

Prospects for the demand for offices in Ile-de-France: 2001 - 2005

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Object:

In 1993, faced with the crisis in the office market, GRECAM carried out an original piece of research, financed by a pool of public and semi-public authorities.

From 1994, this research programme was used to draw up “Horizon”, an original forecasting model for the office market, which is still the most authoritative of its kind.

However, the spectacular recovery in demand for office space in 1999 and 2000 upset a few plans, especially as the lack of supply of new office space caused increasing price tensions.

The model therefore had to be updated to take on board the new situation and anticipate future developments.

Method:

Our forecasting model does not simply search for macro-economic correlations. It is based on the dynamics of property demand, which are illustrated by the decisions and patterns of behaviour of businesses, and by the mechanisms for adapting the supply, which are linked to how the market operates and the strategies used by those involved in it.

To help us update the parameters of the model to achieve a forecast for 2005, we carried out an in-depth survey of a sample of 836 businesses that moved in 1999 – 2000, with the aim of analysing the changes that have occurred since 1994 in terms of both the profiles of business and the reasons behind their decisions.

Results:

We have been able to create forecasts for the next four years, covering delivery of new or reorganised office space, transactions, stocks and values, for all major sectors of the Ile-de-France market.

