



RESEARCH

**€ 3.3 BN INVESTED IN Q1 2022 : +179% VS. Q1 2021
HIGHEST INVESTMENT VOLUMES EVER FOR THE FIRST QUARTER**



**ITALY
€ 3.3 BN INVESTED**



60+ DEALS

**1ST
PLACE**

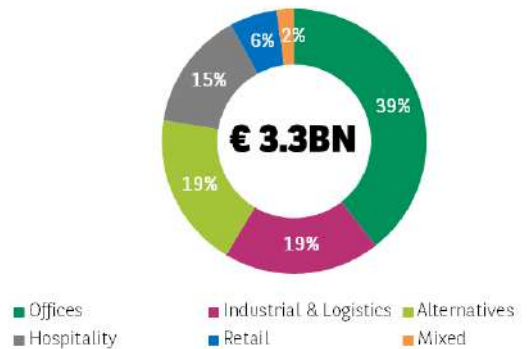


**OFFICES
€ 1.3BN INVESTED**

INVESTMENTS BY ASSET CLASS (IN M€)



INVESTMENTS BREAKDOWN



Investments have never been so high for the first quarter. Not even in 2019, when the record volume of € 12.2bn was reached. During Q1 2022, €3.3bn were invested, which is almost three times more than Q1 2021 (+179%) and way above Q1 average for the last 10 years (+98%).

Offices — traditional favorite asset class for investors on the Italian market — are back on pole position with € 1.3bn. All asset classes are progressing quarter on quarter with a noticeable jump for Logistics that doubled q-o-q (+139%) to reach € 630M and confirming its dynamism.

More than 60 deals were recorded, with a particular focus on the portfolio ENPAM that sold for € 842M and involved different asset classes (mainly Offices, Alternatives and Hospitality).

Q1 2022 investments showed a recovery for all asset classes due to significant capital availability and settlement of deals initiated in 2020/2021. Demand for real estate is fueled by inflation that may reach 6.8% in 2022: investors considers real estate as a hedge of inflation and a safer investment against financial distresses and economic downturns. Rent indexation on inflation should stimulate further real estate yielding performance. Bottlenecks in supply chain should continue to drive logistics investment volume. 2022 could be a good vintage but it remains difficult to quantify the impact of economical and geopolitical uncertainties. Q2 figures will give an indication on what to expect.

OFFICES € 1.3BN INVESTED VS € 0.2BN IN Q1 2021
6.5 TIMES HIGHER

AVERAGE 10Y Q1 : €630M
+106%

OFFICES SECTOR IN POLE POSITION



With € 1.3bn invested — six times more than in Q1 2021—Offices are back on pole position and already reached 61% of total investments of the last year.

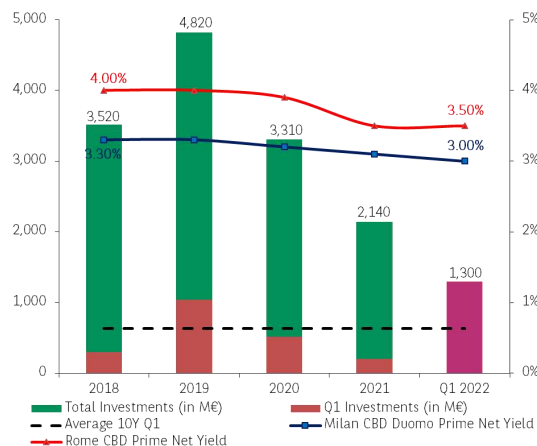
Milan remains the most liquid market and the reference for investors by attracting more than half of the office investments (€738M, 57%). Rome is second with €132M invested (10% of total).

Similarly to Q4 2021, Italian investors are back to the first place (they represent 42% of total offices investments), followed by Americans (25%) and British (20%).

Prime net yield decreases for CBD Duomo from 3.10% to 3.00% (-10 bps) while CBD remains stable at 3.50% in Rome.



Investors are back to their favorite asset class thanks to the easing of the COVID pandemic. Demand remains strong on prime and Core plus products.



KEY DEAL: PORTFOLIO ENPAM (OFFICES) >360M€ (EST.)

2022 INVESTMENTS OUTLOOK

POSITIVE (+)

PRIME YIELDS DECREASING

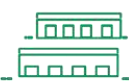
MILAN 3,00%
- 10 BPS

ROME 3,50%
STABLE

LOGISTICS € 630M INVESTED VS € 260M IN Q1 2021
TWICE HIGHER

AVERAGE 10Y Q1 : €200M
+215%

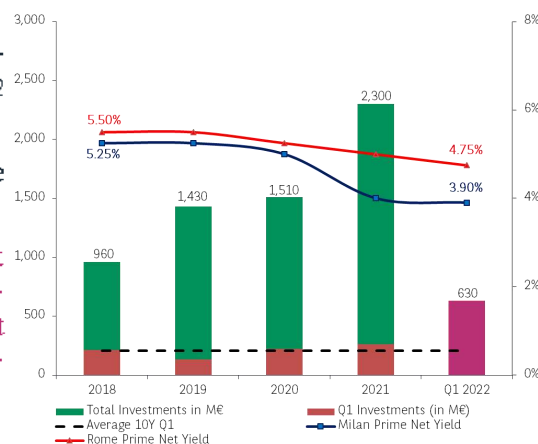
LOGISTICS CONTINUE TO BEAT RECORDS



Growth in the Logistics sector continues after reaching its all-time high investment volumes in 2021. The asset class recorded €630M invested in Q1 2022 +139% q-o-q.

Prime net yields decrease to 3.90% for Milan (-10bps) and 4.75% for Rome (-25bps).

Logistics is developing with the rise of e-commerce and continues to attract investors showing further potential. We are witnessing more and more speculative developments — half of 2022 pipeline — that should partially offset the supply issue. The rising cost of raw materials is expected to reduce margins, slowing down the future pipeline of developments.



KEY DEAL: NOGAROLE ROCCA (VERONA) FOR €112M

2022 INVESTMENTS OUTLOOK POSITIVE (+)

PRIME YIELDS DECREASING

MILAN 3,90%
- 10 BPS

ROME 4,75%
- 25 BPS

ALTERNATIVES € 625M INVESTED VS € 205M IN Q1 2021
3 TIMES HIGHER

AVERAGE 10Y Q1 : €165M
+279%

ALTERNATIVES SECTOR DRIVEN BY RESIDENTIAL



Strong increase of the Alternatives sector with € 625M invested in the quarter.

Residential — the main component of Alternatives — strongly benefited from GDP growth post-COVID and registered € 415M of investments. It has almost reached 2021 levels (€ 530M).



The Living segment is probably the asset class that benefits the most from new working habits. It attracts diverse typology of investors both for Build to Sell projects (opportunistics) and Build to Rent (Co-living, Coworking, Multifamily projects). Solid pipeline for 2022 but the rise of raw materials cost may temporarily reduce the positive view.



■ Residential ■ Development Sites ■ Care Homes ■ Broadcasting operating center

KEY DEAL : PORTFOLIO ENPAM (RESIDENTIAL) >220M€ (EST.)

2022 INVESTMENTS OUTLOOK

POSITIVE (+)

HOSPITALITY € 480M INVESTED VS € 130M in Q1 2021
3.5 TIMES HIGHER

AVERAGE 10Y Q1 : €175M
+174%

HOSPITALITY IN TRANSFORMATION

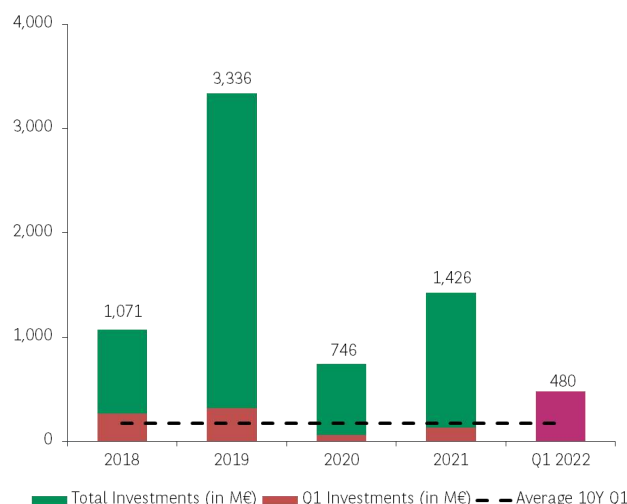


Positive quarter for the Hospitality sector with €480M invested, a figure 3.5 times higher than Q1 2021 (€ 130M) and the Q1 average for the last 10 years. About half of the total investments can be accounted by the sale of Castiglion del Bosco we estimated for €260 M.

Hospitality sector is progressively recovering : higher occupancy levels especially for the business segment; realignment of ADR— average daily rate —to pre-COVID crisis levels (+30% vs. February 2021 to reach c. €93)



The asset class is on the radar of investors : COVID pandemic made suffer traditional structures managed by families allowing value-add opportunities for International brand operators.



KEY DEAL : CASTIGLION DEL BOSCO (SIENNA) €260M (EST.)

2022 INVESTMENTS OUTLOOK

POSITIVE (+)

RETAIL

€ 190M INVESTED VS € 30M in Q1 2021
6 TIMES HIGHER

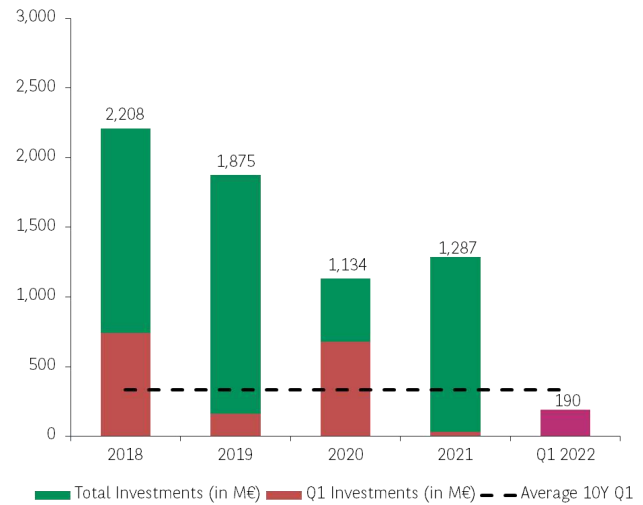
AVERAGE 10Y Q1 : €330M
-40%

RETAIL : ENCOURAGING FIGURES BUT PRUDENCY FOR 2022

Investments of €190M on the Retail sector (6 times higher than Q1 2021) but figures are still 40% below the 10Y average of Q1. Total volumes have been impacted by a transaction of a shopping centre of good quality and good performance that represented 37% of total Retail investments.

Stability for all High Street and Shopping Centre yields.

Positive figures for this quarter, but prudence should prevail in 2022. Sporadic large deals may positively affect the asset class but it is still early to talk about a dynamic trend.



KEY DEAL : TERMINAL NORD (UDINE) €70M

2022 INVESTMENTS OUTLOOK NEUTRAL (=)

PRIME YIELDS HIGH STREET STABLE

MILAN 3,40%

ROME 3,70%

PRIME YIELD SHOPPING CENTRES STABLE

6,00%

KEY Q1 DEALS

PROJECT DREAM (PORTFOLIO ENPAM)

€ 842M

MIXED USE

APOLLO GLOBAL MANAGEMENT (BUYER)

ENPAM (SELLER)

68 ASSETS

CASTIGLION DEL BOSCO (SI)

€ 260M (ESTIMATED)

HOSPITALITY

INTERNATIONAL FAMILY OFFICE (BUYER)

FERRAGAMO FAMILY (SELLER)

PORTFOLIO A2A

€ 212M

MIXED USE

HENDERSON PARK (BUYER)

A2A (SELLER)

3 ASSETS

6 BUSINESS LINES in Europe

A 360° vision

BNP Paribas Real Estate Italy

MILAN

Piazza Lina Bo Bardi, 3
20124 Milano
Tel: +39 02 5833 141

ROME

Via Salandra, 13
00187 Roma
Tel: +39 06 4200 6020

Contacts

STUDY OFFICE

Anthony Aimar

Senior Research Analyst

Tel: +39 334 616 90 29

anthony.aimar@realestate.bnpparibas



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