

Press release

MILANOSESTO: COIMA AND REDO AGREE LANDMARK DEAL TO TAKE FORWARD ITALY'S LARGEST URBAN REGENERATION PROJECT

- COIMA and Redo sign agreement to acquire 100% of MilanoSesto SpA, the company that owns the majority of the regeneration site in north-east Milan, with scheme to be relaunched in line with the most advanced ESG standards
- COIMA and Redo also agree deal to bring forward the social housing element of the "Unione Zero" site, meaning together the partners have ownership of 90% of the vast regeneration development

Milan, November 6th 2023 – COIMA SGR, a leading sustainable real estate investor, developer and asset manager, and Redo SGR, a leader in the affordable housing and in social impact urban regeneration, have signed agreements to take forward the MilanoSesto project, Italy's largest regeneration project.

The deal sees COIMA and Redo acquire 100% of MilanoSesto SpA, the company that owns the vast majority of the site, from Hines Iron MilanoSesto Associates LLC. The two partners have also agreed a deal to acquire 27,000 sqm of land, part of a site called Unione Zero, which is designated for social housing. Altogether this means COIMA and Redo have ownership of 90% of the regeneration development.

A former industrial site, MilanoSesto is in the north-east of Milan's metropolitan area, with a total area of more than 1 million sqm. The agreements will bring renewed impetus to Italy's largest urban regeneration project and one of Europe's most significant regeneration schemes, with the development to be relaunched in line with the most advanced ESG standards.

As part of the agreements, a series of complex financial operations have been concluded with Intesa Sanpaolo, the project's main financier, and other lenders, including Unicredit, Banco BPM and IFIS, involving the conversion of around €900m of debt into equity. This ensures the recapitalisation of the project, contributing to the recovery and further revitalisation of an area that is strategically important to the Milanese metropolitan area, Lombardy and Italy.

The MilanoSesto site is spread across two distinct areas, the largest of which covers approximately 840,000 sqm and is owned by MilanoSesto SpA. This area will mainly comprise residential development, including subsidised and social housing, as well as the City of Health and Research, a centre of clinical and scientific excellence which belongs to the Lombardy Region, and a park area of approximately 45 hectares.

The 155,000 sqm Unione Zero area includes 27,000 sqm for a social housing project – which has now been acquired by COIMA and Redo from Hines and Cale Street. This will consist of approximately 350 new apartments for employees of the City of Health and Research and related facilities. The residences will be developed through a newly established fund, managed by Redo and subscribed by Re-City and the COIMA Housing Fund. The latter was established by COIMA to invest in sustainable housing and is backed by ISP and a range of leading Italian institutional investors.



The remaining part of the Unione Zero site, approximately 128,000 sqm, will continue to be owned by the "Unione Zero" fund, managed by Prelios SGR, with investment from Cale Street and Hines. This area will retain its current uses under the existing plans, which includes offices, student housing, hotel and open-market housing.

Manfredi Catella, Founder and Chief Executive Officer of COIMA SGR, said: *“MilanoSesto is one of the most important urban regeneration projects in Europe. COIMA's commitment alongside Redo, a leading company focusing on regeneration with a high social impact, and the consolidated partnership with Intesa Sanpaolo, a European leading banking group at the forefront of sustainable infrastructure projects, provides a unique blend of skills to support Milan and Italy's growth. With a deep sense of responsibility, together with our partners, we will take forward this strategically important project with the aim of ensuring it becomes an international benchmark for socially and environmentally sustainable urban redevelopment, attracting national and international investors with strong ESG commitments, creating a thriving place fit for a zero carbon future.”*

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 over 30 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 group 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.

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About REDO

Redo SGR is the first Italian real estate fund management company committed to the creation of quality living spaces at affordable prices and urban regeneration projects with social impact. It manages sustainable investments that promote urban regeneration, strengthening communities through affordable housing and minimizing environmental impacts. Redo is the winner of three international C40 Reinventing Cities competitions in Milan, with the projects "L'interno", "Green Between" and "Aria", for a total of approximately 22.5 hectares, which will become the largest carbon residential neighborhoods neutral of Europe.