

PRESS RELEASE

**MILANOSESTO DEVELOPMENT BEGINS WITH THE TRANSFER OF "UNIONE 0" TO THE NEW REAL ESTATE FUND ULTIMATELY INVESTED BY HINES AND CALE STREET, MANAGED BY PRELIOS SGR**

**€500 MILLION INVESTMENT FOR THE FIRST PRIVATE LOT OF THE BIGGEST URBAN REGENERATION PROJECT IN ITALY, AND ONE OF THE LARGEST IN EUROPE**

**EXCAVATION WORKS BEGIN IN JANUARY, WITH CONSTRUCTION SET TO GET UNDER WAY BY THE END OF THE YEAR**

Milan, January 11, 2022 – Hines, the international real estate firm, along with Cale Street, a real estate investment firm backed by the Kuwait Investment Office, the London office of the Kuwait Investment Authority and the world’s first sovereign wealth fund established in 1953, announces the finalisation of the investment into the Unione 0 lot as part of the “MilanoSesto” urban regeneration project, following the transfer of the lot by Milanosesto S.p.A. to the newly established “Unione 0” real estate fund, managed by Prelios SGR.

With an investment of €500 million, the Unione 0 real estate fund begins development of the first private lot covering approximately 250,000 square metres. . It forms part of the broader partnership project between Hines and Prelios that has enabled the relaunch of the biggest urban regeneration project in Italy and one of the largest in Europe, on a site spanning 1.5 million square metres in Sesto San Giovanni, formerly home to the historical Falck Steelworks. As well as Hines being an investor for the development of Unione 0, Hines Italy acts as strategic advisor and development manager for the whole MilanoSesto project, while Prelios, in addition to managing the Unione 0 fund, acts as asset and project manager for the entire real estate initiative.

As part of the masterplan by international architecture firm Foster + Partners, the seven Unione 0 buildings are designed by four excellent names on the Italian architecture scene: Antonio Citterio Patricia Viel (ACPV) will design the office spaces and a hotel; Barreca & La Varra the affordable housing units; Park Associati the student housing; Scandurra Studio Architettura the free market residential units.

Excavation works will begin in January, with construction works set to get under way by the end of the year. Estimated turnover for the project upon completion - scheduled for 2025 - is over €1 billion, with the creation of over 2,100 jobs<sup>1</sup>.

*“We believe firmly in this highly strategic and challenging project and, from the very first day, our team has been working with great passion and determination towards the goal of creating a new sustainable and inclusive urban hub,*

---

<sup>1</sup> Research data commissioned from The European House Ambrosetti, “The impacts of the urban renewal of the former Falck areas and value creation for Italy and its economy”

*to reactive a territory that has lain dormant for decades for the benefit of all communities. The presence of Intesa Sanpaolo, right from the early stages of the project, has been essential in ensuring that this important opportunity for the whole country, could be put into practice.” commented **Mario Abbadessa, Senior Managing Director & Country Head at Hines Italy**. “As well as reaffirming our long-term industrial approach and consolidating our living strategy, we intend for MilanoSesto to serve as a shining example of our new concept of sustainable real estate development for the long term, with the goal of providing a positive impact at a local and national level. Our aim is to make a tangible contribution to the growth and economic development of Sesto San Giovanni and the Milan metropolitan area, by way of a new ethical urban regeneration model. Above all else, MilanoSesto will focus on the creation of social infrastructure: no real estate project can claim to be long-lasting and successful if it is not socially sustainable for generations to come.”*

*“The financial commitment by Hines and Cale Street into Unione 0 is testament to the excellent teamwork and commitment shown by Prelios and Hines over the last two years, and has enabled the relaunch of such an important and qualifying project” said **Luigi Aiello, General Manager Corporate & Business Development of the Prelios Group**. “From the very first discussions we had on this ambitious project, we understood its great potential and strong social appeal. With reference to this operation, we are proud that Prelios has proven to be an active reference point and a leading strategic player in major real estate and financial transaction and an effective link between the various stakeholders in the sector. It should also be noted that all this has been made possible thanks to the support of Intesa Sanpaolo and its top management, who believed in the relaunch of this great project.”*

One of the guiding principles of the entire project, and of the development of the first private lot, will be its ESG vision: first, **social sustainability**, which will take various forms, starting from its living offering. The Unione 0 residential units will be characterised by services of value designed with different target age groups in mind including students and professionals, families, and senior citizens, with their aspirations and needs in mind, for example by providing spaces dedicated to study, smart working, childcare and fitness. The affordable rents, meanwhile, will also offer significant social benefits: 30% more residents in the surrounding areas will be able to access housing at sustainable prices, at an average cost of 50% lower than other comparable options in the Municipality of Milan<sup>2</sup>. Significant attention will also be paid to development of the public spaces, and how these interact with the private spaces, resulting in an attractive, dynamic, sustainable, inclusive, and community-oriented urban destination.

Reinforcing the human-centric approach of the area, with a range of dedicated services, Unione 0 will be the neighbour of the City of Health and Research, the Lombardy Region’s public hub of clinical and scientific excellence, and home to the new headquarters of the Besta Neurological Institute and the Cancer Institute, in parallel to the new San Raffaele’s university and research laboratory centre.

---

<sup>2</sup> Research data commissioned from The European House Ambrosetti, “The impacts of the urban renewal of the former Falck areas and value creation for Italy and its economy”

There will also be a fundamental emphasis on **environmental sustainability** and energy efficiency, thanks to LEED® and WELL certifications and the use of innovative materials, in keeping with the principles of the circular economy. The energy requirements of the area encompassing Unione 0 and the City of Health and Research will be 30% lower than if traditional systems had been used, avoiding the emission of 5,500 tons of CO<sub>2</sub> into the atmosphere<sup>3</sup>.

Supporting Hines in the investment were Chiomenti Studio Legale and Allen & Overy for organisational, regulatory and acquisition matters, and Studio Belvedere Inzaghi & Partners for administrative matters. EY handled tax-related matters and Dentons oversaw the environmental side. Cale Street was supported by both Gibson Dunn and Crutcher LLP & Legance Avvocati Associati for legal matters, and Westcourt Real Estate Developments Ltd as a technical advisor. Gatti Pavesi Bianchi Ludovici supported Intesa Sanpaolo and the other banks financing Milanosesto S.p.A.

**ENDS**

## **MilanoSesto**

MilanoSesto, the largest urban regeneration project in Italy and one of the most ambitious in Europe, will transform an area of more than 1.5 million square meters, where the Falck Steelworks of Sesto San Giovanni once stood, into an efficient, sustainable and inclusive urban center. The masterplan designed by international architecture studio Foster + Partners foresees progressive development over the next few years with landscaping, residential areas, new squares, retail and office spaces and, above all, places designed to connect people. Located in a strategic position north-east of Milan, the area is well connected to the surrounding communities thanks to the new Sesto San Giovanni railway station (which work started in July 2021 and will take two years to complete), the subway station and the major trunk roads providing rapid access to the city center, the tollways and the rest of Lombardy.

The development project comprises a unique mix of functions, including innovative housing based on accessibility criteria, special services for the individual and an intergenerational scheme of student housing, multifamily residences for professionals and young families, and senior housing. The area will also include a 45 hectare park, an extensive green “lung” for the entire Milanese metropolitan area, integrated with the historic industrial buildings.

As a result, MilanoSesto will be a new urban center able to accommodate more than 50,000 residents, city users and visitors on a daily basis. It will also be the site of the Health & Research District, a major public complex of clinical and scientific excellence comprising the new sites of the Besta neurological institute and the National Tumor Institute, as well as the new university campus and hospital under the name Università Vita - Salute San Raffaele.

Hines Italy is the strategic advisor and development manager for the whole project, as well as Hines being one of the investors for the development of the first private lot Unione 0. Prelios Group is asset & project manager of MilanoSesto, as well as is acting as asset manager for Unione 0.

Visit [www.milanosesto.it](http://www.milanosesto.it) for more information.

 @MilanoSestoOfficial  
 @milanosesto\_official

## **Hines**

Hines is a privately owned global real estate investment firm founded in 1957 with a presence in 255 cities in 27 countries. Hines oversees investment assets under management valued at approximately \$83.6 billion<sup>1</sup>. In addition, Hines provides third-party property-level services to more than 367 properties totaling 138.3 million square feet. Historically, Hines has developed, redeveloped or acquired approximately 1,486 properties, totaling over 492 million square feet. The firm has more than 171 developments currently underway around the world. With extensive experience in investments across the risk spectrum and all property types, and a foundational commitment to ESG, Hines is one of the largest and most-respected real estate

---

<sup>3</sup> Research data commissioned from The European House Ambrosetti, “The impacts of the urban renewal of the former Falck areas and value creation for Italy and its economy”

organizations in the world. Since entering Europe in 1991, Hines has grown its European platform to include offices in 16 cities as well as a presence in 62 cities in 13 countries. Hines oversees investment assets under management valued at approximately €21.7 billion and provides third-party property-level services totaling 3.9 million square meters in Europe, in Austria, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Poland, Spain and the United Kingdom.

<sup>1</sup>Includes both the global Hines organization as well as RIA AUM as of 30 June 2021.

Visit [www.hines.com](http://www.hines.com) for more information.

## **Cale Street**

Cale Street is a real estate investment and finance firm focused on the United Kingdom, Western Europe and North America. Since its inception in 2014, Cale Street has provided innovative structured debt and/or equity capital solutions to investors, operators and developers in eight countries across most major real estate asset classes and in multiple currencies.

Cale Street has created a unique model designed to provide security of income and capital preservation in partnership with the Kuwait Investment Office, the London office of the Kuwait Investment Authority and the world's first sovereign wealth fund established in 1953. Cale Street's target transaction size for prospective debt and/or equity capital opportunities is in a range between €125 million and €750 million.

## **Prelios Group**

Prelios is one of the largest groups in alternative asset management, credit servicing and integrated real estate services in Italy and Europe, with a total of more than 40 billion euro of assets under management. It is an independent platform with a track record spanning more than thirty years. Prelios' unique services offer for Real Estate covers all the needs of Italian and international banks, institutional investors, investment funds and private clients, over the entire sector life cycle: management of NPEs, NPLs and UTPs, asset management, investment management, due diligence, real estate advisory, valuations for properties and real estate portfolios, building and project management, property management, real estate brokerage, management of real estate investment funds.

Visit [www.prelios.com](http://www.prelios.com) for more information.

## **Media contacts:**

### **Hines**

#### **Barabino & Partners**

Claudio Cosetti

+39 335 7491683 – [c.cosetti@barabino.it](mailto:c.cosetti@barabino.it)

### **Prelios Group Press Office**

[pressoffice@prelios.com](mailto:pressoffice@prelios.com) | +39 02 6281.4176/4826

Image Building | [prelios@imagebuilding.it](mailto:prelios@imagebuilding.it) | +39 02 89 011 300

### **MilanoSesto**

#### **Image Building**

Cristina Fossati, Anna Pirtali, Valentina Corsi

Tel. 02 89011300 – [milanosesto@imagebuilding.it](mailto:milanosesto@imagebuilding.it)