



ROME OFFICES



OCCUPIER MARKET

Rome's take-up growth both Y-o-Y (+69%) and on the 5-year Q1 average +61%. The EUR submarket accounted for the greatest share of take-up (74%) thanks to a large public sector occupier deal closed there.

Despite limited supply the occupier focus remains firmly on Grade A premises, which therefore accounted for a record 82% of total Q1 take-up.

Prime rental levels remained stable in all submarkets in Q1 2023, including Rome's CBD despite growth the previous year. Only the popular EUR district saw growth in the quarter.

Available office space has been contracting since 2020 and continued to fall, resulting in an 8.7% vacancy rate at end-Q1 2023.

Most availability is in the Periphery & Outside GRA submarket (50% of total availability), where demand is limited and stock often of lower quality. To the contrary, vacancy in the Greater EUR (28% of total availability) reflects higher supply here of higher quality accompanied by stronger demand. The limited supply in the more central submarkets is directly correlated with restricted supply.

R E S E A R C H



90,100sqm ↘

Take-up
Q1 2023
+69% y-o-y

32 transactions ↘

Take-up
Q1 2023
-29% y-o-y

8.7% ↘

Vacancy rate
Q1 2023
-9bp

500€/m²/y ↗

Prime rent*
Q1 2023
stable Y-o-Y

INVESTMENT MARKET

The significant contraction in investment volume across Q1 2023 reflected a Y-o-Y fall of -73%. Ongoing yield decompression dominated capital markets, and the downward trend is expected to persist in coming quarters.

The Office asset class accounted for 15% of total quarterly investment volume in Q1 2023. However Logistics dominated the marketplace (33%), followed by Alternatives (26%) which includes Living and Hospitality (14%).

Historically Milan dominates the Office sector and this continued in Q1 2023. However the weighting of other locations also continued to grow, tightly linked to a scarcity of investment-grade product in Milan.

€890mn

Italy total investment volume Q1 2023
-73% y-o-y

13%

of investments concentrated in the Rome province Q1 2023

Q1 2023 INVESTMENT VOLUMES

VOLUMES

BY ASSET CLASS



ROME

€114mn

Investment volume Q1 2023
-43% y-o-y

OFFICE

€130m Q1 2023

-89% on Q1 2021

ITALY

€31m Q1 2023

-9% on Q1 2021

ROME

4.1%

Rome prime net yield*

RETAIL

€20m Q1 2023

-90% on Q1 2022

ITALY

€10m Q1 2023

+100% on Q1 2021

ROME

4.0%

Rome HS prime net yield*

LOGISTICS

€290m Q1 2023

-53% on Q1 2021

ITALY

4.8%

Rome prime net yield*

HOSPITALITY

€120m Q1 2023

-77% on Q1 2022

ITALY

€22m Q1 2023

-45% on 2021

ROME

ALTERNATIVES

€320m Q1 2023

-53% on Q1 2022

ITALY

€51m Q1 2023

-17% on Q1 2022

*Prime rents and prime net yields should be read as an indication of market trends. The levels are established taking into consideration market sentiment and deals closed during the reference period.



SUSAN A. TREVOR-BRISCOE

Head of Market Research & Analysis

Phone: +39 335 1718200

susan.trevor-briscoe@realestate.bnpparibas

BNP Paribas Real Estate Italy

MILAN

Piazza Lina Bo Bardi

3 - 20124 Milan

Phone: +39 02 58 33 141

ROMA

Via Salandra

13 - 00187 Rome

Phone: +39 06 9826 2112

www.realestate.bnpparibas.it

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