



# Guanajuato Industrial Market

## Projects under construction were detonated

Guanajuato market had a performance that was notable for its conditions of stability and dynamism. The vacancy rate had a slight decreasing, the pace of construction increased to 66%, the absorption figures continue showing positive results (even considering vacancies), and there was a slight increase in asking prices.

### Sale of Industrial Portfolios and Investment Projects Continue towards 2023

The Celaya submarket reported the sale of industrial portfolio by the Advance Real Estate in its Villagran Park. This operation was executed between industrial developers.

On the other hand, the announced investment projects for this year include 861 million dollars. One of the highlights is the arrival of a data center, whose final location is yet to be confirmed. Trust in the market is driven by the increase in total construction area. Projects of speculative warehouses in León and Silao stand out, as well as important expansions and development of ships as the ones related to Mercado Libre and Suminoe in León submarket.

### Current Conditions

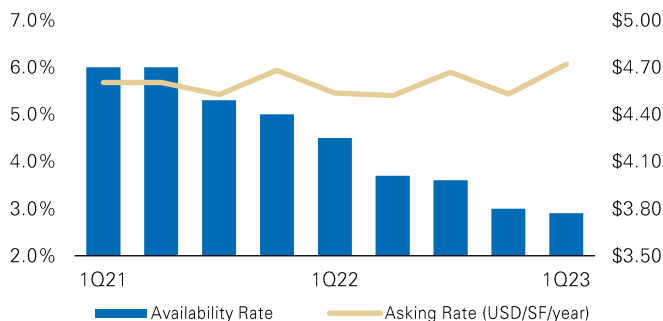
- The class A industrial inventory reported a subtle increase compared to the previous quarter (0.2%).
- There was a slight increase in weighted asking prices versus the prior quarter.
- The vacancy rate decreased from 3.0% to 2.9% between the fourth quarter of 2022 and the first quarter of 2023.

### Market Summary

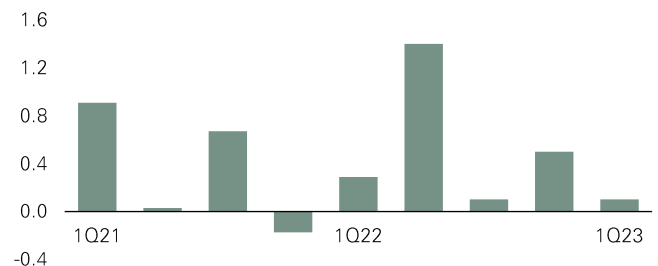
	Current Quarter	Prior Quarter	One year ago	12-month forecast
Total inventory (SF)	90.1M	89.8M	87.8M	↑
Vacancy rate	2.9%	3.0%	4.5%	↓
Quarterly absorption (SF)	0.1M	0.5M	0.3M	↑
Average asking rent (USD/SF/year)	\$4.72	\$4.53	\$4.54	→
Under construction (SF)	2.8M	0.9M	0.9M	→

### Market Analysis

#### AVERAGE LEASE RATE AND VACANCY RATE



#### NET ABSORPTION (Millions SF)



### Minimum Prices and Construction Areas Increase

Minimum asking prices increased in most of the submarkets (except Celaya and León). Considering that lease prices are above 3 USD/m<sup>2</sup>/month, these are expected to stabilize over the year 2023 at above 4 USD/m<sup>2</sup>/month. Guanajuato remains as the market with the most competitive asking prices among the main industrial cities.

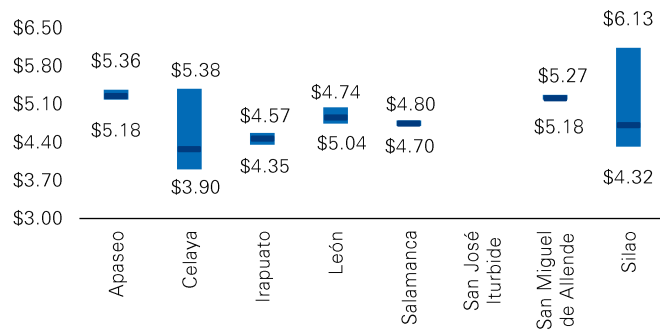
Construction figures were driven by 2 BTS and 2 speculative spaces located in Silao and León submarkets. The increase in the construction area represented a 66% increase compared to the previous year.

### Apaseo and Silao Increase their Industrial Activity

The Apaseo and Silao submarkets stood out for having the highest totals in terms of gross and net absorption in all the Guanajuato market. Their performance was driven by their proximity to other markets (such as Querétaro) and ample supply (submarkets with more vacancy). In the case of San Miguel de Allende, which reported a net negative absorption, this was caused by two vacancies that makes this the submarket with the most relative vacancy.

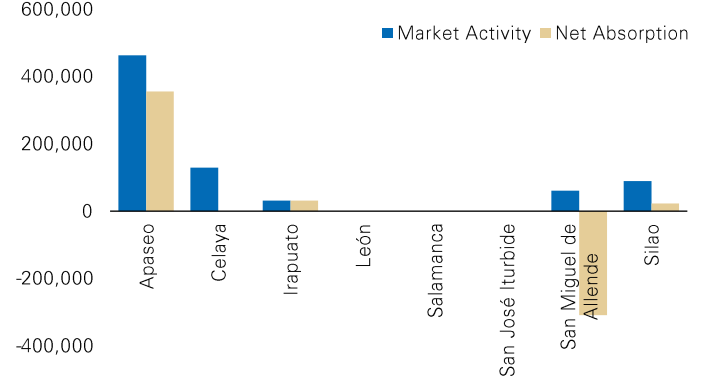
#### Average Asking Rates Range

AVERAGE ASKING RATES (USD / SF / Year)



#### Net Absorption and Activity per Submarket

NET ABSORPTION AND MARKET ACTIVITY (SF)



#### Market Summary

	Total Inventory (Millions SF)	Under Construction (Millions SF)	New Supply (SF)	Total Vacancy (SF)	Vacancy Rate	Gross Absorption (SF)	Net Absorption (SF)	Asking Rate (USD/SF/year)
Apaseo	8.2	-	107,640	168,640	2.1%	463,326	355,683	\$5.24
Celaya	12.9	0.3	129,168	515,294	4.0%	129,168	-	\$4.27
Irapuato	16.5	0.3	-	219,295	1.3%	31,361	31,361	\$4.46
León	10.0	1.2	-	115,821	1.2%	-	-	\$4.85
Salamanca	4.3	-	-	202,578	4.7%	-	-	\$4.74
San José Iturbide	9.4	-	-	-	-	-	-	-
San Miguel de Allende	2.3	-	68,362	369,324	16.4%	61,010	- 308,313	\$5.20
Silao	26.5	0.9	-	1,059,425	4.0%	89,214	23,078	\$4.72
<b>Total</b>	<b>90.1</b>	<b>2.8</b>	<b>305,170</b>	<b>2,650,377</b>	<b>2.9%</b>	<b>774,079</b>	<b>101,809</b>	<b>\$4.72</b>

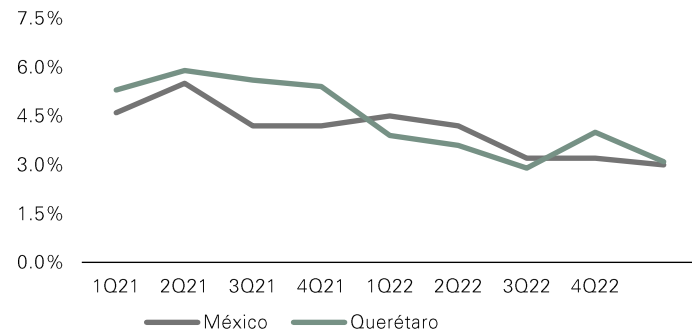
## Manufacturing: Main Driver of Investment in the State

During the year prior, 80% of Direct Foreign Investment (DFI) in Guanajuato was tagged for the manufacturing subsector. Whereby most investments are associated with North American countries, Guanajuato received investments from various regions around the world. Only in the last year, Japan, United States, and France accounted for 90% of investments.

Stable internal economic conditions are the key feature for 2023, including the lower currency exchange of the Mexican peso, lower unemployment rate, and lower consumer price index. However, the underlying inflation maintained a stable trend due to external factors. Additionally, the deteriorating geopolitical tensions and conditions in the banking sector point to a slow down of the economy.

## Unemployment Rate

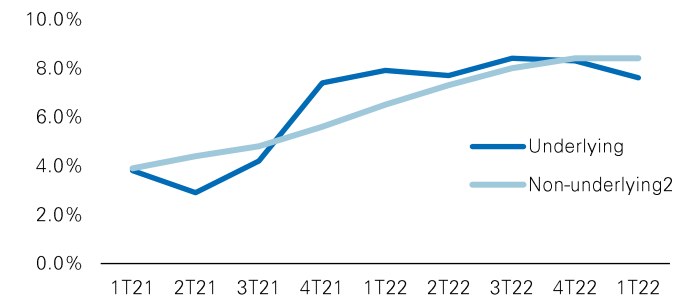
### ANNUAL INDICATOR



Source: INEGI, ENOE

## Consumer Price Index (CPI)

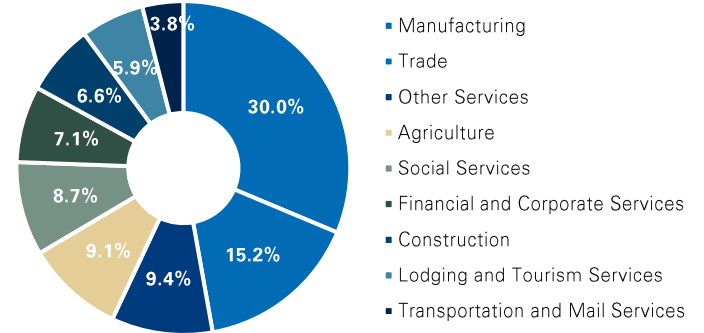
### ANNUAL INDICATOR



Source: Banxico

## Employment per Economic Sector

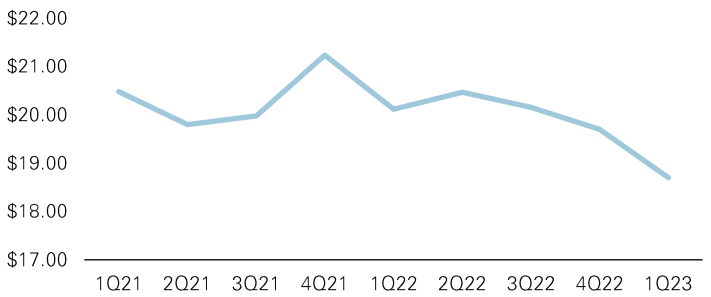
### GUANAJUATO, MARCH 2023



Source: INEGI, ENOE

## Exchange Rate

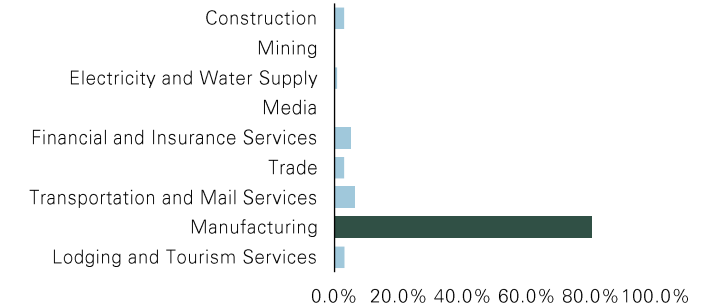
### MEXICAN PESOS (MXN) PER U.S DOLLAR (USD)



Source: Banxico

## Foreign Direct Investment

### PERCENTAGE



Source: CEFP

*For further information:*

**Mexico City**

Corporativo Espacio Santa Fe  
Carr. México-Toluca 5420 – PH1  
Santa Fe, CDMX. 05320  
t 52 55-5980-2000

**Juan Flores**

*Market Research Director LATAM*  
Juan.Flores@nmrk.com

**Fernando Lara**

*Market Research Analyst*  
Fernando.Lara@nmrk.com

[newmark.mx](http://newmark.mx)

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 [nmrk.lat/reportes-de-mercado/](http://nmrk.lat/reportes-de-mercado/).

All information contained in this publication is derived from sources that are deemed to be reliable. However, Newmark has not verified any such information, and the same constitutes the statements and representations only of the source thereof not of Newmark. Any recipient of this publication should independently verify such information and all other information that may be material to any decision the recipient may make in response to this publication and should consult with professionals of the recipient's choice with regard to all aspects of that decision, including its legal, financial and tax aspects and implications. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download or in any other way reproduce this publication or any of the information it contains. This document is intended for informational purposes only, and none of the content is intended to advise or otherwise recommend a specific strategy. It is not to be relied upon in any way to predict market movement, investment in securities, transactions, investment strategies or any other matter.