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PRESS RELEASE

12 January 2022

Principal Real Estate Europe acquires Italian logistics asset for €26 million

Principal Real Estate Europe has acquired a core logistics asset for €25.73 million in Milan, Italy, for the Principal European Core Fund.

Located at Via Molina 76, Milan in Italy, Vignate is a newly developed 29,000 sq m logistics asset fully let on a long-term lease to Multilogistics S.P.A., a 3PL company serving the local and international markets.

As part of the Principal European Core Fund's strategy to become carbon neutral by 2030, Vignate has excellent asset management opportunities, with the potential to achieve a BREEAM 'Excellent rating' and incorporate enhanced sustainability measures, including the installation of photo voltaic panels, rain water recycling, electric vehicle charging points, natural ventilation and cooling, and external glazing shields to prevent heat transfer.

Vignate is well located close to national and international transport links, including the Milan Linate airport and the A51 and A52 motorway networks.

Commenting on the acquisition, Giles Smith, head of fund management for Principal Real Estate Europe, said: "Acquired at a low entry price as part of a forward funding agreement, the Vignate asset is a good fit for our European Core Fund investment strategy, with plenty of opportunities to improve the asset's sustainability characteristics and value through the asset management process.

"We see a lot of potential in the Italian logistics market. The lack of existing logistics assets, combined with rising e-commerce penetration from a low base compared with the rest of Europe and huge levels of logistical port activity, ensures demand for this type of asset is likely to remain strong for the long-term."

-Ends-

Notes for editors:

About Principal Real Estate Europe

Principal Real Estate Europe is part of Principal Financial Group's dedicated real estate business, Principal Real Estate Investors, which manages or sub-advises \$98.4 billion in real estate assets globally (as of September 30, 2021). The group's real estate capabilities cover all four quadrants encompassing public and private, equity and debt investment solutions. In Europe, Principal Real Estate Europe operates from offices in London, Frankfurt, Amsterdam, Paris, Lisbon, Luxembourg, Madrid and Milan, employing more than 100 staff who manage real estate across all asset classes in nine different countries.



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