

INVESTMENT MARKET - 2018 - MILAN

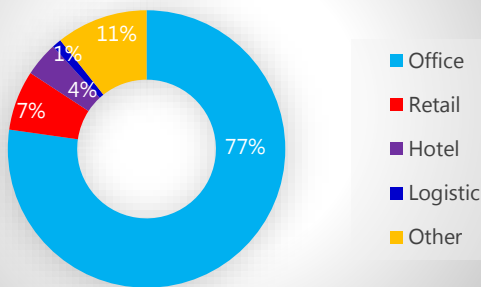
Real Estate Investment Outlook

The main Real Estate players underline a decrease (20%-25%) of the real estate investments in Italy, with total transactions over 8,5 €B: about 3,1 €B in Milan (-16% year-on-year compared with 2017) and ca. 1,9 €B in Rome (+24% higher than 2017).

According to the observed data in Milan the foreign capital in the first semester of the year represents almost the 50% of the total investments.

Here below we underline a summary of the investment volumes per asset class in the city:

2018 - Investment Volumes in Milan per asset Class



The observed data point out a strong rental competition in the office & high street retail properties in downtown Milan. The scarcity of high quality products with the increase of the demand are pushing up values and reducing the entry-yields.

Location	Prime Yield* Range %	Prime Rents Range €/sqm per year
Offices		
Milan - Center / CBD	3,50% 4,00%	450 570
Milan - Semicenter	4,75% 5,50%	300 350
Milan - Peripheral	5,50% 6,50%	200 250
High Street Retail		
Milan - Center	2,75% 3,00%	12.000 13.500
Shopping Centers		
Prime Locations	4,75% 5,50%	800 1000
Logistics		
Prime Locations	5,30% 6,30%	52 56

*net entry yield

N.B.: The available information in the site have been elaborate from Achademia Research Dept. basing on public sources, on internally developed data and on other sources held reliable. All the opinions and the evaluations are been published according to our judgment, and don't represent consultations to the investment, neither generic neither specifications.

Investment highlights 2018:

2018	ADDRESS	VALUE AMOUNT €M	ASSET CLASS
Q4-18	Via Caviglia	confidential	Office
Q4-18	Corso XXII Marzo	confidential	Other
Q4-18	Via Mascagni	30	Retail
Q4-18	Via Bagutta	34	Other
Q4-18	Via Giovanni Battista Pergolesi	37	Office
Q4-18	via Santander - Carlo Bo	50	Office
Q4-18	Via Melzi d'Eril	confidential	Office
Q4-18	Via Ripamonti	confidential	Office
Q4-18	Piazza Gae Aulenti	45	Office
Q4-18	Viale Abruzzi	7,5	Office
Q4-18	via Pergolesi	37	Office
Q4-18	Via Spadari	5	Residential
Q4-18	via Giorgio Washington e Corso Italia	151	Office
Q4-18	Via Broletto	80	Office
Q4-18	Viale Fulvio Testi	50	Office
Q4-18	Viale Accursio	4	Residential
Q3-18	Viale Monza	50	Office
Q3-18	Via Borromei	66	Office
Q3-18	Via Ripamonti	25	Residential
Q3-18	Corso Europa	34	Office
Q3-18	Peripheral area	8	Logistic
Q3-18	Via Temolo	20	Retail
Q3-18	Via Vittor Pisani	32	Office
Q3-18	Via Flavio Gioia	26	Office
Q3-18	Via Alessio di Tocqueville	56	Office
Q3-18	Via Morimondo	confidential	Retail
Q3-18	Via Valtellina	confidential	Office
Q3-18	vie Melchiorre Gioia, Pirelli e Sasseti	79	Other
Q3-18	Viale Sarca	22	Office
Q3-18	Viale dell'Innovazione	confidential	Office
Q3-18	Via Giovanni Battista Pirelli	34	Office
Q3-18	via Sarca	confidential	Other
Q2-18	Via Romagnoli- Milano, Via Grandi -Cernusco	33	Other
Q2-18	Corso Europa e via Cavallotti/via Verziere	confidential	Office
Q2-18	Via Agnello	51	Office
Q2-18	Viale Umbria	4	Other
Q2-18	Malpensa e Zona Bovisa	42	Hotel
Q2-18	Corso Giuseppe Garibaldi	confidential	Hotel
Q2-18	San Pietro in Gessate e Piazza Duca d'Aosta	25	Office
Q2-18	Q.re Bicocca	confidential	Office
Q2-18	Viale Stelvio	42	Office
Q2-18	Corso Italia	confidential	Office
Q2-18	Via Fabiani	46	Office
Q1-18	Via Darwin	102	Office
Q1-18	Via Carducci	1	Residential
Q1-18	Via del Gesù	portfolio	Retail
Q1-18	Via Gonzaga	confidential	Office
Q1-18	Via Giovenale	35	Residential
Q1-18	peripheral area	14	Logistic
Q1-18	Via Ceresio	11	Office

Focus - Office Market

The office market in Milan represents the first investment asset class.

Most of the transactions conducted in Milan (ca. 2,3 € B) has concerned the office sector.

The rental market data underlines a specially growth of high quality and high energy efficiency (class A building). The main players of the rental market underline that the prime rents in Milan, during the 2018, reached 570 €/sqm per year.