

COIMA REAL ESTATE FORUM: 9 BILLION EURO IN REAL ESTATE INVESTMENTS EXPECTED FOR YEAR 2018.

The COIMA Real Estate Forum was attended by 200 operators representing approximately 50 investors, in large part international investors, representing a total of over a two trillion Euro in assets.

COIMA aims to achieve investments totaling Euro 3 billion over the next 5 years, selecting projects focusing on the real economy.

Catella: “Since 2008, the approach toward real estate investments has radically changed”

Milan, 25 October 2018 – **COIMA** – a leading platform in the investment, development and management of real estate assets on behalf of institutional investors – hosted the **seventh edition of the COIMA Real Estate Forum** at the Fondazione Riccardo Catella today, an annual event – which has become a point of reference for the real estate sector – dedicated to examining and discussing economic trends and scenarios at both domestic and international levels.

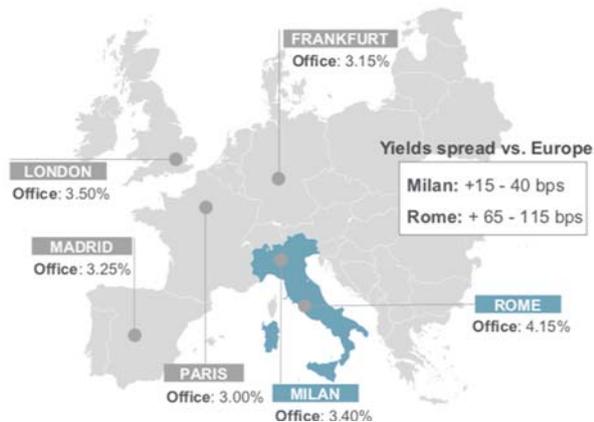
This year once again the Forum saw the participation of over 200 sector operators, representing approximately 50 primary Italian institutional investors and international investors in particular, including Ivanhoé Cambridge, ADIA, QIA, Enasarco, Cassa Ragionieri, IntesaSanpaolo Vita, Vittoria Assicurazioni, etc. – representing total assets exceeding two trillion Euro.

Innovation, technology, sustainability and regeneration of the territory were some of the key focus points of the Forum 2018. After an introduction by **Pierfrancesco Maran** (Councillor for Urban Planning of the Municipality of Milan) and **Manfredi Catella** (Founder and CEO, COIMA) the Forum participants were treated to presentations on market trends by **Komal Sri-Kumar** (Chairman, Sri-Kumar Global Strategies, Inc.), **Jesse Freitag-Akselrod** (Senior Vice President, Green Street Advisors), **Gabriele Bonfiglioli** (Managing Director, Investment Management, COIMA), with two round tables, the first on **“how technology is changing the development of the territory”** with **Valerio Camerano** (CEO, A2A), **Fabio Moioli** (Head of Enterprise Services, Microsoft Italia), **Enrico Cereda** (CEO, IBM), **Riccardo Donadon** (CEO, H-Farm) and **Vincenzo Tortis** (Chief Information & Digital Transformation Officer, COIMA), while the second round table focused on **“Investing in a context subject to continuous evolution”**, with the participation of **Pascal Duhamel** (Head of Europe, Real Estate and Infrastructure Department, Abu Dhabi Investment Authority), **Paolo Gencarelli** (Head of Group Real Estate, Poste Italiane), **Karim Habra** (Head of Europe, Ivanhoé Cambridge, Inc.) and **Aldo Mazzocco** (Head of Group Real Estate, Generali Spa), with closing remarks by **Giovanni Maggi** (Chairman of Assofondipensione).

Investors demand remains strong



In the first 9 months of this year, Euro 5.3 billion, in total volumes, has been invested in commercial properties on the Italian market, with total investments for 2018 expected to reach approximately Euro 9 billion: this figure is slightly under the record-breaking level seen in 2017, but still higher than the average registered over the last 5 years.



Capital flows originating from **domestic investments (with respect to 25%) and foreign markets (with respect to 75%)**: 24% from North America, followed by France (10%), UK (9%), Germany (8%), Asia Pacific (3%) and other investments from the remaining financial markets (21%).

The **Milanese market** is confirmed as the most attractive one for investments and number one in Italy in terms of volumes: in the first 9 months of 2018 approximately **Euro 2.0 billion in new investments on the commercial real estate**

market in Milan was registered, in line with the figure observed in the same period in 2017 (approximately Euro 2.1 billion).

With almost nine million visitors, **Milan** is the fifth most visited city at a European level: a metropolis in which over 4 thousand multinationals have offices, which has succeeded in generating growth in GDP of 6.2% over the last four years, which is impressive when compared with a national average of 3.6%, offering a per capita average income of Euro 36.6 thousand (32% higher than the average figure for Italy).

During his opening remarks at the Forum, the economist **Komal Sri-Kumar**, chairman of Sri-Kumar Global Strategies, pointed out – despite the EU Commission’s rejection of the proposed Italian budget and debt which may continue to rise – an unemployment level that has declined to the single digits and a banking sector now in a better state of health thanks to the significant sale over the last two years of Non-Performing Loan packages, which now represent under 9.5% (Loans Less Collateral).

The **Italian market** which, according to analyses illustrated by **Gabriele Bonfiglioli**, Managing Director of COIMA, is confirmed as driven by a significant focus on high quality products – rose by over 65% between 2015 and 2017 – rising from 760 thousand sqm. in 2015 to over 2 million in 2017.

In our country, there is a strong demand for asset classes such as **hospitality** – which in 2016 exceeded Euro 1,600 million, a significant increase from the figure of Euro 630 million seen in 2014 – and **co-working spaces**, which see Milan and Rome at the closing positions in the ranking of the main European cities– less than 1% as compared to 6% in Amsterdam, with demand at a national level which in 2018 is expected to exceed 30 thousand sqm in comparison to the figure of 4 thousand seen in 2015 – and most importantly, the **logistics sector** is showing very strong growth, with investments that quadrupled from Euro 300 million in 2015 to Euro 1.24 billion (over 90% of which comes from international investors) in 2017.

In such context, COIMA aims to select investments in the **real economy** – focusing on asset classes such as offices, residential, logistics, tourism and urban regeneration – with a total investment target of **over Euro 3 billion over the next 5 years**.

Manfredi Catella, Founder and CEO of COIMA, remarked: *“The decade 2008-2018 radically changed the economic and cultural approach and paradigm. As it has also come to light over the course of the Forum, institutional investments represent a potential economic and cultural engine capable of generating an extremely strong impact on the real economy and, even more so, on the regeneration of the territory. A process of profound and radical transformation in which we strongly believe: over the last 24 months, as a platform, we have raised and invested, from primary national*

and international investors, including seven sovereign funds with which we collaborate on a continuous basis, over Euro 2 billion, not counting the closing in the last few months of the new fund COIMA Opportunity Fund II, which – with a total investment capacity of over Euro 1.5 billion – is confirmed as the largest discretionary real estate investment fund ever raised in Italy.”

The Councillor for Urban Planning of Milan, **Pierfrancesco Maran**, remarked: *“Continuing to expand the city center to cover an increasingly large area, expanding parks and green areas and the supply of residential rental properties, improving the quality of public spaces and the life of the residents of all of our neighborhoods. These are the city’s goals for 2030, in which the Municipality of Milan is investing Euro 1.6 billion, with a particular focus on the city’s outskirts. These are significant resources, but they need to be supported and accompanied by private investments, especially in the areas of the city that find themselves in more difficult conditions. It is for this reason that in the Territorial Governance Plan we provide for incentives for those who invest in certain accessible areas in need of requalification works, and for those who recover abandoned buildings, transforming neglected structures into new services for the city.”*

COIMA is a leading platform for the investment, development and management of real estate assets on behalf of international and domestic institutional investors COIMA SGR, an Investment & Asset management company, manages 22 real estate investment funds with over Euro 5 billion in investments and counts in its portfolio over 150 properties, including 30 LEED certified properties. COIMA Srl, a development and property management company, in over 40 years has developed and managed real estate properties totaling over 5 million square meters. Among the most important projects in which the platform has co-invested, co-developed and still manages today is the Porta Nuova project in Milan, one of the most prestigious urban requalification plans in Europe.

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