



# Ciudad Juárez Industrial Market

## Availability on the rise

Construction has caused the city to maintain an availability that grows steadily. The vacancy of some spaces could have caused a rapid expansion this quarter. However, these were favorably absorbed, and the rate remained under 2%. The rate is expected to decrease again in the next half, which is the trend in this market.

The main focus for absorption was observed in previously occupied spaces, which could entail that demand for Class A speculative space is lower than what was previously observed. A possible cause for this is the trend of prices growing all across the border region. Various economic factors lead to this, including inflation and the increase in construction costs. Despite this, the Ciudad Juárez market remains just as strong.

The absorption of previously occupied spaces is concentrated around the Central and Oriente submarkets. The absorption of BTS spaces and new constructions is in areas with a greater supply of land, such as the Sureste and Suroeste submarkets.

### Current Conditions

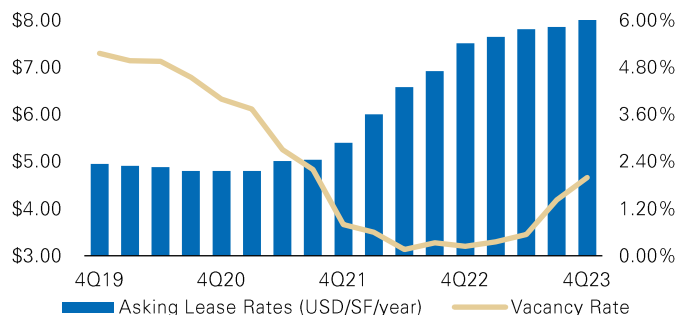
- Prices for Class A spaces remain at a record high, with all alternatives surpassing the \$8.00 USD/sf/year mark.
- Considering that most available land is in the Sureste submarket, over 52% of projects under construction are in this area.
- Due to the logistical advantage of the border in Ciudad Juárez, absorption remains focused on logistical, automotive, and medical services.

### Market Summary

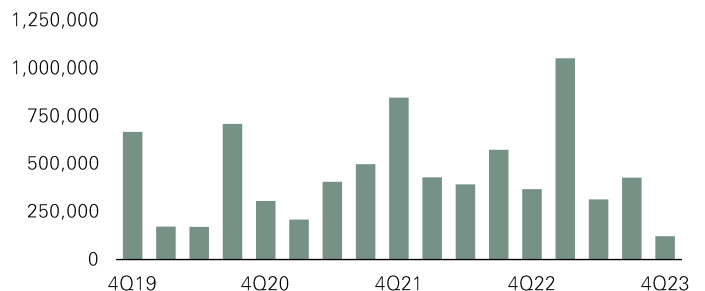
	Current Quarter	Prior Quarter	Year Ago Period	12-month Forecast
Total Inventory (SF)	80.5M	7.7M	71.0M	↑
Vacancy Rate	0.2%	0.3%	0.8%	↓
Net Absorption (SF)	367,291	571,531	844,245	↑
Avg. Asking Rent (USD/SF/Year)	\$7.46	\$6.92	\$5.40	↑
Under Construction (SF)	4,217,063	2,625,595	563,383	→

### Market Analysis

#### ASKING LEASE AND VACANCY RATES



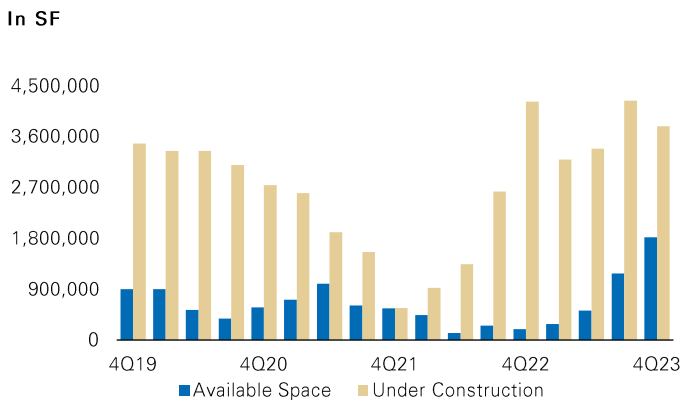
#### NET ABSORPTION (SF)



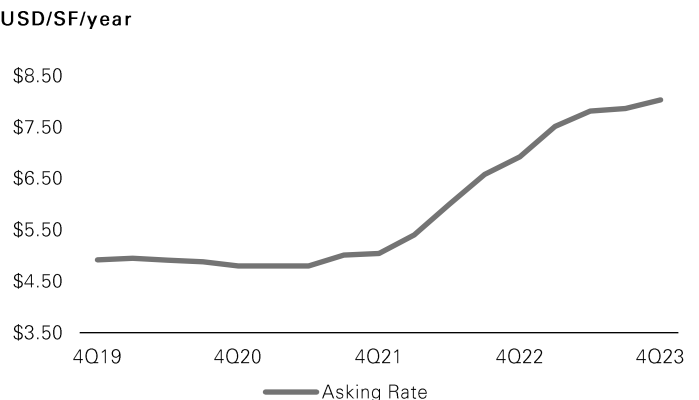
Submarket Statistics									
	Inventory (SF million)	Under Construction (SF)	Total Availability (SF)	Total Vacancy Rate	Gross Absorption (SF)	Net Absorption (SF)	YTD Net Absorption (SF)	Asking Lease Rate (USD/SF/year)	Asking Construction Lease Rate (USD/SF/year)
Central	9.4	193,752	107,546	1.1%	107,546	0	100,017	\$0.00	\$7.80
Norte	6.8	0	0	0.0%	0	0	0	\$0.00	\$0.00
Oriente	5.4	511,854	0	0.0%	210,800	210,800	448,917	\$0.00	\$7.80
Poniente	10.7	0	76,745	0.7%	0	0	515,291	\$7.20	\$0.00
San Jerónimo	0.2	0	0	0.0%	0	0	0	\$0.00	\$0.00
Sur	9.5	852,909	615,043	6.5%	0	0	0	\$7.20	\$8.18
Sureste	29.7	1,981,748	1,018,549	3.4%	111,863	60,000	843,793	\$7.80	\$8.09
Suroeste	11.6	240,808	0	0.0%	48,728	-149,824	3,848	\$0.00	\$7.68
<b>Ciudad Juárez</b>	<b>83.4</b>	<b>3,781,071</b>	<b>1,817,883</b>	<b>1.9%</b>	<b>478,937</b>	<b>120,976</b>	<b>1,911,866</b>	<b>\$7.11</b>	<b>\$8.03</b>

Important Transactions				
Building	Industrial Park	Submarket	Type	Square Feet
Sage Automotive	VestaPark Oriente	Oriente	BTS	19,600
RAM Packaging	Bermudez	Central	Lease	7,200
Troncoso III	Al Troncoso	Sureste	Lease	5,600

**Current and Upcoming Vacancy 2019 - 2023**



**Asking Lease Rates 2019 – 2023**



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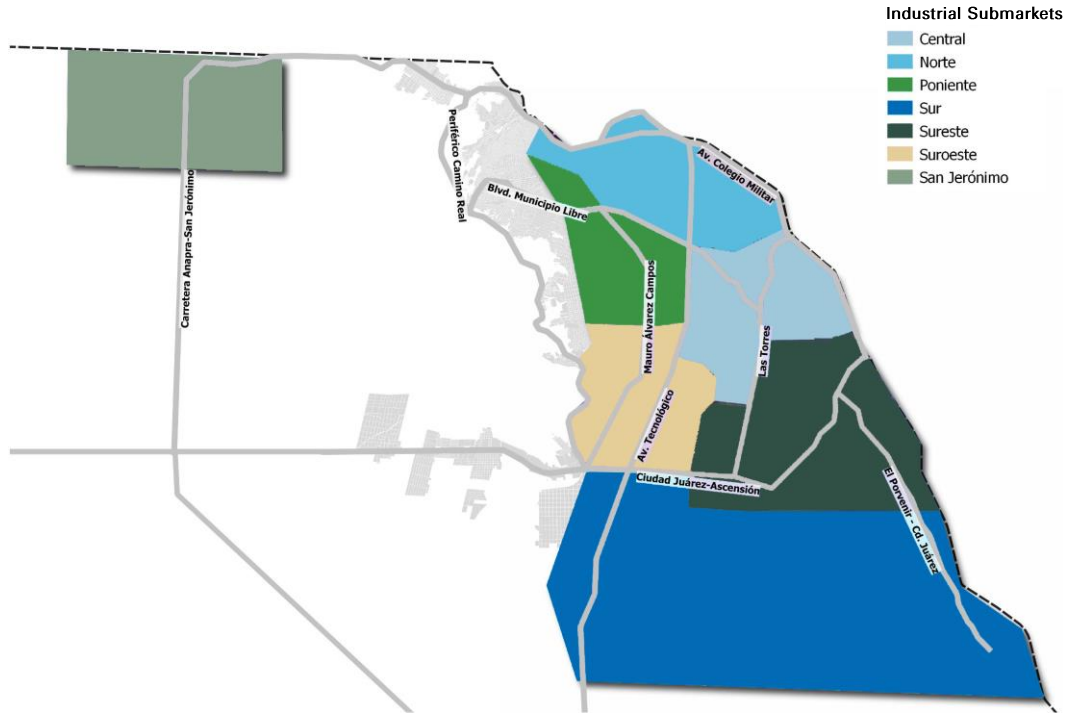
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Newmark ha implementado una base de datos propia y la metodología de seguimiento ha sido revisada. Con esta expansión y refinamiento en nuestros datos, puede haber ajustes en las estadísticas históricas, incluyendo la disponibilidad, precios de renta,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

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