



Guadalajara Industrial Market

El Salto submarket gains momentum

There was a 37% increase in the construction area versus the previous year, driven by new industrial parks that will break ground by the last half of the year. This way, the market is preparing to address the current demand and demand for 2024, mainly in the El Salto submarket, which had a 54% growth in terms of constructed area versus the previous quarter. Occupations continued for spaces under construction; therefore, the figures for gross absorption will become visible until Q1 2024. The momentum for new industrial spaces in the market, as well as their continuous occupation, drove a surge in asking prices for existing spaces and spaces under construction.

Investments increase the required power supply

It is expected that companies from countries such as China, United States, United Kingdom, Spain, and Japan will announce investments in Guadalajara. For this reason, the Jalisco Energy Agency announced the application of an investment of 2,500 million for new energy transmission and distribution lines. Additionally, natural gas prices stood out for their stability, whereby Guadalajara has the most competitive prices in the Bajío region.

Current Conditions

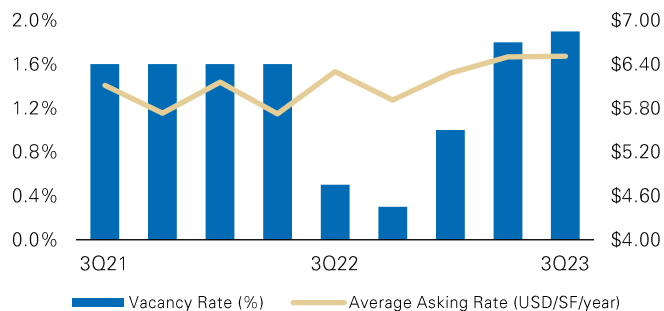
- Class A industrial inventory did not grow during the third quarter of 2023.
- Construction recorded a growth of 37% versus the previous quarter and 39% versus the previous year.
- The vacancy rate Guadalajara remained without changes versus the previous quarter.

Market Summary

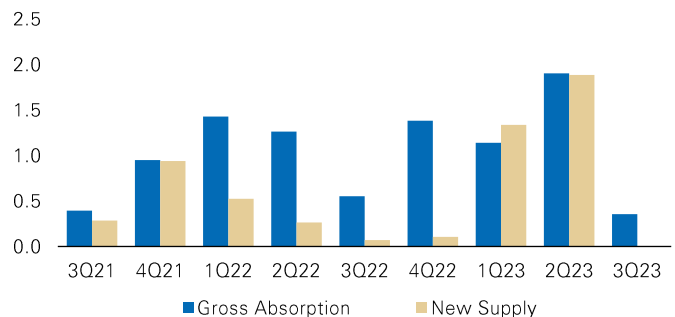
	Current Quarter	Prior Quarter	One year ago	12-month forecast
Total inventory (SF)	60.8M	60.8M	56.3	↑
Vacancy Rate	1.9%	1.8%	0.5%	↑
Quarter Net absorption (SF)	265,849	-475,317	72,872	↑
Avg. asking rent (USD/SF/year)	\$6.51	\$6.50	\$6.30	↑
Under construction (SF)	2.1M	2.1M	2.0M	↑

Market Analysis

VACANCY RATE AND ASKING PRICE



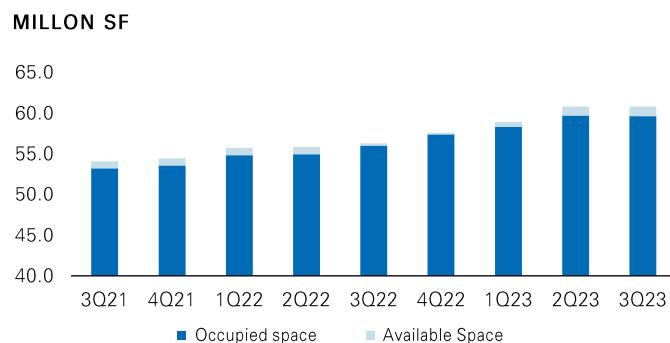
GROSS ABSORPTION & NEW SUPPLY (Million SF)



Vacancies in central areas and class B spaces participate in the market with high prices

The Zona Industrial submarket, in the center of the Guadalajara MZ, reported an incipient reactivation of the industrial market. This submarket has new vacancies in class A and class B spaces, featuring the highest prices in the market. This behavior is also observed in the Periférico Sur submarket, where a closing was reported during this quarter. It is expected that the reactivation of consolidated industrial zones will expand its share in the industrial market due to the demand and dynamism in the market.

Inventory Evolution



Market Summary

	Inventory (million SF)	Under Construction (million SF)	Vacancy (SF)	Vacancy Rate	Gross Absorption (SF)	Net Absorption (SF)	YTD Net Absorption (SF)	Asking Lease Rate (USD/SF/year)	U. Construction Asking Rent (USD/SF/Year)
Zona Industrial	1.9	0.3	56,565	3.0%	0	-56,565	- 25,704	\$8.64	\$ 8.47
El Salto	25.0	2.4	1,012,989	4.1%	236,216	203,138	- 332,769	\$7.01	\$ 6.95
López Mateos Sur	6.2	0.5	0	0.0%	42,744	42,744	72,474	-	-
Periférico Sur	9.0		95,111	0	76,532	76,532	76,532	\$7.25	-
Zapopan Norte	16.0		0	0	0	0	0	-	-
Total	60.8	2.1	1,164,665	1.9%	355,492	265,849	- 209,467	\$6.51	\$7.16

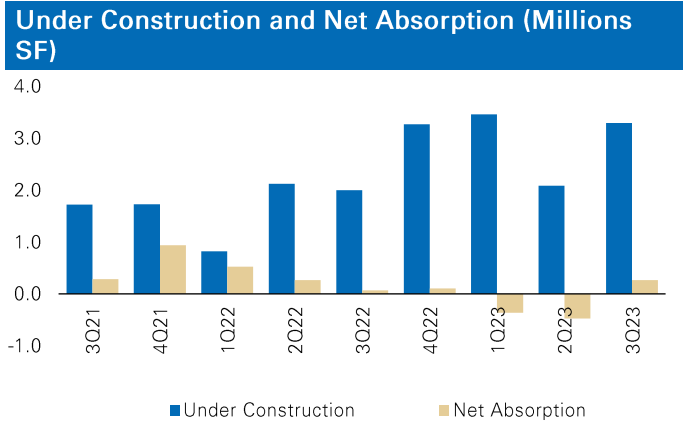
Main Industrial Park Under Development

Industrial Park	Sub-market	Status	Delivery date
Parque Industrial San Jorge	El Salto-Aeropuerto	Planned	2023-2024
El Salto Park Guadalajara III*	El Salto-Aeropuerto	Construction	december 2023
Roca El Salto	El Salto-Aeropuerto	Construction	october 2023
Plataforma Park Guadalajara*	El Salto-Aeropuerto	Construction	december 2023
FINSA Jalisco El Salto	El Salto-Aeropuerto	Construction	december 2023

*New industrial park

New industrial parks break ground

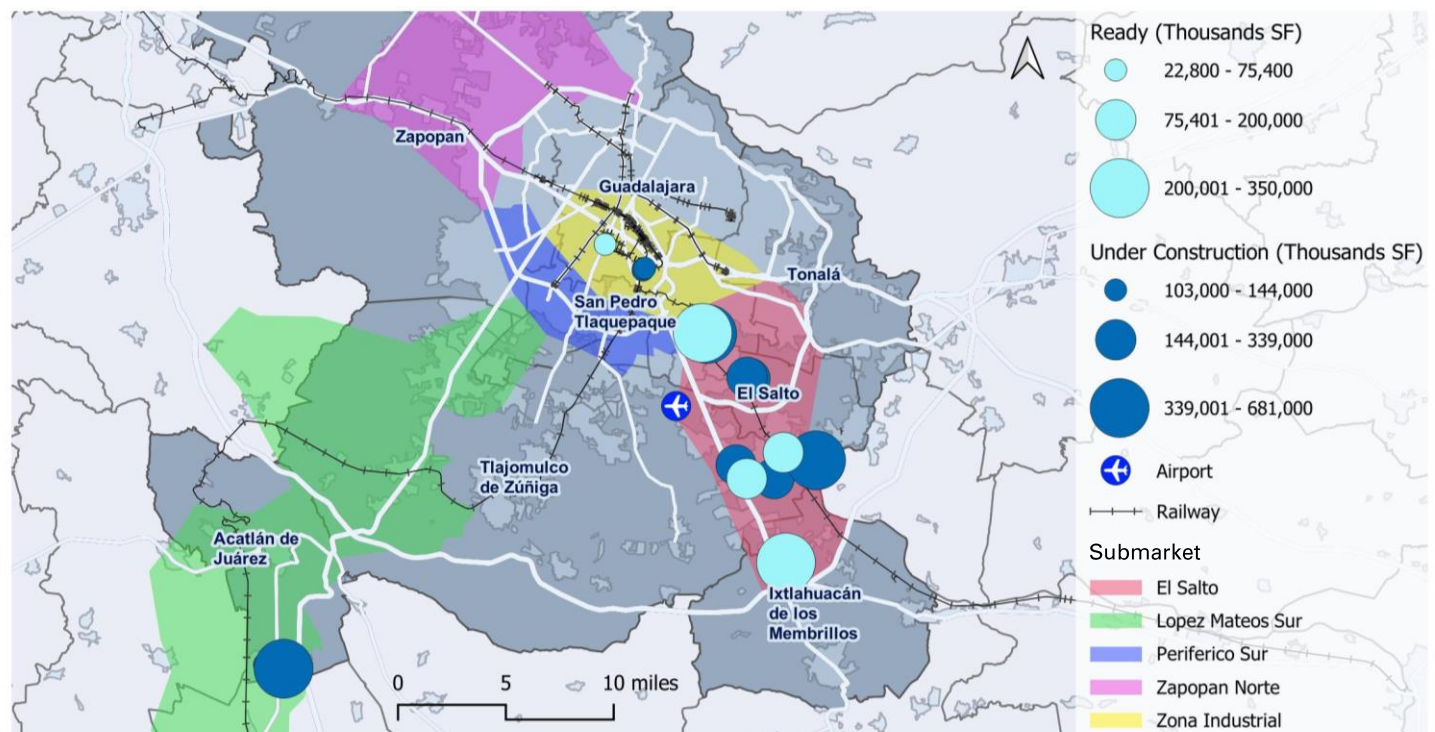
New industrial parks Salto Park Guadalajara III and Plataforma Park Guadalajara broke ground on the El Salto submarket. These parks substantially increased the overall construction area in all the market, where the footprint of new supply is near 30,000 square meters. Even though the area under construction has not reached the same figures as in early 2023, the trend of new investments reaching this market continues.



Market Summary

	Inventory (million SF)	Under Construction (million SF)	Vacancy (SF)	Vacancy Rate	Gross Absorption (SF)	Net Absorption (SF)	YTD Net Absorption (SF)	Asking Lease Rate (USD/SF/year)	U. Construction Asking Rent (USD/SF/Year)
Lagos de Moreno	2.8	-	-	-	-	-	-	-	-

Availability by Submarket

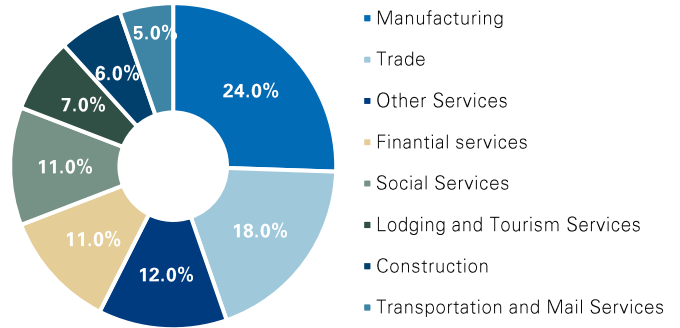


The beverages and automotive industries gain momentum

Jalisco is still the fourth main recipient of direct foreign investment in the country. The accumulated investments for the manufacturing industry during this year reached 891.7 million dollars (64% of the state total). Out of this value, 54% is associated with the beverage subindustries, 14% with machinery and equipment, 12% plastic and rubber, and 11% with computer technologies. The companies in the automotive industry that received investments so far this year are related to auto parts, while the manufacturing of devices is largely linked to electronic components.

Employment by Sector of Economic Activity

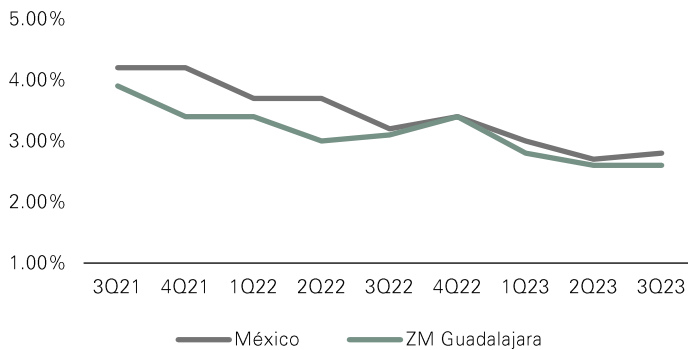
METROPOLITAN AREA GDL, SEPTEMBER 2023



Source: INEGI, ENOE

Unemployment Rate

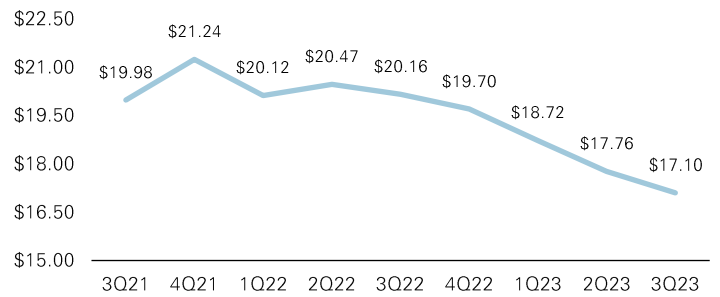
ANNUAL INDICATOR



source: INEGI, ENOE

Exchange Rate

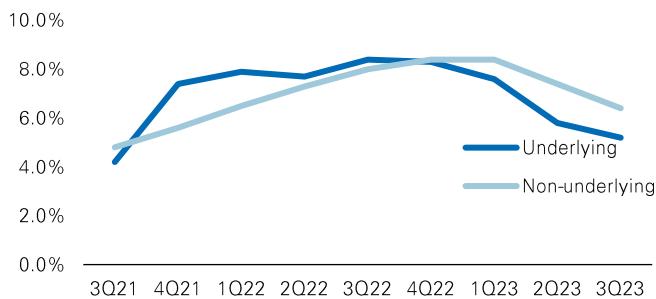
MEXICAN PESOS (MXN) PER U.S DOLLAR (USD)



Source: Banxico

Consumer Price Index (CPI)

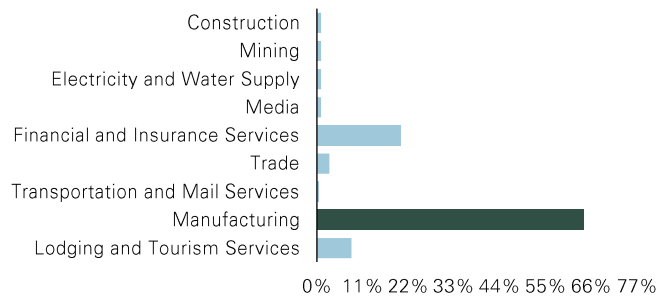
ANNUAL INDICATOR



Source: INEGI, INPC

Foreign Direct Investment Jalisco accumulative 2023

PERCENTAGE



Source: CEFP

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