

Milan opens 2019 hitting a new investment record

Take up for Q1 2019 has reached volumes in excess of 124,000 m², recording the best result for the beginning of the year (+30% with respect to Q1 2018).

Milan confirms to be a dynamic and attractive destination: within the quarter, 61 transactions have been registered, among which a relevant pre-let in the Hinterland related to a corporate in the strategic consultancy business for over 30,000 m². 75% of the volumes have involved grade A buildings, thus confirming the research for high quality spaces.

CBD Duomo and CBD Porta Nuova confirm the high dynamism with increasing prime rents, sustained by some important new lease agreements signed, while in the other submarkets rents have remained stable.

Vacancy rate is slightly decreasing and at 11.0% at city level, with some significant contraction in the availability of space in particular in the CBD Porta Nuova. Prime and secondary yields are stable, if compared to the previous quarter, and equal respectively to 3.40% and 5.10%.

Milan confirms to be the most attractive destination for real estate investment with volumes equal to approx. Euro 970 million, 83% of which in the office sector.

The outlook for the next six months is positive, especially for the prime segment.

Quarterly trend Q1 2019 *

Take up
124,318 m²

Prime rent CBD Porta Nuova **520**
€/m²/yr

Number of transactions
61

Prime rent CBD Duomo **590**
€/m²/yr

Vacancy rate
11.0%

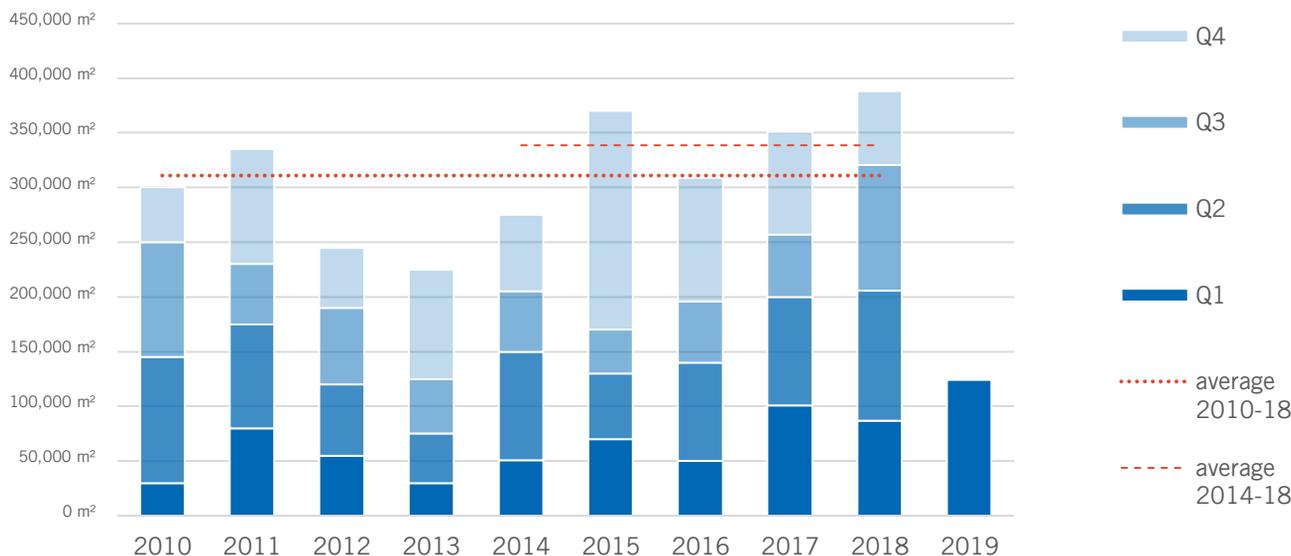
Net yield CBD Duomo and CBD
Porta Nuova **3.4%**

Investments volume Milan Q1 2019

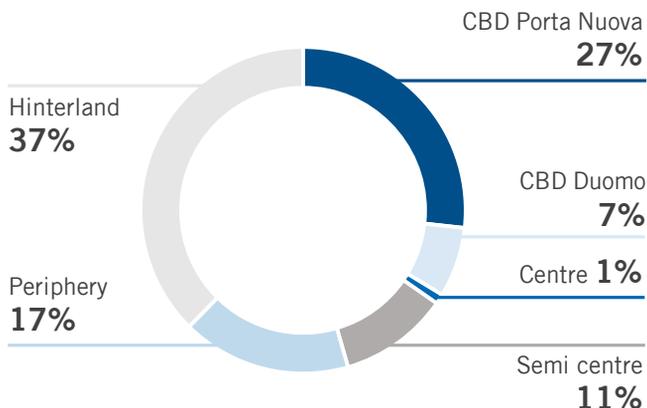


* Compared with Q4 2018

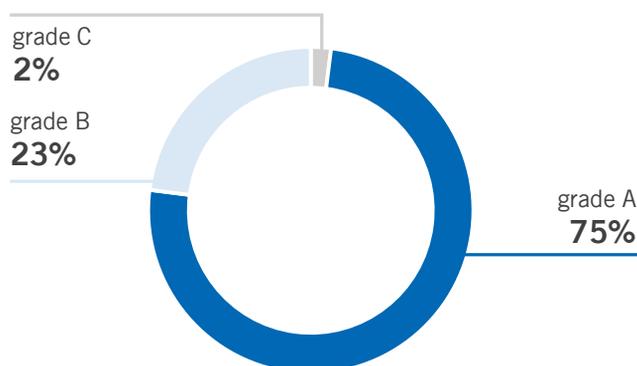
Take up trend per period



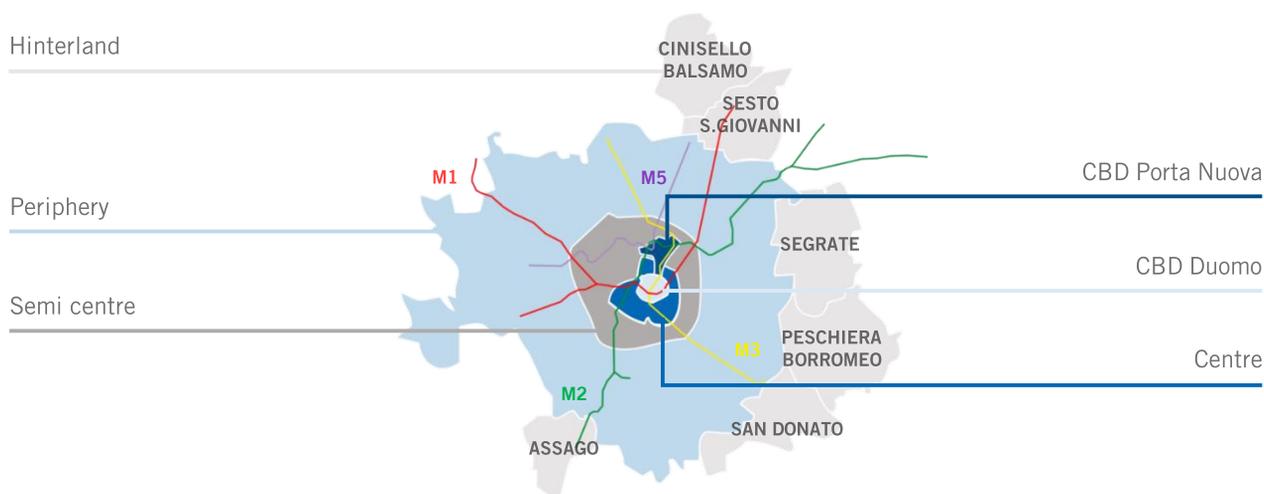
Take up trend by submarket



Take up by building grade



Milan map by submarket



Prime rents by submarket

	Q1 2019	Q4 2018	<i>prime rent €/m²/yr</i>
CBD Duomo	590	580	
CBD Porta Nuova	520	500	
Centre	530	530	
Semi centre	320	320	
Periphery	280	280	
Hinterland	210	210	

For more information: **Silvana Grella** | Research and market analysis | s.grella@agi-re.com | ufficio-studi@ipi-spa.com

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.