



# Ciudad Juárez Industrial Market

## The Growing Border

Ciudad Juárez has always been a healthy market because it has always displayed great stability and limited growth, until last year. Construction and demand have exploded since, keeping demand throughout the border area stable but not abundant.

Construction in Ciudad Juárez has been in one of its highest points in recent years, with ever more companies betting on the border. This includes established FIBRAs, such as FIBRA Upsite, and new private developers, such as Prosperity.

Vacancy remains low, with a slight increase due to the delivery of constructions and one vacancy. Logistics remains the main factor driving absorption, with all reported operations in this industry or servicing it. Prices continued under \$7.80 USD/SF/Year on average due to activity in the Poniente submarket, although several spaces are being offered closer to \$9.00 USD/SF/Year, with the national trend on the rise, more aggressively in the north of the country due to its prices pegged to the US dollar and raises in most of contracts as reported by the US-CPI, which had an aggressive explosion at the end of last year.

### Current Conditions

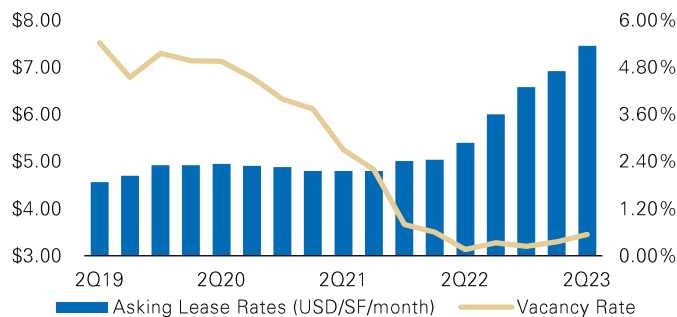
- Prices for Class A spaces continue at an all-time high, with all options surpassing \$6.90 USD/SF/Year.
- Most of the available land is in the Sureste submarket, which hosts nearly 40% of all construction projects.
- Considering Ciudad Juárez’s logistical advantage near the border, absorption remains focused on services for 3PL and Supply Chain.

### Market Summary

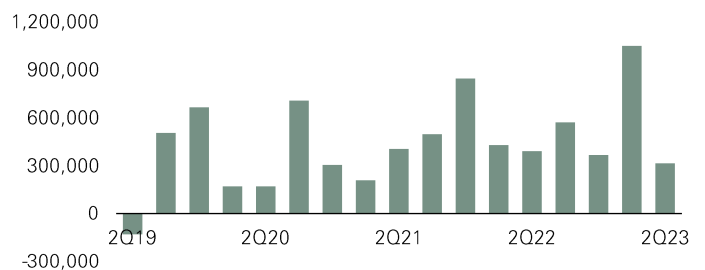
	Current Quarter	Prior Quarter	Year Ago Period	12 Month Forecast
Total Inventory (SF)	82.0M	81.5M	75.1M	↑
Vacancy Rate	0.5%	0.4%	0.2%	→
Quarter Net Absorption (SF)	313,882	1,050,010	391,289	→
Avg. Asking Rent (USD/SF/Year)	\$7.46	\$6.92	\$5.40	↑
Under Construction (SF)	3,385,484	3,193,932	1,300,000	→

### Market Analysis

#### ASKING LEASE AND VACANCY RATES



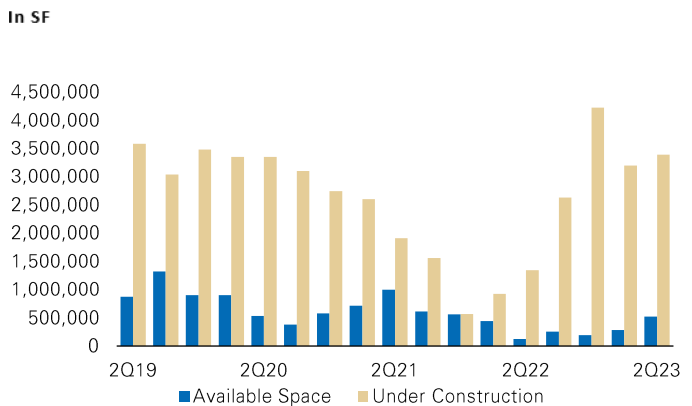
#### NET ABSORPTION (SF)



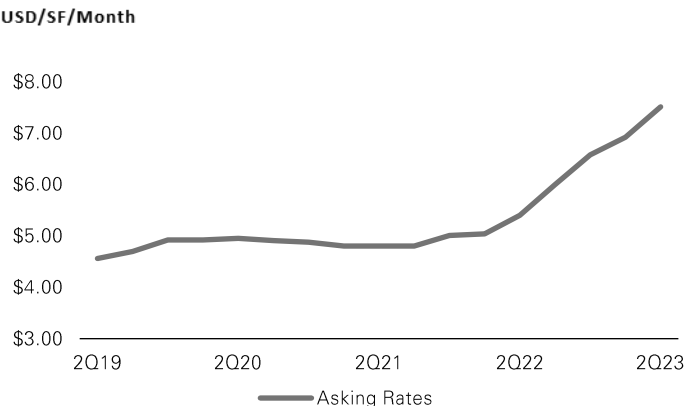
Submarket Statistics										
	Inventory (Million SF)	Under Construction (SF)	Vacancy (SF)	Vacancy Rate	Gross Absorption (SF)	Net Absorption (SF)	YTD Net Absorption (SF)	Asking Lease Rate (USD/SF/year)	Asking Construction Lease Rate (USD/SF/year)	
Central	9.4	0	0	0.0%	0	0	0	\$0.00	\$0.00	
Norte	6.8	0	0	0.0%	0	0	0	\$0.00	\$0.00	
Oriente	5.4	511,854	0	0.0%	238,117	238,117	238,117	\$0.00	\$7.20	
Poniente	10.7	214,195	209,721	1.9%	75,724	-1,021	459,060	\$6.72	\$7.39	
San Jerónimo	0.2	0	0	0.0%	0	0	0	\$0.00	\$0.00	
Sur	9.1	1,165,043	150,000	1.6%	0	0	0	\$0.00	\$6.93	
Sureste	28.8	1,322,562	160,520	0.6%	0	0	589,929	\$7.68	\$7.58	
Suroeste	11.6	171,830	0	0.0%	76,786	76,786	76,786	\$0.00	\$8.40	
<b>Ciudad Juárez</b>	<b>82.0</b>	<b>3,385,484</b>	<b>520,241</b>	<b>0.5%</b>	<b>390,627</b>	<b>313,882</b>	<b>1,363,892</b>	<b>\$7.02</b>	<b>\$7.46</b>	

Important Transactions				
Building	Industrial Park	Submarket	Type	Square Feet
DB Schenker	VestaPark Juarez Oriente	Oriente	Lease	238,100
Intermex JZ 15B	Panamericano	Suroeste	Lease	76,800
NCH	Stand Alone	Poniente	Lease	75,700

Current and Upcoming Vacancy 2019 - 2023



Asking Lease Rates 2019 – 2023



*For further information:*

**Tijuana**

Diego Rivera 2311, Suite 501  
Zona Urbana Rio Tijuana,  
Tijuana, BC, México 22010  
t 664-375-1446

**Genaro Lopez**

*Market Analyst*  
genaro.lopez@nrmk.com

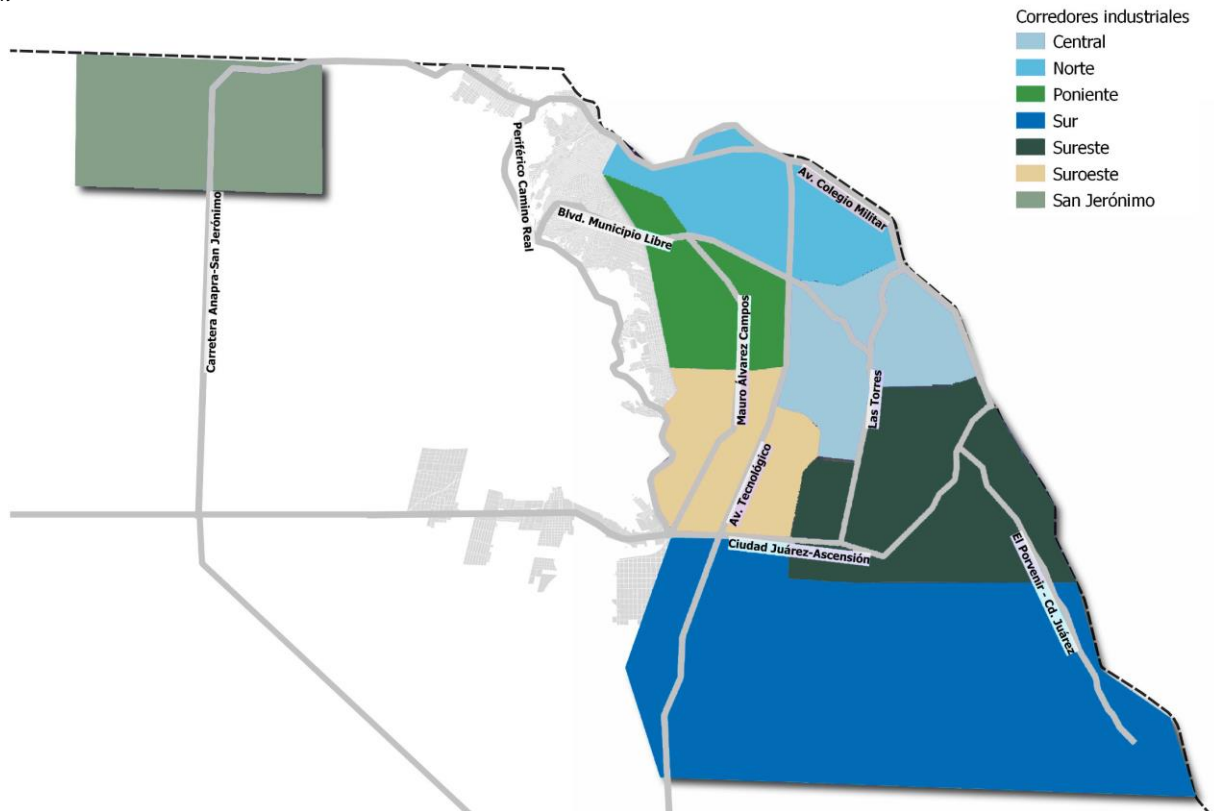
**Ciudad de Mexico**

Corporativo Espacio Santa Fe  
Carr. Mexico-Toluca 5420-PH1  
Santa Fe, CDMX 05230

**Juan Flores**

*Market Research Director Latam*  
juan.flores@nrmk.com

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