



# Guadalajara Metropolitan Area Industrial Market

## Sustained Activity and Investments

The Greater Guadalajara Metropolitan Area has undoubtedly been one of the most active with respect to the industrial market and foreign investment in the country. Throughout 2021, Jalisco has been considered the favorite state for the generation of agreements for new investments.

Nearshoring has represented a great opportunity for Mexico, as North American countries seek to establish their manufacturing and goods supply companies in the country. Likewise, Asian and European countries are looking to establish themselves in the country to take advantage of the Mexico-United States-Canada Agreement (USMCA).

### Space scarcity

On the other hand, there is a significant amount of unmet industrial demand, which marks the opportunity for parks in the planning stage, as well as existing land for the construction of new parks. Although 2021 did not have a large amount of construction due to the uncertainty caused by the pandemic, 2022 is expected to see an acceleration in the construction process.

### Current Conditions

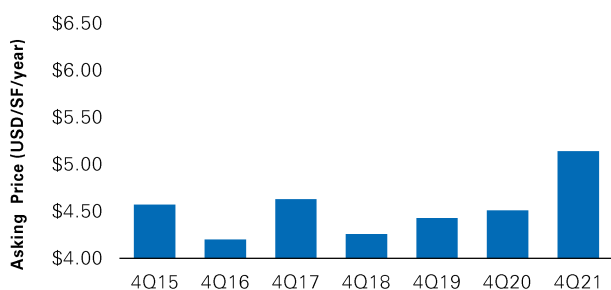
- Class A industrial inventory shows just over 54 millions square feet in the last quarter of 2021.
- Construction increased slightly compared to 3Q 2021, presenting almost 1.7 millions of square feet.
- The availability rate in the Greater Guadalajara Metro Area remained constant compared to 3Q 2021.

### Market Summary

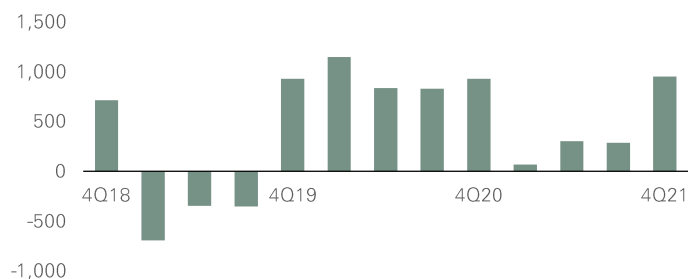
	Current Quarter	Prior Quarter	One year ago	12-month forecast
Total inventory (SF)	54.4M	54.1 M	51.7 M	↑
Vacancy rate	1.6%	1.6%	3.4%	→
Quarterly absorption (SF)	1.0 M	0.3 M	0.6 M	→
Average asking rent (USD/SF/year)	\$5.73	\$5.47	\$5.07	↑
Under construction (SF)	1.7 M	1.7 M	1.9 M	→

### Market Analysis

#### AVERAGE ASKING RATE



#### NET ABSORPTION (Thousand SF)



## Booming Industrial Corridors

Throughout 2021, important movements were observed within the market; particularly, the corridors that stand out in the Greater Guadalajara Metropolitan Area are El Salto-Aeropuerto and Zapopan Norte.

Zapopan Norte was the undisputed winner of the year, presenting operations with a ceiling of almost 2.2 millions of SF.. These operations relate to logistics activities and were carried out during the first months of the year.

On the other hand, the El Salto-Airport corridor maintained the dynamism of recent years, with operations reaching one million of square feet. Of the above, operations with consumer goods and services, as well as warehousing and logistics, stand out.

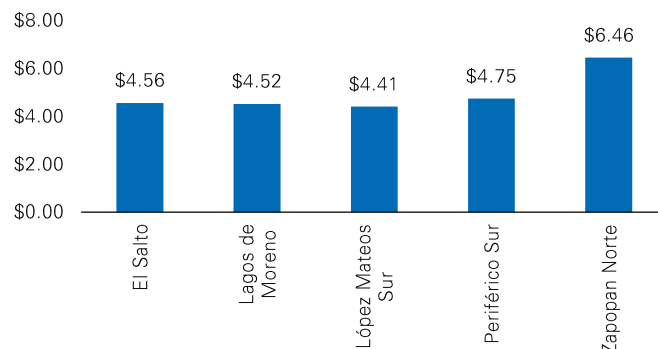
### Unmet demand

It is clear that Jalisco is one of the states with the largest industrial boom; however, there is not enough space to consolidate new tenants within the industrial parks.

Guadalajara Metro Area is one of the lowest in recent years, at 1.6% of the total market. However, it is expected that by mid to late 2022, a new Inventory will be integrated and, with it, new business opportunities for the different businesses that are present in the area.

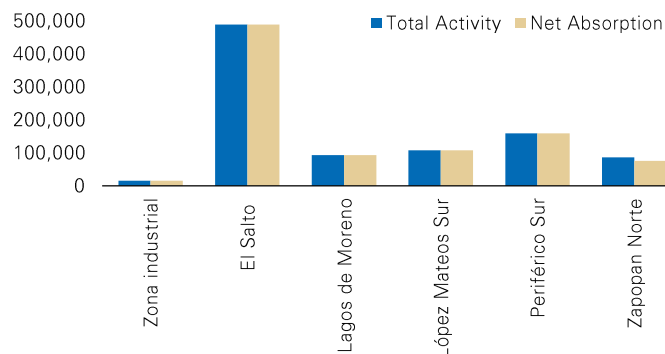
### Asking Rates Range per Submarket

AVERAGE ASKING RATE (USD/SF/Year)



### Net Absorption and Activity per Submarket

NET ABSORPTION AND MARKET ACTIVITY (SF)



### Submarket Stats

	Total Inventory (Millions SF)	Under Construction (Millions SF)	Total Vacancy (Millions SF)	Vacancy Rate	Activity (Millions SF)	Absorption (Millions SF)	Absorption Year (Millions SF)	Asking Rate (USD/SF/year)
Zona Industrial	1.9	-	-	-	0.02	0.02	0.04	-
El Salto	20.7	1.3	0.4	1.9%	0.5	0.5	0.9	\$5.08
Lagos de Moreno	2.7	-	0.05	2.0%	0.09	0.09	(0.1)	\$5.04
López Mateos Sur	5.0	-	0.06	1.3%	0.1	0.1	0.09	\$4.92
Periférico Sur	8.9	-	0.1	1.1%	0.2	0.2	0.2	\$5.30
Zapopan Norte	15.3	0.4	0.3	1.71	0.09	0.08	2.0	\$7.20
<b>Total</b>	<b>54.4</b>	<b>1.7</b>	<b>0.9</b>	<b>1.6%</b>	<b>1.0</b>	<b>0.9</b>	<b>3.2</b>	<b>\$5.73</b>

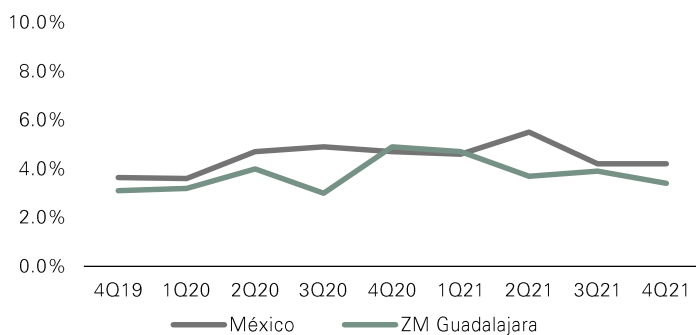
## The Face of Mexican Investment to the World

Throughout 2021, the state of Jalisco became one of the leaders in Foreign Investment in the country. This was confirmed during the fourth quarter of the year, when we entered into negotiations with Qatar in the construction sector. Other countries that are very interested in general trade relations with Jalisco are: Brazil (in energy, innovation, technology and electronics), Colombia (with the aim of replicating the tequila route in the South American country).

In addition, according to the Ministry of Economic Development, the modernization of the Global Agreement between Mexico and the European Union is being sought in order to facilitate trade between Jalisco and the member states, with the simplification of customs controls and greater openness for the services market.

## Unemployment Rate

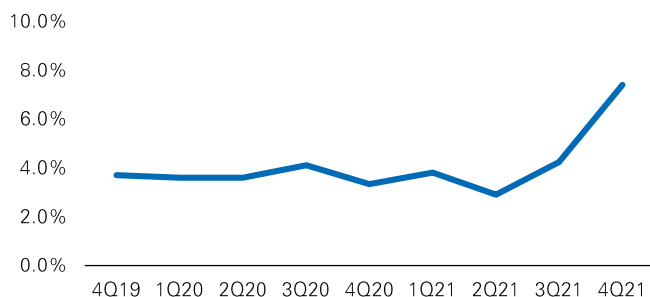
### ANNUAL INDICATOR



Source: INEGI, ENOE

## Consumer Price Index (CPI)

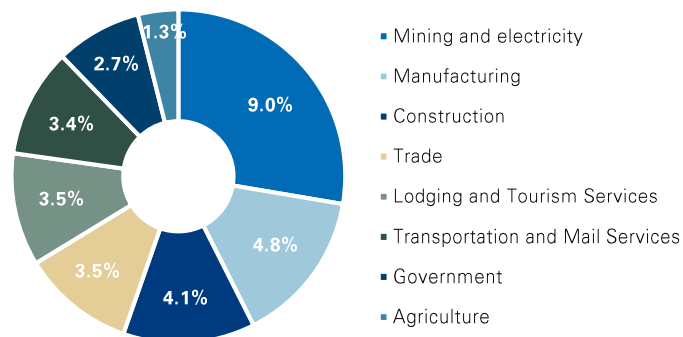
### ANNUAL INDICATOR



Source: Banxico

## Employment per Economic Sector

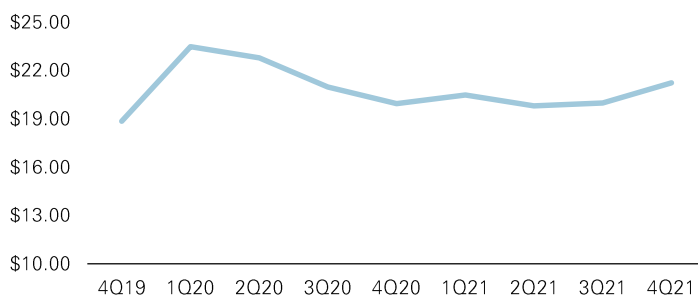
### GUADALAJARA CITY, DECEMBER 2021



Fuente: INEGI, ENOE

## Exchange Rate

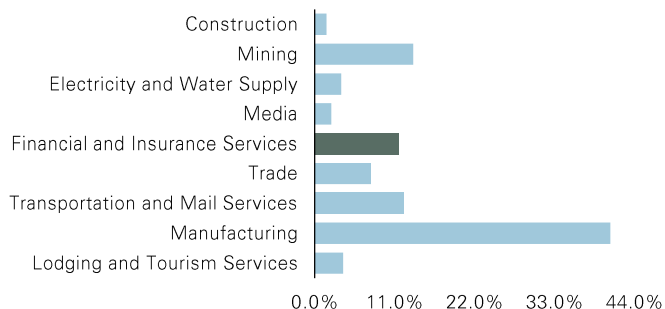
### MEXICAN PESOS (MXN) PER U.S DOLLAR (USD)



Source: Banxico

## Foreign Direct Investment

### PERCENTAGE



Source: CEFPI

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