MARKETBEAT
ITALY
LOGISTICS Q2 2026

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
6.9% Vacancy Rate (Immediate)	▲	▼
715,000 Q Absorption, SQM	▲	▬
€72 Prime Rent, SQM/YR	▲	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
+0.8% GDP Growth	▲	▲
5.36% Unemployment Rate	▼	▲
3.8% 10-Yr Treasury Yield	▲	▬

Source: Moody's Italy, June 8th update (GDP Growth estimate Q2 2026 on Q2 2025; Unemployment Rate Q2 2026; 10-Yr Gov Bond at Q2 2026).

ECONOMY

The macroeconomic outlook for Italy has continued to evolve through H1 2026, with the Middle East conflict acting as the primary disruptive force, its effects now visible in prices and sentiment though real activity has held up. GDP rose 0.3% in Q1, and the Bank of Italy confirms 2026 growth at 0.5%. Consumer confidence, recovering through 2025, fell to 92.4 in June as energy costs squeeze households. Inflation, at 1.0% in January, reached 3.0% in June- energy-driven, with core inflation at just 1.6%-and is projected at around 3% for the full year. The labour market remains a source of resilience: unemployment fell to 5.0% in May, near historic lows. Financing costs face renewed upward pressure following the ECB's June hike to 2.25%.

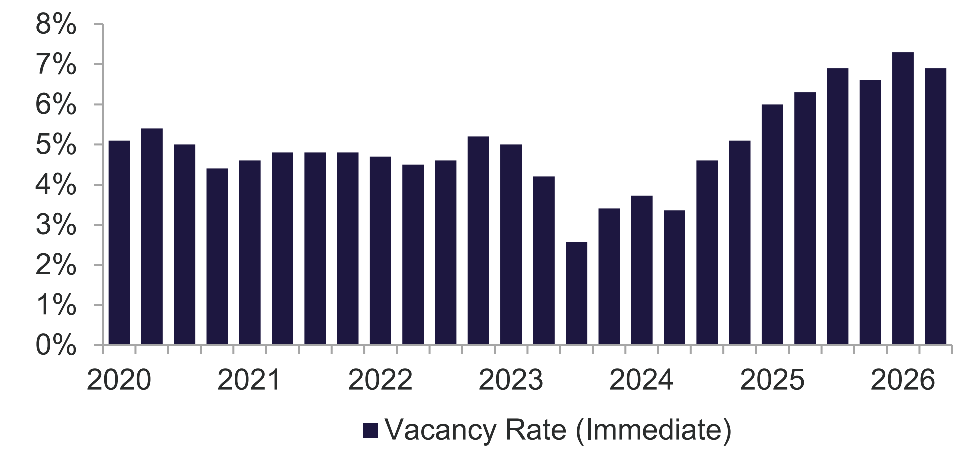
OCCUPIER - LARGE SCALE DISTRIBUTION

In the second quarter of 2026, the logistics market recorded a take-up of approximately 715,000 sqm, bringing the H1 2026 total to circa 1.5 million sqm — the strongest first half ever recorded in the series and already equivalent to over 60% of full-year 2025 volumes. Q2 volumes increased by +50% compared to Q2 2025 (477,000 sqm) and exceeded by +24% the quarterly average recorded since early 2024 (578,000 sqm).

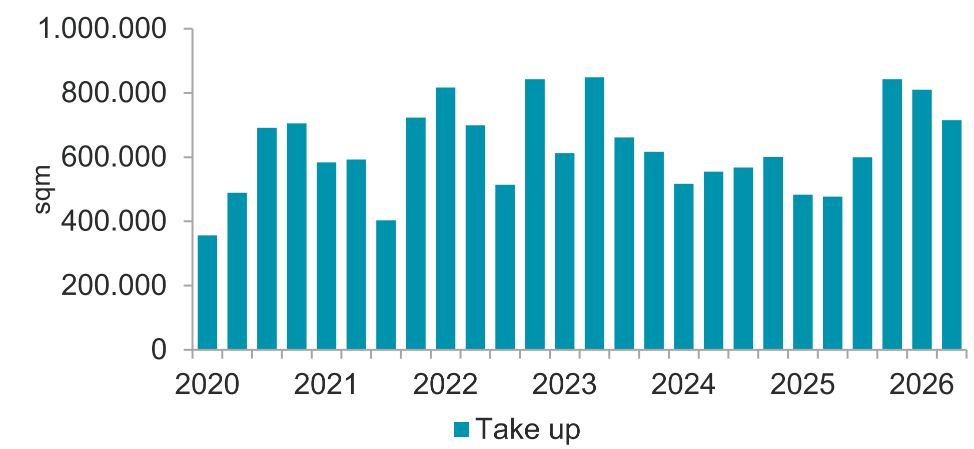
In terms of transaction size, after two consecutive quarters marked by the return of large-scale deals (>50,000 sqm), Q2 2026 saw a normalisation toward more contained sizes, with the sole exception of a 50,000 sqm owner-occupier transaction in the Mantua area. Large deals are nonetheless expected to characterise the second half of the year, with several transactions currently in the closing phase. Activity concentrated on the intermediate brackets: the 10,000–20,000 sqm segment remained the most active (38% of deals by number), followed by the 20,000–30,000 sqm bracket (21%), while three transactions in the 40,000–50,000 sqm range confirmed solid demand for medium-to-large formats. Demand also broadened, with 39 deals recorded versus 27 in Q1 and a more diversified occupier base: retail and large-scale distribution players gained ground alongside 3PL operators, which remained the leading driver (circa 52% of quarterly take-up).

From a geographical perspective, Q2 activity showed a broad regional spread: Lombardy remained the leading region with 32% of quarterly volumes, followed closely by Emilia-Romagna (29%), which recorded a marked acceleration, while Lazio and Piedmont each accounted for approximately 13%.

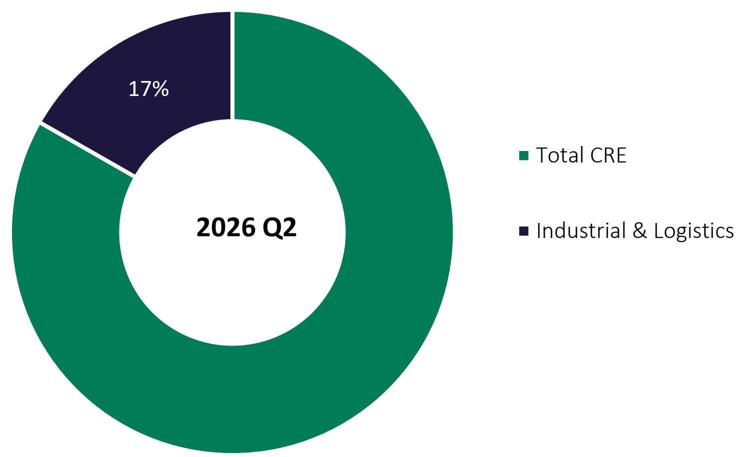
OVERALL VACANCY (IMMEDIATE)



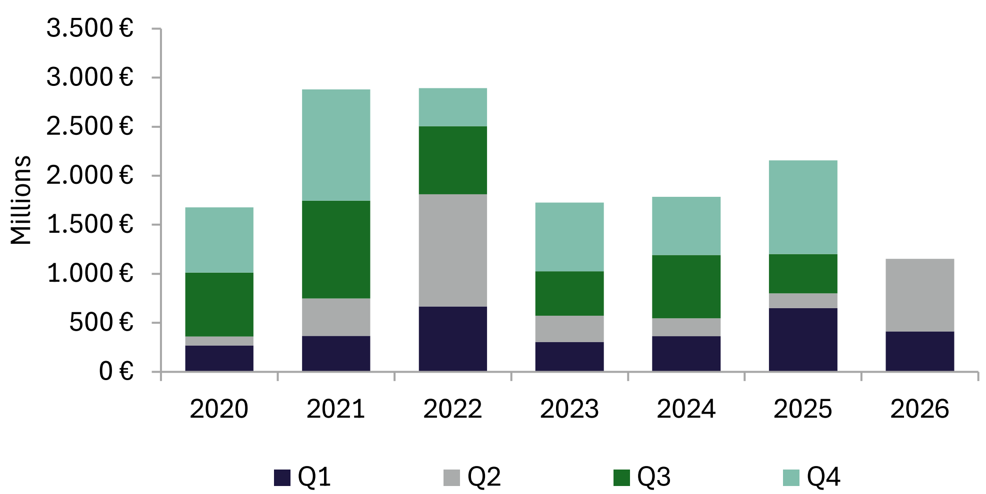
TAKE UP (SQM)



I&L vs. ALL SECTORS - INVESTMENT VOLUME ITALY



I&L INVESTMENT VOLUME



The logistics vacancy rate decreased to approximately 6.9%, as sustained absorption more than offset new deliveries. Looking ahead, vacancy levels are expected to continue trending downward toward year-end, as the pipeline of new projects narrows in response to developers adopting a more selective and demand-driven approach.

INVESTMENT

In Q2 2026, total transaction volume reached 740€Mn, marking a sharp acceleration compared to the previous quarter (413€Mn, +79%) and an exceptional increase year-on-year, with volumes approximately five times higher than Q2 2025 (149€Mn) and well above the five-year quarterly average (440€Mn, +68%). The first half of 2026 thus closed at circa 1.15€Bn, up +44% versus H1 2025 (803€Mn), confirming the renewed depth of the Italian logistics investment market.

The quarter recorded 13 transactions, comprising 7 single-asset deals, 4 portfolio transactions — which accounted for over three quarters of quarterly volumes — and 2 land deals. The return of portfolio activity represents the most significant shift of the quarter, signaling restored liquidity for larger lot sizes after several quarters dominated by single assets. The main transaction was Project RUN, the disposal by BentallGreenOak to CBRE IM of an 8-asset portfolio for approximately 361€Mn, followed by Project Dome (Portafoglio Canova), acquired by Ares Management from Kryalos SGR for 130€Mn.

Market fundamentals remain solid, supported by a resilient occupier market, and investor appetite is increasingly driven by international institutional capital, alongside domestic platforms expanding their logistics exposure. Liquidity remains concentrated on high-quality assets in prime locations, while the supply of truly core product remains limited, sustaining competitive pressure on best-in-class assets and reinforcing investor focus on both quality and reversion potential. Core+ and value-add strategies remain key across the risk spectrum. The mid-market segment (30–70€Mn ticket sizes) remains highly liquid, complemented by a steady flow of end-user acquisitions across both quarters.

PRICING

During the quarter, prime rents in Milan and Rome rose to 72€/sqm/year (+3% quarter-on-quarter), the first upward movement since early 2025. Prime yields also held firm at 5.25%, with sustained investor competition for best-in-class product continuing to support pricing at the prime end of the market.

OUTLOOK

- Looking ahead, a robust pipeline of ongoing negotiations — including several large-scale deals currently in the closing phase — supports a constructive outlook for the second half of the year, with full-year 2026 volumes on track to significantly exceed 2025 levels.
- Beyond the near term, structural demand drivers remain firmly in place: rising European investment in defense and renewables, together with the reconfiguration of global supply chains, continues to fuel requirements for nearshoring storage and redistribution hubs, with Northern Italy strengthening its position as a key logistics platform along alternative European corridors.
- Looking ahead, on the investment side, ongoing negotiations point to continued activity in the second half of the year, with Italy maintaining its relative positioning within the European logistics investment landscape.

MARKET STATISTICS

SUBMARKET	PRIME RENT (€/SQM/YR) LOGISTICS WAREHOUSE	QoQ VARIATION	LAST MILE/CROSS DOCK	QoQ VARIATION	PRIME YIELD (NET) LOGISTICS WAREHOUSE & LAST MILE/CROSS DOCK	QoQ VARIATION
CONSOLIDATED MARKET						
Milan	72	↑	115	↑	5.25%	→
Rome	72	↑	115	↑	5.25%	→
Bologna	65	→	95	→	5.25%	→
Turin	52	→	80	→	6.50%	→
Genoa	72	↑	105	→	6.00%	→
Verona	62	→	95	→	5.50%	→
Piacenza	58	→	80	→	5.50%	→
Novara	62	↑	80	→	5.50%	→
EMERGING MARKET						
Florence	80	→	115	→	5.75%	→
Naples	60	→	85	→	7.00%	→
Bari	60	→	85	→	7.00%	→

(*) Yields are calculated on a net basis as: Net Yield = NOI (1) / PP (2); 1. Net Operating Income - after deducting all non-recoverable expenditure; 2. Purchasing Price – excluding transfer costs, tax and legal fees. With respect to the yield data provided, in light of the changing nature of the market and the costs implicit in any transaction, such as financing, these are very much a guide only to indicate the approximate trend and direction of prime initial yield levels and should not be used as a comparable for any particular property or transaction without regard to the specifics of the property.

KEY LEASE/OWNER OCCUPIER TRANSACTIONS YTD

QUARTER	REGION	CITY (PROVINCE)	TENANT SECTOR	SQM	TYPE
1	Lombardy	Vidigulfo(PV)	3PL	116.600	Lease
1	Piedmont	San Pietro Mosezzo(NO)	3PL	102.000	Lease
1	Piedmont	Alessandria(AL)	3PL	83.500	Pre-lease
2	Lombardy	San Giorgio Bigarello (MN)	Retail	50.000	Sale
1	Veneto	Verona(VR)	3PL	45.540	Pre-lease
1	Piedmont	Castellazzo Bormida(AL)	3PL	44.800	Lease
1	Lombardy	Olgiate Olona(VA)	3PL	44.000	Lease
2	Lombardy	Carobbio degli Angeli (BG)	Retail	42.000	Sale

**Renewals not included in leasing statistics*

KEY SALES TRANSACTIONS YTD

QUARTER	PROPERTY - REGION	CITY (PROVINCE)	SELLER/BUYER	SQM	PRICE / € MN
2	Project RUN	Multi-City	BGO / CBRE IM	327.100	361
2	Project Dome	Multi-City	Kryalos / Ares Management	154.600	130
1	Amazon Distribution Portfolio	Multi-City	Segro / Realty Income	35,000	105
1	Chiari Logistics (OO)	Chiari (BS)	Nuveen / Esselunga	65,000	65,6
2	Number1 Logistics	Vellezzo Bellini (PV)	FM Logistics / Savills SGR	72.570	64,5
1	Mesero II (OO)	Mesero (MI)	The Carlyle Group / Fresh Tropical	50,349	53
1	Campogalliano BGO	Campogalliano (MO)	Dea Capital / Kryalos	50,031	50,3
2	H Moda – Phase 1	Multi-City	H Moda / Polis Fondi SGR	98.000	50

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