REVIEW

OFFICE MARKETS

MILAN H1 2026

RESEARCH & INSIGHTS

BNP PARIBAS REAL ESTATE

Real Estate for a changing world

As occupier activity in Milan's office market measured in sqm slowed down in H1 2026, the market also saw an increase in the number of transactions illustrating a particularly strong year.

142,600 sqm
TAKE-UP H1 2026
-29% y/y

72%
GRADE A TAKE-UP H1 2026
(on graded premises)

Significant deals

QUARTER	COMPANY	LOCATION	SQM
Q2	CISL	Via Valassina, 22	5,500
Q1	Fastweb	Symbiosis – Bld. Vitae	4,798
Q1	IBM Italia	Bassi Business Park – Bld. 4	4,630
Q2	The Walt Disney	Via Ferrante Aporti, 6/8	4,057
Q1	Nextalia SGR	Via Filippo Turati, 12	3,580

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TAKE-UP

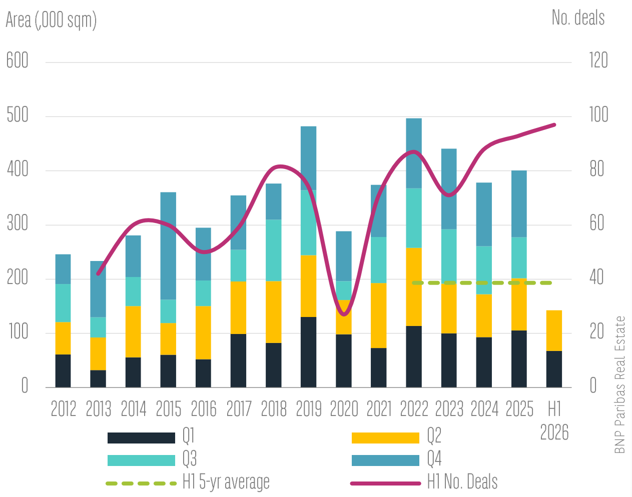
After a first half to the year characterised by strong growth in total **take-up square metres**, occupier take-up in H1 2026 saw a -29% fall in area compared to the same period of the previous year and a +2% increase in the number of transactions.

Take-up thus reached 142,600 sqm in H1 2026 for the Milan market, below both the 5-year and 10-year averages. The **number of occupier transactions** closed in the first half of 2026 totalled 185.

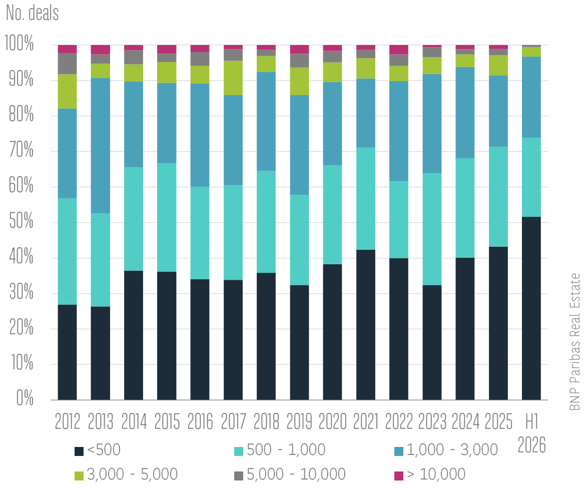
Throughout the first half space efficiency and ESG criteria remained a key consideration and the weighting of **Grade A/A+** premises stood at 72% of total Milan take-up, calculated on graded spaces only.

The **average deal size** for Milan saw a sharp decrease (-30% Y-o-Y), although the average floorplate increased in 2025, indicating a degree of stability illustrating the evolution of occupier requirements towards smaller and more efficient spaces.

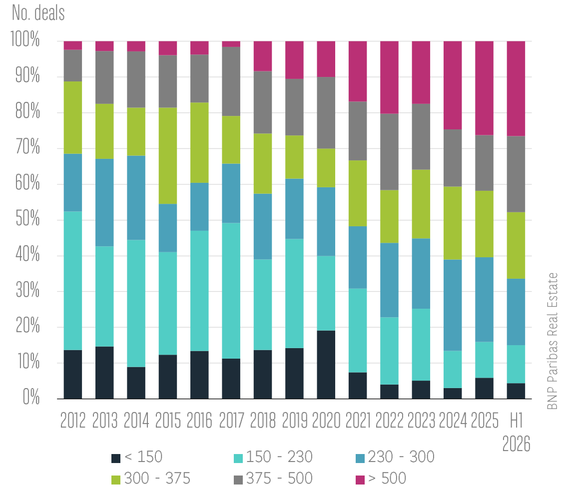
Office take-up by quarter



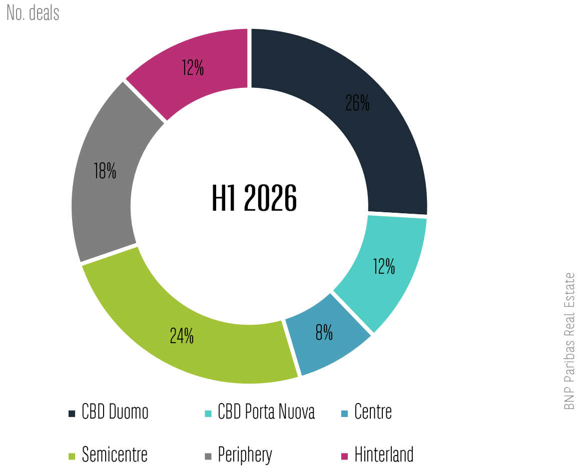
Office take-up by size



Office take-up by rent



Office take-up by submarket



H1 2026

OFFICE MARKETS
Milan

KEY FIGURES

€850
PRIME OFFICE RENT

+13% vs Q2 2025
MILAN PRIME RENT

€369
AVERAGE RENT – 12M ROLLING

€393
AVERAGE RENT, GRADE A – 12M ROLLING

Prime rental levels in both CBDs increased over the last quarter, although the gap between the CBD Duomo and CBD Porta Nuova widened.

Secondary locations and asset quality are associated with weaker demand, leading to a less dynamic market for such assets and lower average rents overall.

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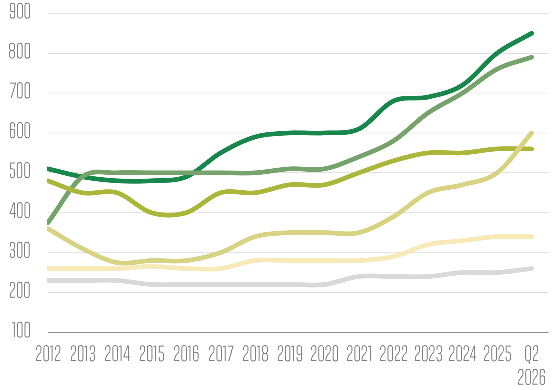
RENTS

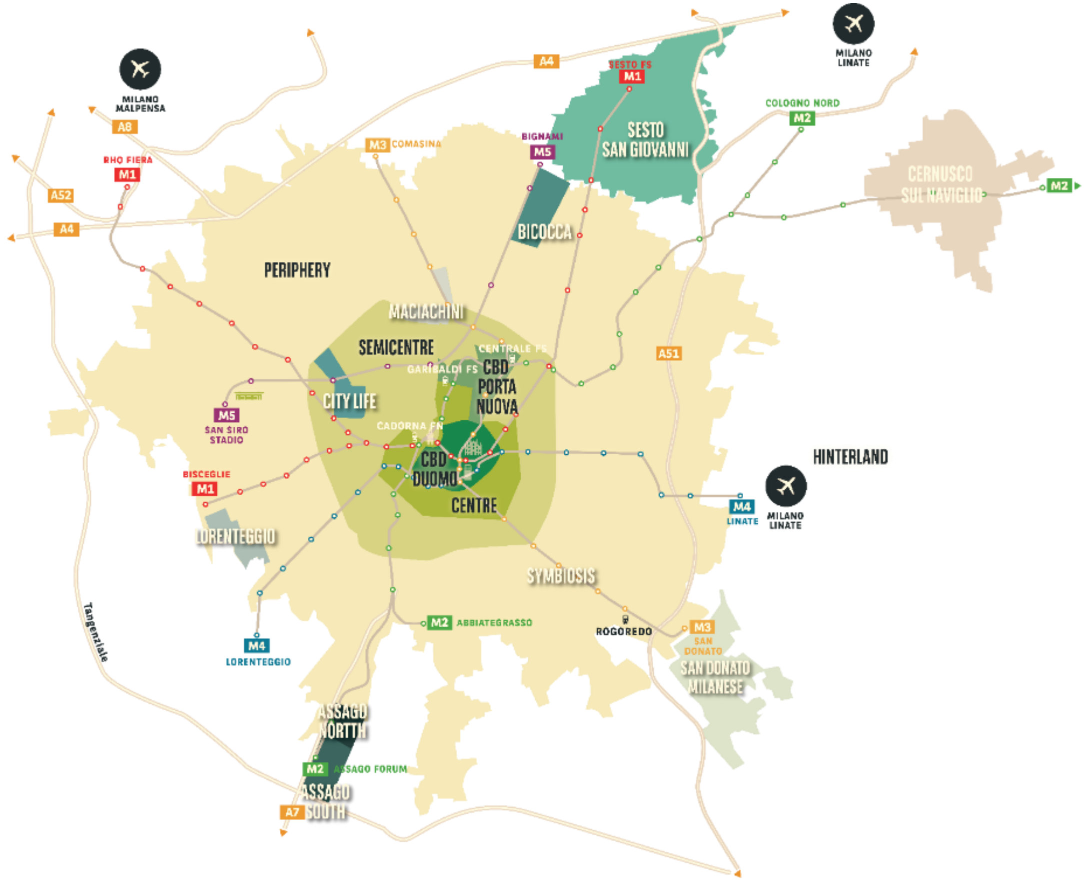
Following a broader stability in the year's first quarter, Milan's **prime rent** continued its upwards path in Q2 2026 after the significant growth of the previous two years. The city's prime rental level still remains linked to the CBD Duomo submarket at €850 psm pa, although in the CBD Porta Nuova submarket the prime rent also continues to grow and reached €790 psm pa at the end of H1 2026, as a reflection of tight supply and sustained demand here.

Strong **demand** focuses on the quality of product and of location and sustains the **polarisation** which continues to characterise the market as a result of tighter **supply** of the higher-grade assets on which it focuses.

Even though occupier activity for lower quality assets and locations is less active, average rental levels for such premises also have showed positive signs over the last quarter, especially in the Semicentre and the Hinterland.

Prime office rents by submarket





CBD Duomo	CBD Porta Nuova	Centre	Semicentre	Periphery	Hinterland
850 €/sqm/yr	790 €/sqm/yr	560 €/sqm/yr	600 €/sqm/yr	340 €/sqm/yr	260 €/sqm/yr

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The vacancy rate for Milan's CBD Duomo submarket slightly edges up but remains low. In CBD Porta Nuova, instead, the vacancy rate decreased, reaching the lowest achieved level over the past year.

In the wider Milan marketplace overall vacancy is fundamentally experiencing downwards movements, despite some increases in the Hinterland submarket.

9.3% VACANCY RATE — -30 bps y/y

46% GRADE A VACANCY WEIGHTING ON TOTAL VACANCY

3.1% CBD VACANCY RATE

11.1% NON-CBD VACANCY RATE

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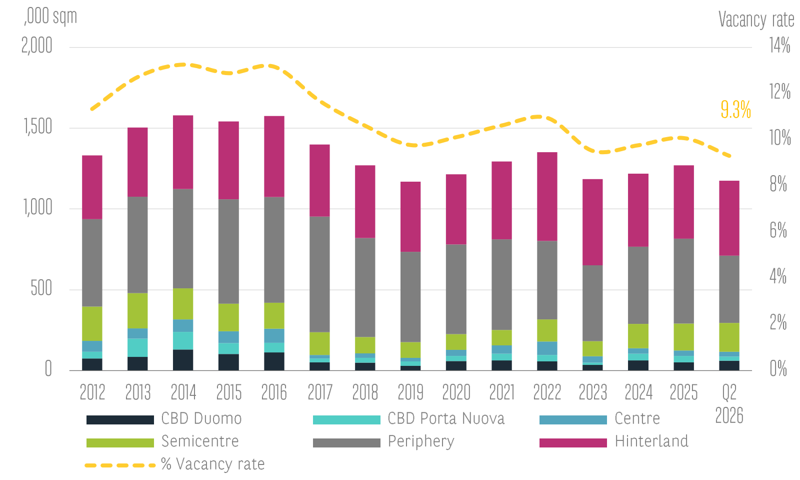
VACANCY

Milan's overall office **vacancy rate** contracted Q-o-Q in Q2 2026 to 9.3%, reaching the lowest level ever achieved.

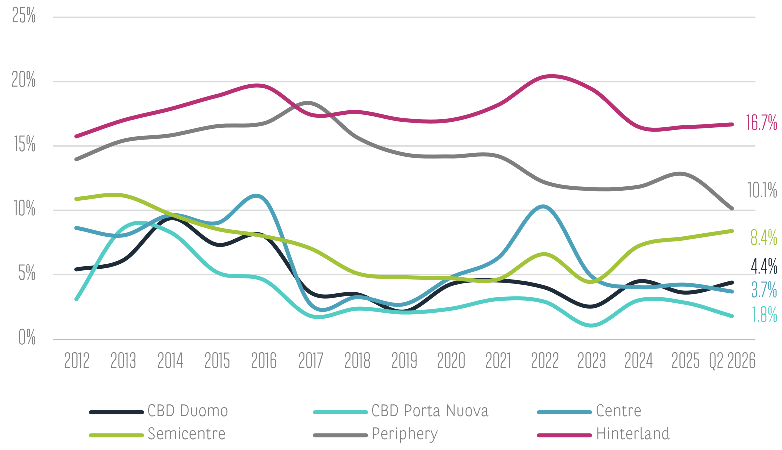
Office availability is lowest in the **prime location** of Milan's CBD Porta Nuova (1.8%), followed by the Centre submarket (3.7%) and the CBD Duomo (4.4%).

The vacancy rates across all submarkets contracted over the last quarter, except for the Hinterland. After a yearlong increase, vacancy rates across all submarkets contracted in Q2 2026; tightening even further for the **highest quality** space and in particular for Grade A premises which are also **certified** or ESG-compliant.

Vacant space



Vacancy rate



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