French Riviera real estate (PACA)

Updated analysis of existing homes, mortgages and ECB signals

BASE CASE

Market stabilisation, but credit is slightly more expensive again

Confirmed data show no collapse. PACA remains slightly positive year on year, while quarterly momentum has weakened. The main risk for the French Riviera has shifted from a shortage of transactions to financing costs.

PACA: EXISTING HOME PRICES

+0.7%

Q1 2026, year on year

NEW MORTGAGES

3.21%

France, May 2026

MORTGAGE ORIGINATION

EUR 11.4bn

-4.2% year on year

HOME SALES IN FRANCE

952k

12 months to March 2026

MOST LIKELY OVER 6-12 MONTHS

Sideways market: PACA around -1% to +2% year on year

Apartments are more resilient than houses; transactions stay near the current level; mortgage rates are mostly 3.1-3.5%. This is a scenario range, not a point forecast.

INSEE: PACA prices, Q1 2026

Banque de France: mortgages, May 2026

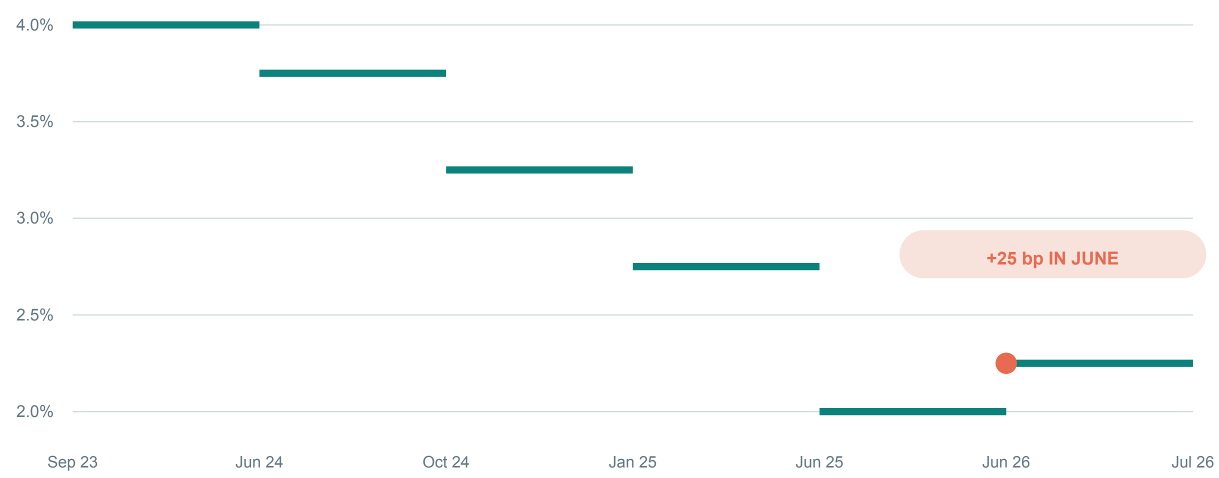
ECB: decision of 23.07.2026

Rates and credit: the easing cycle is interrupted

Official ECB decisions and the actual cost of new housing loans in France.

ECB DEPOSIT FACILITY RATE (DFR)

Actual levels on key dates, % per year



DECISION OF 23 JULY 2026

2.25% deposit facility rate

After the 25 bp increase in June, the ECB kept rates unchanged. It made no commitment on the next move.

MRO 2.40% | MLF 2.65%

PASS-THROUGH TO THE MARKET

This is not a credit shock on the scale of 2022-2023, but the improvement in affordability has run out of room.

FRANCE: NEW HOUSING LOANS EXCLUDING RENEGOTIATIONS

Indicator	May 2025	March 2026	April 2026	May 2026	Signal
Rate	3.11%	3.22%	3.22%	**3.21%**	slightly tighter
Origination	EUR 11.9bn	EUR 12.6bn	EUR 12.0bn	**EUR 11.4bn**	-4.2% y/y

Banque de France: housing loans, May 2026

ECB Accounts ('minutes'): what they actually say

Latest published Account: 09.07.2026 for the 10-11 June meeting; the July Account is due on 27 August.

WHAT IT IS

An ECB Account is the official anonymised summary of the discussion: the economic assessment, policy options and reasons for the decision. It is not a verbatim transcript or a promise about the future path of rates. It is usually published about four weeks later.

WHAT THE JUNE ACCOUNT ESTABLISHES

UNANIMOUS	All members supported a 25 bp increase in the three key ECB rates.
REASON	The energy shock was already feeding into inflation; risks had moved upward.
NO COMMITMENT	The ECB did not promise either a sequence of increases or a one-off move.
CREDIT	Higher long rates and tighter lending standards should reduce credit demand.

The 84% figure in the Account is a historical snapshot of June market pricing, not a current probability or an ECB forecast.

IMPLICATION FOR REAL ESTATE

The Account does not promise a rapid fall in borrowing costs

The baseline signal is a pause and data dependence; the risk of renewed tightening remains.

For the French Riviera

- prime properties depend less on credit;
- a broad PACA price correction is not confirmed.

TIMELINE AND SIGNAL STATUS

11 June	9 July	23 July	27 August
ECB +25 bp	Account explained the decision	rates unchanged	Account on the July pause

ECB: June Account

ECB: Accounts overview and calendar

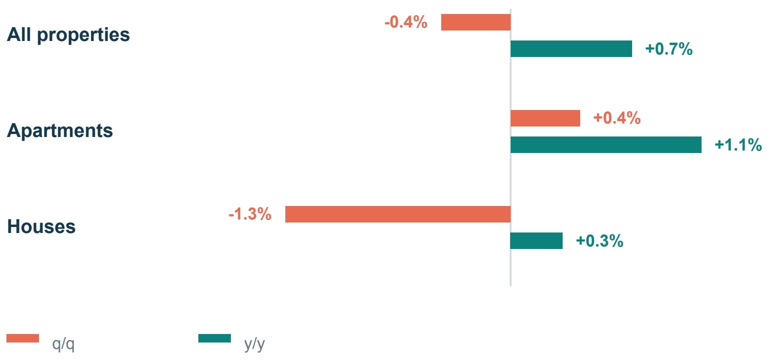
ECB: decision of 23.07.2026

PACA market: apartments are more resilient than houses

INSEE - Q1 2026; local DVF - complete 2025 data.

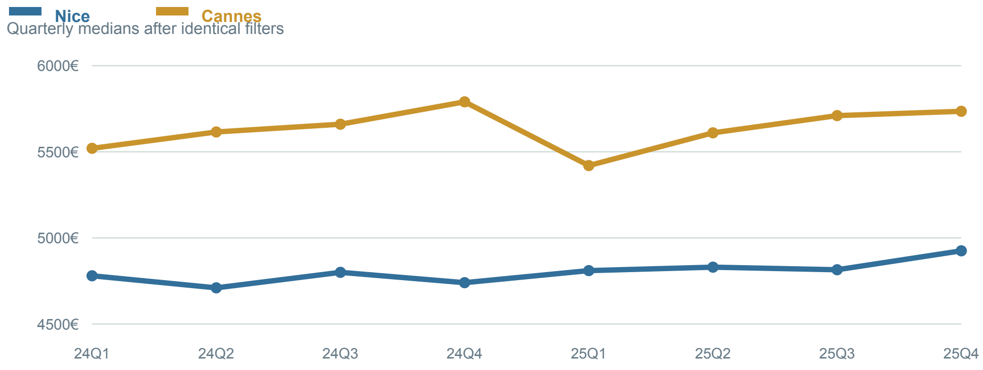
INSEE / NOTAIRES: CHANGE IN EXISTING HOME PRICES

PACA, provisional seasonally adjusted data



DVF: MEDIAN APARTMENT PRICE, EUR/M²

Quarterly medians after identical filters



Filter: Vente, 500-25,000 EUR/m²; ultra-prime excluded

DVF 2025 VS 2024: GEOGRAPHY AND PROPERTY TYPE

Geography and property type	Change in DVF property records 2025 vs 2024	Change in median EUR/m² 2025 vs 2024
Alpes-Maritimes (06) + Var (83): apartments	**+15.1%**	**+1.0%**
Alpes-Maritimes (06) + Var (83): houses	**+18.9%**	**-0.7%**
Nice: apartments	**+15.6%**	**+1.6%**
Cannes: apartments	**+6.7%**	**-0.2%**

'DVF property records' are filtered rows, not an exact transaction count; one mutation can include several properties. 06 and 83 are Alpes-Maritimes and Var.

INSEE: PACA existing-home prices

DGFiP/DVF: official dataset

Sources: ECB, INSEE, Banque de France, DGFiP/DVF. Indicator dates are shown in the report.

Scenarios and observable triggers

This is not a point price forecast: the scenario changes only when observable conditions are met.

Most likely

STABILISATION

- mortgage rates mostly 3.1-3.5%
- transactions near the current level
- PACA: -1% to +2% y/y

Downside

SOFT CORRECTION

- mortgage rates above 3.5%
- origination below EUR 10bn/month
- PACA below 0% y/y for two quarters

Upside

GROWTH RETURNS

- ECB cuts rates again
- mortgage rates below 3.0%
- French sales above 1m/year

WHAT IS A FACT AND WHAT IS A HYPOTHESIS

FACT	PACA is not yet in correction; apartments are more resilient than houses.
FACT	New borrowing costs are higher year on year; standards are slightly tighter.
HYPOTHESIS	The mass market will correct before the prime segment.
NOT YET TESTED	The full effect of the June shock on PACA transactions and prices.

NEXT CHECKPOINTS

08.09.2026
INSEE: Q2 2026 prices

October 2026
DVF: H1 2026, 06/83

monthly
Banque de France: mortgages

every meeting
ECB: rates and energy

Analytical note, not individual investment advice.

ECB decision | ECB Account | INSEE PACA | Banque de France: mortgages | Lending survey | DGFiP/DVF