



Tijuana Industrial Market

A Healthy Market

Activity in the market has continued to attract new project and investment. Developers such as FINSA, which were inactive for a long time, are starting new projects with a plant of over 400,000 SF for Scantibodies. Another such developer is Fibra Macquarie, which has started the development of a new market south of the city with three buildings and over 500,000 SF of GLA. In the East, we see the arrival of HINES with the Tijuana Tech Park, a project that is very similar to its industrial park in Guadalajara. This project will have three spaces with over 200,000 SF each.

We continue receiving more and more investment projects. Some of these are by companies that were previously involved in residential and commercial projects, but now they seek to increase their portfolio to the industrial sector. Strategia Fund is one such case, with its next development, Deer Park, including 300,000 SF.

All these announcements and developments only show that the industrial market near the border will continue flourishing and growing.

Current Market Conditions

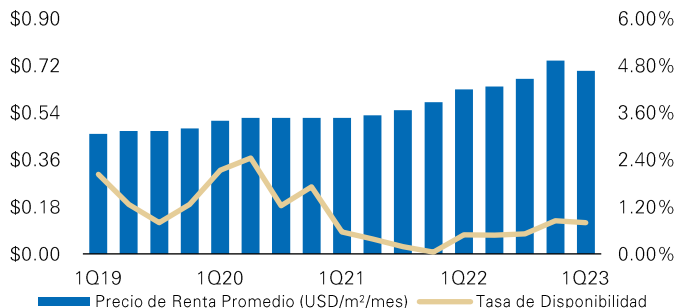
- Asking prices have stabilized above \$7.50 USD, but all signs point to a slight increase for the remainder of 2023.
- The vacancy rate remains at a low point, barely above 1%.
- Developers continue growing the East and South zone of the city, with FINSA, FIBRA Macquarie, and HINES announcing new industrial parks.

Market Summary

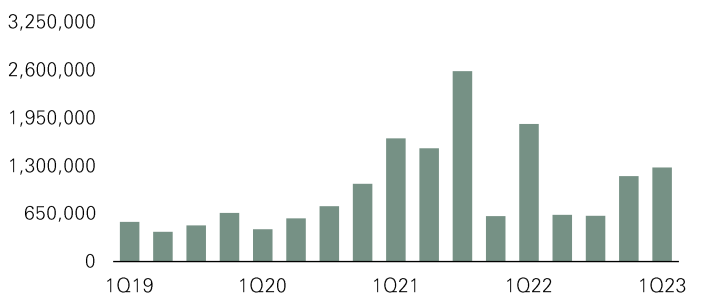
	Current Quarter	Previous Quarter	Previous Year	12-month Forecast
Total Market Size (SF)	78.7M	77.5M	73.2M	↑
Vacancy Rate	0.8%	0.8%	0.5%	↓
Quarter Net Absorption (SF)	1,273,541	1,158,841	1,866,044	↑
Asking Lease Rate (USD/SF/mo.)	\$0.72	\$0.74	\$0.63	→
Under Construction (SF)	2,896,450	3,730,180	2,893,014	↑

Market Data

Asking Lease and Vacancy Rates



Net Absorption (SF)



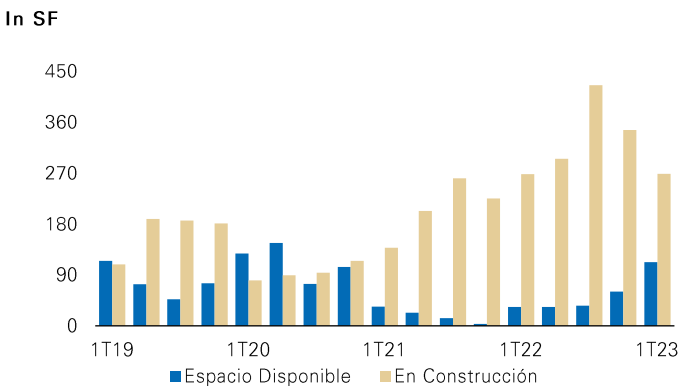
Vacancy Remains at Record Lows

Vacancy increased 1.6% after the delivery of a building with nearly 20,000 m² in the East zone of the city. Construction continues supplying the current demand, which keeps high absorption but low vacancy. Pre-leasing continues the largest share of industrial activity.

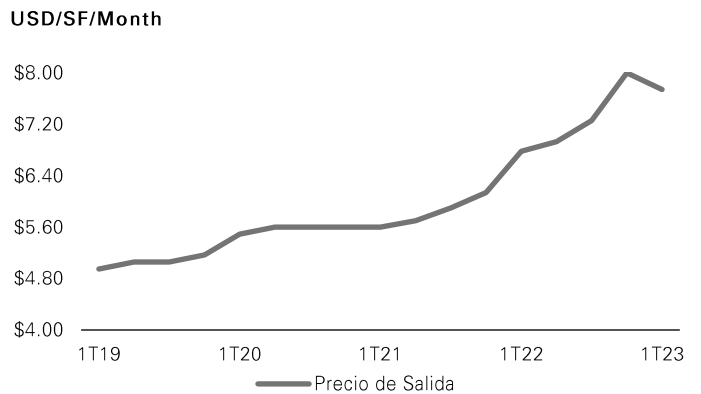
Prices Could Rise

Prices for class A spaces have reached an all-time record, with some vacancies hitting \$8.00 USD/m² in various submarkets. However, the average in the city has stayed just under this point. The proposals for vacant spaces continue surpassing these figures, which suggest that the closings could increase prices in the city by the end of the year. The most aggressive increase was observed in 2022, although there could be a stable and controlled increase in 2023.

Current and Upcoming Vacancy 2019 - 2023



Asking Lease Rates 2019 – 2023



Submarket Summary

	Total Inventory (SF)	Under Construction (SF)	Current Availability (SF)	Vacancy Rate (%)	Gross Absorption (SF)	Net Absorption (SF)	Asking Lease Rates for Construction (USD/SF/Mo.)	Asking Lease Rates for Available Space (USD/SF/Mo.)
Central – Lago	14.3M	129,197	0	0.00%	206,668	206,668	\$0.72	\$0.00
Florido – Blvd. 2000	23.5M	1,014,325	197,415	0.84%	446,200	248,785	\$0.75	\$0.75
Libramiento	16.7M	1,030,718	434,164	2.60%	800,233	750,396	\$0.70	\$0.68
Otay – Alamar	23.4M	0	0	0.00%	45,284	0	\$0.00	\$0.68
Playas - Oeste	0.8M	0	0	0.00%	0	0	\$0.00	\$0.00
Tijuana	78.7M	2,174,240	631,579	0.80%	1,498,385	1,205,849	\$0.72	\$0.70

Important Transactions

Building	Industrial Park	Submarket	Type	Square Feet
Scantibodies	FINSA Blvd 2000	Florido – Blvd 2000	BTS	446,200
Logisti-K	Parque Sur	Florido – Blvd 2000	Subarrendamiento	226,000
MR04	VP MegaRegion	Libramiento	Renta	217,592
Boeing	Pacifico	Libramiento	Renta	84,786

Under Construction

Building	Developer	Submarket	Type	Square Feet
Scantibodies	FINSA	Florido – Blvd 2000	BTS	446,200
Prisma IV	ATISA	Libramiento	Spec	432,300
FINSA Rosarito	FINSA	Rosarito	Spec	366,083
Hubs NW1	MEOR	Florido – Blvd 2000	Spec	210,972
N5	RMSG	Libramiento	Spec	150,047
Topacio	ATISA	Libramiento	Spec	140,968
Chardonnay	PICSA	Tecate	Spec	130,978
GF5 Santa Fe	Privado	Libramiento	Spec	127,719
Florido Este	Privado	Florido – Blvd 2000	Spec	127,205
Pamprica	Privado	Tecate	Spec	108,263
Mercurio II	ATISA	Libramiento	Spec	94,898
Zircon	ATISA	Libramiento	Spec	84,786
Meseta IV	TYG	Florido – Blvd 2000	Spec	77,500
Realito II	TYG	Florido – Blvd 2000	Spec	77,101
Amapolas 3	UL Baja	Central	Spec	76,553
Real de Rosarito 2	Privado	Rosarito	Spec	67,692
Grenache	Cadena	Rosarito	Spec	62,157
Misiones 3	TYG	Florido – Blvd 2000	Spec	52,644

Market Summary

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Tijuana	78.7M	2,174,240	631,579	0.80%	1,498,385	1,205,849	\$0.72	\$0.70
Rosarito	3.4M	433,775	0	0.00%	67,692	67,692	\$0.65	\$0.00
Tecate	5.8M	288,435	0	0.00%	0	0	\$0.67	\$0.00
Market Total	88.0M	2,896,450	631,579	0.72%	1,566,077	1,273,541	\$0.72	\$0.70

Para mayor información:

Tijuana

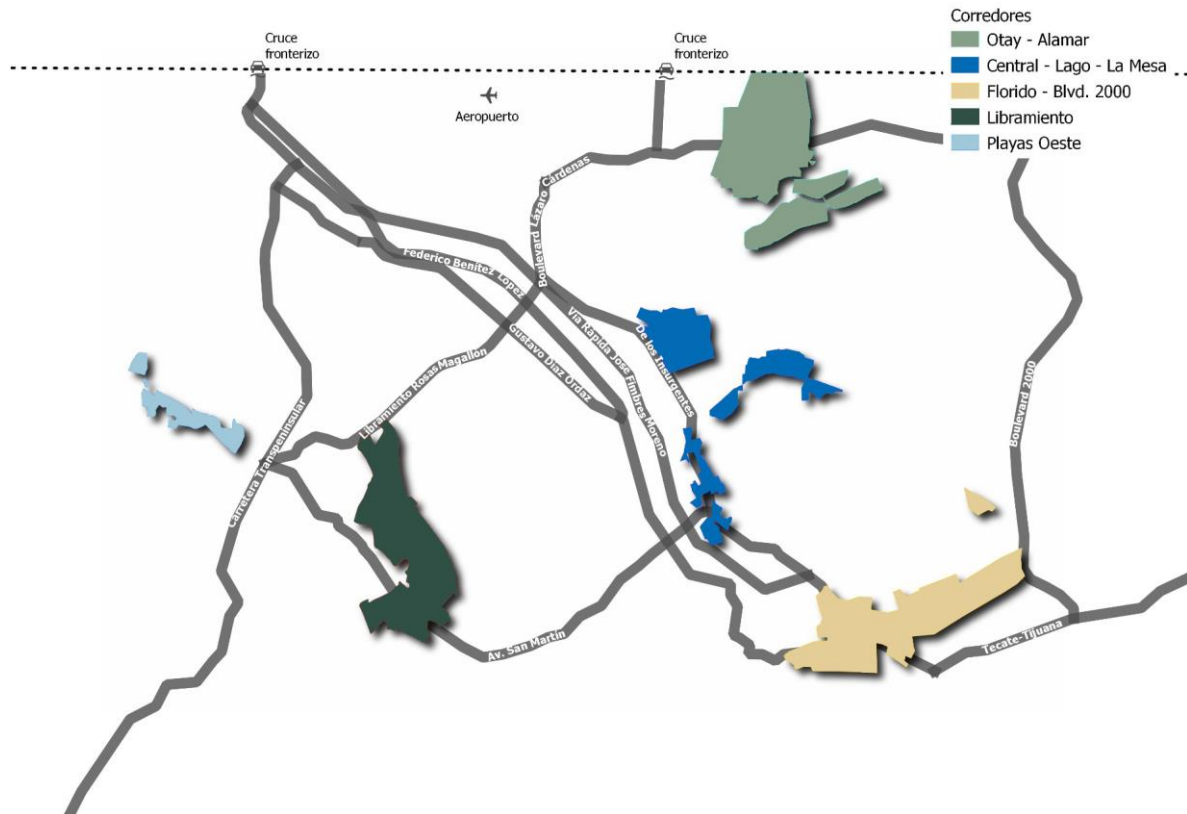
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Newmark ha implementado una base de datos propia y la metodología de seguimiento ha sido revisada. Con esta expansión y refinamiento en nuestros datos, puede haber ajustes en las estadísticas históricas, incluyendo la disponibilidad, precios de renta, absorción y rentas efectivas. Nuestros reportes de mercado se encuentran disponibles en nrmk.la/reportes-de-mercado/

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