



Press release

THE DEVELOPMENT OF PORTA NUOVA CONTINUES, CONFIRMING PRIME RENT IN THE OFFICE MARKET IN MILAN AND QUALIFIES AS ONE OF THE MOST SUSTAINABLE DISTRICTS INTERNATIONALLY

- **Porta Nuova reconfirms itself as one of the most sustainable mixed-use neighbourhoods in the world: LEED® and WELL® for Community certified, with an entirely geothermal energy system, 75% of all energy currently comes from renewable sources or is produced and self-consumed. Thanks to tenant commitment, Porta Nuova will achieve carbon neutrality within the next three years**
- **Over 70,000 sqm leased in the district post Covid, with relocation of over 5,000 professionals and a rent increased to over 30% from pre Covid levels**
- **Porta Nuova now has 100% occupancy, over 60 companies and 35,000 professionals, and is expected to reach a total resident population of over 50,000 professionals and an annual flow of over 15 million visitors over the next three years**
- **The East Portali Tower, designed by ACPV Architects, reaches completion; Pirelli 35, designed by Snøhetta and Park Associati, reaches completion and sees the entry of five new companies, including Hitachi Zosen Inova, with plans to reach full occupancy of the building by the end of the year**

Milan, 17 June 2024 - COIMA SGR ('COIMA'), a leader in the investment, development and management of real estate assets on behalf of institutional investors, today unveiled a further element in the urban regeneration project of Porta Nuova in Milan, the first district in the world to have obtained dual LEED® and WELL® for Community certification for environmental and social sustainability and one of the leading business centres in Italy.

The sector to the north adjacent to Via Melchiorre Gioia sees the completion of Pirelli 35, the former Telecom Italia headquarters that has been entirely redeveloped, and the structures of the East Tower of I Portali, the elevation of which has been completed on schedule. Both buildings are already leased: more than 60% of the 33,000 square metres of retail space has already been leased to leading companies in the financial services and publishing, fashion, and IT sectors, including Hitachi Zosen Inova, with plans to reach full occupancy of the building by the end of the year. On the other hand, the spaces in the East Tower of the Portals have been leased as early as 2022 to KPMG, which will make it its main office in Milan, accommodating up to 3,500 professionals once the work is completed.

Pirelli 35 and I Portali are part of the urban regeneration project of Porta Nuova Gioia, subject to a unitary masterplan that includes the developments of Pirelli 32, Pirelli 39, Gioia 22 and their surrounding areas, for which the City of Milan and COIMA SGR have signed an agreement for the redevelopment of public and pedestrian areas. Among these, the development of Torre Gioia 22, the largest national nZEB building designed by the American studio PCPA and home for Intesa

Sanpaolo of the new Isybank and the three divisions Private (Fideuram - Intesa Sanpaolo Private Banking), Asset Management (Eurizon), and Insurance (Intesa Sanpaolo Vita) has recently been completed.

With the leases signed in the last year, the Porta Nuova district achieves 100% occupancy of the available space and confirms the levels of Milanese prime rent in the office market: 20% more growth than prime rent in the last decade and 32% more than in 2019 (pre-Covid).

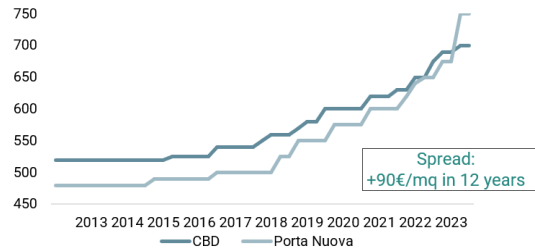
Porta Nuova annually records more than 50,000 sqm of rental transactions, accounting for about 20% of the transactions in Milan. The expected demand in Porta Nuova in the period 2024-2027 exceeds 220,000 sqm in total, against new developments available in the same period of about 100,000 sqm, generating a supply gap of over 120,000 sqm. This supply gap will have the dual effect of putting further pressure on rents, which will continue their upward trend, especially in relation to the scarcity of new development projects.

Porta Nuova's achievements contribute to the city's attractiveness, which in Green Street's ranking (Q1 2024) on the office sector places Milan ahead of other European cities in terms of the sector's recovery and demand from tenants, which has picked up since 2023 and exceeded the average of the last 10 years.

Today, the Porta Nuova district registers a diversification of product sectors, with the presence of different industries: Digital & Tech 25% (15% in 2019), Financial Services 36% (40% 2019), Fashion 18%, Food & Beverage 4%, Pharmaceuticals 4%, Other 13%,

Porta Nuova prime rent growth

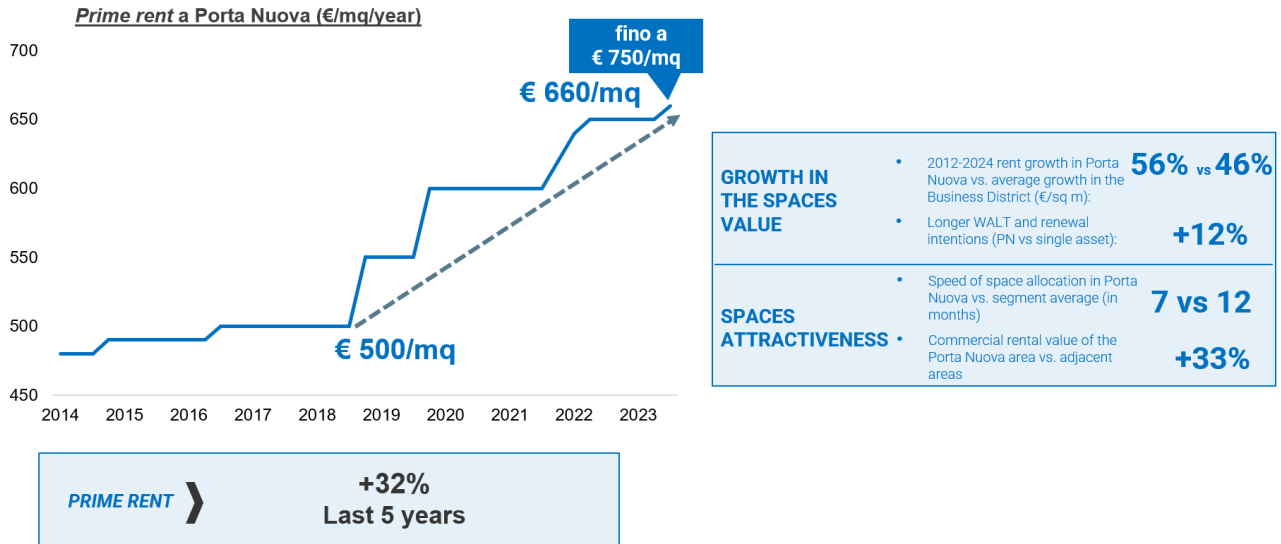
Prime Rent				
	Kpi	2012	2023	Delta
Porta Nuova	€	480	750	+270
Business Districts Compartment (CBD)	€	520	700	+180



SOURCE: COIMA processing of market data; CBRE Global Research

With an average rental time of less than 7 months, lower than the sector average (12 months), the district is confirmed as one of the most attractive destinations for major national and international companies operating in the country. Porta Nuova has reached full occupancy compared to a vacancy rate in Milan of approx. 9% and of approx. 3% for Grade A properties.

Rising rents are driven by increasing tenant demand and the limited development pipeline.



Says Manfredi Catella, Founder and CEO of COIMA: "Porta Nuova is a district that, by helping to connect Brera, Isola and the historic business centre of the city of Milan, has become one of the country's major intermodal mobility hubs. The quality of the buildings constructed over time, with a particular focus on energy performance aligned with the Paris Treaty targets, together with the service and cultural activities developed with the Biblioteca degli Alberi civic project, has contributed to making Porta Nuova the leading destination for Italian and international companies. The leases finalised post-Covid, covering more than 70,000 sqm, substantially completed the office space currently available in Porta Nuova, registering rent growth of up to more than 30% compared to pre-Covid levels."

During the event held in Porta Nuova, the spaces of Pirelli 35 were presented and the completion in elevation of the structures of the Portali East Tower was celebrated, with the laying of the Italian flag on the roof of the building. In addition to Manfredi Catella, the architectural studios and firms that contributed to the redevelopment of Pirelli 35 - architects Michele Rossi for Studio Park Associati and Peter French for Snøhetta with Andrea Maraschin, General Technical Director of Carron - as well as the design and construction of the Portals - architects Patricia Viel and Antonio Citterio of ACPV Architects, Gianfranco Simonetto, President of Gruppo ICM, attended the event. With the new buildings, the number of office buildings upgraded or constructed by COIMA rises to 30, covering some 700,000 square metres and housing leading national and international brands.

Michele Rossi, partner and co-founder of Park Associati: "Unlike the existing historical building, the new building is conceived as an open project that connects two urban areas - Piazza Einaudi and Via Bordonni - creating a spacious and traversable courtyard. The permeability of the building is a key element of the project; the intervention area becomes a place of frequentation and transit for those moving between the Porta Nuova district and the neighbouring areas, favouring the activity and identity of a neighbourhood that has already established itself as one of the city's major poles of attraction."

Antonio Citterio, President of ACPV ARCHITECTS: "The rigorous volumetry, which becomes an urban exception to be measured against, and the grid on the façade, an element of synthesis between structure and technology, are the very identity of the project. The Portals are part of a landscape of innovation, not only technical, but also typological."



Patricia Viel, CEO of ACPV ARCHITECTS: "The intervention finally makes the public space complementary to the built environment, and not just an accessory infrastructure: the organisation of the architectural artefacts, with their footprint on the ground and their size, will allow the entire area to become an urban catalyst, accessible and welcoming. We have brought the architectural character of Milanese modernity back to this district of European Milan."

For both developments, COIMA SGR coordinated the project as asset manager, while COIMA REM acted as development & property manager for the technical management of the urban and building development.

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 more than 30 real estate funds with more than 10 billion euros in investments; COIMA REM, development and property manager, in more than 40 years has developed and managed real estate of more than 5 million square meters; COIMA HT, which operates in the technology sector supporting the digital enablement of physical spaces. Among its most important projects, the platform co-invested, co-developed and still manages the Porta Nuova project in Milan, the first neighbourhood in the world to achieve the dual LEED® and WELL® for Community sustainability certification.

Contact

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