



Guadalajara Office Market

Good end of year: towards a swift recovery

During this second half of 2022, the office market in the Guadalajara Metropolitan Area continued yielding positive results in terms of its net and gross absorptions, as well as a decrease in its vacancy rate.

However, there was also a decrease in asking prices during this period, particularly in Providencia and Plaza del Sol submarkets, with -3.2% and -1.4%, respectively. In the other submarkets, the variations were positive, increasing from 0.8% to 2.1%.

Regarding projects under construction, no new inventory entered the market, so the 66,000m² inside the Puerta de Hierro, Plaza del Sol, and Vallarta submarkets remain valid. It was observed that some of the planned projects changed their zoning to residential.

Nearly all the submarkets had vacant spaces, except for the Providence submarket. In total there was a total of over -14,648m² in vacant spaces. However, the gross absorption compensated for those vacancies. Altogether, there was an increase of nearly 90% in absorption, going from 18,243 m² in the previous half to 34,644 m² by the closing of this half.

Current Conditions

-The vacancy rate in the Guadalajara market continues dropping. It closed the second half at 16.4%, 2.6 points below the previous half.

-The surface under construction is 66,892m², which will enter the market in the next two years.

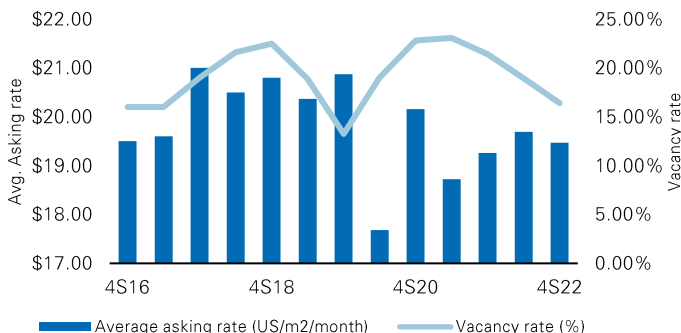
-Leasing prices showed a mild decreased, less than 2% versus the first half.

Market Summary

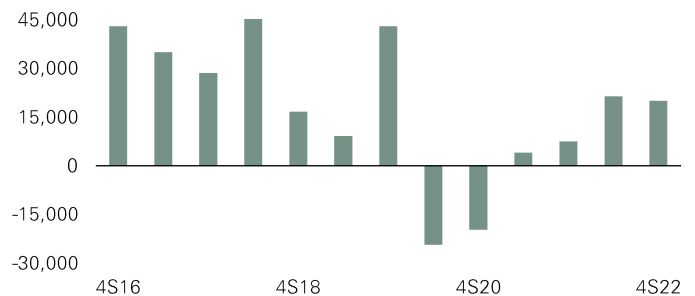
	Current Quarter	Prior Quarter	One year ago	12-month forecast
Total inventory (m ²)	785,390	785,390	773,480	↑
Vacancy rate	16.4%	19.0%	21.4%	↓
Quarterly absorption (m ²)	19,996	21,429	7,500	↓
Average asking rent (USD/m ² /month)	\$19.47	\$19.69	\$19.26	↑
Under construction (m ²)	66,892	66,892	116,302	↓

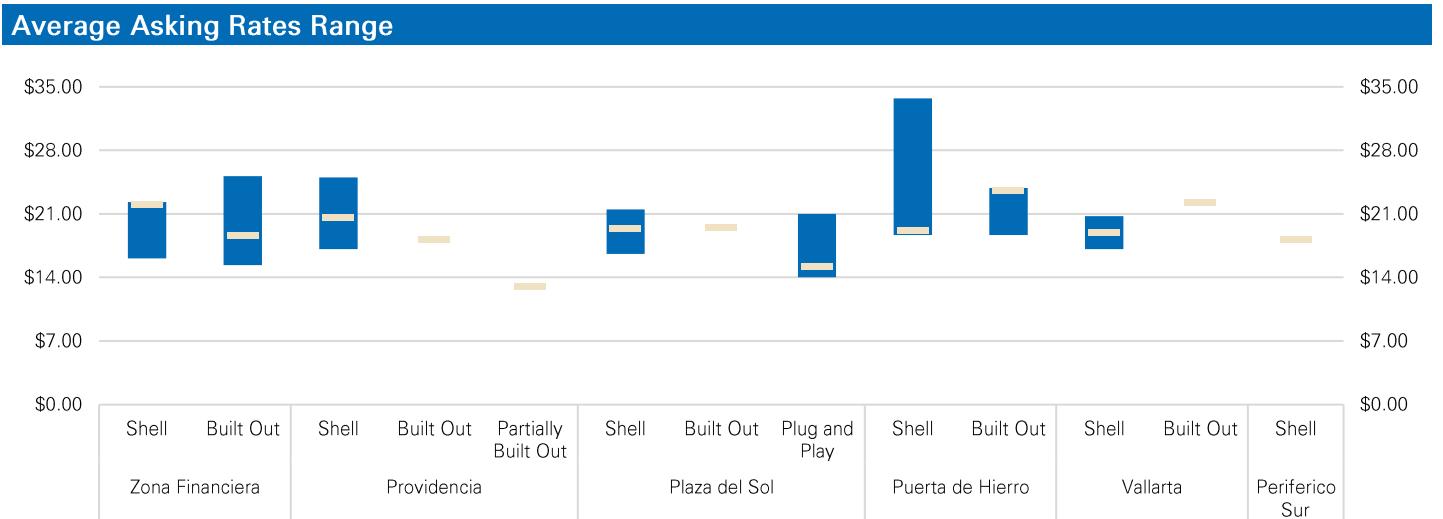
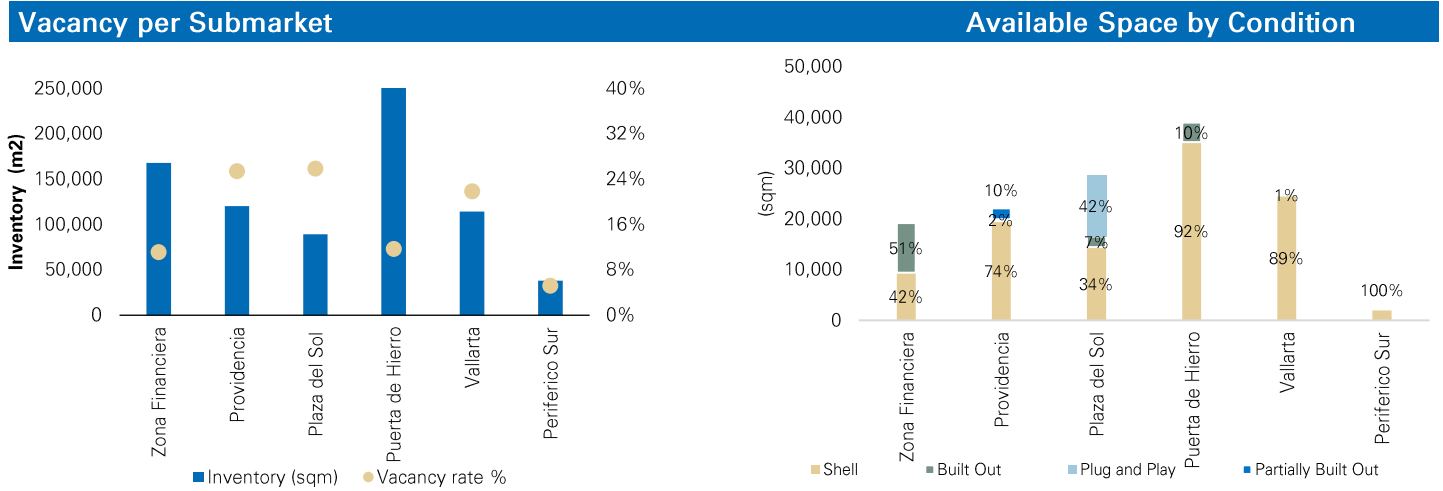
Market Analysis

AVERAGE LEASE RATE AND VACANCY RATE



NET ABSORPTION (M²)





Submarket	Total Inventory (m²)	Deliveries (m²)	Under construction (m²)	Total Vacancy (m²)	Vacancy Rate (%)	Total Activity (m²)	Net Quarterly Absorption (m²)	Average Asking Rate (USD/m²/month)
Zona Financiera	167,714			18,571	11.1%	7,075	6,713	\$20.17
Providencia	120,092			30,473	25.4%	8,412	8,412	\$19.25
Plaza del Sol	89,059		31,487	23,011	25.8%	3,546	2,353	\$16.64
Puerta de Hierro	256,332		10,000	29,924	11.7%	11,168	9,446	\$22.20
Vallarta	114,114		25,405	24,920	21.8%	4,444	-6,253	\$18.95
Periférico Sur	38,079			1,970	5.2%	0	-674	\$18.63
Total	785,390		66,982	128,870	16.4%	34,644	19,996	\$19.47

Resilient Jalisco

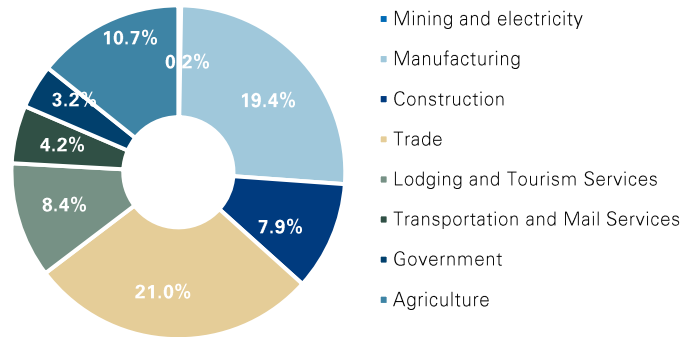
Jalisco is becoming a new actor in the integration of a logistics hub, facilitating the trade and business exchanges. It has executed agreements with various states, most recently with Tamaulipas. This is relevant because Tamaulipas concentrates nearly 40% of all trade with the United States.

This state currently handles approximately 29 thousand million dollars in sales for exports. That is, it is the 5th place nationwide in terms of foreign trade.

The state's unemployment rate is among the lowest, with barely 2.9%. Its main sectors are trade, followed by the manufacturing industries. Additionally, according to the Quarterly Indicator of State Economic Output, it is the state that contributes the most real growth to the country.

Employment per Economic Sector

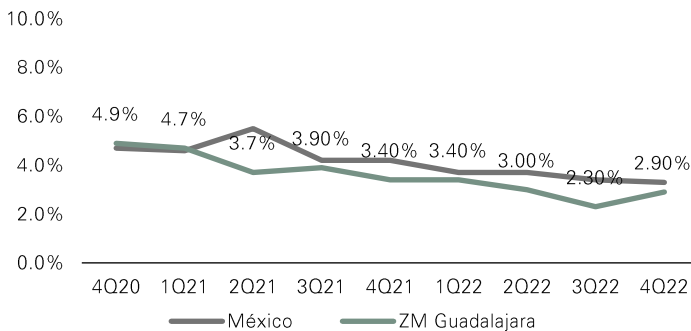
MEXICO CITY AND METROPOLITAN AREA, 4Q2022



Source: INEGI, ENOE

Unemployment Rate

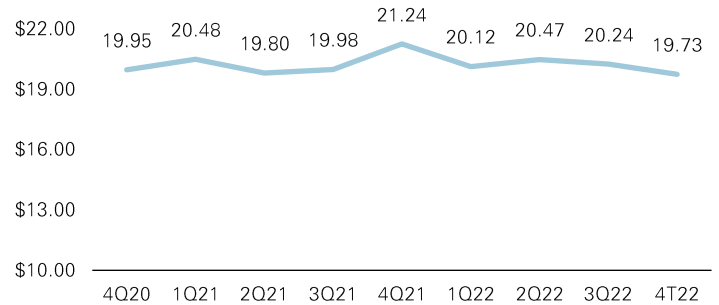
ANNUAL INDICATOR



Source: INEGI, ENOE

Exchange Rate

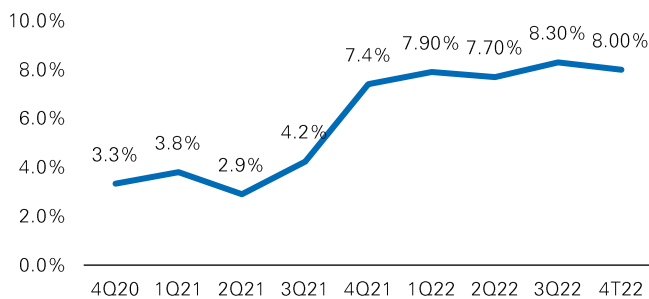
MEXICAN PESOS (MXN) PER U.S DOLLAR (USD)



Source: Banxico

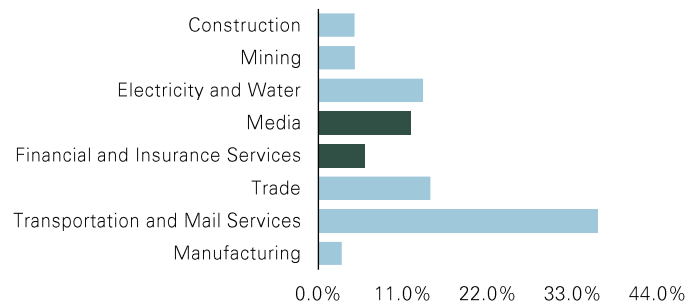
Consumer Price Index

ANNUAL INDICATOR



Source: Banxico

Foreign Direct Investment



Source: CEFPI

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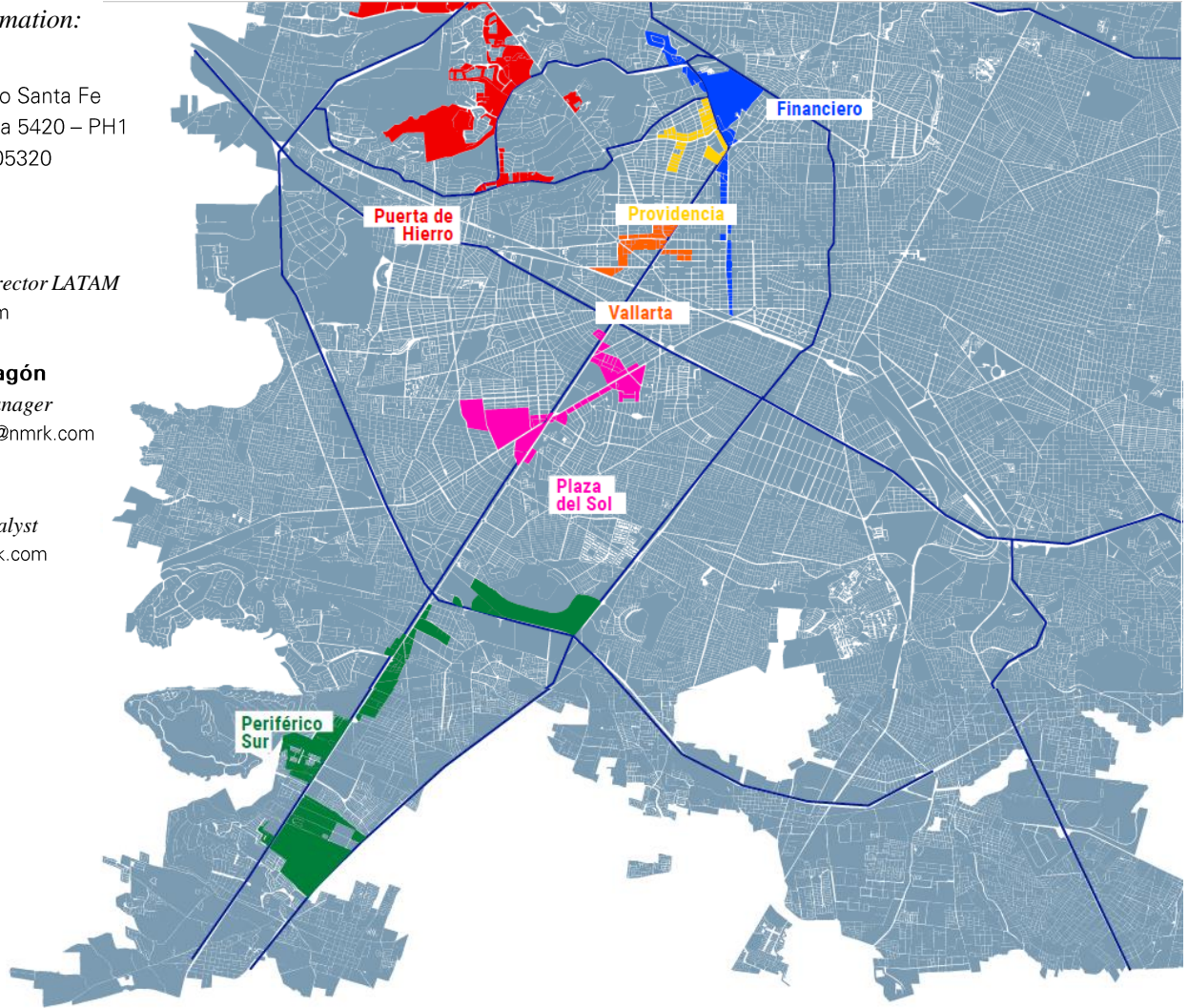
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Newmark ha implementado una base de datos propia y la metodología de seguimiento ha sido revisada. Con esta expansión y refinamiento en nuestros datos, puede haber ajustes en las estadísticas históricas, incluyendo la disponibilidad, precios de renta, absorción y rentas efectivas. Nuestros reportes de mercado se encuentran disponibles en <https://nrmk.lat/reportes-de-mercado/>. Toda información contenida en esta publicación está basada en fuentes consideradas como confiables, sin embargo, Newmark no la ha verificado y no la garantiza. El destinatario de esta información debería verificarla de manera independiente, así como toda información que reciba y que utilice para la toma de decisiones, el cual debe consultar a profesionales de su elección, incluidos sus aspectos legales, financieros, fiscales e implicaciones. El destinatario de esta publicación no puede, sin consentimiento previo por escrito de Newmark, distribuir, difundir, publicar, transmitir, copiar, transmitir, cargar, descargar, o en cualquier otra forma reproducir esta publicación o cualquiera de la información que contiene. Este documento tiene exclusivamente fines informativos y nada de su contenido pretende asesorar o recomendar estrategias específicas. No debe de ser utilizado como base para predecir el comportamiento del mercado, transacciones, estrategias de inversión, ni cualquier otro asunto.