

Retail property market H1 2018

MACRO ECONOMIC INDICATORS		
population (2017)	60.905.976	
GDP annual growth rate (March 2018)	0,30%	↓
GDP forecast (2018)	1,10%	↓
GDP per capita 2017* (\$)	33.725	↑
unemployment rate (2017)	11,20%	↓
household disposable income (OECD annual growth rate)	1,10%	↓
inflation rate (May 2018)	1,10%	↑
*International monetary fund		
**Q-o-Q % : quarter on quarter % change		
a comma is used as decimal separator		

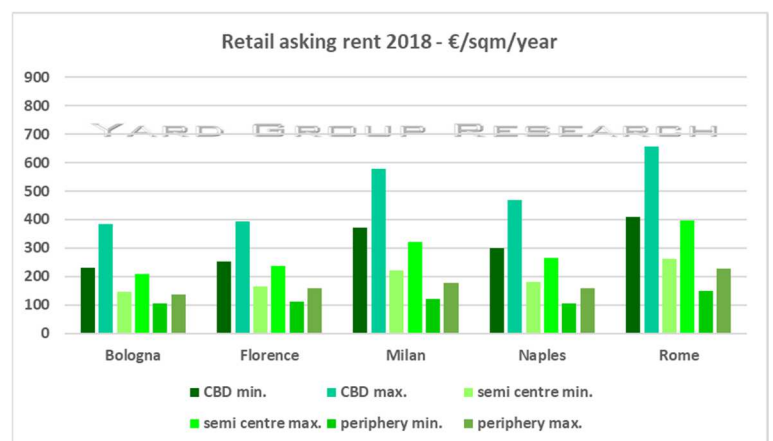
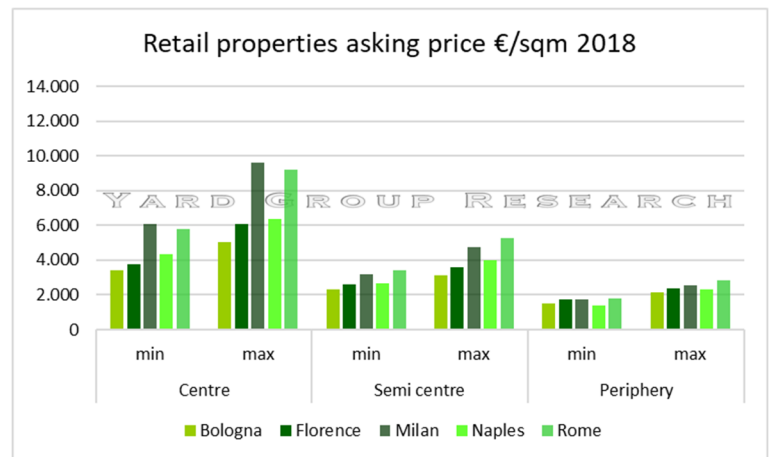
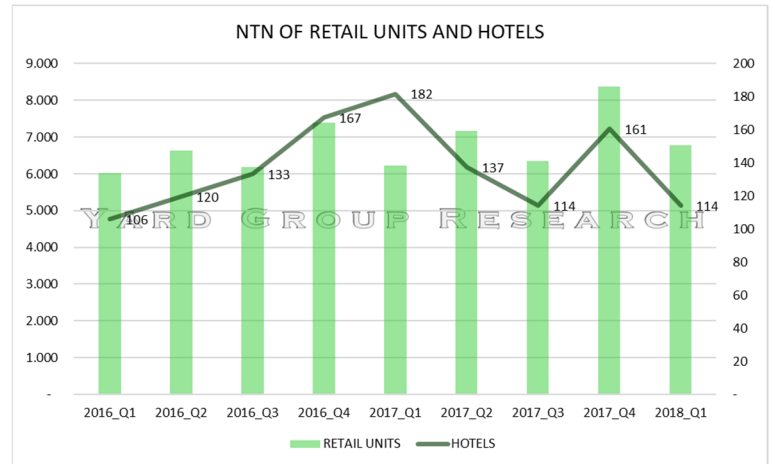
Macro-economic indicators still show a weak GDP growth with a slowly increasing inflation rate, underpinned by the ECB's quantitative easing (QE) programme which is slowly coming to an end. ECB has reduced the monthly pace of its asset purchases by half, to 30 billion euros. It remains committed to reinvesting the proceeds from maturing assets to maintain the stock of purchases until 2020.

RETAIL PROPERTY MARKET

According to the data published by the Agenzia delle Entrate (Italian Revenue Authority) the number of retail transactions registered an upturn (+9,15%), whilst hotels showed a decrease of -37,25%. This does not take into account the acquisitions of several assets of different uses and converted into hotels especially in Rome. The use classes are C/1 (retail units) and D/2 (Hotels).

	NTN	
	RETAIL UNITS	HOTELS
2016_Q1	6.024	106
2016_Q2	6.627	120
2016_Q3	6.192	133
2016_Q4	7.393	167
2017_Q1	6.216	182
2017_Q2	7.177	137
2017_Q3	6.340	114
2017_Q4	8.383	161
2018_Q1	6.784	114

Asking prices register stability in central locations and a modest downturn in semi central and peripheral locations. Unlike sale prices, rental values are stable in central locations, semi central and peripheral areas.



This market report has been prepared with great care and it is for general guidance only. It is based on internal data and public and private sources. No warranty or representation, express or implied, is made as to the accuracy of any of the information present herein. All expressions of opinion are subject to change. YARD prior written consent is required before this report can be reproduced in whole or in part.

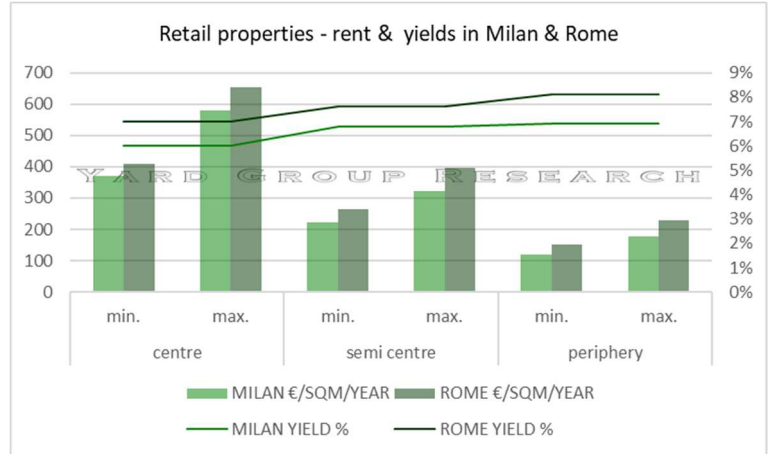
Retail property market H1 2018

The following table reports the key market indicators:

COMMERCIAL PROPERTY MARKET INDICATORS	
Discount on asking price %	16,40%
Property for sale average time on market (ToM) months	9,7
Property for rent average time on market (ToM) months	6,3
Gross yield	7,3%

Rental values and yields of retail properties are stable in Milan and Rome and highlighted in the combo chart on the right.

The following table shows the most relevant transactions which occurred in the last few months.



ASSET	DATE	PR	TOWN	ADDRESS	VALUE (euro/ mln)	USE	VENDOR	BUYER	Surface area sqm
Novotel Malpensa e Radisson Blu Milano	June 2018	MI	Milano	Malpensa e Zona Bovisa	n.a.	hotel	BNP Paribas REIM SGR	Swiss Life Asset Managers Real Estate France	
Centro Sicilia	June 2018	CT	Misterbianco	-	n.a.	Shopping centres	Cualbu	GWM Group	
Hotel Carlyle	June 2018	MI	Milano	Corso Giuseppe Garibaldi, 84	n.a.	hotel	Brera Hotels SpA	Boisseè Finance	
Hotel Continental Como	apr-18	CO	Como	Via Innocenzo XI	n.a.	hotel	Albergo Continental Srl	B&B Hotels Italia	
CC Lame, Leonardo La Fiorita e CentroLuna	apr-18	-	-	Imola, Bologna, Mantova e Sarzana	195,5	retail	Eurocommercial Properties	IGD SIQ	
Unità commerciale CC Val di Chienti	apr-18	MC	Macerata	Via Giovan Battista Velluti 31	1,4	retail	Amundi RE Italia SGR	-	
Villaggi vacanze Bluserena	apr-18	-	-	Abruzzo, Calabria e Sardegna	n.a.	hotel	Delta Real Estate	Bluserena	
Outlet Center Brenner	apr-18	BZ	Brennero	Via S. Valentino, 9/A	n.a.	retail	Huter Invest	Invesco Real Estate	
Palazzetto Stern	apr-18	VE	Venezia	Dorsoduro, 2792/A	12,7	hotel	ULSS 3 Serenissima	Roleo Srl	
Barilla Center	March 2018	PR	Parma	Via Emilia Est, 7B	n.a.	retail	-	Kryalos Asset Management, Quilvest Real Estate	
Otto supermercati Tigros	March 2018	-	-	Lombardia e Piemonte	n.a.	Retail	-	Polis Fondi SGR pA	16.000,00
Negozio LVMH in Via Condotti a Roma	March 2018	RM	Roma	Via Condotti	n.a.	Retail	-	BMO RE Partners	
Centro Commerciale "I Papiri"	March 2018	SR	Siracusa	Via Necropoli del Fusco	n.a.	Retail	CBRE Global Investors	CDS Holding	25.000,00
Immobili retail a Milano e Roma	March 2018	-	-	-	210	Retail	-	Amundi RE Italia SGR	
Palazzo via del Gesù 2 Milano	March 2018	MI	Milano	Via del Gesù 2	n.a.	Retail	Kering Group	BMO RE Partners	
Immobile Strada Statale 33 del Sempione, Castelletto Ticino	February 2018	NO	Castelletto sopra Ticino	Strada Statale 33 del Sempione Km 58,6	6,5	Retail	DeA Capital Real Estate SGR	-	
Gran Shopping Mongolfiera	February 2018	BA	Molfetta	-	n.a.	Retail	Orion Capital Managers, HB Partners	CBRE Global Investors Italy	35.000,00
Multisala Seven Complex	February 2018	BA	Gioia del Colle	Via Federico Fellini, 80	n.a.	Retail	-	UCI Cinemas	
Supermercati fondo Retail Partnership	January 2018	-	-	Puglia, Emilia, Veneto, Marche	250	Retail	Serenissima SGR SpA, Coop Alleanza 3.0	Bnp Paribas REIM Sgr pA	
6 gallerie commerciali	January 2018	-	-	Carpi (MO), Monselice (PD), Civitavecchia (RM), Roma, Brindisi, Melilli (SR)	200	Retail	Blackstone Group, Kryalos Asset Management	Partners Group	
Bronze Portfolio	January 2018	-	-	Formia (LT), Viterbo	n.a.	Retail	Pradera	MCAP	
Flagship Store Zara Venezia	January 2018	VE	Venezia	Calle Zorzi	45,75	Retail	-	AXA IM - Real Assets	2.660,00

This market report has been prepared with great care and it is for general guidance only. It is based on internal data and public and private sources. No warranty or representation, express or implied, is made as to the accuracy of any of the information present herein. All expressions of opinion are subject to change. YARD prior written consent is required before this report can be reproduced in whole or in part.