



# Ciudad Juarez Industrial Market

## Class A Buildings in High Demand

Like all border cities, Juarez is currently experiencing two main trends: rising prices and declining availability. Even with the vacancy rate that we are seeing in the city, absorption remains positive. After the very busy last quarter, industrial activity has quieted down, which can only indicate that the coming months will be crucial. With zero availability in the other border cities, we will see an increase in interest in Chihuahua as an option.

Prices in Class A are close to \$6.69 USD/SF/year, while those belonging to class B and C are at \$5.57 USD/SF/year, a historical highwater mark for the Juarez market. The south of the city continues having the greatest construction activity, especially the area near the Airport comprised of developments with several owners. The 3 submarkets in this area (South, Southeast and Southwest) enjoy the greatest availability of land for Build-To-Suit and speculative constructions, which as a result will see a continuation of "pre-leasing".

### Current Conditions

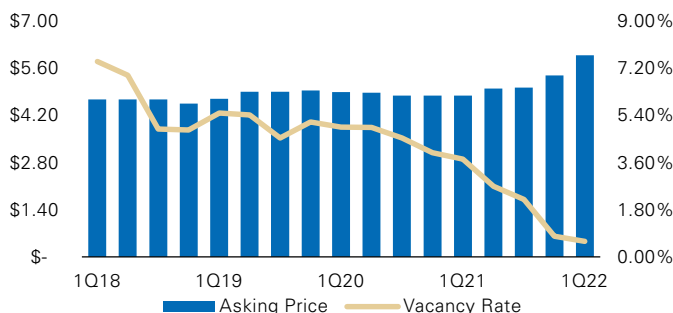
- Class A spaces saw their prices close at \$6.69 USD/SF/year, a historical highwater mark.
- The availability of Class B and C spaces keep the average closer to \$5.57 USD/SF/year.
- All the construction in the city is concentrated in the southern zone, with 7 projects currently under construction.

### Market Summary (Class A, B, C)

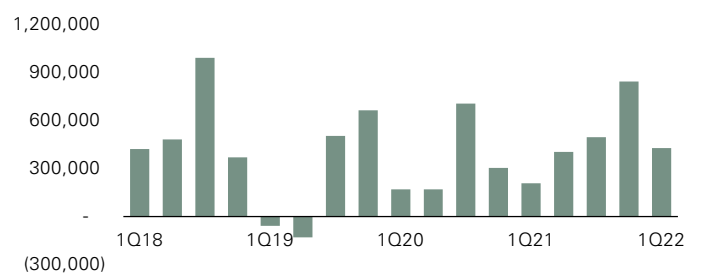
	Current Quarter	Prior Quarter	One year ago	12-month forecast
Total inventory (SF million)	73.2	71.0	70.0	↑
Vacancy Rate	0.6 %	0.8 %	3.7 %	↑
Quarterly absorption (SF)	428,328	844,245	207,991	↓
Average asking rent (USD/SF/year)	\$ 6.00	\$ 5.40	\$ 4.80	→
Under construction (SF)	919,538	563,383	710,450	↑

### Market Analysis

#### AVERAGE ASKING RENT VS VACANCY RATE

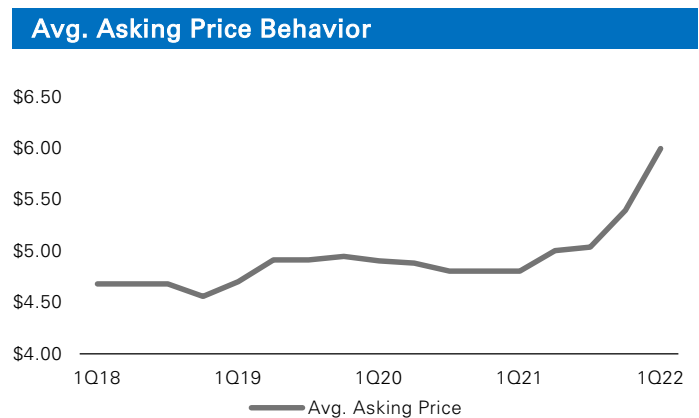
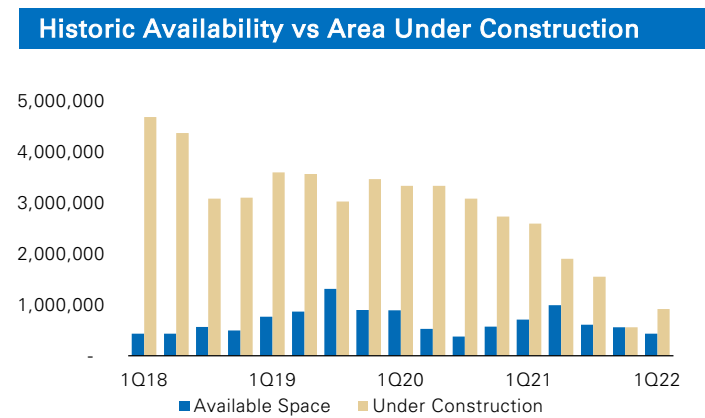


#### NET ABSORPTION



Submarket Stats (Class A, B, C)					
	Total Inventory (SF million)	Under Construction (SF)	Total Vacancy (SF)	Vacancy Rate	Avg. Asking Rent (USD/sf/year)
Central	9.7	-	42,431	0.5%	\$4.92
Norte	6.5	-	-	0.0%	\$0.00
Oriente	5.4	-	-	0.0%	\$0.00
Poniente	9.7	-	141,944	1.5%	\$4.79
San Jeronimo	1.1	-	-	0.0%	\$0.00
Sur	7.5	300,001	64,734	0.9%	\$5.63
Sureste	23.7	288,096	106,272	0.5%	\$6.12
Suroeste	10.8	331,453	83,076	0.8%	\$5.75
<b>Ciudad Juarez</b>	<b>73.2</b>	<b>919,538</b>	<b>438,521</b>	<b>0.6%</b>	<b>\$6.00</b>

Important Operations				
Developer	Industrial Park	Submarket	Type of Operation	Area Commercialized (SF)
Intermex	Independencia 1	Sureste	Lease	330,452
FIBRA Upsite	Upsite Ciudad Juarez	Sureste	BTS	218,507
IGS	Southpark	Sureste	Lease	193,750
ROCA	Roca Industrial Center	Suroeste	Lease	106,563
FIBRA Macquarie	Intermex Industrial Park	Sur	Lease	92,570



For further information:

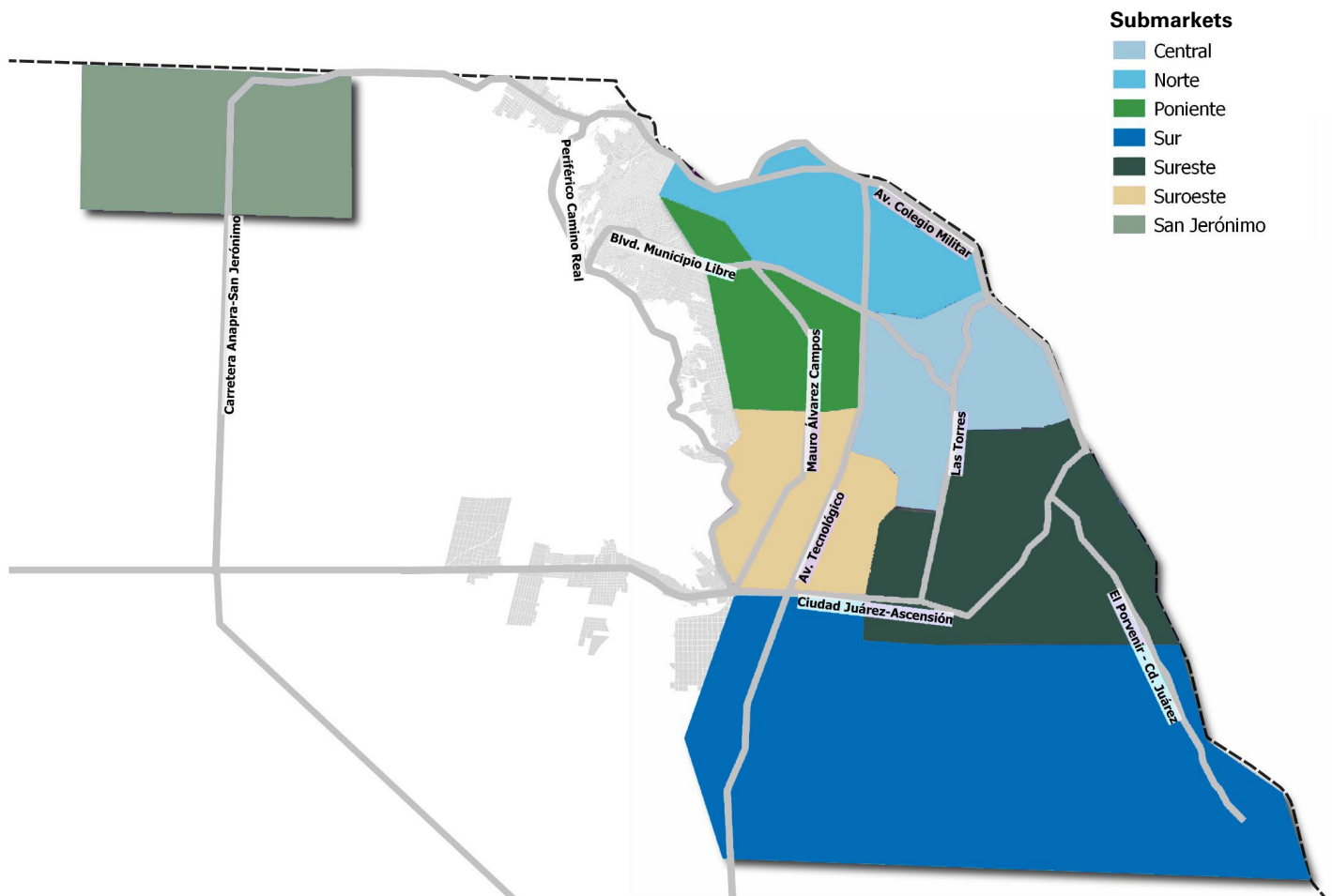
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Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at [nrmk.lat/reportes-de-mercado/](http://nrmk.lat/reportes-de-mercado/).

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