



Press release

COIMA AGREES SALE OF HISTORIC MILAN OFFICE TO UNION INVESTMENT AFTER GREEN REFURBISHMENT

- **Piazza San Fedele office building to become Bottega Veneta's global HQ on completion of sustainable redevelopment**
- **Acquisition from QIA Italian Property Fund, managed by COIMA, represents Union Investment's first move into Italian office market**
- **The transaction will be carried on with the set-up of a new SICAF investment vehicle on behalf of Union Investment and managed by COIMA, aimed at investing in prime sustainable assets, expanding its scope with further acquisitions in the Italian market**
- **Deal is the most significant transaction in the Milan office market this year and confirms investors' continued demand for ESG-compliant assets**

Milan, 8 August 2023 – COIMA SGR, a leading sustainable real estate investor, developer and manager, has sold the iconic Piazza San Fedele 1–3 office building in Milan's historic business district to German real estate investor Union Investment.

The historic building, which is undergoing a sensitive refurbishment aimed at modernizing the workspace and improving its sustainability credentials, is centrally located in the Duomo area, close to Milan Cathedral and La Scala opera house and directly adjacent to the Galleria Vittorio Emanuele II shopping arcade.

COIMA has agreed a deal with global fashion and luxury goods brand Bottega Veneta to lease the office upon completion of the redevelopment in Q4 2023. Bottega Veneta, an arm of luxury goods company Kering and one of the most famous names in high-end fashion, will set up its global headquarters in the building, taking 10,000 sq m (110,000 sq ft) over the building's nine floors on a 12-year lease.

COIMA SGR purchased Palazzo San Fedele on behalf of the QIA Italian Property Fund in 2018. The Qatar Investment Authority is the investor, with COIMA managing the fund and the asset. The Fund's portfolio currently includes direct investments for a total of six properties in Milan comprising approximately 40,000 sq m.

Union Investment, a Hamburg-based real estate investment manager, is acquiring the project through Unilmmo: Deutschland, an open-ended real estate fund, from the QIA Italian Property Fund in an off-market transaction.

The acquisition represents Union Investment's first move into the Italian office market. Following completion of the transaction, COIMA will continue to manage the asset for Union Investment through a new SICAF investment vehicle aimed at investing in prime sustainable assets, expanding its scope with further acquisitions in the Italian market.

Piazza San Fedele dates from 1872 and was originally home to the famous Teatro Manzoni theatre. It was redeveloped as an office following the Second World War when it suffered extensive damage. The current refurbishment, led by architect Studio Asti Architetti, will breathe new life into the building while preserving and enriching the beauty and elegance of its original features. The project envisages achieving LEED® Gold and WiredScore Platinum certifications thanks to the application of sustainability best practices with a “brown to green” transition. The responsible use of materials and resources in construction and management make the refurbishment of this historic building an exemplar for Milan: energy will be provided by certified green and renewable sources produced on site through the use of solar panels and ground-source heating and cooling, and new thermal power plants will be built to achieve energy performance in line with the Fund’s objectives and an EPC A energy rating. Finally, thanks to the coordinated dialogue with the local authority, the project also led to an enhancement of the spaces in accordance with the tenant’s specific needs, such as the enlargement of the façade windows to allow for the creation of shop windows to guarantee greater permeability to the retail area.

The project also entails the complete redevelopment of Via Carlo Cattaneo, the portion of Via Silvio Pellico that goes from the Galleria to Piazza Duomo, improving the public realm and street furniture in the historic Milan neighborhood.

Gabriele Bonfiglioli, COIMA’s Chief Investment Officer, commented: *“The sale of this historic office building following a sustainable refurbishment represents the most significant transaction in the Milan office market this year. The deal confirms the continued strong demand from international tenants and investors for future-proofed sustainable buildings in central locations with strong amenity offerings. The acquisition represents the conclusion of our business plan for the asset, with a return for our investor of over 18% IRR. The transaction also represents Union Investment’s first move into the Italian office sector and the start of a partnership with COIMA aimed at expanding the portfolio with additional acquisitions.”*

Martin Schellein, Head of Investment Management Europe at Union Investment, said: *“As Italy’s main commercial centre and one of the world’s leading fashion and design capitals, Milan offers excellent conditions for investments in the office sector. With its prestigious location in the historic city centre, high sustainability standards and long-term lease to Bottega Veneta, Piazza San Fedele 1–3 is the perfect first investment for our anticyclical entry into the Milan office market. We look forward to continuing our cooperation with COIMA, who will manage the Italian fund vehicle set up for this purpose on our behalf.”*

Union Investment’s acquisition of its first office property in Italy contributes to the international diversification of the Unilmmo: Deutschland fund’s real estate portfolio. The high sustainability credentials of Piazza San Fedele 1–3 also reinforce the sustainability profile of the fund.

COIMA was advised by Shearman & Sterling and Maisto & Associati, while Union Investment was advised by DILS, DLA Piper, McDermott and Aecom.

About COIMA

COIMA specializes in the investment, development and management of Italian real estate assets on behalf of institutional investors, with an integrated ESG impact approach. COIMA Holding controls operating companies including COIMA SGR, investment & asset manager that manages 33 real estate funds with more than 10 billion euros in investments; COIMA REM, development and property manager that in more than 40 years has developed and managed real estate of more than 5 million square meters; and COIMA HT, which operates in technology to support the digital enablement of physical spaces. Among its most important projects, the platform co-invested, co-developed and currently manages the Porta Nuova project in Milan, the first neighbourhood globally to achieve dual LEED® and WELL® for Community sustainability certification.

Press contacts:

SEC Newgate UK

coimafinancial@secnewgate.co.uk +44(0)20 3757 6767

About Union Investment

Union Investment stands for forward-looking real estate investments worldwide. Its business model is underpinned by 56 years of real estate expertise. With assets under management of around EUR 57 billion, Union Investment is one of Europe's leading real estate investment managers. The company invests in the office, retail, hospitality, logistics and residential sectors and holds around 500 commercial properties across 26 countries worldwide in its portfolio.

www.union-investemt.com/realestate

Press contacts:

Union Investment Real Estate GmbH

Fabian Hellbusch

Head of Real Estate Marketing, Communication

Valentinskamp 70 / EMPORIO

20355 Hamburg, Germany

Tel: + 49 40 3491 94160, fax: + 49 40 3491 95160

E-mail: fabian.hellbusch@union-investment.de

Internet: www.union-investment.com/realestate