

# THE HIGHER EDUCATION PROPERTY SECTOR

2023 REVIEW & 2024 OUTLOOK  
FRANCE

JUNE 2024



# Introduction

## A PARTICULARLY DYNAMIC 2023

In this latest edition of Knight Frank's report on the education property sector, we present an overview of one of the most dynamic alternative asset classes on the French market.

At a time when this ecosystem is facing a host of challenges (expansion and hierarchisation of educational players, deployment of new digital tools and learning methods, etc.), the sector is once again demonstrating its dynamism in 2023. After an intensive year in 2022, and against a backdrop of continuing growth in student numbers, demand for property from private higher education players remained particularly high. **Nearly 89,600 m<sup>2</sup> was leased or acquired by private higher education establishments in Paris Region in 2023. Stable compared with 2022, this performance is nevertheless 35% higher than the average for the last five years.**

**The start of 2024 promises to be more sluggish,** with three transactions of over 1,000 m<sup>2</sup> recorded in the first three months of the year, totalling 9,300 m<sup>2</sup> (-63% in one year). Although a slowdown is expected, demand from educational establishments will remain high in a hyper-competitive environment,

where campuses with the highest standards are widely favoured by French and international students. A number of large-scale projects are also expected to drive the Paris region market in the coming months.

**The volume of investment in educational property has continued to rise in 2023, reaching an all-time high of €485 million,** bringing the total volume invested in this type of property since 2016 to more than €1.8 billion.

**This momentum is set to slow in 2024,** against an overall backdrop of declining amounts invested in property markets. However, investor interest in this asset class remains palpable, given that there is a significant need for education and training facilities in France, and that educational premises are characterised by long leases and usually captive users.



# Summary

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# OVERVIEW OF HIGHER EDUCATION *IN FRANCE*



# Key figures for higher education



**2.94 million**

Total number of students in France in 2022-2023 (-1.1% year-on-year)

Of which  
**26%**

In the private sector

**27%**

in the Greater Paris Region



The private sector had  
**767,000**  
students in 2022-2023

an increase of

**+4%**

Year-on-year

and a gain of

**+295,600**

students in 10 years



**+6%**

Average annual growth in private higher education enrollments over the last 5 years\*

Compared to

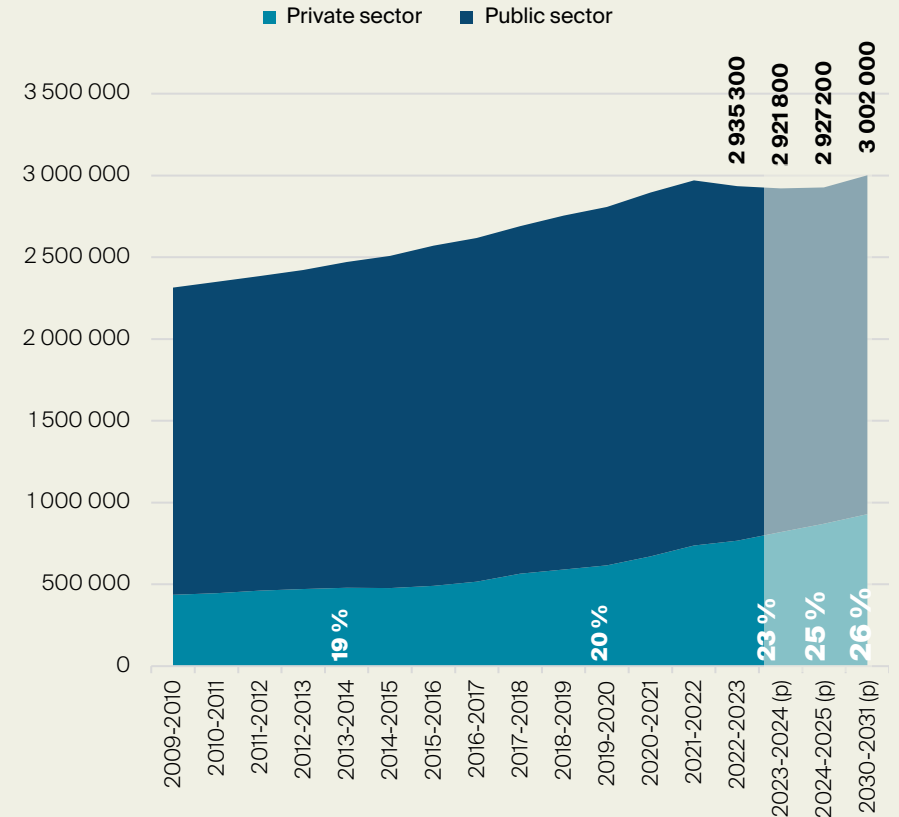
**+2%**

in the public sector\*

\*Students in 2022-2023

## Continued growth in private sector enrollments

In number of students in France



# Key players in higher education

While supply is fairly fragmented, some large categories can be identified (outside universities) :



# RENTAL MARKET TRENDS *IN THE GREATER PARIS REGION*



JUNE 2024

# Key figures at the end of Q1 2024



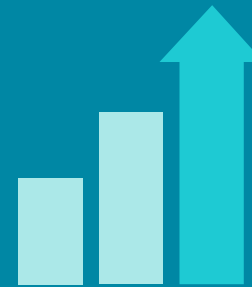
**134 rental transactions > 1,000 m<sup>2</sup>** identified between 2016 and 2023 in Île-de-France including **29 movements > 5,000 m<sup>2</sup>**

**3 additional transactions** recorded in Q1 2024 (>1,000 m<sup>2</sup>)



**499,940 m<sup>2</sup> placed** between 2016 and 2023, **41% of which in Paris intra-muros.**

More than **9,250 m<sup>2</sup>** placed in Q1 2024 (-63% year-on-year)



**89,600 m<sup>2</sup> placed** in 2023 including **7 transactions > 5,000 m<sup>2</sup>**

Stable compared to 2022  
**+35%** compared to the 2018-2022 average



Average rent (for surfaces > 1,000 m<sup>2</sup> since 2016)

**€372/m<sup>2</sup>/year in Île-de-France** (excluding Paris)  
**€448/m<sup>2</sup>/year in Paris intra-muros**



# A record year in 2023

After a particularly dynamic year in 2022, the Greater Paris Region education property market posted its best performance ever in 2023. A total of 89,600 m<sup>2</sup> was taken up by the private higher education sector, a volume 35% higher than the average for the last five years. Leasing activity was supported by 7 transactions over 5,000 m<sup>2</sup> (after 5 in 2022), including 2 over 10,000 m<sup>2</sup>. This accounted for 75% of take-up in 2023 (compared with an average of 43% over the last five years). For example, ESILV signed a lease for 18,000 m<sup>2</sup> at the "Campus du Parc" in Nanterre.

In Q1 2024, more than 9,250 m<sup>2</sup> were let or acquired by schools in the Greater Paris Region (down 63% in one year). This

slowdown was expected and is the result of the intense leasing activity of the last two years. The western part of the Paris Region and the Paris arrondissements most popular with educational establishments will continue to attract a large proportion of take-up. However, these movements are likely to be smaller in number and more modest in size than in 2023.

**In 2023**



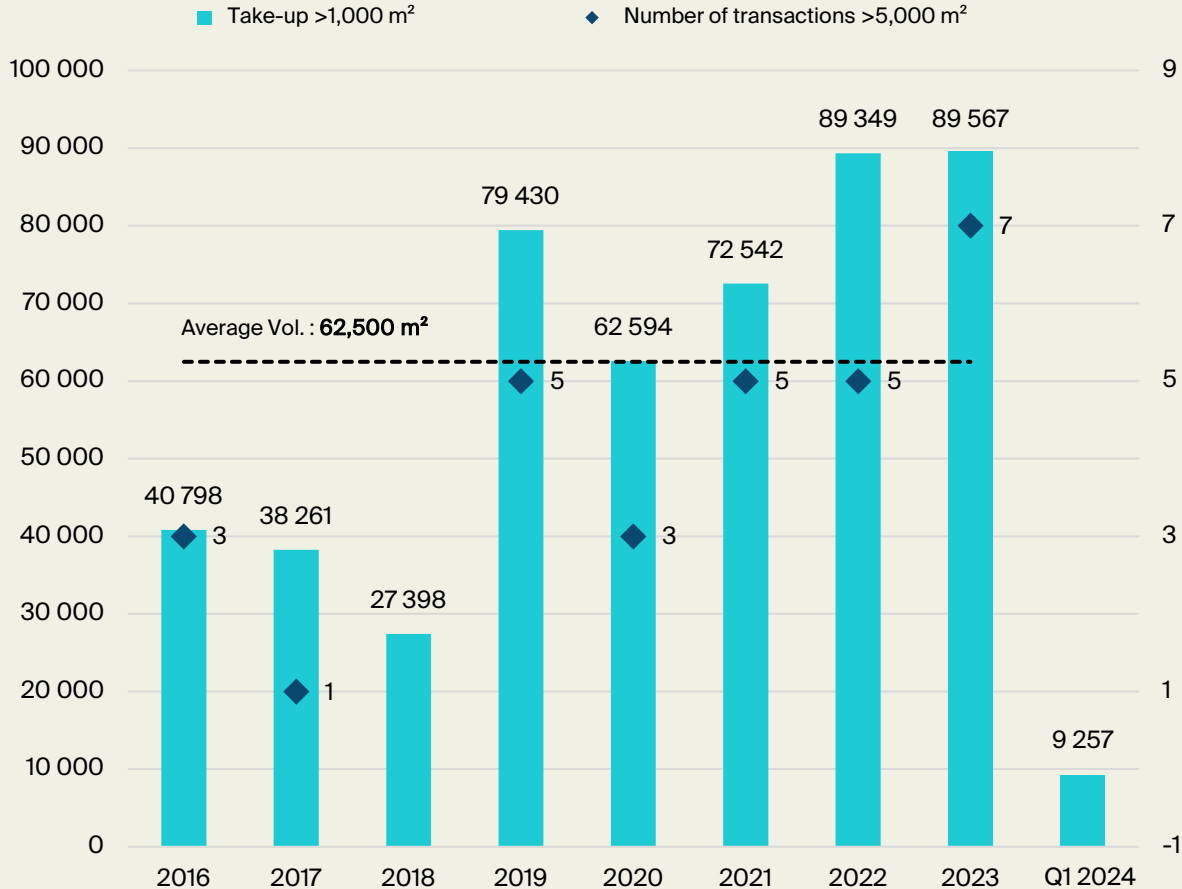
Year-on-year



Compared to the 2018-2022 average

## CHANGE IN TAKE-UP > 1,000 M<sup>2</sup> SINCE 2016

In volume, In Greater Paris Region



# Paris and the west of the region in demand

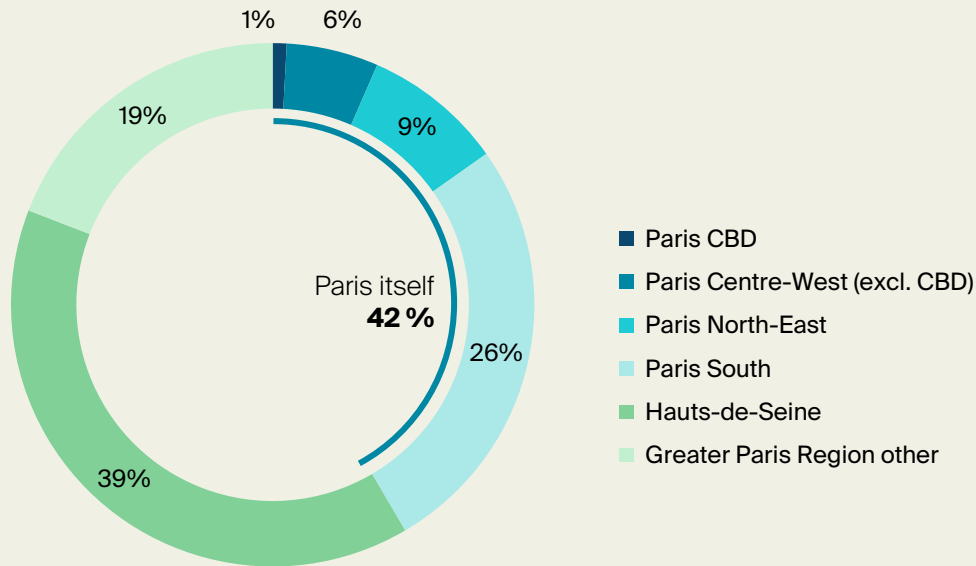
Paris remains the No. 1 area of choice for private higher education establishments, accounting for 42% of space let (>1,000 m<sup>2</sup>) in the Greater Paris Region since 2016, and 50% of the total. The Left Bank, the historic heart of higher education, is clearly favoured by higher education establishments (63% of take-up in Paris Intra-muros).

Since 2019, there has been an increase in the number of large-scale moves outside the capital,

particularly to the west of Paris, where the environment and improved accessibility, the availability of quality assets and the proximity of major groups are attracting schools. Hauts-de-Seine has accounted for 39% of take-up since 2016 and 47% of take-up > 1,000 m<sup>2</sup> in the Greater Paris Region in 2023. Among the most significant deals in 2023 will be ESILV's acquisition of the "Campus du Parc" in Nanterre.

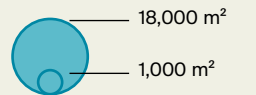
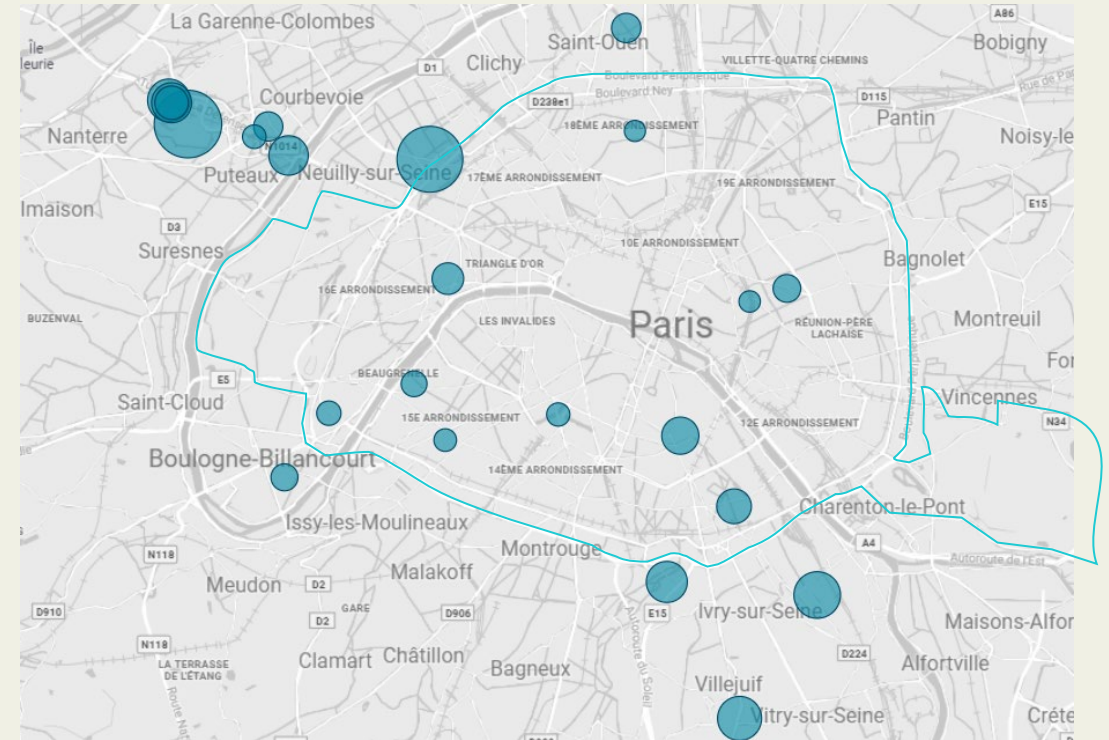
## GEOGRAPHICAL DISTRIBUTION OF TAKE-UP > 1,000 M<sup>2</sup> SINCE 2016

In volume, at the end of March 2024, in the Greater Paris Region



## MAP OF AREAS >1,000 M<sup>2</sup> LEASED SINCE 2023

In the Greater Paris Region, to the end of March 2024



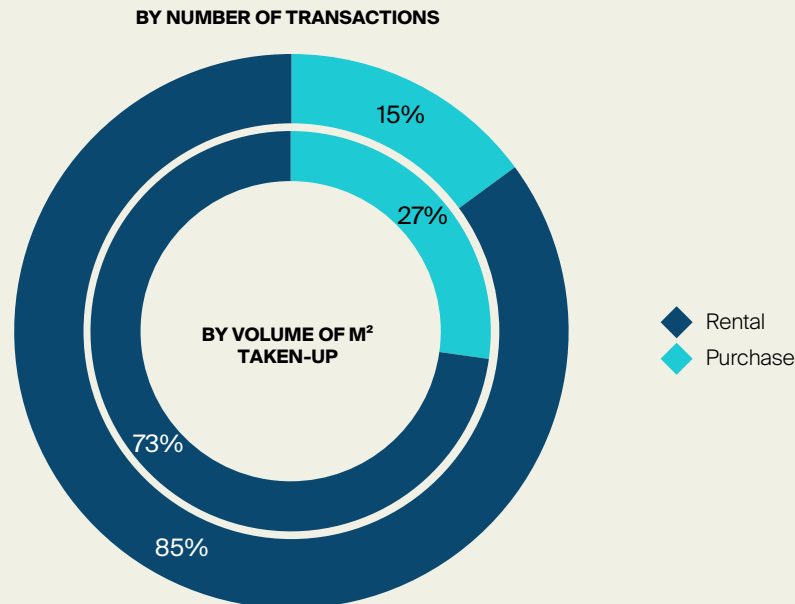
# Increasing number of large projects

By 2023, the average size of space leased in Paris will have increased by 30% compared with the period 2016-2022, compared with 33% for the Île-de-France region (excluding Paris). This increase illustrates the growing need for m<sup>2</sup> in order to stand out from the competition, develop the educational offering, improve teaching conditions and, above all, keep pace with the continuing rise in student numbers.

Most schools prefer to rent, accounting for 73% of the m<sup>2</sup> placed (>1,000 m<sup>2</sup>) in the Greater Paris Region since 2016, and 85% of the number of transactions recorded. There were only 4 acquisitions in 2023, including ESILV's "Campus du Parc" in Nanterre, ESIA in Ivry-sur-Seine and GEMA in Boulogne-Billancourt.

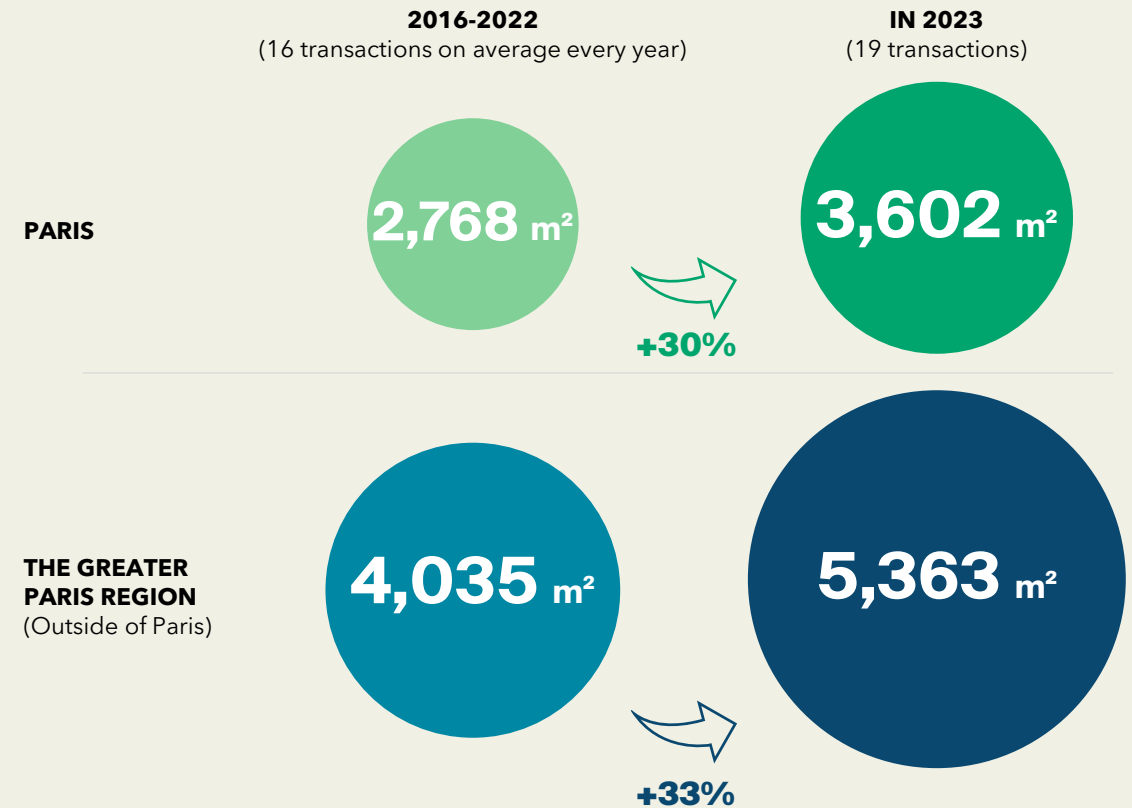
## DISTRIBUTION BY TRANSACTION TYPE >1,000 M<sup>2</sup>

In the Greater Paris Region, between 2016 and Q1 2024



## CHANGE IN AVERAGE AREAS >1,000 M<sup>2</sup> LET

In volume, in the Greater Paris Region



# Mostly endogenous movements

Since 2016, the majority of transactions have concerned higher education establishments moving within the same geographical area. They account for almost half (47%) of the transactions recorded in the Greater Paris Region. This strong preference for remaining within the same geographical area can be explained by the fact that schools are anchored to a particular sector or their premises, by the limited supply available in the capital, and by the growing presence of private multi-brand groups in the French higher education ecosystem: 40% of the m<sup>2</sup> leased was taken by multi-brand groups such as GALILEO, IONIS and OMNES, for example. These groups

prefer to locate their facilities close to each other to facilitate links between courses in the same network.

As for new schools, they remain particularly limited, accounting for only 6% of the movements recorded since 2016. These are mainly the result of the arrival of regional or international establishments, which have increased their influence and the range of courses on offer (UNIVERSITY OF CHICAGO in the 13<sup>th</sup> arrondissement, RENNES SCHOOL OF BUSINESS in the 9<sup>th</sup> arrondissement, etc.).

## ORIGIN OF SCHOOLS SINCE 2016

In % of movements >1,000 m<sup>2</sup> | In the Greater Paris Region, at the end of March 2024



# 47%

Of endogenous movements (> 1,000 m<sup>2</sup>)

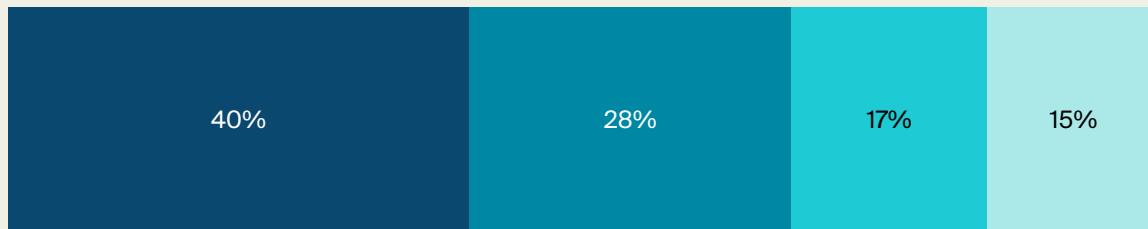


# 6%

Of new locations

## BREAKDOWN OF DEMAND PLACED BY SCHOOL STATUS

In volume, in the Greater Paris Region, between 2016 and the end of March 2024



■ Private multibrand group ■ Independent private ■ Consular private ■ Private company of general interest (EESPIG\*)

\*Higher education establishment of general interest

# Stabilisation of average rental values

## AVERAGE RENT OBSERVED FOR AREAS > 1,000 M<sup>2</sup> LETTINGS SINCE 2016

By volume, in the Greater Paris Region



The average rent for teaching space is **€372 /m<sup>2</sup> per year** in the Paris region (excluding Paris), compared with an average of €350 /m<sup>2</sup> per year for offices (excluding Paris). In Paris, the average rent is **€448/m<sup>2</sup> per year**. The gap remains wide with the average rent for offices, which is rising due to sustained demand from users and very low vacancy rates (4.2% on average in Paris and 2.5% in the CBD at the end of Q1 2024).

Prime rents were down at the end of the Q1 2024. It now stands at **€471 /m<sup>2</sup> per year** (down 17% in one year).

Prime rent: the weighted average of the five transactions >1,000 m<sup>2</sup> with the highest rent over the last 12 months (all qualities combined)  
Average rent: weighted average of all transactions recorded over the last 12 months (all surfaces and qualities combined)

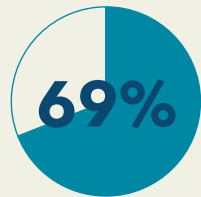
# New opportunities thanks to asset transformation

A total of **28 conversions (> 1,000 m<sup>2</sup>)** of office space into teaching premises have been recorded in the Greater Paris Region since 2019 (all asset types combined). Among the most significant and recent office conversion projects are "H2B" in Clichy (13,800 m<sup>2</sup>, delivered in 2021 for EM NORMANDIE), "Vision Seine" in Courbevoie (10,000 m<sup>2</sup> acquired by IGS, to be delivered in 2024) and "Aptimal" in Puteaux (5,020 m<sup>2</sup>, 2024).

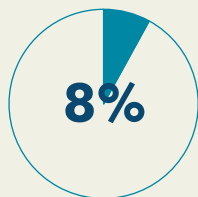
Half (51%) of the conversions of teaching premises in the Greater Paris Region are concentrated in the inner suburbs of Paris, with the majority taking place in the Left Bank arrondissements (88% of Paris conversions).

## Which assets are converted into teaching premises?

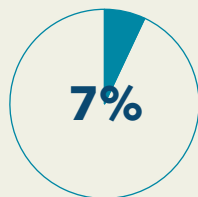
Projects involving floor space >1,000 m<sup>2</sup> converted into teaching premises, recorded since 2019  
In the Greater Paris Region, % of total volume



Offices



Health  
(hospital, clinic, etc.)



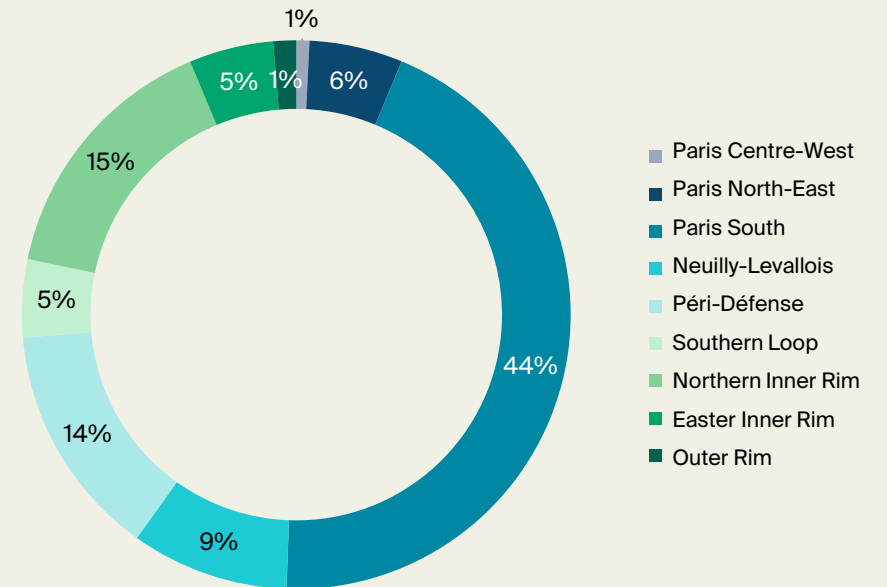
Administrative or  
military

Although the scale of conversions in Paris is smaller than in the suburbs, there are more of them.

Outside the capital, conversions are concentrated mainly in the Péri-Défense and Northern Inner Rim areas (14% and 15% respectively of the total surface area converted). In these tertiary hubs, conversions represent a real opportunity to revitalise assets that are losing momentum, particularly in a context of high vacancy. For example, the vacancy rate in Péri-Défense peaked at 19.2% at the end of Q1 2024, and almost 22% in the Northern Inner Rim (compared with an average of 8.6% in the Greater Paris Region).

## GEOGRAPHICAL DISTRIBUTION OF AREAS >1,000 M<sup>2</sup> CONVERTED INTO TEACHING PREMISES SINCE 2019

In the Greater Paris Region, all asset types, % of total volume



**28 projects >1,000 m<sup>2</sup>** converted into teaching premises have been recorded in Paris Region since 2019, representing **138,800 m<sup>2</sup>** converted or in the process of being converted.

# Examples of transactions

## Examples of rental transactions for teaching premises

In the Greater Paris office market

YEAR	SCHOOL / GROUP	ADDRESS	CITY	AREA	RENT	ORIGIN
2024	IAE PARIS-SORBONNE BUSINESS SCHOOL	RE-GENERATION, 11-15 RUE PONSCARNE	PARIS 13 <sup>e</sup>	3,800	550	Paris 13 <sup>e</sup>
2024	ISTITUTO MARANGONI PARIS FASHION SCHOOL	CAMPUS IENA, 15 RUE BOISSIERE	PARIS 16 <sup>e</sup>	3,000	-	Paris 8 <sup>e</sup>
2023	INSTITUT LEONARD DE VINCI	CAMPUS DU PARC	NANTERRE (92)	18,000	-	Nanterre
2023	ESIA	ZAC GAGARINE TRUILLOT, RUE SAINT JUST	IVRY SUR SEINE (94)	7,717	-	Ivry-sur-Seine
2023	EFREI	HOME, 145 BOULEVARD MAXIME GORKI	VILLEJUIF (94)	6,780	285	Villejuif
2023	COLLEGE DE PARIS	THE KUBE, 6 RUE DES TROIS FONTANOT	NANTERRE (92)	6,217	380	-
2023	DIGITAL COLLEGE	LA FABRIQUE, 10 RUE DES TROIS FONTANOT	NANTERRE (92)	3,470	380	La Défense
2023	STUDIALIS / GALILEO	81 AVENUE DE LA REPUBLIQUE	PARIS 11 <sup>e</sup>	2,130	620	Extension**
2022	GROUPE IGS	VISION SEINE, 33 QUAI PAUL DOUMER	COURBEVOIE (92)	10,000	Occupier sale	La Défense
2022	ICN BUSINESS SCHOOL	LES COLLINES DE L'ARCHE	COURBEVOIE - LA DÉFENSE (92)	7,250	430	La Défense
2022	AUDENCIA BUSINESS SCHOOL	LE SPOT, 122 BOULEVARD VICTOR HUGO	SAINT-OUEN (93)	6,680	350	Paris 14/15
2022	INSTITUT CATHOLIQUE DE LILLE	V-SO, 39 RUE PIERRE POLI	ISSY-LES-MOULINEAUX (92)	6,400	Occupier sale	Boucle Sud
2022	IESEG	LES COLLINES DE L'ARCHE	COURBEVOIE - LA DÉFENSE (92)	6,360	430	La Défense
2022	ÉCOLE SUPERIEURE DE LA BANQUE	HUB 24.7, ALLEE DE CORSE	NANTERRE (92)	4,000	380	Péri-Défense
2022	TBS EDUCATION	9-17 RUE SAINT-LAMBERT	PARIS 15 <sup>e</sup>	4,000	500	Paris 14/15
2022	KEDGE BUSINESS SCHOOL	LE LUMIERE, 40 AV. DES TERROIRS DE FRANCE	PARIS 12 <sup>e</sup>	3,300	-	Extension
2022	METaverse COLLEGE	GRANDE ARCHE, 1 PARVIS DE LA DEFENSE	PUTEAUX - LA DÉFENSE (92)	2,500	-	Création
2022	ALBERT SCHOOL	18 RUE DE PARADIS	PARIS 10 <sup>e</sup>	2,500	348	Création
2022	ÉCOLE SUPERIEURE D'AGRICULTURES	6 RUE HELENE BOUCHER	GUYANCOURT (78)	2,000	150	Création
2021	EM NORMANDIE	H2B, 30-32 RUE HENRI BARBUSSE	CLICHY (92)	13,700	420	Paris Centre Ouest
2021	INSEEC	CŒUR DÉFENSE	COURBEVOIE - LA DÉFENSE (92)	13,500	550	Paris 14/15
2021	GROUPE IGS	225 RUE DE LA GARENNE	NANTERRE (92)	11,000	-	-
2021	EM GRENOBLE	183 AVENUE JEAN LOLIVE	PANTIN (93)	5,860	300	Paris 14/15
2021	ESI BUSINESS SCHOOL	16-18 RUE DU DÔME	BOULOGNE-BILLANCOURT (92)	1,650	300	Boucle Sud
2021	RENNES SCHOOL OF BUSINESS	9 RUE D'ATHÈNES	PARIS 9 <sup>e</sup>	1,500	735	Création
2020	EFJ PARIS	214 BOULEVARD RASPAIL	PARIS 14 <sup>e</sup>	4,500	650	Levallois-Perret
2020	ESME SUDRIA	34 RUE DE FLEURUS	PARIS 6 <sup>e</sup>	2,900	590	Paris 5-6-7
2020	CCFS*	16-22 RUE DE MARTIGNAC	PARIS 7 <sup>e</sup>	2,800	815	Paris 14/15
2020	DIGITAL CAMPUS PARIS	8 BIS RUE DE LA FONTAINE AU ROI	PARIS 11 <sup>e</sup>	2,400	470	Paris QCA
2020	EM LYON	6-8 RUE LEGRAVEREND	PARIS 12 <sup>e</sup>	1,700	-	Paris 12/13

\*Cours de Civilisation Française de la Sorbonne

\*\* Conservation of nearby sites

# TRENDS IN INVESTMENT MARKETS *IN FRANCE*



JUNE 2024



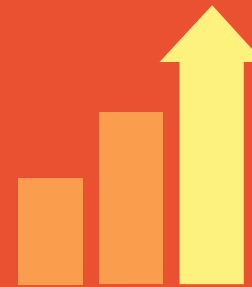
## Key figures at the end of Q1 2024



**92** investment transactions > €2 million in France since 2016  
**Including 6 > €50 million**



**1.8 billion invested** in France since 2016,  
**78% in the Greater Paris region**



**485** million invested in 2023  
i.e. **+47%** compared with 2022  
And **+164%** higher than the 2016-2022 average



The SCPIs / OPCIs represent  
**53%** of the volume invested in France  
between 2016 and 2023

# A record year in 2023

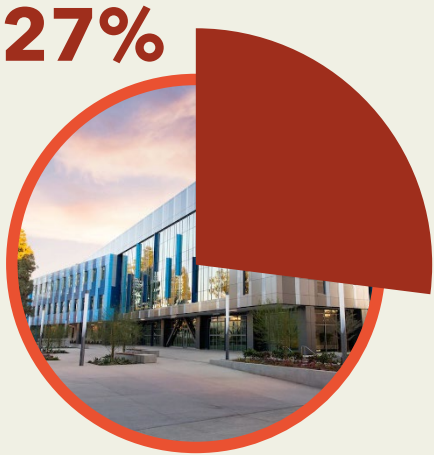
More than €1.8 billion has been invested in the French education property market since 2016. Confirming the enthusiasm shown by investors since 2019, €485 million has been committed in 2023, representing an increase of more than 40% compared with 2022 and a new historic benchmark. On the other hand, the number of unit transactions fell slightly, from 22 to 20, highlighting an increase in the average volume of transactions, from €16 million to €24 million.

There were 10 acquisitions worth at least €20 million, the largest of which was the future

Léonard de Vinci campus in Nanterre, acquired for €116 million by a banking consortium (Banque Postale, BPCE, Arkéa) from Eiffage immobilier. As in the commercial property investment market as a whole, volumes invested in educational property are likely to be lower in 2024 than in the previous year's record performance, even though the needs of France's education and training sector remain significant.



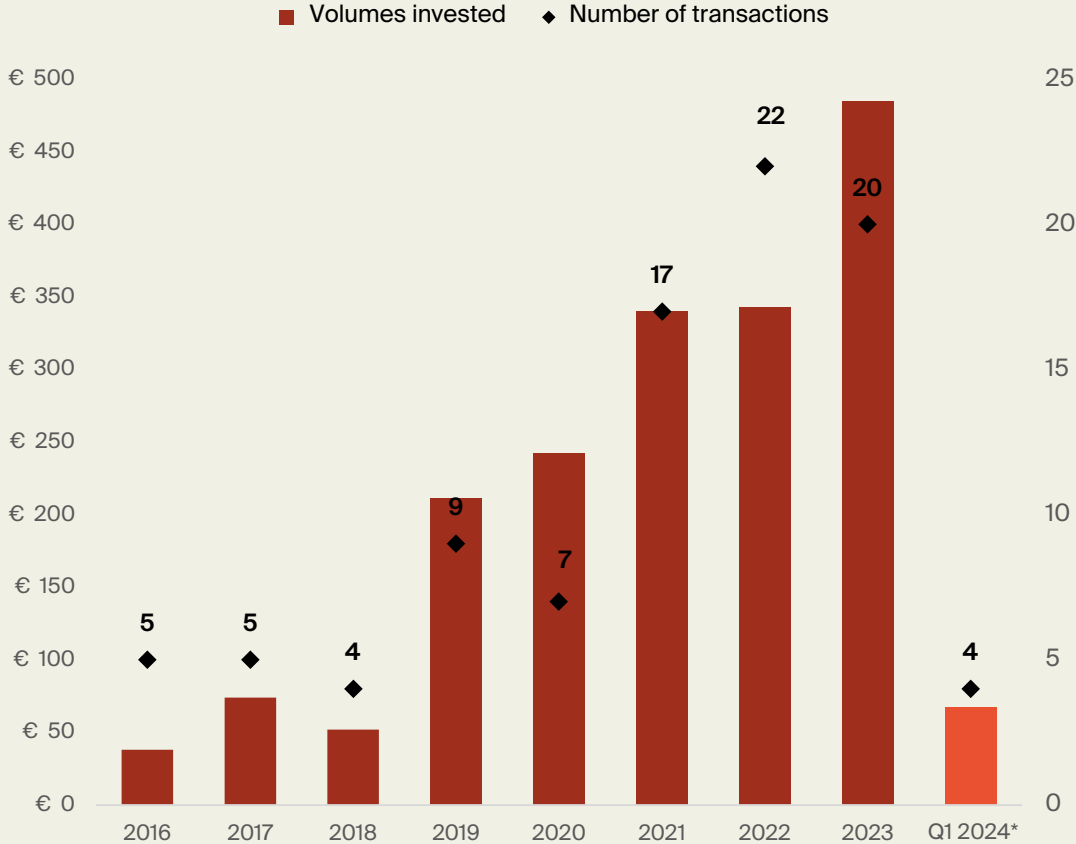
**Share of sales & leasebacks**  
Of total volume invested 2016-2023



**Share of forward sales**  
Of total volume invested 2016-2023

## CHANGE IN VOLUMES INVESTED

In the educational premises market since 2016  
In France, excluding occupier sales

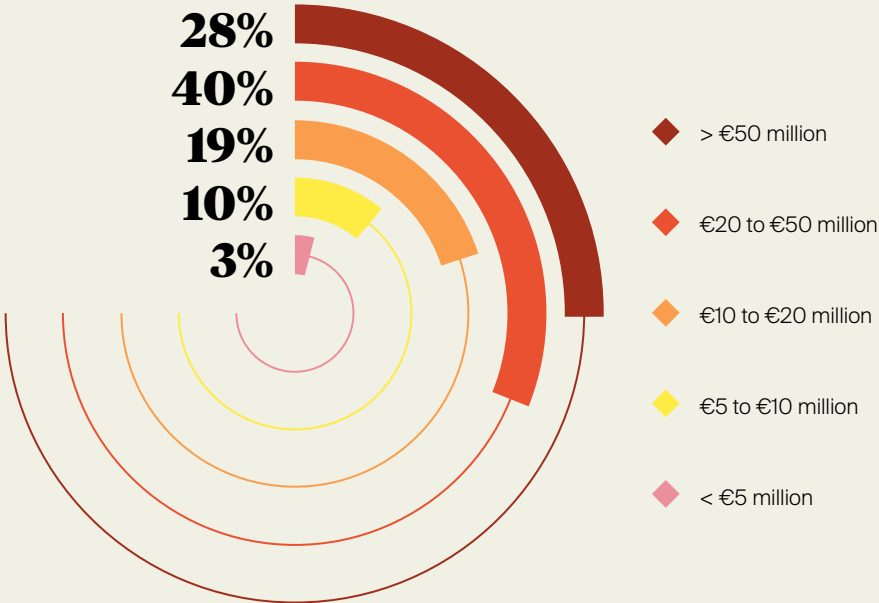


\* Estimated end Q1 2024

# Still very much a Parisian market

## BREAKDOWN OF INVESTMENT VOLUMES BY AMOUNT

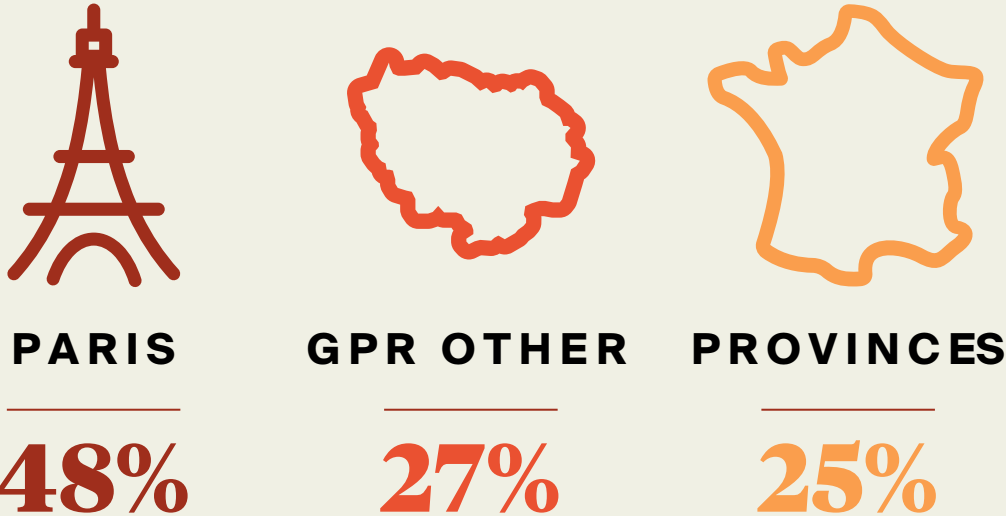
For the educational premises market between 2016 and 2023  
In France, excluding occupier sales



Almost 70% of the volume invested in education property since 2016 has been in deals worth more than €20 million. The average size of transactions has increased over the years, due to the opportunities presented by the creation of large campuses and the interest of a growing number of institutional investors.

## GEOGRAPHICAL DISTRIBUTION OF INVESTMENT VOLUMES

For the educational premises market between 2016 and 2023  
In France, excluding occupier sales

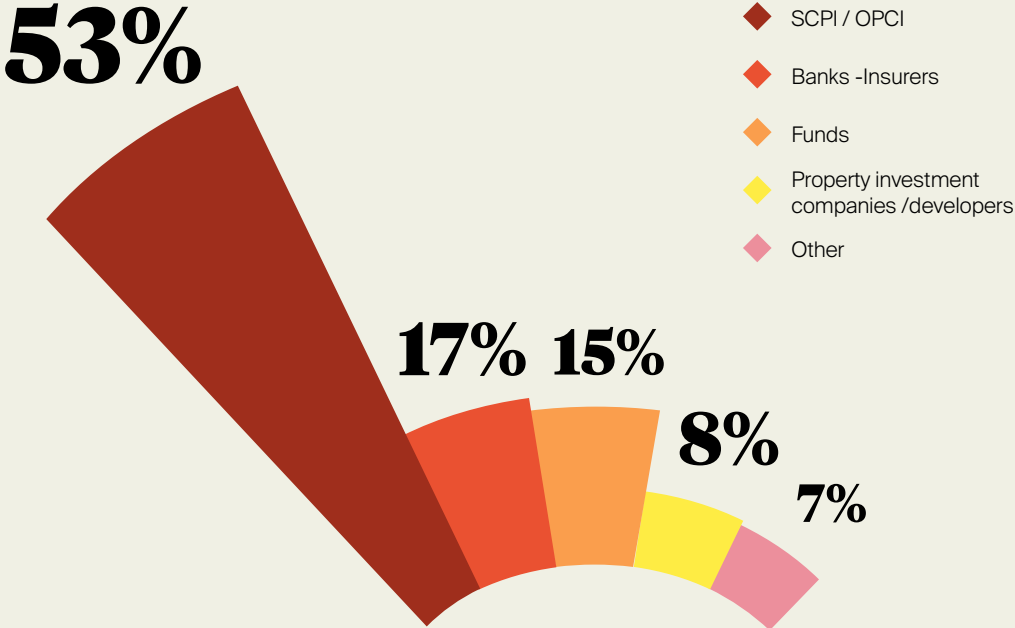


Most investment continues to be heavily concentrated in the Greater Paris region, accounting for 75% of the total, where the education market has traditionally been the largest and where the biggest deals have been made. The rapid development of private higher education and the creation of larger campuses outside the Greater Paris region, as well as investors' desire to diversify their assets, are also driving up investment volumes in the regions, particularly in the Rhône-Alpes region and in a number of major regional cities such as Bordeaux, Nantes and Aix-Marseille.

# SCPIs dominate

## BREAKDOWN OF VOLUMES INVESTED BY TYPE OF BUYER

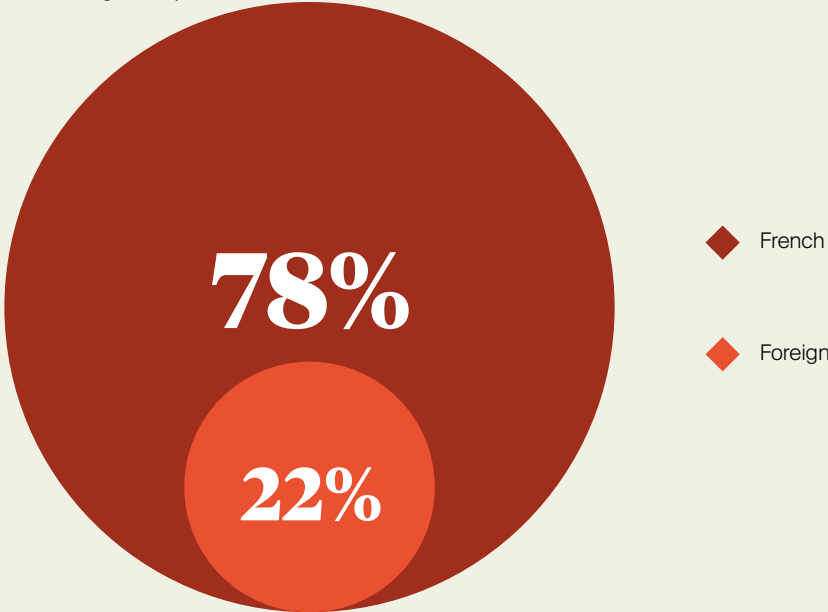
For the educational premises market between 2016 and 2023  
In France, excluding occupier sales



Despite an overall decline in their activity on the commercial property investment markets over the last few quarters, SCPI/OPCI remain the main investors in educational property. This asset class allows them to diversify their assets and guarantees rental income over the long term. A number of funds dedicated to education were also active, as were certain banks and property companies.

## BREAKDOWN OF VOLUMES INVESTED BY NATIONALITY

For the educational premises market between 2016 and 2023  
In France, excluding occupier sales



The French continue to dominate the education property market by a wide margin, accounting for almost 80% of total investment in France since 2016. Foreign investors therefore account for only a modest proportion of the volumes invested and a limited number of players, whose weight could nevertheless increase given the search for alternative and secure products by international funds.

# Examples of transactions

## Examples of investment transactions in the Paris Region

YEAR	SCHOOL / GROUP	ADDRESS	CITY	SELLER	BUYER	AREA	PRICE M€	YIELD %
2023	CAMPUS ESIEA	QUARTIER GAGARINE TRUILLOT	IVRY-SUR-SEINE (94)	HEXAOM	SOCIÉTÉ GÉNÉRALE / BPCE	8 000	30	-
2023	LENNEN BILINGUAL SCHOOL	59 BIS AVENUE DE SÉGUR	PARIS 7 <sup>e</sup>	VEGA	CRPN	1 100	30	3,30
2023	STUDIALIS	81 AVENUE DE LA RÉPUBLIQUE	PARIS 11 <sup>e</sup>	NOVAXIA	MACSF	2 200	37	3,10
2023	CAMPUS EDH	214 BOULEVARD RASPAIL	PARIS 14 <sup>e</sup>	EDH	ALLIANZ IMMOVALOR	4 500	60	5,00
2023	LÉONARD DE VINCI	41 ALLÉE LE CORBUSIER	NANTERRE (92)	EIFFAGE IMMOBILIER	BANQUE POSTALE / BPCE / ARKEA	18 000	116,4	-
2023	SPORT ETUDES ACADEMY	TROIS CAMPUS	ILE-DE-FRANCE	SPORT ÉTUDES ACADEMY	LEADCREST CAPITAL PARTNERS	9 000	20	-
2022	EM NORMANDIE	H2B, 30-32 RUE HENRI BARBUSSE	CLICHY (92)	GDG INVESTISSEMENT	AEW CILOGER	13 700	147	3,90
2022	PROJET*	16-18 RUE DES COLONNES DU TRÔNE	PARIS 12 <sup>e</sup>	-	BNP PARIBAS REIM	3 000	32	-
2022	UNIVERSITE PARIS SORBONNE	RUE DE TOLBIAC	PARIS 13 <sup>e</sup>	-	ICADE PROMOTION	4 500	30	-
2022	STUDI	155 RUE DE CHARONNE	PARIS 11 <sup>e</sup>	-	SOFIDY	950	9,8	-
2022	INSEEC	91 BOULEVARD EXELMANS	PARIS 16 <sup>e</sup>	GECINA	MATA CAPITAL	1 230	9,2	-
2021	EM GRENOBLE	183 AVENUE JEAN LOLIVE	PANTIN (93)	PRD	LA FRANÇAISE REM	5 860	44	4,00
2021	RENNES SCHOOL OF BUSINESS	9 RUE D'ATHÈNES	PARIS 9 <sup>e</sup>	BLEECKER	KANAM	1 430	35 (est.)	3,00
2021	LISAA PARIS MODE	5 RUE LAROMIGUIÈRE	PARIS 5 <sup>e</sup>	OSAE PARTNERS	SOFIDY	2 430	30	3,90
2021	INTERNATIONAL SCHOOL OF PARIS	6 RUE BEETHOVEN	PARIS 16 <sup>e</sup>	-	OCIRP	2 260	19	4,50
2021	ISIT	23-25 AVENUE JEANNE D'ARC	ARCUEIL (94)	PRIMONIAL REIM	QUAERO CAPITAL	4 360	17	5,00
2021	INSEEC MSC & MBA	31 QUAI DE LA SEINE	PARIS 19 <sup>e</sup>	INSEEC	QUAERO CAPITAL	1 700	10,5	5,25
2021	COURS FLORENT	37-39 AVENUE JEAN JAURÈS	PARIS 19 <sup>e</sup>	COURS FLORENT	QUAERO CAPITAL	1 400	7,2	4,00
2020	ESME SUDRIA	34 RUE DE FLEURUS	PARIS 6 <sup>e</sup>	GDG INVESTISSEMENTS	SWISS LIFE AM	3 090	51,5	3,15
2020	IRTS	145 AVENUE PARMENTIER	PARIS 11 <sup>e</sup>	IRTS	LA FRANÇAISE REM	4 470	42,8	3,50
2020	ECV PARIS	17-19 RUE PÉCLET	PARIS 15 <sup>e</sup>	PATRIMONI	WHITEROCK	1 690	17	4,50
2019	CIFACOM / CLCF	20 RUE DE BELLEVUE	PARIS 19 <sup>e</sup>	HERTEL	LA FRANÇAISE REM	4 270	31,8	4,25
2019	LISAA PARIS ARCHITECTURE	75 RUE PASCAL	PARIS 13 <sup>e</sup>	PEGASE PARTNERS GROUP	PRIMONIAL REIM	2 710	31,1	3,90
2019	ESPI	12 RUE BELGRAND	LEVALLOIS-PERRET (92)	JC PARINAUD	OFI PIERRE	3 100	31	4,20
2019	IONIS (CAMPUS NUMÉRIQUE)	95 AVENUE PARMENTIER	PARIS 11 <sup>e</sup>	GBH INVEST	MATA CAPITAL	6 000	30	4,30
2019	ALLIANCE FRANÇAISE**	34 RUE DE FLEURUS	PARIS 6 <sup>e</sup>	ALLIANCE FRANÇAISE	GDG INVESTISSEMENTS	3 090	14,5	-

\*Project to convert them into teaching premises

\*\*Premises vacated by the Alliance Française as part of the restructuring project led by GDG Investissements.

\*\*\*Former Pôle Emploi premises demolished as part of the project to develop the new Web School Factory premises

# Examples of transactions

## Examples of investment transactions in Regions

YEAR	SCHOOL / GROUP	ADDRESS	CITY	SELLER	BUYER	AREA	PRICE M€	YIELD %
2024	BURGUNDY SCHOOL OF BUSINESS	84 AVENUE PAUL SANTY	LYON (69)	CARRÉ D'OR	A+ FINANCE	8 300	33,2	-
2024	ESSCA SCHOOL OF MANAGEMENT	ROUTE DE GALICE	AIX EN PROVENCE (13)	COGEDIM / SPIRIT PROVENCE	CEPAC	5 600	20	-
2023	CLAYSTONE	53 RUE BENJAMIN BAILLAUD	TOULOUSE (31)	COGEDIM	QUAERO CAPITAL	5 525	22	-
2023	ECOLE FERRANDI	4 RUE DE L'HÔPITAL	DIJON (21)	-	NORMA CAPITAL	5 260	20	-
2023	IONIS	AVENUE EMILE COUNORD	BORDEAUX (33)	LINKCITY	LA FRANÇAISE REM	7 350	32,5	4,50
2023	COD FORMATION (FORMASUP)	89 QUAI DES CHARTRONS	BORDEAUX (33)	-	ARKEA REIM	1 535	7,5	< 5,00
2023	YNOV	PLACE SOPHIE LAFFITTE	VALBONNE (06)	-	IROKO	2 468	6,9	6,10
2022	CESI	LA CANOPÉE	AIX EN PROVENCE (13)	ARTEA	LA FRANÇAISE REM	2 400	8,5	5,20
2021	UNIVERSITÉ AIX MARSEILLE	CASTEL HÉRITAGE	MARSEILLE (13)	GROUPAMA GAN REIM	LA FRANÇAISE REM	2 820	19,5	-
2021	AFIP	RUE GEORGES COURTELIN	VILLEURBANNE (69)	VINCI IMMOBILIER	PAREF	3 960	16	-
2021	STRATE DESIGN	25 RUE PAUL MONTROCHET	LYON (69)	6° SENS / CARDINAL	LA FRANÇAISE REM	2 190	10,8	4,25
2021	CAMPUS ACADEMY OUEST	1 RUE PIERRE ADOLPHE BOBIERRE	NANTES (44)	CORUM	MIDI2I	2 040	8,2	-
2021	AMOS SPORT BUSINESS SCHOOL	2 CAMPUS	NANTES (44), BORDEAUX (33)	ACE EDUCATION	BELLEROPHON REIM	1 800	7,2	-
2020	ESAIP*	VERT POMONE, 851 ALLÉE DE LA POMONE	AIX EN PROVENCE (13)	ALTAREA COGEDIM	BANQUE POPULAIRE GRAND OUEST	4 840	24,4	4,50
2020	MBWAY	1 RUE PIERRE BOURDEIX	LYON (69)	VINCI IMMOBILIER	CIE FONCIERE LYONNAISE	2 800	13,5	-

\*partially leased to ESAIP

**€11.3  
million**

Average value of transactions recorded in province between 2016 and 1Q 2024

VERSUS

**€26.1  
million**

In Île-de-France

**Rhône-Alpes  
38 %**

of the volume invested in the regional education property market between 2016 and 1Q 2024 will be concentrated in Rhône-Alpes, which is the second-largest market behind Ile-de-France

# OUTLOOK



# What's the outlook for educational property?

## An environment still favourable to the growth of private higher education

Continued growth in private higher education enrolments.

Continued adaptation of learning spaces to digital tools and hybrid teaching.

Continued concentration of the sector around a few major groups, and a desire to expand nationally and internationally.

Strengthening of schools' commitment to social and environmental responsibility (SER).





# What's the outlook for educational property?

## Rental market: slowdown expected in 2024?

Transactions > 5,000 m<sup>2</sup> may slow down in 2024 due to the large number of major transactions already completed in 2022 and 2023.

Continued dynamism in the take-up of small and medium-sized leases (new premises or extensions to existing sites).

New opportunities created by the increase in the supply of premises that comply with regulations, the rise in the vacancy rate for offices on the outskirts of Paris, and the acceleration in the conversion of existing assets.

Increased polarisation of the sector: Paris and the major commercial centres to the west of the Paris region will continue to be favoured.

Developments are possible in areas undergoing change (in the north of Greater Paris) and in dynamic medium-sized towns.



# What's the outlook for educational property?

## Investment market: a rebalancing after a record year?

Investment volumes are likely to contract, against a backdrop of a general decline in the amounts invested in commercial property.

Investors continue to be attracted by this secure asset class, which enables diversification strategies to be deployed.

Continuing potential for new outsourcing operations.

Growing synergies with the managed residential sector (student residences, coliving): mixed sites combining teaching facilities and student residences, new student housing concepts, etc.



# Knight Frank at a glance

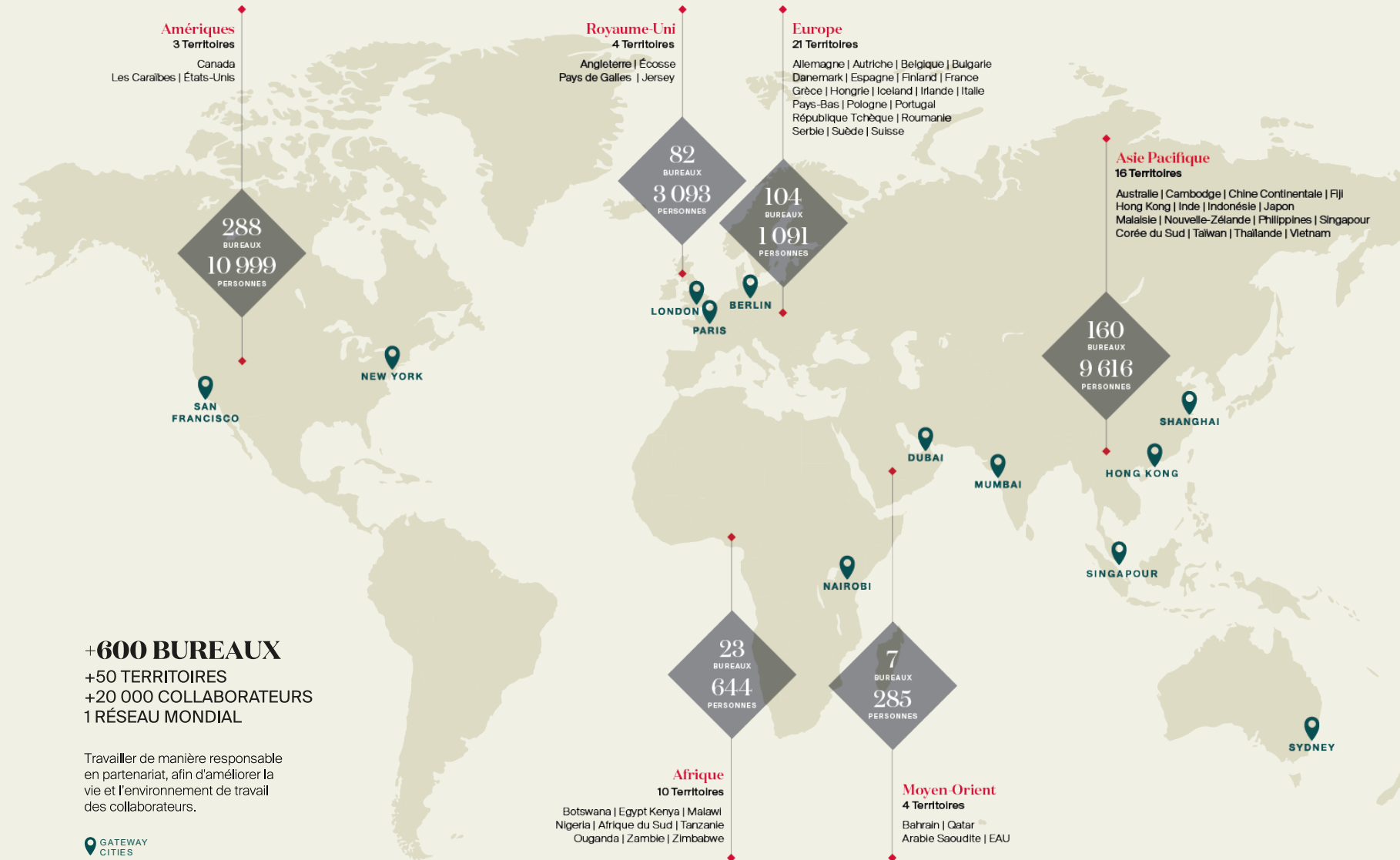
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# Contacts

## Research Department

Knight Frank's Research Department provides market analysis and strategic real estate advisory services to a wide range of international private, institutional and end-user clients.

The data used to produce this study comes from sources recognised for their reliability as well as Knight Frank's property market monitoring tools.



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