

## A quarter in strong contraction, but good result for the hinterland

Take up for **Q3-2020** has shown signs of strong contraction with **volumes** equal to **32,300 m<sup>2</sup>** (193,400 m<sup>2</sup> since the beginning of the year), bringing the level of take up in line with the first 3 quarters of 2016. Within the period **30 transactions** have been registered, among which 2 operations above 9,000 m<sup>2</sup> in Segrate and Cinisello Balsamo (hinterland areas).

Overall in the quarter approx. **16,300 m<sup>2</sup>**, equal to **51% of the total spaces leased**, have regarded **grade A buildings**, bringing the total since the beginning of the year to 135,000 m<sup>2</sup> (70% of the total leased spaces), those confirming the research for high quality spaces. By analyzing the sub-markets, the higher dynamicity has been in the hinterland, with the 70% of the spaces occupied in the trimester. Overall the central area of the city (CBD Duomo, CBD Porta Nuova and Center) has absorbed the 21% of the volumes, equal to approx. 6,900 m<sup>2</sup>.

**Prime rents** are still **stable**, even if **tenant incentives** (such as free rent period, step ups etc.) are **increasing**; **vacancy rate** is **increasing** and it is equal to **10.30% at city level**: main availabilities of spaces are in the periphery and in the hinterland. **Yields** are **stable** and equal to **3.30% net for prime assets** and **5.00% net for good secondary assets**. Milan is still the **most attractive city** for investments registering, within the quarter, **Euro 736 mm of investments**, of which **74% in the office sector**.

The **outlook for the next months**, waiting for more strong signals of recovery of the economy, are **still uncertain** in terms of impact on the main market indicators.

### Quarterly trend in Q3 2020 \*

Take up  
**32,300 m<sup>2</sup>**

Prime rent CBD Duomo  
**600 €/m<sup>2</sup>/yr**

Number of transactions  
**30**

Prime rent CBD Porta Nuova  
**520 €/m<sup>2</sup>/yr**

Vacancy rate  
**10.3%**

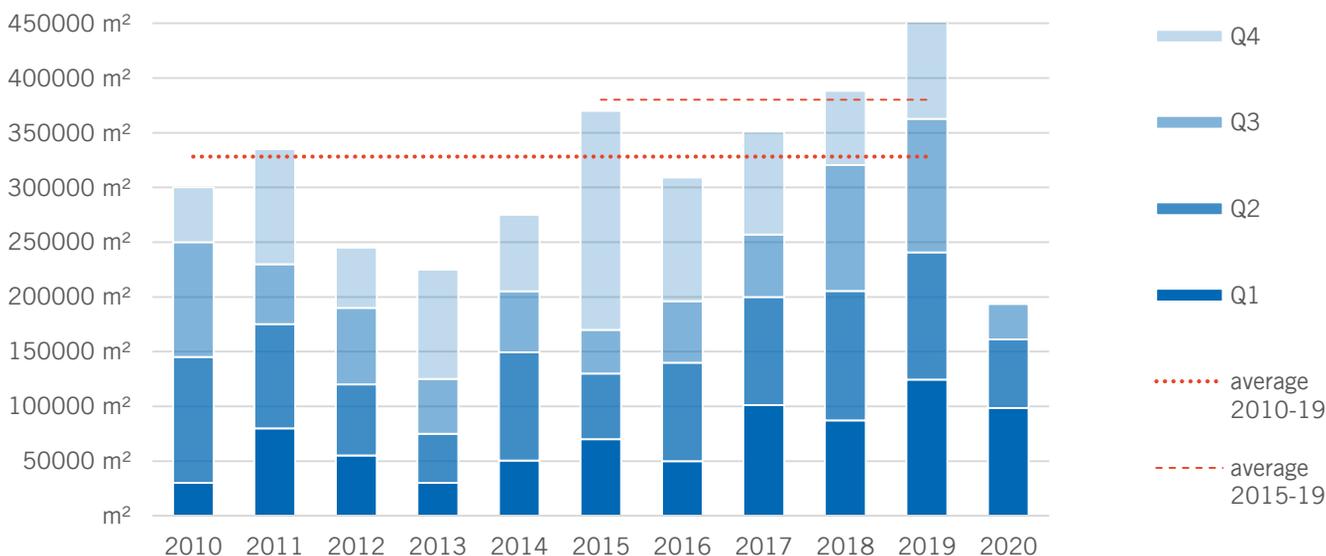
Net yield CBD Duomo and CBD Porta Nuova  
**3.30%**

\* Compared with Q2 2020

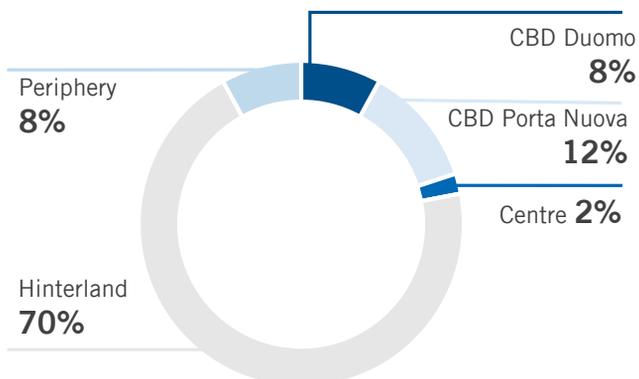
### Investments volume Milan Q3 2020



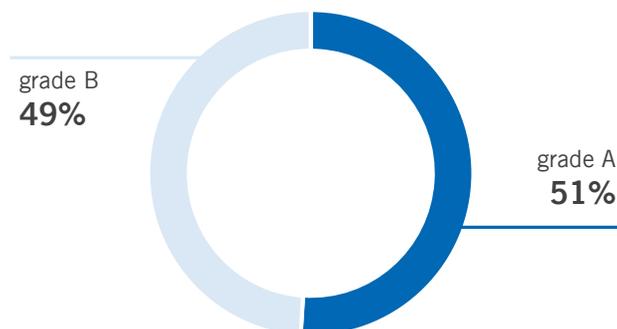
### Take up trend per period



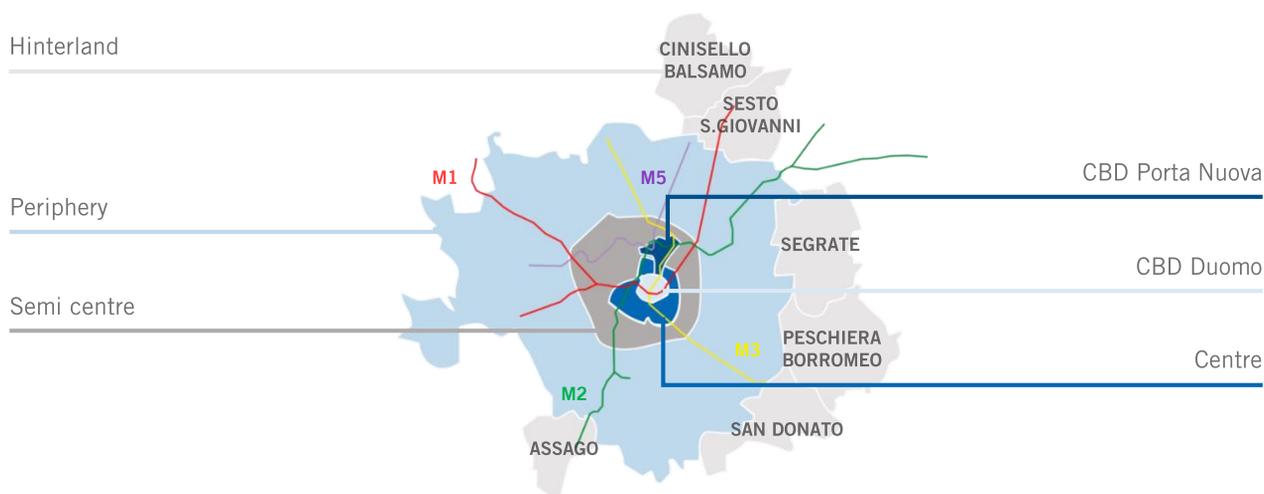
## Take up trend by sub-market



## Take up by building grade



## Milan map by sub-market



## Prime rents by sub-market

	Q3 2020	Q3 2019	<i>prime rent €/m<sup>2</sup>/yr</i>
CBD Duomo	600	590	
CBD Porta Nuova	520	520	
Centre	550	530	
Semi centre	350	330	
Periphery	280	280	
Hinterland	210	210	

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