

SPRINT OF THE INVESTMENTS IN THE LAST QUARTER OF THE YEAR

The fourth quarter of 2018, with volumes slightly below €3.4 bn, closes the year signing a significant recovery. It is indeed an extremely positive result which has reduced the slowdown registered during the year. The long period of political uncertainty, the concomitant increase of the spread, the lack of product and, lastly, the delay in the closing of some deals in pipeline have weighted on the investments volume contraction (-23% with respect to 2017).

Overall 2018 has registered investments equal to €8.48 bn, which confirm the attractiveness of real estate players for the Italian market with investment volumes on the territory at pre-crisis levels. If 2017 needs to be considered, for the investments, as an abnormal year, characterized by the trade of some prime assets particularly important, during 2018 approximately 20 deals with portfolios above €100 mm have been registered.

The **office** sector, with over €3.16 mm (€1.58 mm only in Q4), confirms to be the most liquid segment, notwithstanding the lack of prime product which the sector is experiencing due to the slowing down of real estate developments and the resulting yield compression (3.50% net for Milan and 4.00% net for Rome). The Capital has however seen an increase of 30% in investment volumes in this segment and it is the only real alternative to the Milanese market.

The **retail** sector continues to represent a fundamental and strategic asset class for investment purposes, mostly for what it concerns the shopping centers. Overall volumes, equal to €2.31 mm for 2018, confirm to be stable and in line with previous years.

The **hotel** sector, which represents the 10% of overall investments, is stable with respect to 2017 with €850 mm of investments, mostly concentrated in Rome (40% of the total).

Finally the **logistic** sector confirms its attractiveness, mostly generated by the growing of the e-commerce, for high-end products.

The **outlook** for the first semester 2019 is stable, even if some uncertainties persist, linked to the perceived country risk from foreign institutional investors.

Investments annual trend

total investments € 8.48 bn

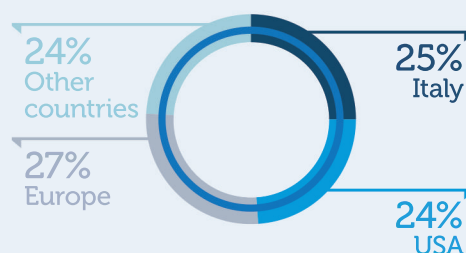
office investments € 3.16 bn

retail investments € 2.31 bn

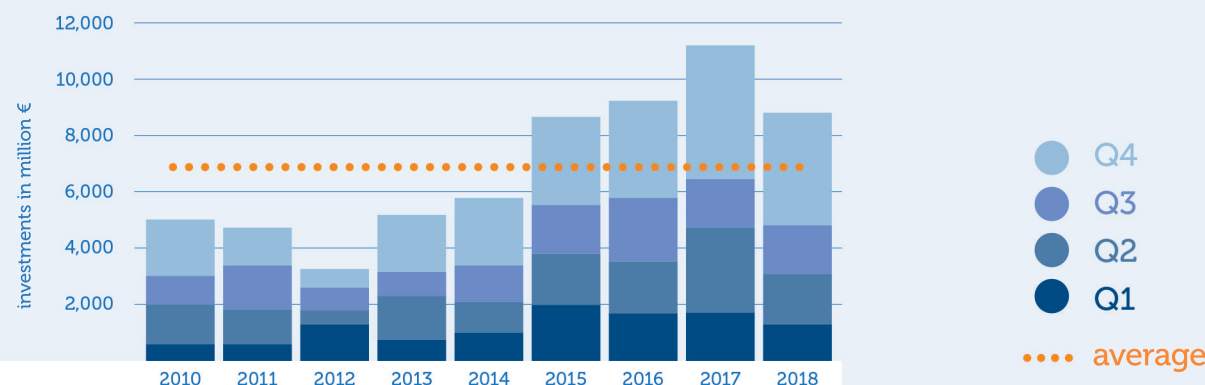
hotel investments € 850 mm

logistic investments € 900 mm

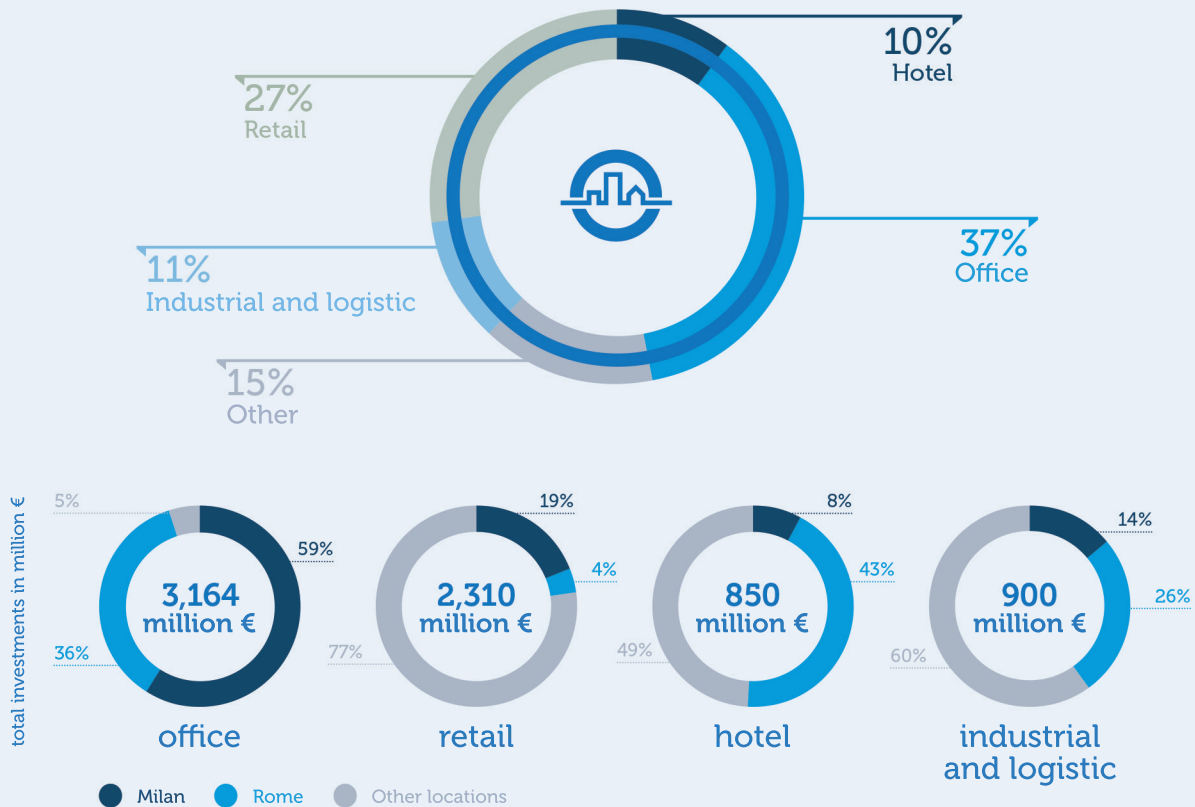
investors origin



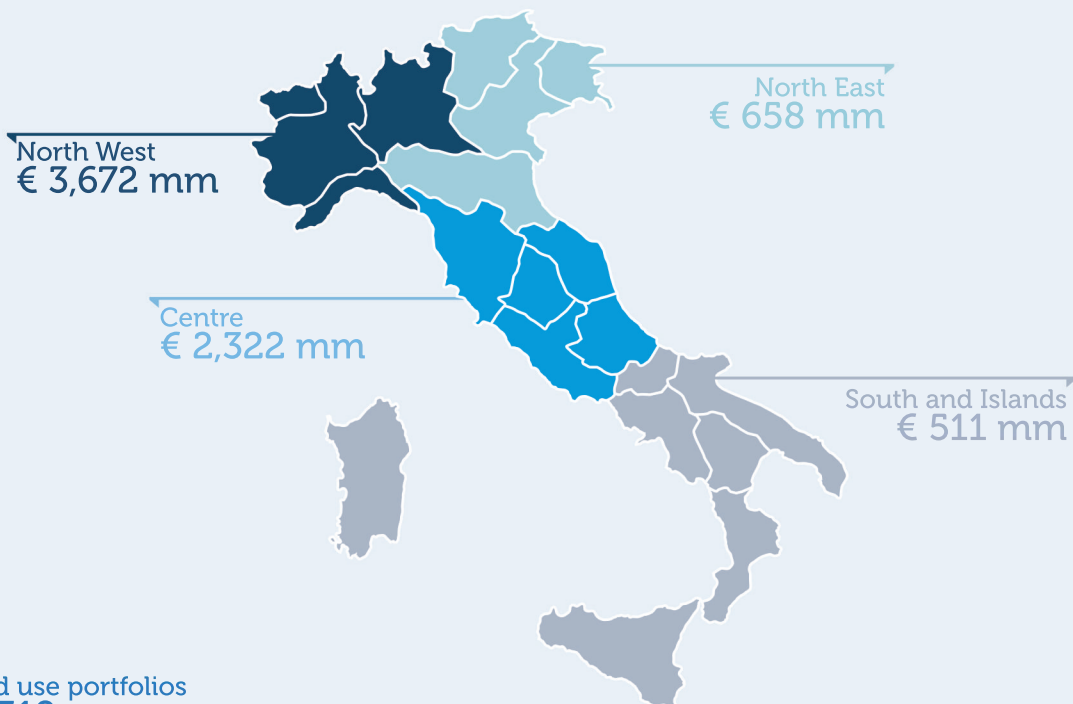
Investments per period



Investments 2018 per asset class



Investments per macro-area



This market overview is intended as guidance. IPI S.p.A. has taken reasonable care to ensure that the information is accurate. The present document contains data and information taken by deemed reliable sources even if not always verifiable or fully representative of the market. The overview is for general information only and does not constitute or replace legal advice. All material cannot be reproduced without written permit by IPI S.p.A.

For more information:

Silvana Grella

Market research & analysis

s.grella@agi-re.com | ufficio-studi@ipi-spa.com