



ROME OFFICES

OCCUPIER MARKET

The ca 158,000 sqm transacted in Rome in H1 2023 represented +90% growth on H1 2022 and +49% on the 5-year H1 average, thanks to a small number of large transactions closed in Rome. However the 71 **transactions closed** during H1 2023 was down by -11% Y-o-Y.

The occupier focus is increasingly on ESG compliance. **Grade A space** accounted for 80% of total H1 2023 take-up, despite the restricted supply of this type of asset.

The overall **vacancy rate** for Rome contracted to 7.8%. Availability is lowest in the **CBD** submarket where the vacancy rate stood at 1.4% at the end of Q2 2023.

The greatest amount of availability is found in the **'Periphery & Outside GRA'** submarket, where demand is most limited and stock often of lower quality. To the contrary the 27% of total Rome availability housed in the **'Greater EUR'** submarket tends to be of higher quality and accompanied by strong occupier demand.

Prime rental levels grew in Rome's Centre and CBD submarkets in Q2 2023, after seeing stability at the start of the year. However the Rome office market is typically characterized by less volatility

RESEARCH

158,000sqm ↗	71 transactions ↘	7.8% ↘	510€/m ² /y ↗
Take-up H1 2023 +90% y-o-y	Take-up H1 2023 -11% y-o-y	Vacancy rate H1 2023 -120bp	Prime rent* H1 2023 +10€

INVESTMENT MARKET

Total investment volumes continued contracting in H1 2023, down by -63% Y-o-Y, and this downward trend is expected to persist in coming quarters. Ongoing yield decompression dominates capital markets, alongside uncertainty, increased construction costs, and financing issues.

The Office asset class accounted for 22% of total investment volume in the semester, second only to Logistics (24%) and in line with Alternatives (also 22%) which includes Living

The weighting of Rome grew over H1 2023, as well as in other locations outside Milan which has traditionally dominated the sector, as investors seek to achieve more acceptable yields.

€2,240bn

Italy total investment volume H1 2023
-63% y-o-y ↘

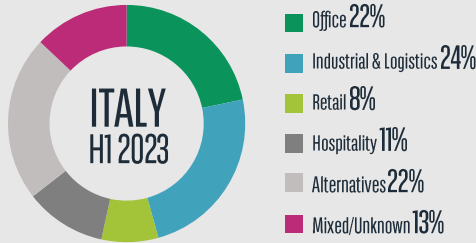
10%

of investments concentrated in the Rome province H1 2023 ↘

H1 2023 INVESTMENT

VOLUMES

BY ASSET CLASS



ROME

€215mn

Investment volume H1 2023
-76% y-o-y

OFFICE

€490m H1 2023

-74% on H1 2022

ITALY

€110m H1 2023

-77% on H1 2022

ROME

4.40%

Rome prime net yield*

RETAIL

€175m H1 2023

-59% on H1 2022

ITALY

€10m H1 2023

-39% on H1 2022

ROME

4.10%

Rome HS prime net yield*

LOGISTICS

€540m H1 2023

-70% on H1 2022

ITALY

5.25%

Rome prime net yield*

HOSPITALITY

€250m H1 2023

-72% on H1 2022

ITALY

€22m H1 2023

-92% on H1 2022

ROME

ALTERNATIVES

€500m H1 2023

-40% on H1 2022

ITALY

€73m H1 2023

-27% on H1 2022

ROME

*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.



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