Jones Lang LaSalle

Real value in a changing world

Torino Urban Profile 2013

Office, logistics and industrial market overview

Economic overview in Italy

Italy remains one of the weakest EU economies, with GDP expected to decline by 2.4% on 2011. The Consensus Panel envisages a full economic recovery only in 2014.
Despite the dire economic conditions, financial markets appear to some extent reassured by the European Stability Mechanism (operational since October 8th) and by the Monti government's policies. The spending review and the proposed Legge di Stabilità (the Italian annual Budget bill) will most likely have a depressing impact on retail fundamentals, but they have also made the modernisation of the Italian economy more credible to the eyes of International investors. The 10 year Italian BTP was at 5.1% by the end of Q3 2012, down from 5.5% in Q3 2011 and from 5.7% in Q2 2012. The improvement in Italian bond yields of all durations has also contributed in a slight recovery in stock activity and in Italian banks restarting their debt emission on foreign markets.

The outlook, however, remains negative on all key macroeconomic indicators for the last quarter of 2012. 2013 is expected to see Italy come out of recession, but the average GDP growth will still be negative at -0.5% on 2012, suggesting a subdued 2013 for the real estate sector as a result. 2014 should see Italy finally out of troubled waters, with a GDP growth rate at 1% that should hold until 2022.

The increase in indirect taxation has translated in higher consumer prices, allegedly representing half of the gap between Italy and Eurozone average CPI. On a positive note, the improved financial market conditions may help alleviate (and some signs suggest this may be already happening) the credit tightening that is still affecting households and businesses, with both direct and indirect impacts on the real estate sector.

General economic overview in Torino Province

Torino is the 4th largest city in Italy by population, with around 870,000 residents (2.2 million considering the whole Province). The Province of Torino is characterised by a highly skilled workforce, innovative companies and well-known universities. The Politecnico di Torino, for example, has been mentioned as the second best Italian university (both public and private) in 2012 by the "Sole 24 Ore". [1]

Torino is the main Province of Piemonte, a region in the North-West of Italy which accounts for around 8% of total Italian GDP [2]. Per capita GDP in Torino Province averages 27,404 EUR, 17% above the national average [3].

The productive structure of the Province is widely diversified, ranging from manufacturing to services activities. The manufacturing sector is mainly characterised by a concentration of automotive, engineering and aerospace industries.

Although the industry sector is still strong, the majority of employees are occupied in the services sector. As a matter of fact in 2010 38% of total employees are occupied in "High Valued Services" [4], 25% in the manufacturing and construction, 19% in the Wholesale&Retail trade and Hotels&Catering. Tourism is increasing dramatically after 2006 Olympic Games and in the last few years (+13% of hotel rooms reserved and +35% of arrivals in the period 2008-2011).

[1] "Il Sole 24 Ore" is the main Italian economics newspaper
[2] Source: *Istat, 2009* figures
[3] Source: *Unioncamere - Istituto Tagliacarne, 2010 figures*
[4] Source: *Oxford Economics 2012 based on 2009 figures; Sectors J,K,L,M,N,O,P,Q ATECO 2007 classification*

Infrastructures

- **Airport.** The Torino Sandro Pertini airport is a medium international airport (3.5 milllion passengers in 2011), 16 km far from the city centre. The airport has changed its main shareholder in 2012 with new investments planned for the next few years.
- **HST.** Torino is very well linked with the national railway system with the AV High Speed Train service - around 20 trains a day (Milano 0h44, Roma 4h30) -.
- **MM1**. The subway system consists of one new automatic line for 13.2 km (2006-2011). In 2016 is expected the new extension delivery for 1.9 km more.
- **Local Railway System**. Since 2013 the cross-rail project aims to multiply the tracks fourfold creating an underground metropolitan transport system (SFM) able to ensure high frequency, rapid and efficient links.

Projects planned

- **HST Torino-Lyon.** The Torino-Lyon (FR) high speed/high capacity train line will cover a distance of about 250 km in 1h40.
- **MM2.** The metro line 2 (15 km) is one of the most important infrastructure city project and still under analysis. It will connect the Northern and the Southern parts of Torino , crossing its historical heart. Delivery is expected in a medium-long term.

Corporate environment

Two of the first largest 10 Italian companies by revenue have their headquarters in Torino. 5 have important offices located within the City with more than 300-400 employees (up to 2,000-5,000 for Unicredit, Intesa San Paolo, Telecom and Finmeccanica), as showed in the table below:

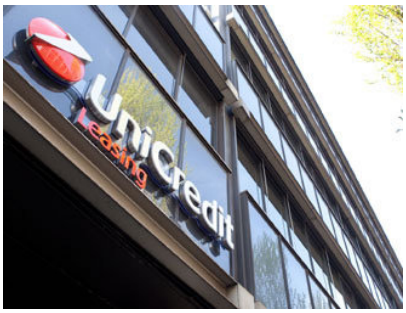
Company/holding name	Local activities
ENI (Oil&gas)	National office
Assicurazioni Generali (insurance)	National office
Enel (power services)	Local office
EXOR Group (financial holding)	Headquarters
UniCredit Group (bank)	National office
Intesa Sanpaolo (bank)	Headquarters
Telecom Italia (telecommunications)	National office
Poste Italiane (postal services)	Local office
Finmeccanica (industrial)	National office
Premafin Finanziaria (financial holding)	No office

Source: Jones Lang LaSalle based on Fortune data

Moreover Turin hosts 17 companies listed in the Italian Stock Exchange (BasicNet, FIAT, Prime Industria, Reply, Juventus, etc.) and several foreign corporates which have their Italian headquarters in town (Michelin, GM Powertrain, Denso, Kimberly-Clark, etc.). Other important companies are historically located in Turin (RAI broadcasting, Lavazza, United Nations, Fondiaria-Sai, Reale Mutua, etc.)

Completing the rich corporate environment, all the most important IT and consulting international companies show their presence in Torino with offices that range from 50-1,000 employees (ex: IBM, Accenture, Altran, PWC, E&Y, etc.).

Unicredit offices



General Motors offices

Real Estate Market Summary – Office (Torino City)

Torino Office market, according to Jones Lang LaSalle, is classified as a regional market, in order to compare it with the prime markets of Milano and Roma. The two latter account for almost 80% of the national office investment market (2011-2012) and show respectively twice and more than three times the take-up of Torino (average 2008-2012).

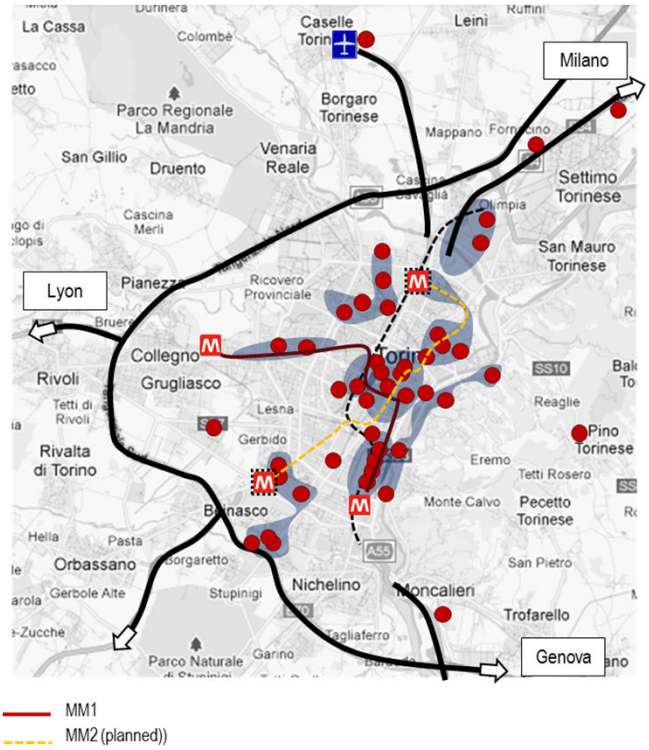
In the next paragraphs we will provide an in depth market focus for the office and industrial/logistics sectors.

Office Stock & Supply

According to Jones Lang LaSalle estimates, Torino Province office stock is approximately 4 million sq.m. About 10% of total office stock is occupied by the Public Sector and around 850,000 sq.m. of office stock is distributed out of town spread across different Municipalities within the Province, such as Ivrea, Moncalieri and Caselle. These towns show a relatively important concentration of stock, compared to other municipalities, hosting big corporate offices like Alenia, Vodafone, Olivetti and Intesa San Paolo.

Compared to the Milano and Roma prime markets, Torino has no specific office location or district, where a consistent office stock is concentrated. Even though we confirm that no real office business district exists in Torino, it is possible to identify nine sub-markets with an office stock concentration above 40,000-50,000 sq.m. These are illustrated in the graph below, (in grey) showing at the same time the most important location of corporates mentioned before (red dots).

Office clusters and corporates localization



Cluster	Main corporate	Office supply trends (up to 2015)
Historic Centre/Crocetta	Reale Mutua, Intesa San Paolo, Juventus, Kimberly-Clark, financial and professional companies, PA	Decreasing (many office buildings are being converted into residential)
Porta Susa Station/Spina1/Politecnico	RAI broadcasting, GM Powertrain, PA	Robust growth
Spina3/Enviroment Park/Piero della Francesca/via Pianezza	Reply, SEAT PG, Castrol	Stable
Rebaudengo station/Regio Parco (planned MM axis)	Lavazza, BasicNet, Eni	Growth after 2015-2020
River Po District/Corso Massimo d'Azeglio	Toro Assicurazioni, Fondiaria Sai, Denso, United Nations	Decreasing (some office buildings will be converted into residential)
Corso Francia/Corso Marche	Alenia (Finmeccanica), Prime Industria	Stable
Lingotto/MM south axis	Fiat (Exor), Accenture, Unicredit	Robust growth
Mirafiori/Drosso and Corso Orbassano/Corso Tazzoli	Fiat, IBM, Altran, Bosh	Growing
Corso Giulio Cesare/Autostrada Torino-Milano	Fiat Industrial, Michelin	Stable

Source: Jones Lang LaSalle

A relevant proportion of office stock in the Torino Province is obsolete therefore not attractive for the market. This is mainly due to age, inefficient lay-out distribution and energy performance.

Nevertheless, in the past few years the number of new offices built only within the Torino Municipality has been over 150,000 sq.m. (almost 4% of the whole stock, since 2007 to 2012). Furthermore, in the next years trend seems to be confirmed by the ambitious projects that are ongoing.

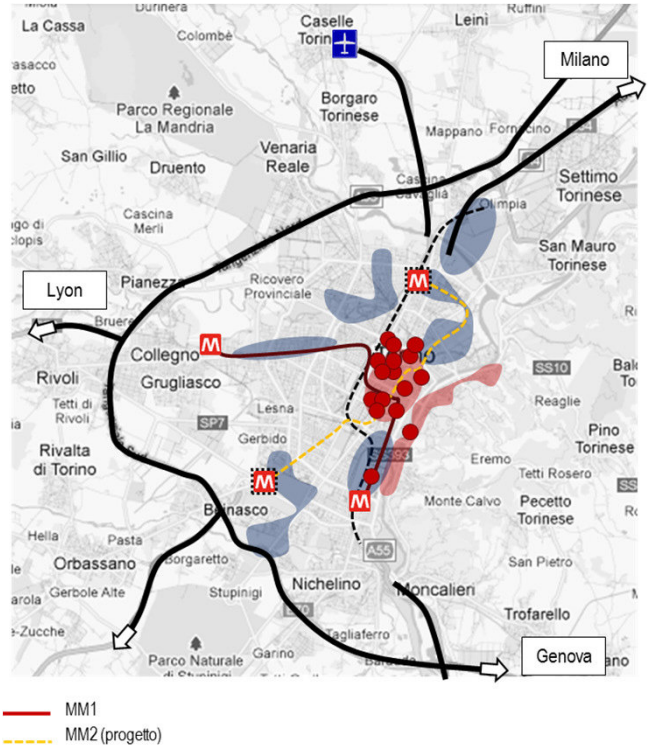
In the last 10 years many offices have been built in Torino both for *owner occupiers* (SEAT PG, GM Powertrain, Amiat, etc.) as well as speculative, mainly in semi-centre and periphery, usually in industrial contexts.

Many other initiatives regarded office buildings refurbishments, as, for example, the building in Marconi Avenue (former FIAT), the new headquarters for Torino Province (former Telecom), the building in Lugaro street (former Intesa San Paolo - photo).

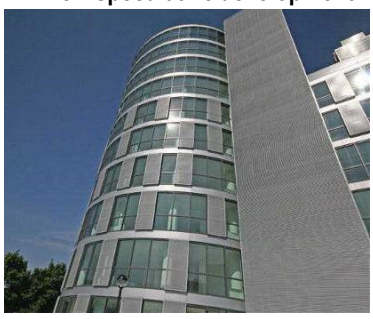
Many other old business buildings located in the historical city centre are on going or will be converted to residential use (Palazzo Martini di Cigala – former AXA, C.so Matteotti – former Exor, Palazzo Gualino – former Torino Municipality, etc.). That is a very strong trend and is likely to reduce office available stock and hence the vacancy rates in the historical centre and along Po river axis (red areas in the following map), towards areas that are characterized by a more modern, efficient and accessible offer. We estimate more than 20-30,000 sq.m. per year of office buildings converted into residential in the period 2009-2012.

This trend will continue in the next few years driven by corporate consolidation processes. In the image below we illustrate the main office building releases planned in the period 2013-2015 (red dots).

Office releases >3,000 sq.m. (2013-2015)



New speculative development



Office building Lugaro street

Palazzo Gualino

Current vacancy rate is high and averages around 15% of the total stock (up to 20% in periphery and hinterland), excluding stock occupied by PA offices. In the coming months we expect vacancy figures to increase, as a consequence of two different trends:

- Releasing of existing stock from big companies which are consolidating or re-locating their offices (new buildings in Torino and Milan);
- Crisis effects and employees reduction.

Despite its vacancy rate, Torino has a large office pipeline coming into the market, estimated around 195,000 sq.m. with delivery expected in the period 2013 - 2015. Almost 85% is for owner occupiers (Intesa San Paolo, Regione Piemonte, Lavazza, etc.).

New headquartes Lavazza (2015)

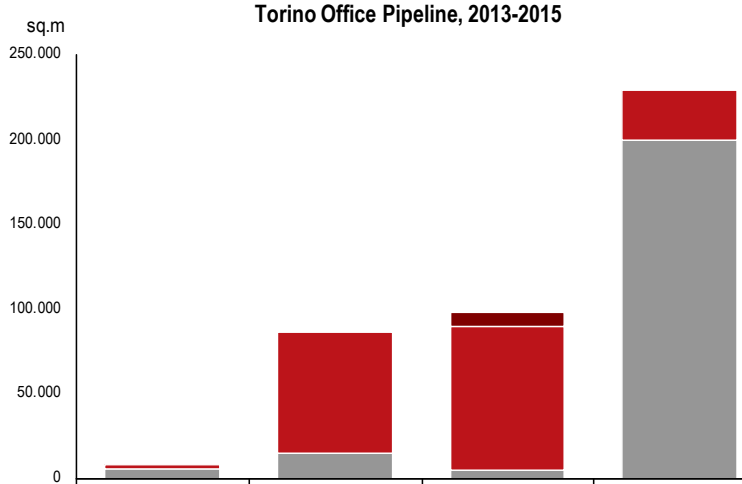
New headquartes Intesa (2014)

The owner occupiers development market is very relevant for the Torino real estate market for the following reasons:

- As for regional locations, markets downturns depress consistently the speculative development activity as the risk attached to these initiatives rises;
- Within the local markets development industry is more characterised by construction companies more than pure developers. This limits the equity investments hence speculative developments especially in tight credit market;
- Some Italian corporates have decided to reinvest their liquidity into their own headquarters.

Speculative pipeline for new Grade A offices is very limited (2013-2015), compared for example with 190,000 sq.m. of the Milano office market. Several potential speculative projects for more than 200,000 sq.m. are still waiting the positive market cycle and are on hold (corso Marche project, Porta Susa Tower, etc.). After 2020 we expect new modern office supply focused on the new Spina 4 business district, currently planned with more than 100,000 sq.m.

Torino Office Pipeline, 2013-2015



	2013	2014	2015	on-hold (long term)
Pre-let			8.000	
Owner occupier	2.500	71.000	85.000	29.000
Speculative	6.000	15.000	5.000	200.000

Source: Jones Lang LaSalle

Office Demand

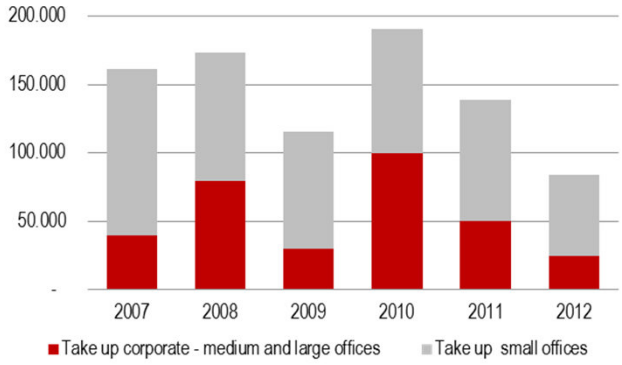
Torino office demand trends are similar to trends emerging at an international level: companies consolidation and rationalizations driven by both M&A and by cost-reduction needs following 2008-2009 global crisis. This trend is still on-going, with a negative flow, mainly towards Milano (Maire Engineering, Burgo, etc.), that is not compensated by less intensive positive inflows of corporates from other locations (Fiat, Alpitour, Alenia, WV).

Focusing on Torino City Market, demand is driven by three different categories of occupiers:

- Local professionals and service sector companies (size units below 1,500 sq.m.);
- Local corporates, financial, insurance and other business sector companies (generally owner occupier of large size units);
- International corporates (size units above 1,500-2,000 sq.m.).

Over the past 6 years, office take-up figure for Torino City has averaged approximately 120,000 sq.m. yearly, 140,000 for the whole Province, considering both owner occupiers and leasing transactions. Generally, 30-35% of yearly take up has been expressed by corporates for medium and large new offices (>1,000 sq.m. up to 7,000 sq.m.).

Torino Office Take Up, 2007-2012



Source: Jones Lang LaSalle

A selection of the main leasing transactions occurred in Torino over the last three years are (sq.m. estimates):

- Ventana Group, 2,000 sq.m. (leasing - centre);
- Leo Burnett, 2,000 sq.m. (leasing - centre);
- State Street Bank, 3,000 sq.m. (leasing - periphery);
- AON, 1,000-1,500 sq.m. (leasing – semi-centre);
- Skylogic (EutelSat), 1,200 sq.m (leasing – periphery)
- Axa, 4,500 sq.m. (leasing – semi-centre);
- PWC, 2,000 sq.m. (leasing - centre);
- UBI Banca, 5,000 sq.m. (owner occupier -centre);
- Reale Mutua, 10,000 sq.m. (owner occupier -centre).

We confirm that future demand trends are likely to be driven by:

- M&A (Fiat and Chrysler);
- Cost reduction and corporate consolidation and rationalization;
- Corporate re-location due to improved accessibility (new metro line);
- Public sector's reorganization;
- Automotive, IT and renewable energy sectors linked to Politecnico di Torino and Università di Torino.

Office Market Values

Torino City prime office rents averaged 140 €/sq.m./yr at the end of 2012. Some iconic and historical buildings located in the city centre can reach higher rents, in the range between 170-180 €/sq.m./yr (asking) if they are fully refurbished buildings.

Office market - Prime values Q4 2012

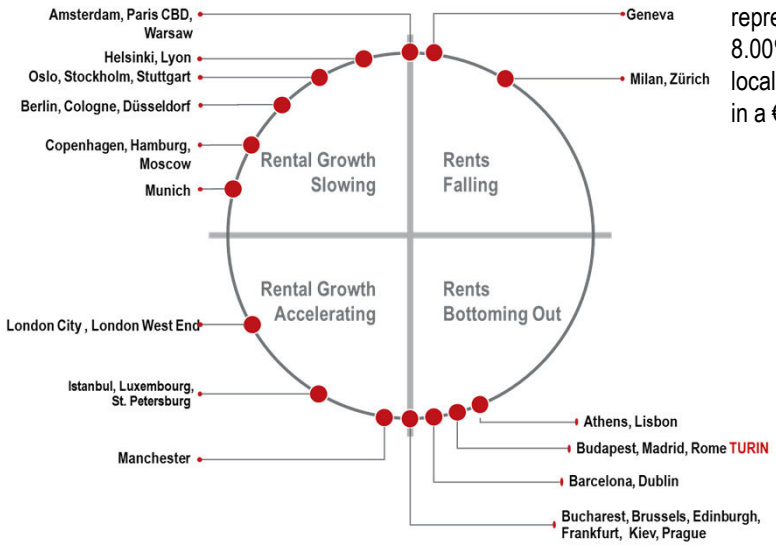
Office	Prime Rent €/sq.m./yr
Centre (fully refurbished)	170-180
Semi-centre (Grade A)	140-150
Periphery (Grade A)	105-115

Source: Jones Lang LaSalle

Rental values in peripheral areas range between 80-90 €/sq.m./yr for a standard office building. Grade A buildings can achieve higher rents, averaging 100 €/ sq.m./yr. Asking prices for office sales in this area range 1,200-1,400 €/ sq.m. (Grade A).

Prime rents decline over the last 4 years now can be considered at the end of the bottoming out market cycle (EU Property Clock). However we expect that the rent level will be stable for the next few years. Lack of good quality stock availability in central locations and local vacancy level are the main factors driving prime rents trend.

European Office Property Clock (Prime rents Q4 2012)



Source: Jones Lang LaSalle Research 2013

Torino office market is still a tenant favourable market and it will be so over the coming years. Usually incentives consist in more than 6-12 months of rent free period and/or fit-out contribution. Many contract renegotiations are still on-going.

Office Investment market

The on-going uncertainty characterising the Italian economy, and the additional political uncertainty deriving from the outcome of national elections (February 2013), appears to be affecting the office investment market in terms of transaction volumes rather than pricing. Overall, yearly office investment volumes across Italy were down by more than 50% on 2011, to a total of €729 mln.

On the other hand, the Torino volume of investment in office property grew to more than €110 million in 2011 and continued in 2012 at the same level with more than €90 million (8 transactions for 12% of total Italian market volume). In the last two years, transactions were mainly characterized by owner occupier buyers (Equitalia, Compagnia di San Paolo, Reale Mutua) and developers (converting offices into residential).

Investment yields do not represent a significant indicator of investment market risk/returns for regional location. That is due to the limited number of transactions taking place in such markets. For this reason Torino's office market has been compared to more mature ones (Milano, Roma) which represents benchmarks for investment yield of around 7.50-8.00% gross (prime). For smaller investment lots, private and local investors can be offer yields more compressed, thinking in a €/ sq.m. perspective.

Real Estate Market Summary – Industrial & Logistics (Hinterland and Torino Province)

The following analysis is focused on the Province and the hinterland of Torino. This area is characterised by a large offer of light industrial and logistics properties. Four main industrial/logistics clusters can be identified with regards to these sectors.

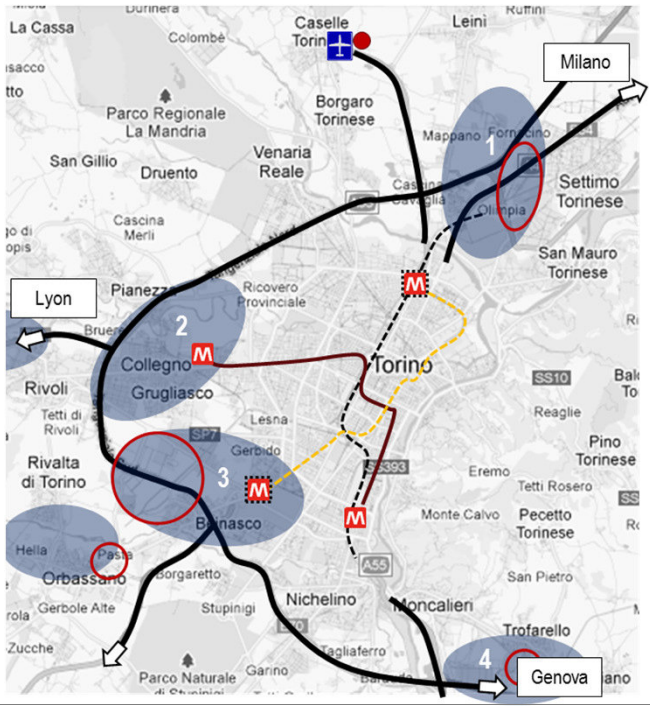
1. **North-East**: it represents the largest industrial cluster of the Province (Torino, Settimo Torinese, San Mauro Torinese, Mappano and Borgaro municipalities). The area benefits from an excellent location (Torino Ring Road, A4 Torino-Milano motorway and Sandro Pertini International Airport) and is characterised by medium-large size industrial buildings (Michelin, l'Oreal, Lavazza, Fiat Industrial, Seven-Invicta, Huhtamaki). The cluster is also characterised by the presence of many obsolete assets (Pescarito industrial zone) and by some emerging new light-industrial and express courier clusters (TNT, DHL, SDA, etc.). There are some redevelopment projects recently completed, among which Settimo Cielo Retail Park and Pirelli Tyre's new industrial plant are the most relevant.

2. **Western Ring Road**: it represents a single conurbation joined with the existing residential pattern of Torino. It is characterised by a large number of small-medium sized industries and by some new mixed-use development (retail and industrial). Main occupiers are Azimut Yacht, Philips, EDF, Prima Industrie, Johnson Controls and other companies linked to automotive sector. In the Western Area Fiat has bought the former Bertone distressed plant in order to refurbish the site, starting out a new Maserati production in the first months of 2013.

3. **South-West**: in the last 10-15 years new developments showed for this area a strong specialisation in logistics, due to the presence of the freight road-rail interchange of Orbassano (S.I.T.O.) – the largest in Piemonte with its almost 0.5 million sq.m. of Gross External Area – and the wholesale fruit and vegetable centre of Torino (C.A.A.T.). Main occupiers are Bartolini, Ceva Logistics, several other express couriers and Third Parties Logistics (3PLs), Avio, IDEA Istitute, etc. Moreover, the FIAT Mirafiori plant is located in this area is one of the biggest industrial sites in Europe. In the next few years, a public initiative will transform a residual Mirafiori site, hosting new small and medium companies linked to automotive sector. Considering a medium-long term perspective, this area could be even more attractive thank you the new high speed/high capacity line Torino-Lyon (TEN- Trans European Network program).

4. **South-East**: it represents one of the key metropolitan area industrial zones and one of the most modern in terms of quality stock and services. Main occupiers are Pininfarina, Giugiaro (Volkswagen-Audi Group), others automotive companies, ILTE, etc..

Industrial (in grey) and logistics (in red) clusters



Industrial and light industrial stock in the Province and hinterland of Torino amounts to about 30,000 units representing almost 55 million sq.m. of gross site area. On this total, stock estimate for modern logistics warehouse is about 700,000 sq.m. of GLA, mainly concentrated in the Interporto di Orbassano-SITO.

Torino logistics market, according to Jones Lang LaSalle, is classified as a secondary hub in Northern Italy (JLL considers as prime markets Milan, Rome and Bologna logistics clusters). In 2012 in Italy, Milan market is experiencing the highest level of activity, followed by Bologna and locations outside consolidated logistics areas.

In the medium term, the Torino Province local market could benefit from the "Liguria Dry Port" planned in the South of Piemonte. However, the most recent large logistics development of the Piemonte Region are localised closer to Milano (Novara area) and Tortona, adjacent to the A7 (Genova) and the A21 (Piacenza) motorway conjunctions.

Vacancy rate is high, especially in case of older buildings, mainly due to increasing competition from development potential on greenfield/brownfield areas, promoted by both private and public sectors (TNE, Trofarello Monte Po and others). According to Torino Province estimates, greenfields immediately available are more than 4 million sq.m. compared to less than 3 million sq.m. developed (both retail and industrial) in the last 6 years (2006-2012).

The contraction of the manufacturing sector will continue to bring on the market obsolete buildings needing transformation, increasing further vacancy rates in the coming years.

Logistics space demand in South quadrants is driven by retailers (GDO, Food) that are expanding their supply chain and by Third Party Logistics (3PL). Instead in the North-East market is driven by express couriers demand, more than industrial sector demand, which is limited to the big corporates located there (Lavazza, Michelin, Seven-Invicta, etc.). However, In 2012 we registered in that area two important transactions for logistica products.

Future industrial and logistics demand is expected to increase following the new infrastructure programmes (East Ring Road) in the North-East and South areas.

Our estimate for greenfield land prime value in the hinterland of Torino ranges between 80-90 €/sq.m. In the rest of Torino Province, land values range between 40-60 €/sq.m. for large size plots.
Prime Gross Yields for grade A product within the pure logistics product larger than 5,000 sq.m. increased in 2012 to around 9%, due to a further widening gap between prime and secondary products and prime and secondary locations.

Industrial and Logistics market values Q4 2012

Market Area	Logistics	Light Industrial
Prime Rent €/sq.m./yr	40	45-50
Prime Yield (% gross)	9%	-
Sale (€/sq.m.)	-	600-700

Source: Jones Lang LaSalle Research 2013

Headquarters Seven

Automotive plant

Logistics at Interporto SITO

Glossary

Take-up represents floorspace acquired within a market for occupation during the survey period. A unit is registered as taken-up when a legally-binding agreement to acquire the unit has been completed. Take-up includes floorspace leased and sold for occupation, and the pre-lettings of floorspace in course of development or prior to the start of construction.
Stock represents the total amount of completed office space in buildings mainly used for office purposes within a market that is capable of occupation regardless of the type of ownership or type of building quality, as at the survey date (normally at the end of each quarter period).

Stock includes both commercial and public sector offices, purpose-built offices, offices that have been structurally converted from other uses and independent offices that are part of mixed-use development. It excludes, however, ancillary offices within property that is predominantly used for non-office purposes, e.g. retail, distribution/warehousing or industrial uses.

The **Vacancy Rate** represents immediately vacant office floorspace, inclusive sub-lettings, in all completed buildings within a market as at the survey date, expressed as a percentage of the total stock.

Under Construction represents floorspace under construction as at the survey date (normally at the end of each quarter period) within a market. Under Construction includes both new development and refurbished accommodation that is being substantially modernised.

Office Prime Yield represents the best (i.e. lowest) "rack-rented" yield estimated to be achievable for a notional office property of the highest quality and specification in the best location in a market, as at the survey date. The property should be let at the prevailing market rent to a first class tenant with an occupational lease that is standard for the local market. The prime initial net yield is quoted, i.e., the initial net income at the date of purchase, expressed as a percentage of the total purchase price, which includes acquisition costs and transfer taxes.

Distribution/warehousing Prime Yield represents the best (i.e. lowest) "rack-rented" yield estimated to be achievable for a notional 5,000 sq.m. distribution warehousing unit of the highest quality and specification in the prime industrial location within a market, as at the survey date

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Jones Lang LaSalle
"Best Real Estate Advisor Award in Italy" at the ***Euromoney Awards 2012***

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Torino Urban Profile **2013**

Appendix – Corporate environment and business clusters

Introduction

The tables contained in the present appendix have the aim of giving an overview of the location of corporate companies within the Province of Turin. This study is the result of:

- Jones Lang LaSalle and Ceipiemonte's experience and knowledge of the market, developed for the former thanks to services supplied both at a global and national level to important corporate companies (i.e. Nestlè, Microsotf, etc.) and for the latter through established relationships with the existing multinational players at a local level;
- Desktop and direct research;
- Phone and face – to – face interviews to corporate companies located in the metropolitan area of Turin using open – ended questionnaires.

In particular, an attempt has been made in order to identify the major business clusters in the metropolitan area of Turin. A presence of corporate companies has been identified above the local average, giving information on the size of the property, the quality of the real estate stock, the main competitive elements, vehicular and public access, etc.

For each cluster, we have illustrated the collected data on a brief table which is a useful instrument for local players for territory promotion activities. Each table also lists some of the main corporate companies present in the area and the most represented economical sectors (e.g. automotive, bank, financial, etc.), besides the market rent asking prices for modern and functional offices (Grade A).

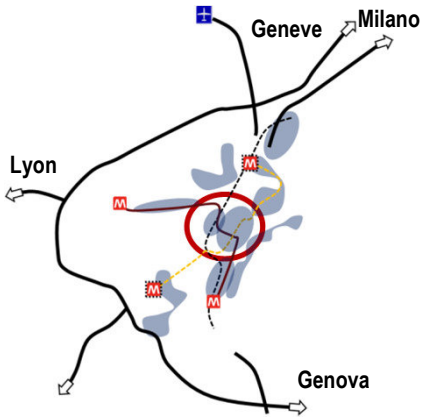
Corporate demand trend

The corporate real estate demand dynamics are substantially in line with the ones described in the Torino Urban Profile 2013.

However, some emerging trends can be highlighted in the markets where multinational companies are present:

- **Rationalization and concentration:** reduction in the number of premises with the aim of contracting costs and enhancing operational efficiency. This is a significant phenomenon visible in Turin as in other corporate context (Intesa San Paolo, Regione Piemonte, etc.).
- **Renegotiation:** all corporates are acting on fixed costs. With a «tenant friendly» market such as the current one there is a large number of renegotiations in progress, with a reduction of rental levels up to 10-20%. In Turin this affects both multinational and local companies with medium-sized offices (up to 5,000 sq.m.). The alternative to renegotiation can sometimes be the closure of the local premises (and the subsequent concentration in other premises, e.g. Martini).
- **Space contraction:** another strategy to reduce fixed costs is to make the occupied spaces more efficient so as to reduce the leased areas. Having achieved the Grade A standards from the market (open plan, floating floor, etc.), some corporate companies apply or will apply increasingly challenging desk sharing/hot desking policies.
- **Sustainability and corporate image:** topics such as building sustainability and occupied spaces are crucial elements for corporate players, often because of policy requirements and corporate image. The highly contracted rents in Turin, however, do not allow product innovation in this sense and therefore, currently, sustainability does not seem to be a demand driver (probably it will be in the future).
- **Accessibility:** public accessibility is certainly an important driver for corporate demand at any given level of asset quality. In Turin the limited extension of the subway lines offer (the most priced by the market) makes this element less significant. The choice of some companies to move closer to the city centre from the suburbs is rather driven by the need to have an easier access to human capital and essential services (hotels for clients, bars, restaurants, etc.).

City Centre/Crocetta/Porta Susa Station/Spina1/Politecnico

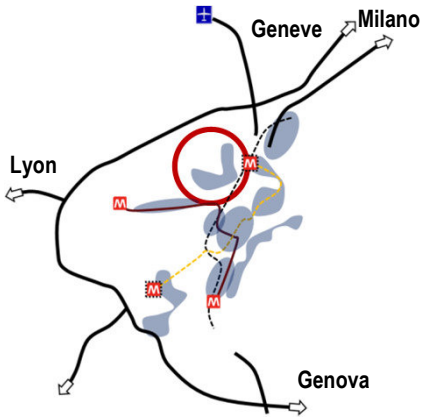


Office Stock	
Stock	>1 mil. sq.m.
Recent stock (after 2000)	>50,000 sq.m.
Vacancy	5-10%
Parking availability	Limited/Sufficient
Vehicular Access	Partly limited (ZTL)
Public transport Access	Excellent (Subway, Train stations, SFM, etc.)
Projects	New Headquarters Reale Mutua (1) New headquarters Intesa San Paolo (2)

Corporate Environment	
Most represented sectors	Banks, insurance and finance companies, tertiary, PA
Corporate environment	Reale Mutua, Intesa San Paolo, Juventus, Kimberly-Clark, Societe Generale, RAI, GM Powertrain, Diageo, UBS, etc.

Prime Rents	
Grado A or recent	170-180 €/sq.m./year

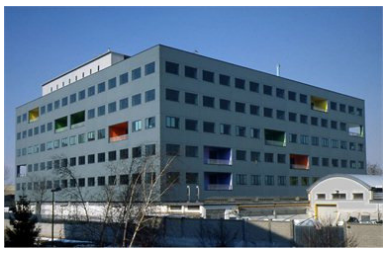
Spina3/Enviroment Park/Piero della Francesca/via Pianezza



Office Stock	
Stock	>200,000 sq.m.
Recent stock (after 2000)	>50,000 sq.m.
Vacancy	>10-15%
Parking availability	Good
Vehicular Access	Good
Public transport Access	Sufficient (SFM, ground transportation)
Projects	n.a.

Corporate Environment	
Most represented sectors	R&D, Manufacturing, Automotive, IT
Corporate environment	SEAT PG, Enel, Reply, British Telecom, Telecom Italia, Nanogen, Eaton

Prime Rent	
Grado A or recent	130-140 €/sq.m./yr



nanogen®

seatPG PAGINE GIALLE

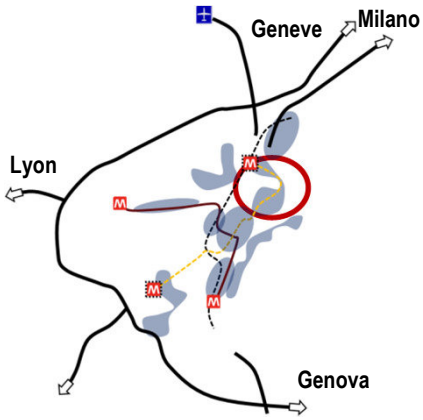
Reply

BT

Enel

Honeywell

Rebaudengo / Regio Parco (MM 2 subway axis foreseen)



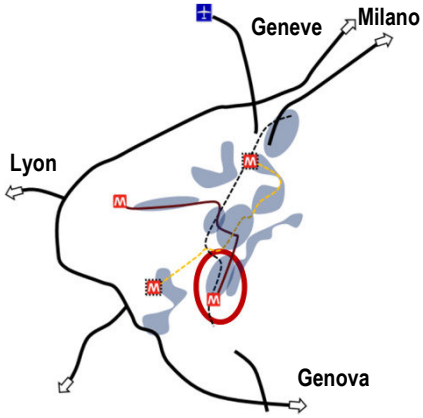
Office Stock	
Stock	50-100,000 sq.m.
Recent stock (after 2000)	5-10,000 sq.m.
Vacancy	n.a.
Parking availability	Good
Vehicular Access	Good
Public transport Access	Sufficient (ground transportation)
Projects	New Lavazza's Headquarters (1)

Corporate Environment	
Most represented sectors	Manufacturing, Tertiary
Corporate environment	ENI, BasicNet, Lavazza, Urmet

Prime Rents	
Grado A or recent	n.a.

urmet LAVAZZA eni UNIVERSITÀ DEGLI STUDI DI TORINO BasicNet

Lingotto/ via Nizza

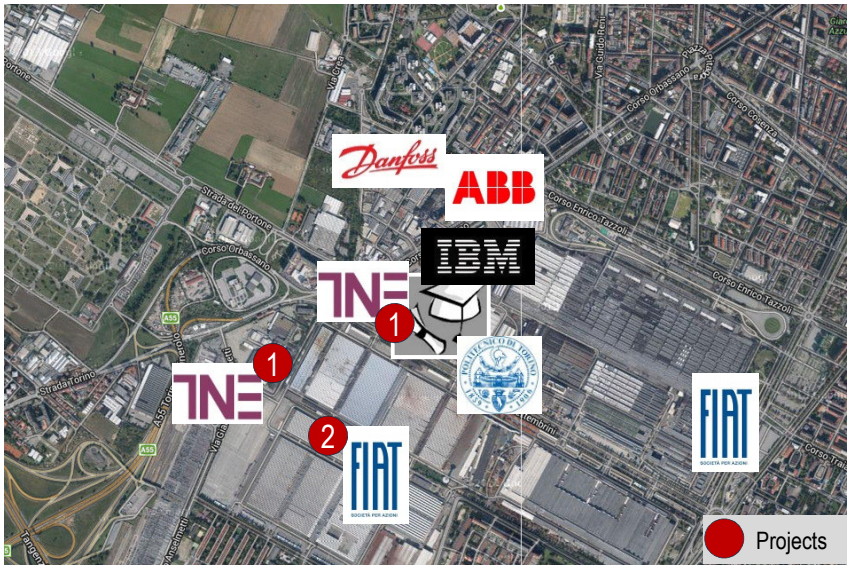


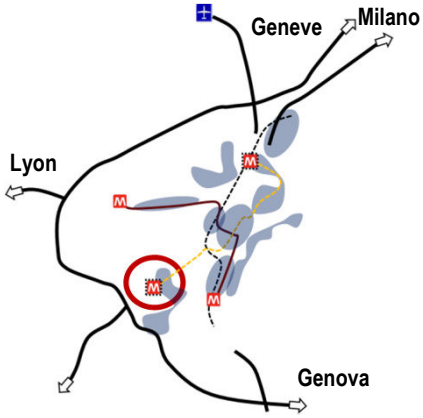
Office Stock	
Stock	>200,000 sq.m.
Recent stock (after 2000)	>50,000 sq.m. (including Lingotto business center)
Vacancy	10-15%
Parking availability	Good (problematic during tradeshows)
Vehicular Access	Good
Public transport Access	Excellent (MM)
Projects	New Headquarters Regione Piemonte (70,000 sq.m. – under construction)

Corporate Environment	
Most represented sectors	Industrial, banks, finance, tertiary
Corporate environment	Fiat Group, Exor, Accenture, Unicredit, Santander, UN, Microtecncia, Telecom, Alpitour, La Stampa, (Fondiaria SAI – Unipol)

Prime Rents	
Grado A or recent	140-150 €/sq.m./yr

South Suburbs– Mirafiori Cluster I (Corso Orbassano)

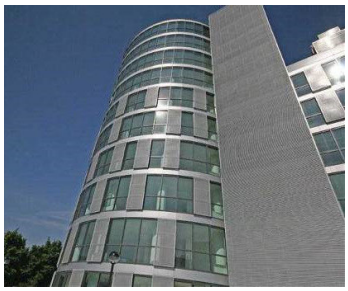


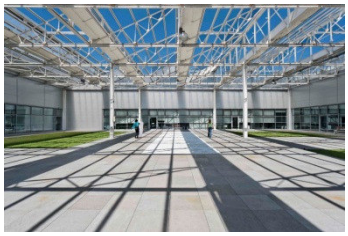


Office Stock	
Stock	50-100,000 sq.m.
Recent stock (after 2000)	15-25,000 sq.m.
Vacancy	20-30% (not including owner occupied – e.g.:FIAT office headquarters)
Parking availability	Good
Vehicular Access	Excellent from by-pass road
Public transport Access	Sufficient. MM2 subway foreseen
Projects	TNE – Torino Nuova Economia (1) New FIAT offices (2)

Corporate Environment	
Most represented sectors	Consulting, IT, automotive
Corporate environment	IBM, ABB, Danfoss, Fiat

Canoni Prime	
Grado A o recenti	105-115 €/sq.m./yr





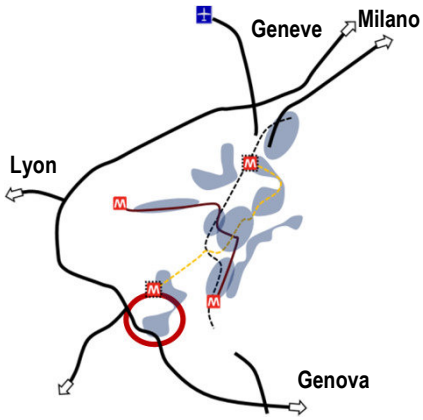
FIAT SOCIETÀ PER AZIONI

Danfoss

ABB

IBM

South Suburbs– Mirafiori Cluster II (Strada del Drosso)



Office Stock	
Stock	50-100,000 sq.m.
Recent stock (after 2000)	30-50,000 sq.m.
Vacancy	20-30% (excluding owner occupied)
Parking availability	Limited
Vehicular Access	Excellent from bypass road
Public transport Access	Good
Projects	n.a.

Corporate Environment	
Most represented sectors	Consultancy, IT, automotive
Corporate environment	Bosch, Altran, Continental, Hitachi automotive, Avio, Hysytech , CreditSafe Group

Prime Rents	
Grado A or recent	105-115 €/sq.m./year

ALTRAN BOSCH Continental Avio

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"Best Real Estate Advisor Award in Italy" at the ***Euromoney Awards 2013***

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