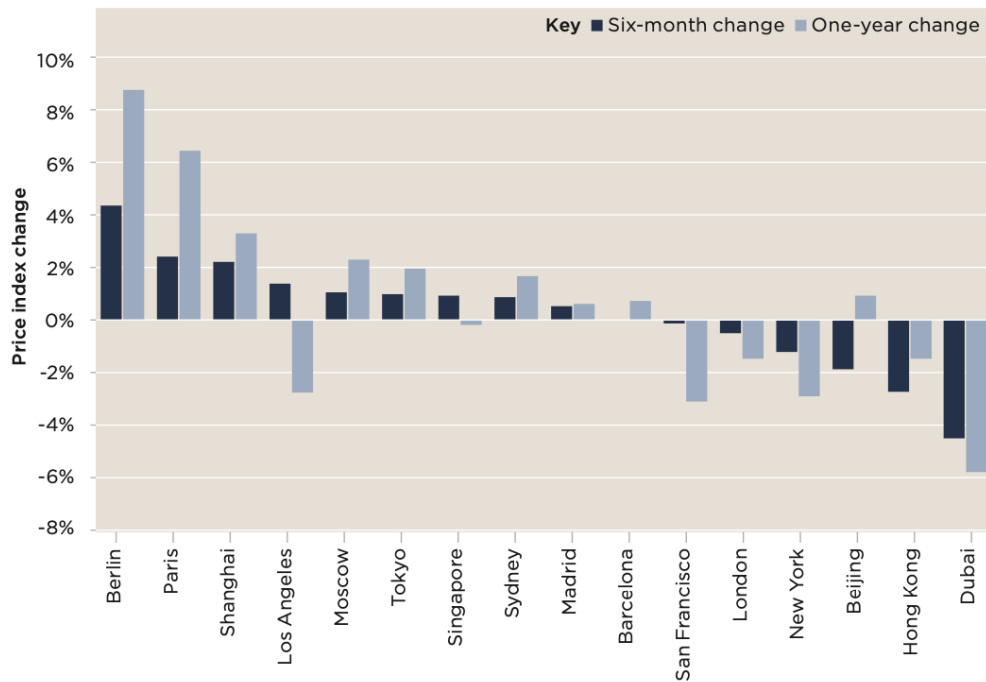
Prime residential property prices in Paris rose by 6.4% in 2019, says Savills, up from 4.5% in the previous year to again out-perform most other prime global cities.

[Savills' World Cities Prime Residential Index remained flat in 2019](#), recording annual price inflation of just 0.1% – the slowest reading since 2009. Paris and Berlin, however, are “bucking the trend”, as a combination of low supply and growing demand from domestic and international buyers pushes up prices in both cities.

Paris’s residential market “is currently benefiting from an alignment of factors that have driven domestic demand and boosted its global appeal. Domestic reforms under President Macron, low interest rates and a stable economy are some of the factors fuelling growth”, says Hugues de La Morandière, Chief Exec of Agence Varenne, a Savills associate in Paris.

Prime residential price growth in global cities

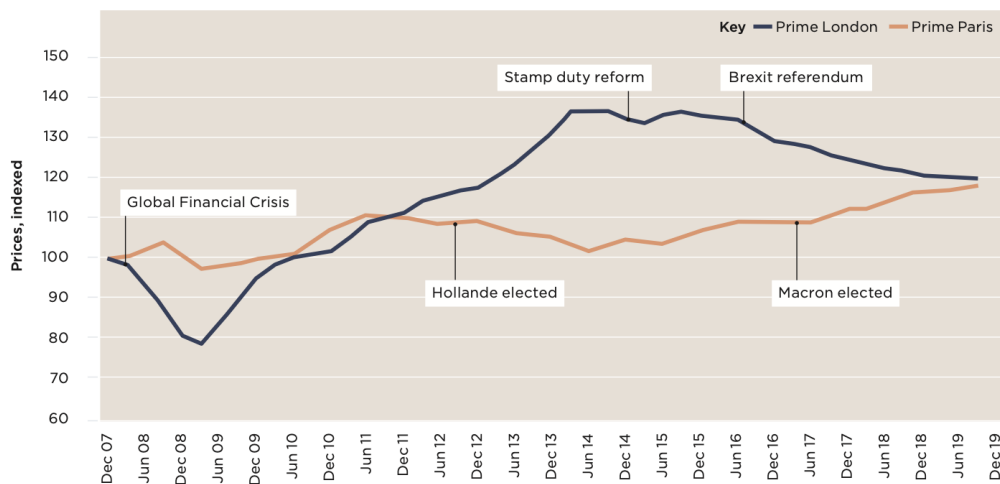
Berlin and Paris are bucking the trend



Note Prices to December 2019 Source Savills Research

But property in Paris is still less expensive than other top-flight world cities; it “offers value on a global stage,” suggests Savills, despite recent price inflation. Property in Paris is, on average, just over €15,000 per square metre. This is 66% lower than in Hong Kong (the most expensive city in the world for residential property at €45,000 per sq m), 37% lower than New York (€24,000 per sq m) and 17% lower than in London (€19,000 per sq m).

Prime residential price growth in Paris and London



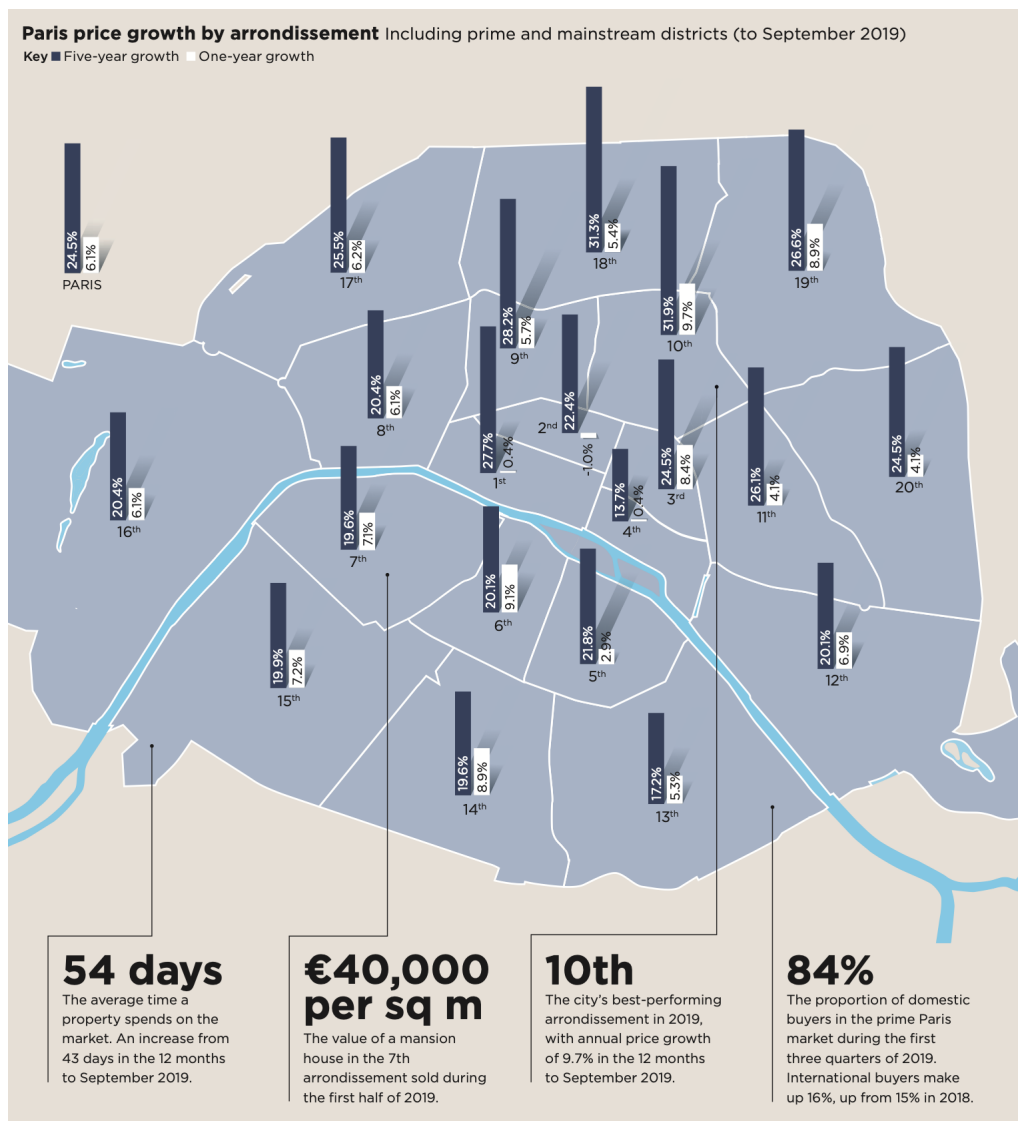
Note Prime Paris prices: transactions over €1.8m across all of Paris. Prime London prices: Savills Prime London Index
Source Savills Research, MeilleursAgents.com

Knight Frank estimates that US\$1m can now buy 45 square metres of Paris prime resi, compared to just 30 square metres in London, and a mere 16 in Monaco.

“Prices have risen at a time when the prime residential markets in other world cities have stalled or recorded minimal growth,” notes Paul Tostevin of Savills World Research. “Concentrated within the capital’s historic centre, prime property in Paris is viewed as a safe, long-term store of wealth and, to international buyers, values are attractive by global standards.”

The up-and-coming 10th arrondissement was the city’s best-performing in 2019, recording an annual price growth of 9.7% in the 12 months to September 2019. The area is undergoing regeneration and is close to the transport hubs of Gare du Nord and Gare de l’Est. Prices here average €9,700 per sq m.

The second highest was the swish 6th arrondissement, which saw values raise by 9.1%. Values average €14,200 per sqm in this area.



Savills has noticed a marked rise in the popularity of mansion houses (Hôtel Particulier)

over more traditional Parisian apartments; they are “a small yet increasingly in-demand part of the market,” says the team. In the past four years, more than double the number of mansion house transactions were recorded than during the previous decade, with around 30 changing hands in total.

“We expect the period of price catch-up to continue” in Paris says Savills, but the rate of inflation is likely “to moderate further in the near term”. As one lead indicator, the average time that prime property spends on the market has already risen.

The team also expects “the geography of prime Paris to expand as demand moves further out from the land-constrained prime city core.” The western suburbs have already seen more activity and demand as buyers seek more value and space for their money. Improving infrastructure from the Grand Paris project “is helping to break down the barrier of the ring road that surrounds the city”; areas such as Neuilly-sur-Seine, Saint-Cloud and Versailles, are evolving into a highly-desirable and accessible locations, particularly for families.

Paris Mapped: Savills highlights the best performing and up-and-coming areas across prime Paris



The unrivalled Left Bank; 6th and 7th arrondissements

- **Most prestigious streets:** Place Saint-Sulpice, Rue du Bac, Rue de Varenne

The two highest-value districts in Paris have seen prices outperform Paris as a whole, with

values rising by 9.1% in the 6th arrondissement and 7.1% in the 7th arrondissement in the year to September 2019. They encompass historical and sought-after areas such as Saint-Germain-des-Prés, Odéon, Invalides and Champ-de-Mars.

These arrondissements attract both foreign buyers looking for pieds-à-terre in the historic centre of Paris, along with expats and families seeking good schools. Some of the highest prices are commanded by mansion houses with gardens – a large proportion of the city's houses are found here.

'Esprit de Village'; 17th and 18th arrondissements

- **Most prestigious streets:** Rue Legendre, Place Charles Fillion, Avenue Junot

As more buyers and renters are drawn to the convenience of village life in the city, the appeal of the 'urban villages' of the 17th and 18th arrondissements have risen. This has boosted values across these arrondissements as a whole, which have risen faster than the prime average.

Les Batignolles, in the 17th arrondissement, is a village-like district characterised by 19th century churches, cafés, bakeries and restaurants with open terraces. The area has become popular among young professionals and families, and the local city hall has had to open new schools in response. The 18th's Montmartre is a world-famous village in demand, with tourist attractions, bohemian residential areas and shops.

Vibrant regeneration areas; 9th and 10th arrondissements

- **Most prestigious streets:** Place Saint-Georges, Rue d'Aumale, Rue Beaurepaire

Up-and-coming areas undergoing regeneration and located near transportation hubs, such as Gare du Nord and Gare de l'Est, have seen some of the best price performance in Paris over the past year. The 10th arrondissement recorded the strongest price growth in the 12 months to September 2019, with values rising by 9.7%.

In the 9th, South Pigalle (SoPi) is fast becoming one of Paris's trendiest neighbourhoods. It is well-known for its cultural offering, which includes concept stores, in-vogue bars and restaurants, as well as the recent 21 Blanche sport club and the upcoming Soho House Paris.

In the 10th, Canal Saint-Martin is one of the few open waterways in Paris which offers large pedestrianised spaces in a central location. The Canal is attracting young households and first-time buyers looking for a vibrant neighbourhood, as new restaurants, bars and even co-working spaces open up in the area.

Historical prime Paris; 3rd and 4th arrondissements

- **Most prestigious streets:** Place des Vosges, Rue du Parc Royal, Quai de Béthune

Prime property in the historical centre of Paris, known as Le Marais, is still highly sought-after. The 4th arrondissement is a popular tourist destination and is a hotspot for short lets.

A major real estate project is being developed with the former Préfecture de Paris site on Boulevard Morland, including residential units, hotels and restaurants.

The 3rd arrondissement has emerged as a popular alternative for homeowners and renters, offering many of the same characteristics. Values are also catching up fast, increasing by 8.4% in the year to September 2019 compared with 0.4% in the 4th arrondissement during the same period.