

Porta Nuova still key player in Q2 2020

Take up in Q2 2020 has registered signs of downscaling, reaching volumes equal to approx. **62,500 m²**, for a **total take up from the beginning of the year** equal to approx. **161,000 m²**, **down 34%** with respect to H1 2019.

During the quarter, **28 transactions** have been recorded, among which an important operation of over 24,000 m² in Porta Nuova, which has involved an important banking group. Overall approx. **54,000 m²**, equal to the **86% of the total occupied spaces**, has been related to **grade A buildings**, thus confirming the predominance for the research of quality spaces.

With respect to the sub-markets, the **CBD Porta Nuova** has registered a very good performance, with volumes above 38,000 m², equal to approx. the 62% of the total take up. Within this sub-market, other than the owner-occupier transaction of 24,000 m², there have been registered some pre-let operations for a total of 11,500 m². A positive performance has been registered also by the **Periphery**, with over 15,600 m² of leased spaces (equal to the 25% of the total volumes).

Currently the **prime rents** are still **stable**, while the **vacancy rate** is **decreasing** and equal to **9.90%** for the all city: main availabilities of spaces can be found in the **Periphery** and in the **Hinterland**.

Yields are **stable**, at **3.30% net** for **prime assets** and **5.00% net** for **good secondary** assets. **Milan** is still the **most attractive city in Italy** for investments registering, in Q2 2020, **Euro 1.16 billion investments** (a data in line with Q2 2019), of which **90% in the office sector**.

The economic crisis caused by the Covid-19 pandemic has presumably accelerated the end of the real estate cycle begun in the second half of 2013. The outlook for the next months is still uncertain in terms of impact on the main indicators, in particular prime rents and prime yields.

Quarterly trend in Q2 2020 *

Take up
62,500 m²

Prime rent CBD Duomo
600 €/m²/yr

Number of transactions
28

Prime rent CBD Porta Nuova
520 €/m²/yr

Vacancy rate
9.9%

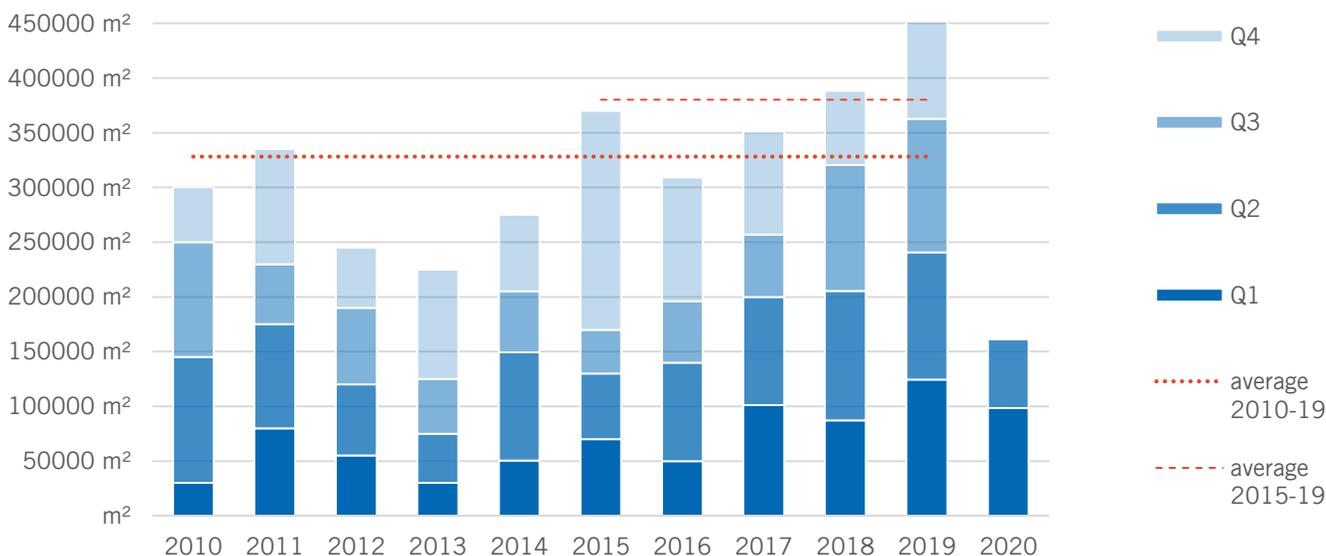
Net yield CBD Duomo and CBD Porta Nuova
3.30%

Investments volume Milan Q2 2020

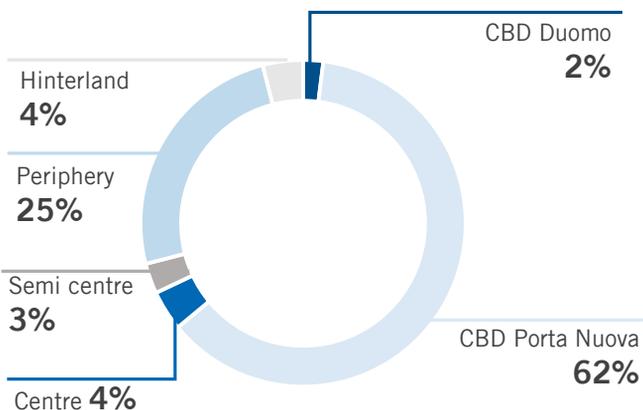


* Compared with Q1 2020

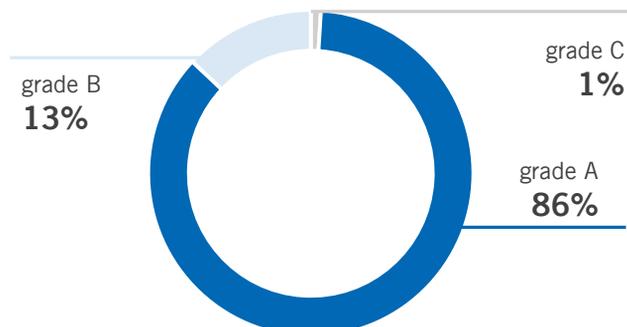
Take up trend per period



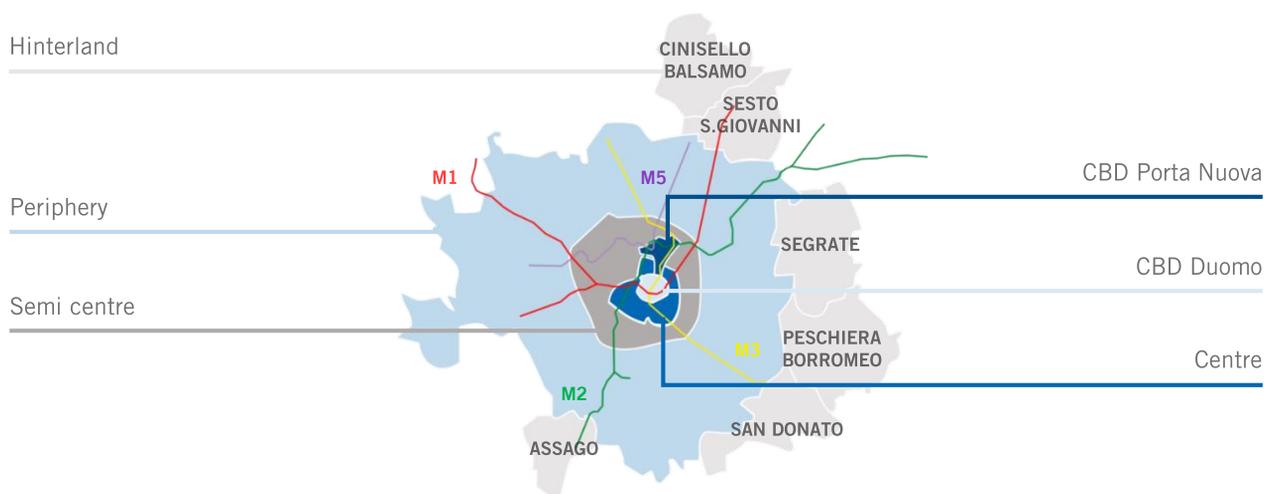
Take up trend by sub-market



Take up by building grade



Milan map by sub-market



Prime rents by sub-market

	Q2 2020	Q2 2019	<i>prime rent €/m²/yr</i>
CBD Duomo	600	590	
CBD Porta Nuova	520	520	
Centre	550	530	
Semi centre	350	320	
Periphery	280	280	
Hinterland	210	210	

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