

COMMERCE

Kering acquires historic building in Milan for \$1.4B

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The address dates back to the 18th century. Image credit: Kryalos

By LUXURY DAILY NEWS SERVICE

French luxury conglomerate **Kering** has signed for a site in the heart of a shopping hotspot.

For 1.3 billion euros, or \$1.4 billion at current exchange, the group has acquired a historic building in Milan from a subsidiary of real estate core plus fund Blackstone Property Partners Europe. Situated on Via Montenapoleone, the five-floor location is home to other high-end names from the continent such as Saint Laurent and Prada.

Luxury lease

According to Kering, the Via Montenapoleone 8 address sits on the “most prominent corner” of Milan’s exclusive Quadrilatero della Moda neighborhood.

The Centro Storico district building takes up 11,800 square meters of gross area, with over 5,000 square meters of retail area office and residential spaces are also in use. The 18th-century site is the most expansive on the street.

Blackstone bought the location in 2021 in a 14-property portfolio sale. For all of the assets, the fund paid 1.1 billion euros, or \$1.2 billion at current exchange, according to *Reuters*.



The street is intersected by other famous luxury destinations. Image credit: Kryalos

In a statement from Blackstone, the company claims that its deal with Kering is the largest single asset sale that has ever been done in the country.

The property is widely considered to be one of the most prime luxury locations in the world. Planted in the center of the historic part of the city, Sant'Andrea, another high-end shopping street, is on the corner.

On top of housing Prada and Saint Laurent, Via Montenapoleone 8 also features an experiential touchpoint thanks to the presence of Milanese caf Cova. Bought by LVMH in 2013, the brand has since expanded ([see story](#)).

The French conglomerate will take hold of the building come summer, with the transaction expected to close by July 2024.

This is just the latest in a slew of real estate deals being made recently by Kering, having scooped up a prime spot in New York for \$1 billion ([see story](#)). At 115,000 square feet, the 715-717 Fifth Avenue purchase was announced in January of this year.

Though the group continues to secure highly sought-after basecamps for its houses, the selective strategy is being coordinated against the backdrop of sobering earning report releases ([see story](#)) and plunging sales ([see story](#)).

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