Why invest in Lyon, European city of the future?
2019
A historic year for Lyon’s commercial real estate markets

In 2018, the combined take-up of light industrial premises and logistics warehouses in the Lyon market exceeded 820,000 m² and confirmed Lyon as one of the most dynamic industrial markets in Europe.

The office take-up in 2018 also hit the historic market record of 331,700 m². The volume has never been so high, and the number of transactions exceeded the 600 mark for the first time. Investment volumes are also impressive with more than 1.5 billion euros invested in the Lyon commercial real estate market in 2018.

Lyon is also one of the most dynamic European cities in terms of business and leisure tourism.

Voted “Europe’s leading City Break Destination” in 2016, Lyon has been included in the New York Times’ prestigious annual international selection of “52 Places to Go” in 2019. It is not a surprise that the hotel market has never been so flourishing with more than five million hotel nights sold in 2018.

Finally, Lyon remains one of the most sought-after cities in France for the retail market, a trend that has been enhanced by the new openings in the Grolée-Carnot sector and the spectacular conversion of the Grand Hôtel-Dieu (16,000 m² of retail and restaurant space), a vibrant venue for a new kind of retailing with a resolute focus on the growing interest in “shopping as an experience”.

The 32,000 m² extension of the Part-Dieu shopping center (now the largest urban shopping center in Europe) will contribute to strengthening Lyon’s attractiveness for new international brands and new concepts.

Lyon: the European city of the future

Lyon benefits from numerous assets: a strategic location in the heart of Europe, a well-organized transport network, high quality infrastructure, a strong pool of talent with more than 300,000 students in the region (Lyon has been voted “best city to study in” by French students), sustained population growth, a strong focus on innovation and entrepreneurship, and a quality of life recognized as being among the best in Europe. It is also classified as a World Heritage site by Unesco and recognized as the first cultural city of France (excluding Paris). By focusing on this “Live, Work and Play” approach, Lyon seems to offer the complete package of business and lifestyle benefits to attract newcomers, especially new generations. And let us not forget that Millennials will represent roughly 75% of the global workforce by 2025!

It should be noted that Lyon, a pioneering city in the field, has also put in place a true Smart City strategy to combine economic dynamism and sustainable development. The major urban projects carried by the city (Lyon Confluence, Lyon Part-Dieu, Lyon Gerland, Carré de Soie, etc.) have become “life size” areas of experimentation for imagining and developing new ways of living and working in the city.

At a time when technological, societal and behavioral changes will define the shape of the city of tomorrow, Lyon possesses all the necessary ingredients to continue its extraordinary development and to become one of the reference cities of the future.

Discover why in this new edition of “Why Invest in Lyon, the European city of the future?”

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EXECUTIVE SUMMARY

Lyon at the heart of the 5th largest region in the European Union in terms of GDP. (source: Eurostat)

More than 330,000 m²
Lyon office take-up in 2018. A 23% increase compared to 2017 (source: JLL)

€1.5 billion
The volume invested in commercial real estate in the Lyon market in 2018, including 1.1 billion in the office market. (source: JLL)

820,000 m²
In 2018, the combined take-up of light industrial premises and logistics warehouses in the Lyon market exceeded 820,000 m². (source: JLL)

11 million
Lyon-Saint Exupéry airport passed the 11-million-passenger milestone for the first time ever in 2018. This reflects Saint Exupéry’s sustainable expansion: its traffic has increased by over 25% in the past three years. (source: Vinci Airports)

300,000
More than 300,000 students study in the Auvergne Rhône-Alpes region including over 150,000 in the Lyon urban area, designated as “France’s best city to study” in 2018 (source: L’Étudiant, 2017)
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**AN ECONOMIC OVERVIEW OF THE LYON REGION**

**Auvergne-Rhône-Alpes, still one of the most attractive and dynamic regions in Europe**

With almost eight million inhabitants, the Auvergne-Rhône-Alpes Region can be compared to the 16th country in the European Union in terms of population. Lyon, the biggest city and regional capital of Auvergne-Rhône-Alpes, is the Region’s major economic player, with 513,000 inhabitants in the city of Lyon, 1.3 million inhabitants in the Lyon metropolitan area (source: INSEE) and around 2.3 million in its urban area (source: INSEE 2015).

Lyon Metropole’s general dynamism is generated by its young population, which includes 155,000 students, 20,000 of whom are international students. Moreover, Lyon ranks 40th in the Mercer global “Quality of Living Ranking” for 2018. Its airport serves 120 destinations and handles more than ten million passengers, with international traffic representing 67% of its total traffic. It is thus an important asset connecting the city with its international partners.

<table>
<thead>
<tr>
<th>#</th>
<th>Population of Auvergne-Rhône-Alpes compared to EU countries</th>
<th>Population (in million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Germany</td>
<td>81.2</td>
</tr>
<tr>
<td>2</td>
<td>France</td>
<td>66.4</td>
</tr>
<tr>
<td>3</td>
<td>United Kingdom</td>
<td>64.8</td>
</tr>
<tr>
<td>4</td>
<td>Italy</td>
<td>60.8</td>
</tr>
<tr>
<td>5</td>
<td>Spain</td>
<td>46.4</td>
</tr>
<tr>
<td>6</td>
<td>Poland</td>
<td>38.0</td>
</tr>
<tr>
<td>7</td>
<td>Romania</td>
<td>19.9</td>
</tr>
<tr>
<td>8</td>
<td>Netherlands</td>
<td>16.9</td>
</tr>
<tr>
<td>9</td>
<td>Belgium</td>
<td>11.3</td>
</tr>
<tr>
<td>10</td>
<td>Greece</td>
<td>10.8</td>
</tr>
<tr>
<td>11</td>
<td>Czech Republic</td>
<td>10.5</td>
</tr>
<tr>
<td>12</td>
<td>Portugal</td>
<td>10.4</td>
</tr>
<tr>
<td>13</td>
<td>Hungary</td>
<td>9.8</td>
</tr>
<tr>
<td>14</td>
<td>Sweden</td>
<td>9.7</td>
</tr>
<tr>
<td>15</td>
<td>Austria</td>
<td>8.6</td>
</tr>
<tr>
<td>16</td>
<td>Auvergne-Rhône-Alpes (AURA)</td>
<td><strong>7.9</strong></td>
</tr>
<tr>
<td>17</td>
<td>Bulgaria</td>
<td>7.2</td>
</tr>
<tr>
<td>18</td>
<td>Denmark</td>
<td>5.7</td>
</tr>
<tr>
<td>19</td>
<td>Finland</td>
<td>5.5</td>
</tr>
<tr>
<td>20</td>
<td>Slovakia</td>
<td>5.4</td>
</tr>
</tbody>
</table>

Source: Eurostat and national institutes

Auvergne-Rhône-Alpes ranks fifth among European Union regions in terms of wealth creation with a GDP of 270 billion euros in 2017 (source: INSEE). Thanks to its strategic geographical position in Europe, its proximity to major markets, the presence of competence centers and a growing young, skilled workforce, the Auvergne-Rhône-Alpes Region is very attractive and dynamic. The Region also benefits from a high potential in research and innovation with 35,800 researchers and 15 of the 71 certified competitiveness clusters in France (source: CCI Auvergne-Rhône-Alpes 2017-2018).

In 2018, Lyon was still ranked by EY’s 2018 attractiveness survey as the most attractive city in France (excluding Paris) for foreign investors (+3 pts vs 2017). The city is also considered as the leading smart city in France (source: Maddyness 2017) and as the second most important digital center with more than 240 start-ups identified (source: Lyon French Tech).
The Lyon region ranks in the top 10 most attractive European regions

The Lyon region is one of the top ten European regions for Foreign Direct Investments (FDIs). It also ranks second, after the Paris region, in terms of number of FDIs. This confirms Lyon’s high potential for attracting foreign investors at both French and European level.

<table>
<thead>
<tr>
<th>#</th>
<th>Region</th>
<th>Country</th>
<th>Number of FDIs (2010-2017)</th>
<th>FDI jobs created (2010-2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Greater London</td>
<td>United Kingdom</td>
<td>3,001</td>
<td>44,400</td>
</tr>
<tr>
<td>2</td>
<td>Ile-de-France (Paris)</td>
<td>France</td>
<td>1,591</td>
<td>26,000</td>
</tr>
<tr>
<td>3</td>
<td>Baden-Wurttemberg (Stuttgart)</td>
<td>Germany</td>
<td>1,503</td>
<td>15,100</td>
</tr>
<tr>
<td>4</td>
<td>North Rhine Westphalia (Düsseldorf)</td>
<td>Germany</td>
<td>1,451</td>
<td>29,800</td>
</tr>
<tr>
<td>5</td>
<td>West-Nederland (Amsterdam)</td>
<td>Netherlands</td>
<td>1,204</td>
<td>18,200</td>
</tr>
<tr>
<td>6</td>
<td>Bayern (Munich)</td>
<td>Germany</td>
<td>948</td>
<td>19,200</td>
</tr>
<tr>
<td>7</td>
<td>Este (Barcelona)</td>
<td>Spain</td>
<td>929</td>
<td>46,400</td>
</tr>
<tr>
<td>8</td>
<td>Flanders (Antwerp)</td>
<td>Belgium</td>
<td>873</td>
<td>21,500</td>
</tr>
<tr>
<td>9</td>
<td>Hessen (Frankfurt)</td>
<td>Germany</td>
<td>809</td>
<td>15,900</td>
</tr>
<tr>
<td>10</td>
<td>Auvergne-Rhône-Alpes (Lyon)</td>
<td>France</td>
<td>690</td>
<td>13,800</td>
</tr>
<tr>
<td>11</td>
<td>South Finland (Helsinki)</td>
<td>Finland</td>
<td>643</td>
<td>4,800</td>
</tr>
<tr>
<td>12</td>
<td>South East England (Guildford)</td>
<td>United Kingdom</td>
<td>594</td>
<td>15,600</td>
</tr>
<tr>
<td>13</td>
<td>Berlin</td>
<td>Germany</td>
<td>574</td>
<td>12,100</td>
</tr>
<tr>
<td>14</td>
<td>Grand Est (Strasbourg)</td>
<td>France</td>
<td>540</td>
<td>13,500</td>
</tr>
<tr>
<td>15</td>
<td>North West England (Manchester)</td>
<td>United Kingdom</td>
<td>538</td>
<td>29,600</td>
</tr>
<tr>
<td>16</td>
<td>West Midlands (Birmingham)</td>
<td>United Kingdom</td>
<td>530</td>
<td>39,200</td>
</tr>
<tr>
<td>17</td>
<td>Madrid</td>
<td>Spain</td>
<td>513</td>
<td>11,000</td>
</tr>
<tr>
<td>18</td>
<td>Hauts-de-France (Lille)</td>
<td>France</td>
<td>474</td>
<td>18,100</td>
</tr>
<tr>
<td>19</td>
<td>Istanbul</td>
<td>Turkey</td>
<td>402</td>
<td>9,900</td>
</tr>
<tr>
<td>20</td>
<td>Continental Portugal (Lisbon)</td>
<td>Portugal</td>
<td>387</td>
<td>22,500</td>
</tr>
</tbody>
</table>

Source: EY European Investment Monitor (EIM) 2018
*: The perimeters of the regions presented above correspond to the European NUTS 2 subdivisions and make it possible to compare European regions. When the administrative name of a region does not refer to a city, we have included the region’s largest city in brackets.
USA and Germany are still the two countries that have invested the most in the Lyon region since 2010

The USA and Germany were the leaders in FDI in the Lyon region between 2010 and 2017, responsible for 38% of total FDIs. Between 2016 and 2017, the United States still topped the FDI ranking in the Lyon region with a 20% increase during that period, while Germany maintained its second position, having decreased its share slightly by around 6%.

<table>
<thead>
<tr>
<th>Investing country</th>
<th>Number of FDIs (2010-2017)</th>
<th>FDIs market share (2010-2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 United States</td>
<td>140</td>
<td>20%</td>
</tr>
<tr>
<td>2 Germany</td>
<td>123</td>
<td>18%</td>
</tr>
<tr>
<td>3 Italy</td>
<td>56</td>
<td>8%</td>
</tr>
<tr>
<td>4 Switzerland</td>
<td>53</td>
<td>8%</td>
</tr>
<tr>
<td>5 United Kingdom</td>
<td>50</td>
<td>8%</td>
</tr>
<tr>
<td>6 Japan</td>
<td>41</td>
<td>6%</td>
</tr>
<tr>
<td>7 Canada</td>
<td>32</td>
<td>5%</td>
</tr>
<tr>
<td>8 Belgium</td>
<td>27</td>
<td>4%</td>
</tr>
<tr>
<td>9 China</td>
<td>24</td>
<td>3%</td>
</tr>
<tr>
<td>10 Spain</td>
<td>23</td>
<td>3%</td>
</tr>
</tbody>
</table>

Sources: EY European Investment Monitor (EIM) 2018

The Lyon region confirms its transition towards high-end services

The Auvergne-Rhône-Alpes Region ranks a strong second in terms of foreign investments in France, behind the Paris region (Île-de-France). In 2017, the number of FDIs in the Lyon region increased by 31%, matching the French average, and outperforming the average 10% increase in Europe.

Ranking of French regions according to the number of Foreign Direct Investments (2010 – 2017)

Sources: EY European Investment Monitor (EIM) 2018

- **Machinery & Equipment**: 14% (98 I +20%)
- **Chemicals & Plastics**: 11% (74 I +12%)
- **Digital**: 9% (62 I +29%)
- **Business services**: 9% (60 I +30%)
- **Electrical products**: 7% (46 I +12%)

I +X% = 2016-2017 evolution

Sources: EY European Investment Monitor (EIM) 2018

The Lyon region’s historical activity sectors, such as Machinery & Equipment and Chemicals & Plastics, still represent 25% of total FDIs in the Auvergne-Rhône-Alpes Region. Interestingly, business services and the digital sector grew by 30% and 29% respectively, confirming Lyon’s orientation towards high-end services.

Breakdown of Foreign Direct Investments by activity (2010-2017)

The Lyon region is the second most attractive region in France for global foreign investments. By ranking in the top four of French regions for foreign investments in warehouses, offices and labs, the Lyon region demonstrates its ability to offer a favorable business environment. Investors in office-like activities (headquarters, sales & marketing) are mainly attracted by the Paris region. Nevertheless, the Lyon region (the second most populated region in France) ranks second as a choice for hosting headquarters and sales & marketing activities.

Foreign investments in research & development (R&D) activities in the Lyon region saw dramatic growth between 2016 and 2017: +125%. This outstanding increase highlights the attractiveness of the Lyon region for R&D activities, resulting from the availability of highly skilled talents and good research infrastructures. Thus, Lyon is on its way to becoming the second-most attractive region in France for R&D activities. For FDI in manufacturing and logistics, the Lyon region ranks third and fourth respectively. Investments in these sectors, usually targeting small and medium-sized cities, are more evenly distributed throughout France. However, the Lyon region remains close to its main competitors, the Strasbourg and Lille regions.
WAREHOUSES

**Manufacturing**

- Grand Est (Strasbourg): 300
- Hauts-de-France (Lille): 244
- Auvergne Rhône-Alpes (Lyon): 239
- Nouvelle-Aquitaine (Bordeaux): 137
- Pays-de-la-Loire (Nantes): 125

**Logistics**

- Île-de-France (Paris): 75
- Grand Est (Strasbourg): 61
- Hauts-de-France (Lille): 61
- Auvergne Rhône-Alpes (Lyon): 60
- Occitanie (Toulouse): 34

OFFICES

**Headquarters**

- Île-de-France (Paris): 88
- Auvergne Rhône-Alpes (Lyon): 22
- Grand Est (Strasbourg): 13
- Nouvelle-Aquitaine (Bordeaux): 12
- Occitanie (Toulouse): 7

**Sales & Marketing**

- Île-de-France (Paris): 1,198
- Auvergne Rhône-Alpes (Lyon): 299
- Région Sud (Marseille): 124
- Occitanie (Toulouse): 112
- Hauts-de-France (Lille): 111

LABS

**Research & Development**

- Île-de-France (Paris): 96
- Région Sud (Marseille): 48
- Auvergne Rhône-Alpes (Lyon): 41
- Occitanie (Toulouse): 40
- Nouvelle-Aquitaine (Bordeaux): 24

Sources: EY European Investment Monitor (EIM) 2018
Access to skills is considered the top priority when deciding to set up business activities

Access to skills is the top priority for 70% of occupiers questioned.

The quality of development, market proximity and economic influence are the foundations of business district attractiveness.

Cost competitiveness and the availability of high-quality offices are prerequisites, for companies when evaluating districts.

Of all the criteria that make a city attractive for foreign investors, access to skills is by far the most important driver: 70% of company directors consider it “very important” for their location choice.

EY’s Global Talents in Global Cities Survey defined five leading categories of talent: students, researchers, business managers, entrepreneurs and creatives. Interviews with company executives identified two levels of priority:

- The ability to recruit executives to top national roles. This concerns two distinct groups of recruits: those at the beginning of their professional career and experienced business leaders. These two groups of employees are essential for businesses.
- Attracting researchers, entrepreneurs and creatives is becoming increasingly important because it facilitates the development of an innovation-friendly environment.
Lyon ranks #1 as the most attractive regional city in France, here is why.

After Paris, what are the two most attractive regional cities?

Major regional cities attract foreign investors for their strategic functions and contribute to strengthening the attractiveness of France.

Lyon is clearly widening the gap with the other French cities in terms of attractiveness (+3 pts vs 2017). The city maintains its leading position for FDI, after Paris.

Attracting and retaining talent: the Lyon region has all it takes to face these challenges

Lyon benefits from a large pool of highly skilled talent

With its eight million inhabitants, the Auvergne-Rhône-Alpes Region is bigger than several European countries (Denmark, Slovakia, Bulgaria, etc.) and is host to 330,000 students (source: CCI Auvergne-Rhône-Alpes 2018). Almost 28% of the Auvergne-Rhône-Alpes population live in Lyon, which attracts 47% of the Region’s students (source: Only Lyon 2018), of whom 13% are international students (source: Rectorat 2017). Lyon benefits from an outstanding level of higher education with various programs to satisfy companies’ talent needs. According to the Times Higher Education World University Ranking, four educational institutions in Lyon are among the Top 1,000. Lyon University is in the Top 10 of best European universities and is the second-leading French scientific hub. In February 2017, Lyon University obtained the IDEX certification label awarded by the French government. This certification positions the university as an academic site of excellence with an international vocation. It gives the university additional resources for innovation projects and new actions for future students and researchers. The city of Lyon is also ranked 34th in the world ranking of student cities (Source: QS Best Student Cities 2017). Indeed, many of Lyon’s educational institutions are located downtown or close to the city center, which stimulates the city and enables students to enjoy Lyon’s benefits. To illustrate and confirm this trend, EM Lyon, the fourth-best French business school located at Ecully, is going to move its campus to be at the heart of the Lyon metropolitan area, in the urban renewal district of Gerland. All these aspects are major assets for Lyon and its students!
Lyons quality of life enables the city to retain its talents

A city’s attractiveness is founded upon an attractive urban environment, good transport links, business connections (proximity to markets, clients and partners), and national and global reach. The quality of the urban environment is considered “very important” by 47% of company directors. The priority given by the city of Lyon to the quality of life reflects the importance of accessing talent. To attract the skills needed, companies located in Lyon can offer their employees a very attractive quality of life. Mercer’s 2018 Quality of Living Survey ranks the city of Lyon in 40th position, highlighting its outstanding quality of life.

Lyon’s business districts (La Part-Dieu, Confluence, Cité Internationale, etc.) are easily accessible by public transport and ensure that company staff can “work, live and play” in those districts. As an example, Europe’s biggest urban shopping center is located in the Lyon Part-Dieu business district. The Part-Dieu shopping center currently accommodates 240 shops and restaurants, a cinema and attracts 35 million people every year. It is currently undergoing transformation so as to offer more shops, restaurants and leisure facilities. The objective is to create a “new generation” of shopping center, more connected to the city center. The same district includes the added attractions of a library, a swimming pool and sports facilities.

Lyon is also home to France’s biggest urban park, the Tête d’Or park. A 20-minute walk from Lyon business districts, the Tête d’Or park features a zoo, a botanic garden, a lake and an extensive network of paths. It is a popular place to take a break, have a walk or relax with friends and family.

From a corporate perspective, the capacity of Lyon to offer an innovation-friendly environment is the strongest differentiating factor. Now, and in the years ahead, innovation will be a powerful lever for companies and a key driver of their performance. We know that an environment conducive to innovation positively correlates with economic dynamism, especially because of the link between creative environments and entrepreneurship. Ultimately, the ability to attract young, innovative companies is an opportunity to enhance the productivity of leading businesses established in Lyon.
The Lyon region, a truly innovative and global region

The Lyon region combines many assets for the development of a successful company

The Lyon metropolitan area benefits from a strategic geographical position in Europe, close to major markets. As a result, Lyon has been ranked the 19th most attractive city for foreign investors in the world (source: IBM Global Location Trends 2016) and the most business-friendly city in France (source: L'Expansion-L'express 2016). The economic drive of the Lyon region is mainly based on the density of its business sectors. Lyon has acquired expertise by forming international competitiveness clusters in several industry sectors such as life sciences, software and digital, green technologies and creative industries. In addition, Lyon is the largest industrial urban area in France after the Paris Region, hosting more than 6,000 industrial companies (source: Insee-REE 2015). As a consequence, Lyon and its region constitute France’s second-largest economic center.

At international level, the Lyon region has a positive trade balance. Its most exported products are mechanical equipment, electronic equipment and electronic & computer products, representing 30.9% of total exports. The Lyon region’s biggest customers are Germany (€8.6m), Italy (€5.7m), Spain (€5m), the United Kingdom (€3.9m) and the United States (€3.7m).

Top 5 exported products in Auvergne-Rhône-Alpes in 2016

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Export Value (m€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mechanical equipment, electronic equipment, electronic &amp; computer</td>
<td>17,654</td>
</tr>
<tr>
<td>Chemical products, perfumes &amp; cosmetics</td>
<td>8,755</td>
</tr>
<tr>
<td>Transport equipment</td>
<td>5,069</td>
</tr>
<tr>
<td>Metallurgical &amp; metal products</td>
<td>5,030</td>
</tr>
<tr>
<td>Pharmaceutical products</td>
<td>5,021</td>
</tr>
</tbody>
</table>

Source: The Directorate General for Customs and Indirect Taxation, 2016

Lyon, as France’s second-largest service sector hub and decision-making center, is the leading city, after Paris, in terms of the number of listed companies and market capitalization. Lyon is home to 146 listed companies (April Group, SEB, GL Events, etc.). In 2017, more than 19,500 companies were created in the Lyon region, representing a 14% increase between 2016 and 2017, proof of a dynamic business environment (source: Grand Lyon economy). In 2017, 23% of total company creations were in scientific and technical activities (including consulting), whereas the average in France is around 18%.

With 74% of the jobs created in Auvergne-Rhône-Alpes between 2013 and 2017 being in Lyon (more than 6,000), the city is the principal economic driver of the Region. Lyon’s economic fabric is composed of large, medium-sized and small companies, the city boasting 90 companies with more than 1,000 employees, 860 companies with more than 100 employees and more than 250 start-ups.

In addition, Lyon is also an attractive city for business tourism. It is ranked second city in France for hosting international congresses and trade fairs and 35th in Europe. Every year, around 60 congresses and 100 trade fairs are held in Lyon.
Lyon is building business sectors of the future

Lyon is the leading smart city in France (source: Maddyness 2017) and the second-largest French digital hub (source: Lyon French Tech). Over the past five years, the number of employees working in the digital industry in the Lyon metropolitan area has increased dramatically (+19.5%), reaching 37,600 employees at city level and 64,600 employees at regional level.

Lyon is developing three strategic sectors: clean technology, life sciences and the digital & creative industry. With five digital fields of excellence (big data, robotics, software and programming, creative content and web platforms) the digital industry in Lyon is growing and becoming very attractive.

Lyon offers six start-up accelerators, eight incubators, seven co-working facilities, three competitiveness clusters, three digital clusters, two fablabs and one living lab. Lyon French Tech includes more than 240 start-ups in its dynamic ecosystem. With €267M of venture capital raised in 2018, the Lyon region ranks second in terms of start-up investments (+154% vs 2017) at national level. Furthermore, since 2011, 64 Lyon companies have been awarded the “Gem” label (source: Only Lyon 2018). This label helps companies that have increased their annual turnover by more than 20% for three to four consecutive years to break through the “glass ceiling”.

Lyon has also joined the French Fab movement. The Lyon metropolitan area is creating its first future industry campus in Vénissieux (very near Lyon), in partnership with Bosch. The campus is located very close to big industrial companies such as Renault Trucks, Iveco, Aides, Navya and soon the technical center of the SNCF (France’s national railway company). The ambition is to guide start-ups, small and mid-sized companies towards the industry of the future.
Lyon is also setting-up a structure at the heart of the industrial campus, called the “industrial hive”. One of its aims is to provide services to companies which have specific needs in terms of innovative working space, workshops and team formations. It is an innovative program fostering the growth of the industry of the future in the region by connecting industrial leaders and young innovative start-ups, helping organizations to test their solutions within a short timeframe. With the recent opening of Axel’One in April 2018, an innovative collaborative platform for services in industry, Lyon now has three sites dedicated to the “Industry of the Future”. Axel’One offers 9,000m² for innovation with 2,000m² for Axel’One Campus (LyonTech La Doua campus), seven platforms for innovative projects including a new additive manufacturing initiative aiming to launch 3D printing serving the chemical industry and 15 collaborative projects in the region’s “Chemical Valley” (with two European H2020 projects) and 40 projects that are going to be located on the Campus. In addition, the Axel’One platform contributes to consolidating the region’s industry and cleantech activities (source: Economic development program of Lyon Métropole 2016-2021).

The Lyon metropolitan area was also a winner of the Call for Interest, “Large Scale Innovative Regions”, with its application entitled “Integrating industry and (re)connecting it to its region and its inhabitants”. With this application, the city is proposing a unique approach, linking industrial performance with a high quality of life for its inhabitants. To achieve this goal, many avenues will be experimented: industrial tool mutation, systematic modelling, citizen involvement and cybersecurity. In this last sector, Lyon wants to position itself as a European center of excellence for industrial systems and urban area. In July 2017 IU Cyber was created, the only European cluster dedicated to cybersecurity for industrial systems and urban areas (source: Economic development program of Lyon Métropole 2016-2021).

These few examples illustrate the strong dynamism of the Lyon Region in terms of business sectors. The city is looking towards the future and wants to create the business of the future.
Satisfying the desires of employees has become an indirect way to attract leading firms. Outside office hours, employees are consumers, and companies are therefore increasingly inclined to move to districts where employees like working. Today’s companies believe business districts must offer more services for their workforce, especially shopping and dining. Moreover, leisure and cultural facilities will certainly play a growing role in the business districts of tomorrow. Business districts also need to become destinations in their own right. First, the business district needs to become a “picture-postcard” place, which matches up to employee expectations, and is perceived as attractive. Second, the perceived value must be matched by reality, relying not just on clichés, but also on the real-life experiences of those who live and work there.

WHAT MAKES LYON THE METROPOLe OF THE FUTURE?

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FOCUS ON LYON PART-DIEU BUSINESS DISTRICT
A 24/7 live-work-play environment

Lyon Part-Dieu is Lyon’s main business hub. The area is now undergoing major redevelopment aimed at turning the district from a commercial business hub into a mixed-use urban center. Sustainability is also central to the vision for Lyon Part-Dieu. Development and design guidelines emphasize sustainability, and the area will be home to France’s most sustainable office building.

The goal for the redevelopment of La Part-Dieu Business District was to create a 24/7 live-work-play environment. Open spaces and a regular program of events have created a welcoming, lively environment that is a destination for locals and tourists alike. The development has benefited from substantial public sector attention to, and investment in infrastructure, open space, transport and urban design.

From 2017 to 2020, the complete entire shopping center will be undergoing renovation, adding an extra 32,000-square-meters gross lettable area.

The project houses of a mixture of commercial, leisure and newly created public space. The design restructures each side of the mall, opening up the building to the street and adding a vast public rooftop garden, home to numerous restaurants and bars with panoramic views across the city as well as an 18-screen cinema.

800 outlets
30% of which are cafés and restaurants
Development of the co-working offer in Lyon Part-Dieu

The co-working market in Lyon has been very dynamic in the last few years to fulfil the evolving requirements of businesses, including increased flexibility and digitalisation, better quality of working life, and addressing professional mobility and the pursuit of new collaborations. The Part-Dieu district already offers a significant amount of co-working space with individual and team offices as well as collaborative workspaces, dedicated to young graduates, freelancers and entrepreneurs, but also to larger groups in need of flexibility or creativity. They all have their specificities (common areas, relaxation areas, private spaces, spaces for isolation or sharing, possibilities of payment by the hour or the month, a post office, flexible and tailor-made offers, etc.), and their own distinctive character. These workspaces also organize various conferences and networking events to increase conviviality within their communities.

A quarter of Lyon’s 50 co-working spaces are located in La Part-Dieu, and the list includes but is not limited to Peexeo, Now co-working, Multiburo, La Cordée, Mama Works, Regus and WorkLoft. Nextdoor (Bouygues Immobilier Group subsidiary), the latest space to open in Lyon, has taken up residence in Silex1, one of the new ecological, connected buildings in the Part-Dieu district. It is based on the co-working model: a freer workspace, with a view to diversity and sharing. For an annual or daily fee, the user has access to an ideal environment and the advantages of the host structure.
76% of Lyon’s inner city office stock (Lyon + Villeurbanne) is located less than 500 meters from a subway/tramway stop.

Lyon’s main business districts benefit from good connections between each other and are located within 25 minutes of the Lyon Part-Dieu multimodal public transport platform, which is a strategic hub of the national railway network, as well as being the largest multimodal interchange center in the region.

Estimated commute time from Part-Dieu train station (subway and tramway)
The transformation of the Lyon Part-Dieu station by 2023 demonstrates the commitment of all the partners involved and the ambition of the project owners to participate in a major project that will have a structuring effect for the city of Lyon, the region and the national rail network. The multimodal interchange (“PEM”) is one of the gateways to the city and the Auvergne-Rhône-Alpes Region. As the nerve center of the daily metropolitan activity, this is where all modes of transport converge. The project aims to permanently resolve problems of saturation in the public transport hubs, to support the sharp increase in the use of bicycles, and to improve access conditions for all modes of transport. The new interchange will offer a more comfortable and user-friendly experience, in a relaxing atmosphere.

All of the planned facilities are designed to simplify the transition from one mode of transport to another, making it easier to understand how the different means of travel complement each other. The interchange hub will be designed to guarantee travelers a high-quality, seamless service, whatever the mode of access chosen.

Because the train station is also a place for meetings and entertainment in the heart of the city, all the ingredients of city life are included. The Béraudier gallery with its shopping mall and various services must now meet the needs of daily travel, in a peaceful, pleasant atmosphere. The station of tomorrow will be a driver of urban vitality.
Today, Lyon is one of the most popular Eurocities among corporates and of course among international investors.

This change in Lyon’s status, which has come about over the last decade, is due in particular to a healthy commercial real estate market that is based on sound fundamentals and is part of a real drive for development (the office supply has increased by over 30% in 10 years).

The Lyon market currently benefits from controlled town planning and real collaboration between public and private operators, so that new properties adapted to users’ needs have developed, while maintaining a true balance between property supply and demand.

The transparency of the market, the stability of rental values and the performance of the different real estate criteria have contributed to reinforcing the attractiveness of Lyon.

With one of the lowest vacancy rates in Europe (4.8%), steadily increasing demand (more than 330 000 m² in 2018, which is a level comparable to or even greater than Barcelona, Milan or Amsterdam), and relatively attractive rental values justifying the arrival of incoming businesses, it seems to be all systems go for Lyon to maintain its position as a leading Eurocity in terms of commercial real estate.

One of Lyon’s specific characteristics is that it possesses a first-rate industrial fabric at European level. With its competitiveness clusters of international stature, such as Lyon Biopôle (life sciences, in particular infectious diseases) and Axelera (chemicals, environment) and the historical presence of major industrial groups (Rhodia, BioMérieux, Sanofi Pasteur, Renault Trucks, etc.), the city enjoys an international reputation among the global players in industry and logistics.

Lyon’s strong industrial roots inevitably contribute to the development of services in the urban area. These strongly-forged links between industry and services foster the presence of locally-grown players and also encourage newcomers to the Lyon market.

With 1.5 billion euros invested in its commercial real estate markets in 2018, Lyon appears to be among the most attractive Eurocities. The diversity of the assets proposed (offices, retail, light industrial and logistics) offers a real strategic choice to national and international investors.

The Lyon real estate market is growing and diversifying. Rooted historically in the Part-Dieu district, France’s second-largest business district after Paris-La Défense, the Lyon office market is now developing around four main fast-growing districts: Part-Dieu, Lyon Confluence, Lyon Gerland and Villeurbanne Carré de Soie.

Major urban development projects are also raising Lyon’s profile and should ensure it maintains its position as one of the most attractive European cities for investors.
10+ FACTORS FOR LYON’S COMPETITIVE EDGE

- Transparency of markets and clarity of urban development projects.
- Diverse profiles of industries forming a virtuous circle with services functions and R&D.
- Proximity between local authorities and real estate operators (principle of “public / private co-production”).
- Increasing volume of transactions in office, logistics and light industry markets.
- Balance between supply and demand limiting the vacancy rate and ensuring long-term rental values.
- Diversity and quality of assets, designed by internationally renowned architects to international standards.
- Complementarity of the geographic areas, meeting all the needs of users.
- An attractive risk/return ratio for investors.
- Rental values that are among the most attractive in European cities.
- Geographical location with first-rate transport networks, ensuring a catchment area of 170 million people less than 24 hours away by road.
- Lyon is now part of an innovative cooperation between four urban communities forming a dynamic metropolitan grouping (“Le pôle métropolitain”) comprising almost two million inhabitants and offering many new development opportunities within the Rhône-Alpes region.

2018 KEY FIGURES

Sources: JLL / Cecim

<table>
<thead>
<tr>
<th>OFFICE STOCK</th>
<th>OFFICE TAKE-UP</th>
<th>OFFICE VACANCY RATE</th>
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</thead>
<tbody>
<tr>
<td>6,164,700 m²</td>
<td>331,700 m²</td>
<td>4.8 %</td>
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<thead>
<tr>
<th>OFFICE PRIME RENT</th>
<th>OFFICE INVESTMENT VOLUMES</th>
<th>OFFICE PRIME YIELDS</th>
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<tbody>
<tr>
<td>€ 325</td>
<td>€ 1,100,000</td>
<td>3.85% - 4.40%</td>
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Particularly high-performing real estate indices, especially on key indicators for investors such as the vacancy rate and the absorption rate which illustrate market dynamism, place Lyon as one of the most attractive Eurocities of our selection.

Sources: JLL
Why invest in Lyon?

The “corporate’s view”

The international chemical and advanced materials company Solvay, has been established in the Auvergne-Rhône-Alpes region for over 150 years. The group recently decided to strengthen its presence in the region, investing in a brand-new Innovation and Technology Center in the “Chemical Valley”, connected to the business teams gathered in the heart of the Part-Dieu business district.

Relocating all the tertiary activities of the group, including the ones in Paris, in Part-Dieu business district, is a major step in the company’s transformation project.

The choice of Silex 2 also embodies the new dynamic and the group culture with a building that nurtures collaborative work and encourages innovation and interaction with clients.

With this strategic move, Solvay confirms its historic anchorage in Lyon and will employ 2,100 employees in the region.

François Pontais, Campus Grand Lyon projects director

The “investor’s view”

For Real I.S. investing in Lyon always is a positive experience. Part Dieu is a safe haven regarding vacancy rate and rental growth. Other submarkets are developing well and have therefore become attractive for our investors.

Finding strong local partners such as JLL, with in-depth knowledge of the market, is also very reassuring for us and our investors.

Catherine Luithlen, President
La Part-Dieu is the central business district of Lyon, located in the heart of the city and home to the region’s main multimodal transport hub.

- Lyon’s leading district and France’s second largest business district
- A multi-modal hub in the heart of the city (500,000 journeys are made daily via the Part-Dieu platform)
- Less than two hours to Paris by high speed train
- Direct connection to Lyon-Saint Exupéry International Airport (Rhône Express: 30 mins)
- Home to the city’s strategic decision centers: local and state administrations, the regional head offices of banks, insurance companies, and engineering, energy and consulting firms
- 2,200 companies and 60,000 jobs
- The biggest urban shopping center in Europe
- 2,000 hotel rooms
- Limited potential for new large office developments due to the lack of available land
- Low vacancy rate

**OFFICE STOCK**

1 160 017 m²

**2018 TAKE-UP**

44 400 m²

**PRIME RENT**

€ 325

**AVERAGE ANNUAL TAKE-UP**

(5 year average)

50 200 m²

**VACANCE RATE**

2.2 %
**LYON GERLAND**

*7th arrondissement*

Gerland is Lyon’s second business district and a leading world district for the life sciences sector.

- Lyon’s second largest business district
- Less than a 10-minute journey from the main Part Dieu railway station
- Situated to the south of Lyon, close to the ring road and the A6 motorway and connected to all the main transport routes
- Lyon Gerland based its development around an economic dynamic that mixes expertise in the life sciences sector and tertiary diversification, such as the energy sector
- Leading businesses, SMEs and start-ups in human and animal health, research laboratories, universities and elite institutions
- 80,000 inhabitants and 3,000 students
- 35,000 jobs including 5,000 in the high-tech sectors
- A significant amount of land available offering long-term development capacities

### Office Stock

- **585 228 m²**

### 2018 Take-Up

- **69 190 m²**

### Prime Rent

- **€ 215**

### Average Annual Take-Up

- (5 year average)
  - **46 759 m²**

### Vacance Rate

- **7.1 %**
With 50 hectares of transformable land, Lyon Confluence is one of the most ambitious city-centre projects in Europe.

Lyon’s smart district with a level of architectural requirements and building processes unequalled in France.

Lyon’s creative heart: key stakeholders in the creative economy, including Lyon’s French Tech.

Large groups and many SMEs and start-ups from diverse sectors: communication and media, digital, video games, construction, energy, the environment, consulting, institutions, etc.

860 companies in the district.

On completion: 16,000 inhabitants, 25,000 employees and an office stock of 500 000 m².

Lyon’s largest museum (“Musée des Confluences”) and Lyon’s second largest shopping mall.

OFFICE STOCK

226 451 m²

2018 TAKE-UP

13 500 m²

PRIME RENT

€ 260

AVERAGE ANNUAL TAKE-UP

(5 year average)

10 531 m²

VACANCE RATE

6.7 %
**LYON**

*Le Carré de Soie*

With its good quality public transport offering and a prestigious urban project, the Carré de Soie, a veritable extension of the city centre, is already a true cluster of tertiary activities.

- Situated between the city’s center and its fast-developing suburbs to the east, Carré de Soie is one of the Lyon’s flagship projects
- Direct connection to the Part Dieu railway station (15 min) and to Lyon St Exupery airport (15 min) thanks to a multimodal transport hub
- 500 hectares under development and 5000 hectares of green spaces nearby
- A shopping and leisure complex covering over 60,000 sq. m
- An agreeable working and living environment including inter-company childcare facilities, restaurants, personal services, gyms and more
- Diversity of the real estate offer in terms of sizes and prices attracting large groups as well as smaller businesses
- Large companies such as Adecco, Alstom Transport, Technip Lyon, Veolia Environment and Dalkia have chosen Carré de Soie to locate their headquarters

**OFFICE STOCK**

165 877 m²

**2018 TAKE-UP**

13 550 m²

**PRIME RENT**

€ 200

**AVERAGE ANNUAL TAKE-UP**

(5 year average)

12 321 m²

**VACANCE RATE**

15.9 %
In Lyon, France’s second-largest city, consumers tend to have a high level of purchasing power. Located in the Rhône-Alpes region at the heart of one of the largest employment hubs in Europe with an active population of 2.5 million, this city offers genuine potential to retailers: over the last five years, retail spending in the Lyon catchment area has averaged €11 billion (source: Grand Lyon).

Social movements, yellow vest protests, competition from the Internet... While the business figures for brick-and-mortar retail declined by 3.3% in 2018 in France (source Procos), the indicators for Lyon are highly positive: increase in turnover and presence in the city centre, reduction of the commercial vacancy rate, launch of the country’s major shopping center restructuring works, etc.

Latest positive news: In February 2019, The Procos (federation for urban planning and specialized trade) designated Lyon as the most attractive city-centre in the country (excluding Paris)!

An attractive, densely populated city
The city’s wide reach also draws shoppers from beyond the immediate region resulting in retail turnover that is 6% higher than the consumption potential of resident households. Due to Lyon’s high population density, store catchment areas have a high number of consumers within a relatively short distance; with an average of 1,900 consumers within a 500-metre range the conditions for local stores are excellent.

Presqu’île: City centre revival
Lyon’s Presqu’île, which is based around Rue de la République, is a major French retail hub with almost 1,000 retailers. Presqu’île has a consumer base with a high level of purchasing power: 30% are managers or business leaders, 20% have monthly incomes of €4,500 or more.

In June 2018, retail vacancy in Lyon stood at 3.5% (source codada); this is the lowest rate of all major regional cities in France. This extremely low level is a clear indication of the city centre’s potential but has also been a barrier for new retailers and new trends entering the Presqu’île market. This low level of retail renewal until 2016 contrasts with the dynamic Part-Dieu shopping centre and the successful leisure and retail centre in Confluence.

The arrival of retail in the Grolée-Carnot district in 2017 and the opening of retail and restaurants in the Grand Hôtel Dieu in 2018, for a total increase of 29,000 sq m in retail space, have changed the face of the city centre, allowing the Presqu’île to complete its commercial offer and to welcome some new big names such as Uniqlo, Hard Rock Café, Citadium, COS, Clarins, Decathlon, etc.

The opening of “The Grand Refectoire” and the Grand Hotel Dieu Halles Market, both expected to become hot spots of Lyon gastronomy, are the latest examples of the current commercial transformation.

The marketing of these projects has seen the arrival of three new trends in Lyon:
- As retailers are increasingly deploying omni-channel sales strategies, some previously online retailers are now opening physical stores.
- Stores selling furniture and household objects are returning to city centres with smaller formats and a higher sales density.
- The exponential growth of the food and beverage industry.
A virtuous model of public-private collaboration

In consultation with the private companies behind the Grolée - Carnot (Firce Capital - TEH) and Grand Hôtel-Dieu (Scaprim - PREDICA) projects, the Lyon city authorities have redesigned several public spaces in order to support these developments and improve the customer experience. All of Lyon’s major public squares have been renovated: Place des Terreaux, Place de la Comédie, Place de la République, Place Ampere, Place Tolozan and Place Louis Pradel. To improve circulation, the city has pedestrianised some high streets: Rue Rivière and Rue Bellecordière to connect Grand Hôtel-Dieu to the rest of the Presqu’île; Rue Thomassin between the Grolée Carnot and Rue de la République. Rue Victor Hugo is also due to be redesigned.

Part-Dieu: refurbishment of Europe’s largest intra-urban shopping centre

The Part-Dieu shopping centre, located in Lyon’s 3rd district at the heart of the central business district, is already considered to be one of the best shopping centres in Europe with over 36 million visitors per year. To keep up with evolving customer expectations in 2017, European retail real estate leader, Unibail-Rodamco, launched an extensive refurbishment programme that will run through to 2020.

The landlord’s aim is to make the site more open in order to improve the overall customer experience. The refurbishment will create an additional 32,000 sq m by building over the existing roof and creating an 18-screen cinema and around 20 restaurants which will have terraces with panoramic views across the city.
Fresh impetus

Deep-rooted changes in the retail offering and the customer experience have repositioned Rue de la République at the heart of the Presqu’île retail offering by developing a structured and rich client experience between Rue Grenette and Place Bellecour. The arrival of new retail anchors has significantly strengthened the attractiveness of the Presqu’île district. As a consequence, presence in the Rue de la République has increased by more than 10% since November 2018!

Retail take-off in Confluence

In April 2012, Unibail Rodamco opened the Confluence leisure and retail hub (GLA of approximately 50,000 sq m, 106 stores, 7.4 million visitors per year) at the heart of the developing Confluence district. With over nine million visitors this year, this area clearly has potential.

Urban development has continued across this new district with additional office space, new homes and the opening of the Confluence Museum in 2014. It is also becoming a popular area for new retail. Over nine million visitors were recorded in the leisure and retail hub in 2017. Local retail outlets and restaurants are appearing in the property developments around Place Francois Mitterrand and along Cours Charlemagne. With work beginning at the Perrache exchange the district will soon be connected to the rest of Lyon’s Presqu’île.

Why did they choose Lyon?

In 2017, the La Redoute Group decided to open its first La Redoute Interiors and AM.PM stores outside Ile-de-France. Lyon was an obvious choice of location due to the strength of its catchment area and the quality of the commercial projects currently underway in the city center. La Redoute Interiors kicked off with the Grolée project in November 2017 and the premium AM.PM concept boutique opened in the Grand Hôtel-Dieu in spring 2018.

“Why did they choose Lyon?”

Sandrine GUICHARD
Head of Home & Decoration, Retail & B2B

La Redoute
Why invest in Lyon?

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© Pierre Thauvin
In the country that is now the most attractive European country for industrial investments (source: EY), Lyon remains France’s first industrial urban area outside Paris with nearly 75,000 jobs spread over 2,900 industrial sites.

Historically, Lyon has relied on strong activities such as the textile, petrochemicals, etc.

This wealth and diversity of the industrial infrastructure is at the very heart of the city’s dynamic real estate markets, including the services market.

Indeed the services sector has developed on the basis of this industrial infrastructure and it is the city’s dynamic industry that has made its real estate market much more resilient to the economic crisis than markets that are potentially more dependent on the performance of their services sector.

Due to the morphology of the land available, infrastructures and soil quality, 80% of the industrial fabric is located in the eastern part of the urban area, the inner suburbs to the east of Lyon representing on average 50% of the annual take-up.

Town planning and the lack of land available in this delimited area have nevertheless led to industrial and logistics zones spreading out to Saint-Quentin Fallavier and Plaine de l’Ain further north.

**820,000 m²**

In 2018, the combined take-up of light industrial premises and logistics warehouses in the Lyon market exceeded 820,000 m² (source: JLL).

**Industrial market - Key Figures**
- Stock: 12 million m²
- Vacancy rate: 3.9%
- Premium rents: 75€/m²/year for industrial premises and 135€/m²/year for office space
- Take-up (2018): 500,000 m²

**Logistics market - Key Figures**
- Stock: 5.5 million m²
- Premium rents: 44-48€/m²/year
- Take-up (2018): 320,000 m²

*Source: JLL / Cecim*
Logistics activities really emerged in the mid-1980s, transforming the industrial real estate landscape into new units on a large scale.

The development of these activities has been a real growth driver for industry and, by extension, for the Lyon real estate market.

These new-generation, highly-standardised logistics platforms, organised according to specific storage standards, have greatly boosted some geographical sectors, such as the Isle d’Abeau / Saint-Quentin Fallavier sector to the east of Lyon and the Plaine de l’Ain sector to the north-east.

Over just the last 20 years, the Lyon urban area has become the second-largest national market in terms of take-up and the Isle d’Abeau park is the third biggest in Europe with more than 2.5 million m² of logistics units representing all the links in the chain. Lyon’s logistics real estate has now become an international reference. It benefits from a strategic location in the heart of a catchment area of more than 170 million people less than 24 hours away by road, from strong economic regions (Ile-de-France, Ruhr, Canton of Geneva, Lombardy, Catalonia, etc.) and from a motorway and rail network on the north-south axis facilitating communication and diverse means of transport.

Logistics real estate is a powerful tool for attracting international investors and major companies to Lyon and enhancing the city’s image. Key names, such as Ikea, Schneider, Feu Vert, Intersport, NYK and DHL, have established their large national or South-Europe platforms in the area.
As part of its economic development strategy, Lyon has launched the project "Lyon, a city of manufacturing" with the clear objective of maintaining and developing industrial employment, which currently represents 17% of private-sector jobs in the region.

In addition, Lyon is host to many universities, laboratories and innovative companies dedicated to R&D, which has earned it the title of "A city of learning".

By promoting the development of the chemicals, environment, mobility, energy, transport and pharmaceutical-biotechnology sectors, Lyon has quickly become a reference in European industry.

In order to continue to develop these sectors, the city is ensuring that land reserves remain available through the PLU-H (Local Planning and Housing Plan) which comprises an economic zone of 6,880 ha, of which 1,760 ha will be devoted to productive activities, craft trades and industry.

Several areas have already been identified by the city and are now dedicated to the development of innovative industrial activities:

- **Biodistrict in Gerland**: Pharmaceutical-biotechnologies
- **Chemical Valley**: Clean technologies
- **Vénissieux North**: First campus dedicated to the "industry of the future"

By promoting the development of the industry of the future, Lyon aims to support the transition of start-ups and SMEs to the industry of tomorrow.

The "industry of the future" campus in Vénissieux

The Lyon metropolitan area created its first Industry of the Future campus in Vénissieux in partnership with Bosch. Close to the sites of companies such as Renault Trucks, Iveco, Aldes, Naya and, soon, the SNCF Technicenter, this campus aims to support the transition of start-ups and SMEs to the industry of tomorrow. Sixty thousand square meters will be developed on an 11-ha site, creating 1,000 new jobs in the long run. Lyon organizes and promotes the support chain for these first industries by activating its industrial ecosystem and deploying a technological demonstrator to carry out "proofs of concept" or pre-series.

Finally, a group of industrial companies has created the Industrial Hive, a service to promote innovation and the transition to the industry of the future that will be set up on the campus. Bosch will participate in this project by seconding personnel and investing in the demonstrator.

Source: Economic development program of Lyon Métropole 2016-2021
Why invest in Lyon?

**Lyon: rethinking urban logistics**

“In response to the new consumer buying trends and the growth of E-commerce, facilitating goods distribution and last mile delivery within the city”

The Compagnie Nationale du Rhône (CNR) has just launched a call for projects to create an urban “logistics hotel” in the port of Lyon Edouard-Herriot on a 48 000 m² site.

This area, perfectly located in the south of Lyon Gerland and connected to the city and the points of consumption, extends over 184 hectares. It is now served by four modes of transport: river, rail, road and pipeline.

**French Fab: Lyon, where the focus is on industry**

With four major industrial sites in the area awarded the label “Industry of the Future Showcase” (SNCF, Gravotech, Air Liquide and Areva), capitalizing on the industrial base and supporting the growth of companies is a key priority of the “Manufacturing City” and part of Lyon’s economic strategy. The Lyon metropolitan area and its economic governance partners (CCI, MEDEF Lyon Rhône, CPME, CMA and the University of Lyon) have joined together to support the industrial transformation of local companies and develop French Fab in Lyon.

“FrenchFAB Lyon” objectives:

- Assisting companies in their industrial transformation process, informing the entrepreneurs of the existing measures and helping them integrate the “industry of the future” into their business strategy
- Creating a hub that will connect the “industry of the future” ecosystem
- Increasing industrial employment in the Lyon region (17% of jobs) by preparing for the transition to the “industry of the future” with new jobs and professional requirements
- Creating a common banner under which all the players in the industry can join, to strengthen the attractiveness of the Lyon region and promote investment in this sector as a priority.

Source: Economic development program of Lyon Métropole 2016-2021

**48 000 m²**

A 48 000 m² area in the port of Lyon will be home of a future urban logistics hotel

**Lyon: rethinking urban logistics**

“The project aims at “mixed logistics activities” with the objective of providing a response to the problems of energy transition, road congestion, air pollution and noise nuisance generated by the transport of goods in the city, while accompanying the economic development of the metropolitan area and facilitating the conditions of emergence of urban logistics in Lyon."


**Real Estate services proposed by EY**

**Real estate transactions**
- Legal and tax structuring of cross-border transactions (design of acquisition structure for real estate portfolio, conception of European funds, etc.)
- Legal and tax assistance in the context of real estate transactions consisting of the disposal of real estate rights or shares of real estate companies
- Financial, legal and tax audit
- Drafting and negotiation of share purchase agreements, representations and warranties, etc.
- Assistance with the drafting and the negotiation of commercial leases, real estate leases and long-term leases

**Real Estate Advisory**
- Performance of assets, occupancy rates and financial arrangements
- Transformation of professions, ways of working, real estate and land space
- Innovation in design, management and asset tracking
- International Location Advisory Services providing support to find the best location for business operations (production units, logistics, headquarters, R&D centers, etc.), from strategic thinking to go-live.

**Real estate taxation**
- Corporate taxation of real estate investments
- Tax optimisation of real estate investments
- Advice in the area of externalisation of asset transactions
- Specific tax legislation: VAT, registration duties, 3% annual tax on real estate owned by entities in France, etc.
- Assistance in tax audits and litigation
- Advice relating to the eligibility, appropriateness and possible optimisation of the application of the SIIC and OPCI regimes

**Real estate financing**
- Structured financing for real estate projects
- Putting-in-place of real estate warranties in the context of real estate financing operations
- Setting-up of financing, tax optimisation in the context of acquisitions and restructuring of real estate portfolios
- Real estate leases
- Public-private partnerships
- Financing products

**Construction, property development and town-planning law**
- Assistance with the drafting and negotiation of property development agreements and construction agreements
- Assistance with the drafting and negotiation of build-operate-transfer agreements and project management agreements
- General regulations relating to town planning
- Litigation

**Environmental law** (specific aspects relating to real estate)
- Environmental audit
- Assistance with the drafting of environmental warranty clauses, environmental liability clauses in lease agreements, agreements in regulated areas
- Polluted sites and classified installations
- Sustainable development
Why invest in Lyon?

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JLL CONTACTS

About JLL

JLL (NYSE:JLL) is a financial and professional services firm specializing in real estate, with 90 000 employees around the world.

The firm offers integrated services delivered by expert teams worldwide to clients seeking increased value by owning, occupying or investing in real estate. With a 2018 global revenue of 6.5 billion USD, JLL serves clients in 1 000 cities and in over 80 countries.

About JLL in France

In France, we have offices in Paris, Lyon (130 employees and all the service lines represented), Marseille, Lille and Bordeaux, and our consultancy activities cover the whole country.

Every year, our 900 specialised employees in the office, retail, logistics, industrial and hotel markets advise investors and corporates on real estate projects through different service lines:

Capital Markets

Provide investment advice for direct real estate transactions and approach all our client relationships from the position of a well-informed, expert and trusted adviser; putting our client’s objectives and long-term relationship building at the forefront of everything we do:

- Portfolio analysis and formulation of strategic recommendations
- Assistance in asset acquisition or disposal in the office, retail, logistics, industrial and residential (block sales) markets
- Value and liquidity analysis of your assets or real estate portfolios.
- Value Recovery Services: analysis of your troubled assets and implementation of an action plan.
- Sourcing and advising on refinancing facilities for acquisition financing or for loan restructuring.

Agency

Bring a strategic, proactive leasing approach to your commercial real estate assets so that you can focus on continuous financial growth. Define and execute a marketing and agency leasing strategy to mix the best tenants at the best lease terms and retain them for lasting value.

Project & Development Services

Deliver proactive commercially focused project and development advice on both new developments and existing buildings in sectors as diverse as offices, hotels and residential. Monitor your building, refurbishment and fit-out projects.

Valuation

Provide valuations and high quality reporting outputs tailored to specific requirements: acquisition and disposal decisions, performance measurement, portfolio regulatory valuations, strategic planning, etc.

Tétris

Deliver fit-out and refurbishment full-services, for innovative and sustainable work space solutions that are inspired by the people who use them.

Hotels

Provide a single check-in for building profit with comprehensive hotel asset management and investment services.

Research

Produce an unrivalled perspective on current and future property market conditions, designed to provide insights and practical interpretation to help our clients maximize value.