



MILAN OFFICES

OCCUPIER MARKET

Milan's occupier market remained active throughout the first half of 2024, as the **number of transactions** experienced 6% Y-o-Y growth.

Take-up in sqm terms contracted by -8% over the same period, primarily reflecting an evolution in occupier requirements to focus more on quality of premises and less on size. H1 take-up also fell behind the 10- and 5-year averages.

The occupier focus on ESG criteria and on quality is strong and **Grade A/A+** represented 63% of Milan take-up in the first half of 2024.

Prime rental levels saw stability in Q2 2024, after growth in certain key submarkets in the first quarter of the year.

Milan's office **vacancy rate** increased to 9.8%, as supply of top quality, well located assets remained tight but was contrasted by higher vacancy for secondary locations and lower grade premises.

Specifically, availability is lowest in prime submarkets, with 3.3% and 4.2% vacancy rates in the CBD Porta Nuova and CBD Duomo respectively.

R E S E A R C H

175,500sqm ↗	166 transactions ↗	9.8% ↗	700€/m²/y ↗
Take-up H1 2024 -8% y-o-y	Take-up H1 2024 +6% y-o-y	Vacancy rate H1 2024 -40 bps y-o-y	Prime rent* H1 2024 +10€/m ² /y y-o-y

INVESTMENT MARKET

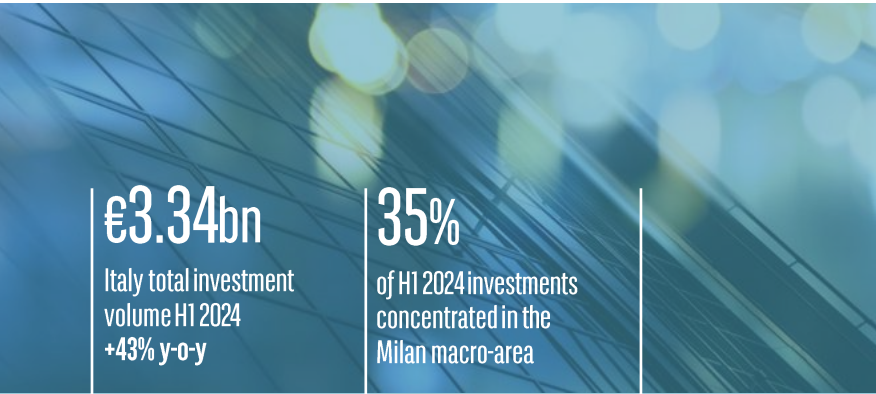
The year began on a positive note with Italy's investment volume up by +43%.

In the first semester of 2024 prime yield levels saw stability. Decompression was limited to secondary markets and repricing also supported improved activity levels.

As the number and size of deals exceeding €100m grew over the quarter, so did the average lot size.

In the first six months of 2024 foreign capital made a greater contribution to total investment volumes (54%), after being more limited in the first quarter.

The office asset class held pole position with 29% of H1 volumes. The Milan marketplace accounted for over a third (35%) of this in H1 2024.



H1 2024 INVESTMENT VOLUMES

BY ASSET CLASS



- Office 29%
- Industrial & Logistics 16%
- Retail 14%
- Hospitality 14%
- Alternatives 8%
- Mixed/Unknown 19%

MILAN

€1,180 m

Investment volume H1 2024

+48% y-o-y

OFFICE	RETAIL	LOGISTICS	HOSPITALITY	ALTERNATIVES
<p>€970m H1 2024</p> <p>+100% on H1 2023</p> <p>ITALY</p>	<p>€480m H1 2024</p> <p>+141% on H1 2023</p> <p>ITALY</p>	<p>€530m H1 2024</p> <p>-3% on H1 2023</p> <p>ITALY</p>	<p>€480m H1 2024</p> <p>+54% on H1 2023</p> <p>ITALY</p>	<p>€260m H1 2024</p> <p>-52% on H1 2023</p> <p>ITALY</p>
<p>€340m H1 2024</p> <p>+36% on H1 2023</p> <p>MILAN</p>	<p>€12m H1 2024</p> <p>+179% on H1 2023</p> <p>MILAN</p>	<p>€60m H1 2024</p> <p>+50% on H1 2023</p> <p>MILAN</p>	<p>€85m H1 2024</p> <p>+71% on H1 2023</p> <p>MILAN</p>	<p>€125m H1 2024</p> <p>-46% on H1 2023</p> <p>MILAN</p>
<p>4.25%</p> <p>Milan prime net yield*</p>	<p>4.10%</p> <p>Milan HS prime net yield*</p>	<p>5.50%</p> <p>Milan prime net yield*</p>		

* 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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