



MILAN OFFICES

OCCUPIER MARKET

In 2024 **take-up** fell below the totals achieved in the previous two years, standing at ca 372,000 sqm, down by -16% compared to 2023 and slightly below the 5- and 10-year averages.

Nevertheless the market remained active and vibrant, as the **number of transactions** hit a historical high (336), emphasising the demand for smaller premises due to new office dynamics.

The occupier focus remains firmly on space efficiency and ESG criteria, as a result of which **Grade A/A+** premises accounted for 73% of Milan take-up in in 2024.

Prime rents stabilized in Q4 2024, following a surge in the central months of the year to reflect the levels associated with well located, new and refurbished premises. Limited supply exerts further upwards pressure.

Despite this, Milan's office **vacancy rate** increased slightly to 9.8% at the end of the year, linked to greater supply of refurbished assets entering the market in central locations. Availability is lowest in prime locations, standing at 3.0% and 4.5% in the CBD Porta Nuova and CBD Duomo submarkets respectively.

RESEARCH

372,000 sqm ↘	336 transactions ↗	9.8% ↗	720 €/m ² /y ↗
Take-up 2024 -16% y-o-y	Take-up 2024 +5% y-o-y	Vacancy rate 2024 +30 bps y-o-y	Prime rent* 2024 +30 €/m ² /y o-y

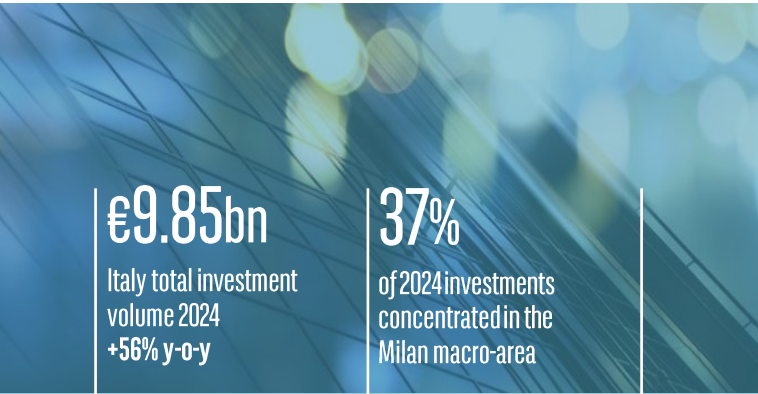
INVESTMENT MARKET

At end-2024 the Italian **investment volume** reached almost €10bn, up by +56% Y-o-Y. The number and size of large deals exceeding €100m edged upwards from the low point experienced in 2023, as did the average **lot size**.

In 2024 **foreign capital** was double the domestic capital invested (67%) despite growth in the weighting of the latter during the previous year.

The **Office** asset class accounted for 23% of total YTD investment volume by end-2024. The **Milan** marketplace accounted for over a third of total national volumes.

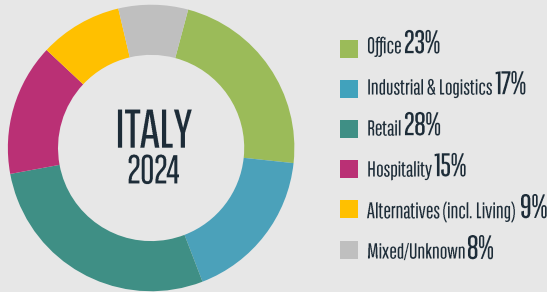
Prime office yield levels were substantially stable throughout 2024. However certain secondary submarkets did continue to see some decompression during the year.



2024 INVESTMENT

VOLUMES

BY ASSET CLASS



MILAN

€3.65 bn

Investment volume 2024

+83% y-o-y

OFFICE	RETAIL	LOGISTICS	HOSPITALITY	ALTERNATIVES
<p>€2.22bn 2024</p> <p>+60% on 2023</p> <p>ITALY</p>	<p>€2.75bn 2024</p> <p>+298% on 2023</p> <p>ITALY</p>	<p>€1.72bn 2024</p> <p>+9% on 2023</p> <p>ITALY</p>	<p>€1.47bn 2024</p> <p>+29% on 2023</p> <p>ITALY</p>	<p>€920m 2024</p> <p>-34% on 2023</p> <p>ITALY</p>
<p>€820m 2024</p> <p>+3% on 2023</p> <p>MILAN</p>	<p>€1.42bn 2024</p> <p>+858% on 2023</p> <p>MILAN</p>	<p>€250m 2024</p> <p>+286% on 2023</p> <p>MILAN</p>	<p>€90m 2024</p> <p>-19% on 2023</p> <p>MILAN</p>	<p>€440m 2024</p> <p>-32% on 2023</p> <p>MILAN</p>
<p>4.25%</p> <p>Milan prime net yield*</p>	<p>4.00%</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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