Industrial Land Annual Report

Monterrey 2026

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Monterrey at the Center of Industrial Growth

Monterrey consolidated its position as one of Mexico's most competitive and strategically connected industrial hubs. Its privileged location, robust infrastructure, and proximity to the United States have strengthened the region as a preferred destination for advanced manufacturing, logistics operations, and nearshoring strategies.

Over the last few years, Monterrey has experienced accelerated demand from global and domestic companies seeking to optimize their supply chains, expand production capacity, and integrate into North America's industrial ecosystem. This regional dynamism has been driven by specialized labor, mature industrial markets, and a diversified economic base that continues to attract high-value investment.

Today, the metropolitan region stands as a benchmark for innovation, resilience, and long-term industrial development. This report presents a detailed overview of market activity, trends, and strategic factors shaping Monterrey's role in Mexico's evolving industrial landscape.

Industrial Strength Strategic Vision

About Monterrey

Monterrey remains one of Mexico's **most strategic and competitive industrial regions.**

High demand from global manufacturers is **accelerating new industrial development.**

Strong connectivity to key U.S. markets makes it **ideal for logistics and nearshoring.**

The region is a benchmark for **innovation, resilience, and advanced manufacturing.**

Mature infrastructure and skilled labor continue to **attract long-term investment.**

Economic Overview

Sources: Government of Nuevo Leon, Economic Indicators Report (October 2025); Data Mexico – Ministry of Economy; Investing.com, Mexican Interest Rate Decision.

Mexico:
12th largest economy worldwide

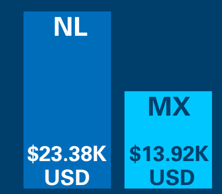
Nuevo Leon:
3rd state with largest economy in the country, accounting for 8% of national GDP

Banxico reference rate:
7.00% as of January 2026, down from 9.50% over the past 12 months (–250 bps).

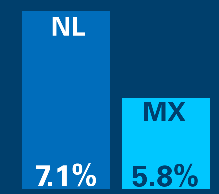
FDI (2024)
NL: $2.1 B USD
MX: $36.9 B USD

Exports (2024)
NL: $66.5 B USD
MX: $612 B USD

GDP Per Capita (2023)



GDP Annual Growth (2022-23)



Nuevo Leon Manufacturing GDP (2022)

36% of Nuevo Leon's economy is driven by manufacturing

20% of Mexico's national manufacturing GDP: 371 billion USD in 2024

12.6% of Mexico's total manufacturing output comes from Nuevo Leon

33.9% of Nuevo Leon's employment is in the manufacturing sector

Nuevo Leon (2020)
Population: 5.78 M
Labor force: 2.93 M

Mexico (2020)
Population: 126 M
Labor force: 60.5 M

Economic Trends

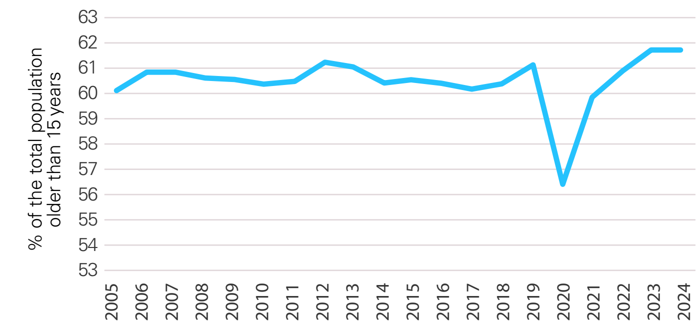
Salaries and Working Population

Mexico's economically active population has stayed relatively stable over the past two decades. It generally moves between 60% and 62%, with a clear drop in 2020 due to the pandemic and a recovery to 61.7% by 2024.

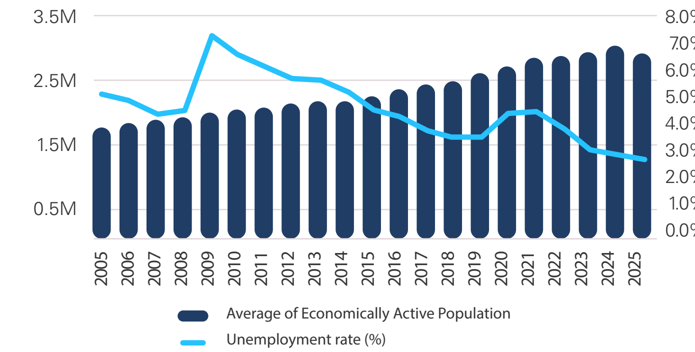
In Nuevo Leon the trend is more dynamic. The economically active population grows from 1.94 million in 2005 to 2.92 million in 2025, which is close to a 50% increase and an average annual growth of 2.06%. The unemployment rate keeps trending down and in recent years, stays around 2.8%.

Formal employment shows the same direction. In Nuevo Leon, IMSS registered workers rise from 1.67 million in 2019 to 1.94 million in 2024. The IMSS (Instituto Mexicano del Seguro Social) is Mexico's main public social security institution and the primary source for formal employment data. During this period, the average daily salary increases from USD $22.05 to USD $35.90. These numbers point to an expanding labor market with more formal jobs and higher wage levels.

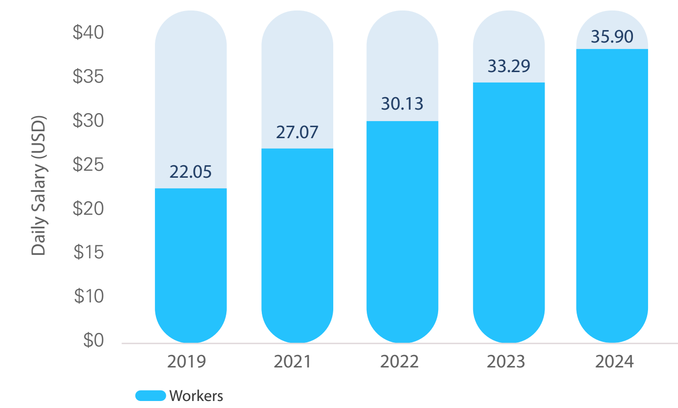
Economically Active Population in Mexico



Economically Active Population
Nuevo Leon



Workers VS Salary



***Figures have been converted to U.S. dollars based on an exchange rate of 1 USD = $18.50.**

Source: DataMexico | Government of N.L. World Bank

Economic Trends

FDI

Foreign Direct Investment in Nuevo Leon remains solid, usually between USD $2,000 and $5,000 million a year, since the FDI values are shown in millions of dollars. The strongest peaks appear in 2005, 2010, and 2022, driven mainly by new manufacturing projects and reinvested earnings. The trend reflects a stable environment for foreign capital.

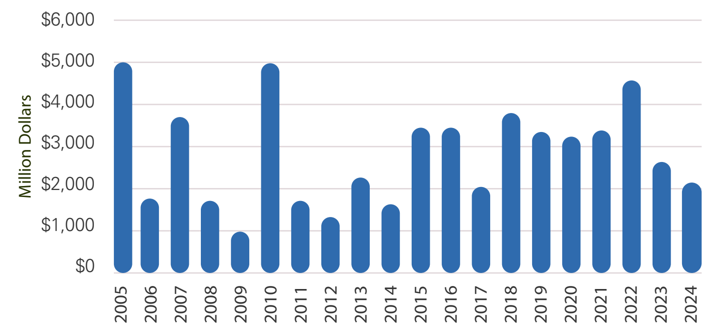
GDP

GDP also shows a strong recovery after 2020. It rises from USD $86.6B to USD $141.1B in 2023 (+63%). Manufacturing GDP grows even faster, moving from USD $21.2B to USD $37.0B (+75%). GDP per capita also increases during this period.

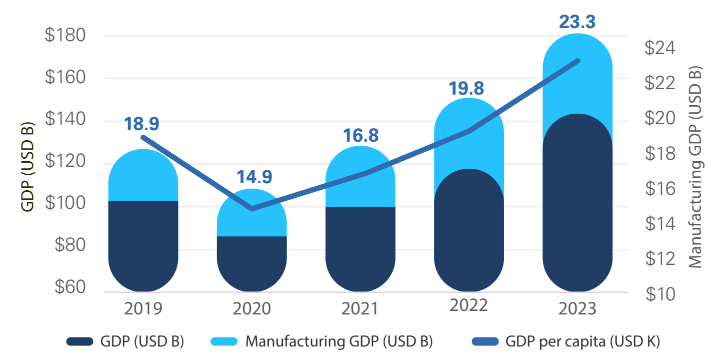
Manufacturing GDP

Manufacturing GDP and exports move together. From 2020 to 2023, manufacturing GDP grows 75%, and exports go from USD $37.8B to USD $55.8B (+48%). Higher industrial output directly boosts export activity, reinforcing the region's role as a key manufacturing and export hub.

Foreign Direct Investment in Nuevo Leon



GDP VS Manufacturing GDP



*Billion in USD.

Manufacturing GDP VS Exports

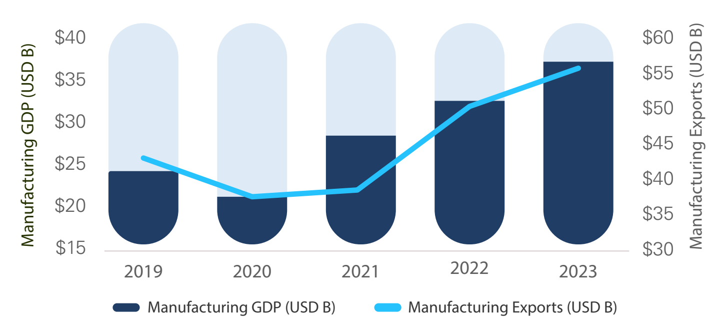


*Figure in billions.

*Figures have been converted to U.S. dollars based on an exchange rate of 1 USD = $18.50.

Source: Government of the State of Nuevo Leon, Economic Data Sheet, October 2025.

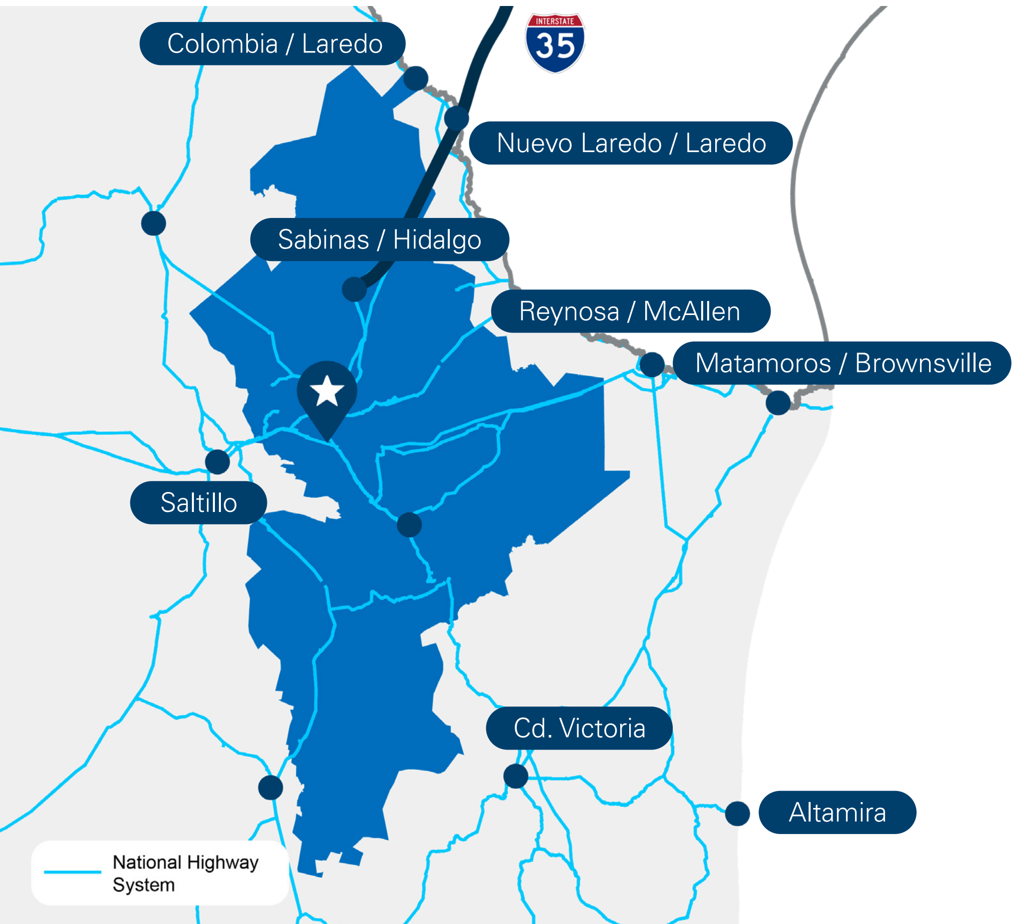
Railway Connectivity

Key Highlights

Monterrey has strong rail and road connectivity with Mexico and the U.S., offering access to major ports like Altamira, Veracruz, Manzanillo, and Lazaro Cardenas. It links efficiently to key U.S. hubs such as Houston and Dallas through routes like I-35 and Federal Highway 85, positioning the city as a strategic center for cross-border trade and industrial logistics.

Source: Newmark Research

National Highway System



Nuevo Leon stands out as one of the most competitive and connected states in Mexico. With 7,245 km of roads and highways, the state ensures efficient logistics and rapid access to the main industrial and consumer markets in Mexico, the U.S., and Canada.

Strategic Location
Monterrey is less than a 3-hour drive from the U.S. border, offering direct connections to key border crossings such as Laredo and McAllen.

Trade Integration
This connectivity positions Nuevo Leon as a natural hub for international trade, enabling companies to reduce costs and optimize supply chains.

Industrial Market Overview

The industrial market in Monterrey's metro area has expanded steadily over recent years, supported by sustained tenant demand and ongoing development activity.

Asking rents currently average USD $7.84 USD/SQ FT²/Year per square foot per year and are projected to soften slightly toward USD $7.80 USD/SQ FT²/Year , remaining within a healthy and stable pricing range. Looking ahead, construction activity is expected to moderate, while pricing remains stable and gross absorption is projected to increase.

4Q- 2025

120.5 M
TOTAL INVENTORY (SQ FT²)

7.5%
VACANCY RATE

$7.84
ASKING RENT (USD/SF/YEAR)

Estimated construction cost per square meter for a Class A industrial building: USD $550/m².

	2026	2025	2024	2023
Total Inventory (SQ FT²)	↑	120.5M	109.8M	97.1M
Vacancy Rate	↓	7.5%	4.5%	0.8%
Gross Absorption (SQ FT²)	→	5.4M	9.8M	11.7M
Net Absorption (SQ FT²)	→	-2.0M	4.4M	9.0M
Asking Rent (USD/SQ FT²/Year)	$7.80-$8.08	$7.84	$8.04	$7.40
Asking Rent (USD/M²/Month)	$7.00 - $7.25	$7.03	$7.21	$6.64
Under Construction (SQ FT²)	→	7.3M	11.1M	10.0M

Data from 2026 represents preliminary forecasts based on historical trends and recent market activity. Actual results may vary depending on future market conditions.

Industrial Market Behavior 4Q 2025

Monterrey's industrial market is organized into seven main submarkets, each with different market dynamics.

Key Highlights

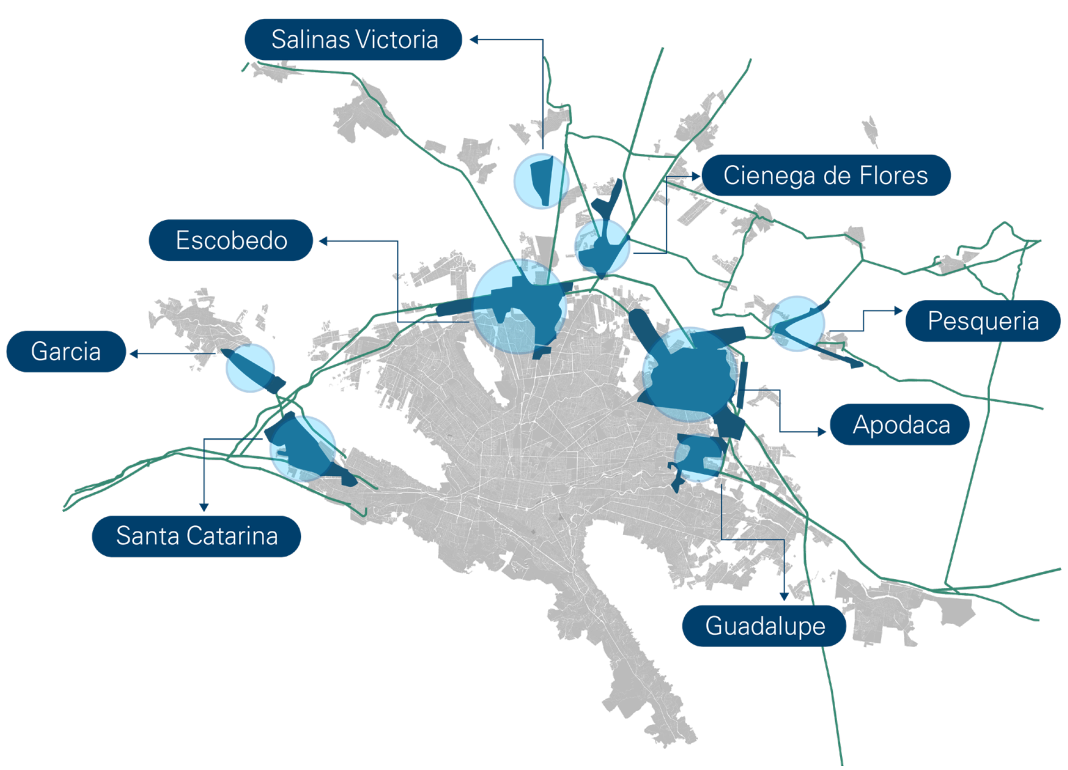
Apodaca remains the largest submarket with 42.2M SQ FT² and a vacancy rate of 8.7%, reflecting continued market activity within the area.

Guadalupe continues to show one of the lowest vacancy rates in the market at 3.6%, supported by stable demand and asking rents of $7.89/SQ FT²/year.

Escobedo records a vacancy rate of 10.0%, positioning it above the market average, while asking rents remain competitive at $7.36/SQ FT²/year, supported by steady absorption levels.

Santa Catarina reports a vacancy rate of 7.7%, while recording strong absorption levels, with asking rents averaging $7.46/SQ FT²/year.

	Inventory (M SQ FT²)	Vacancy	Rent (USD/SQ FT²/Year)	Rent (USD/M²/Month)
Apodaca	42.2	8.7%	$8.21	$7.36
Escobedo	11.9	10.0%	$7.36	$6.61
Salinas Victoria	5.6	4.8%	$7.92	$7.10
Cienega de Flores	21.1	9.3%	$7.69	$6.90
Pesqueria	3.2	-	-	-
Santa Catarina	17.6	7.7%	$7.46	$6.69
Guadalupe	16.6	3.6%	$7.89	$7.08



Market Demand

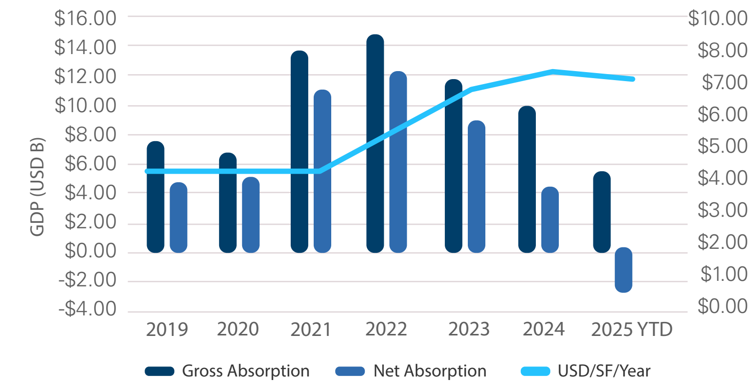
Market activity remained positive during 4Q 2025, with 1.3 million SQ FT² of gross absorption and 0.2 million SQ FT² of net absorption, confirming that tenant demand remains active.

The last chart shows the quarter-by-quarter change in vacancy, comparing absorption with new deliveries to illustrate short-term demand versus supply.

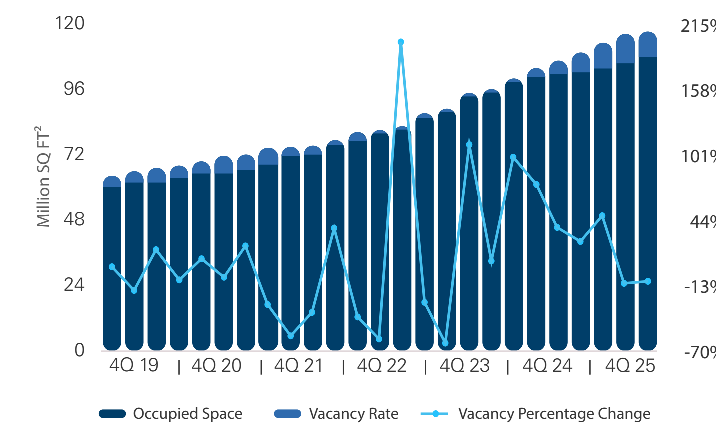
After near-zero vacancy levels in 2022, this indicator has been trending lower since 2024, reflecting tightening market conditions.

This shift has been driven by slower construction amid greater macroeconomic and trade uncertainty, even as tenant demand continues.

Gross Absorption VS Net Absorption



Occupied Space & Vacancy Space*



*** Vacancy percentage change reflects quarter-over-quarter variation versus the prior quarter.**

Source: Newmark Research

Submarket Summary

The region shows a clear contrast between consolidated submarkets, where land is limited, connectivity is strong, with elevated prices, and emerging areas that offer greater availability at more competitive costs supported by ongoing development.

Mid-tier submarkets offer balanced conditions with active logistics activity, stable demand, as well as room for expansion, creating a diversified landscape for industrial growth.

Size Level Categories

Category	Range (HA)	Description
High	> 300 HA	Large undeveloped areas with room for expansion
Available	150-300 HA	High availability, active development areas
Limited	50-150 HA	Restricted offer, semi-consolidated submarkets
Scarce	< 50 HA	Consolidated or urban submarkets with little remaining land

Price Level Categories

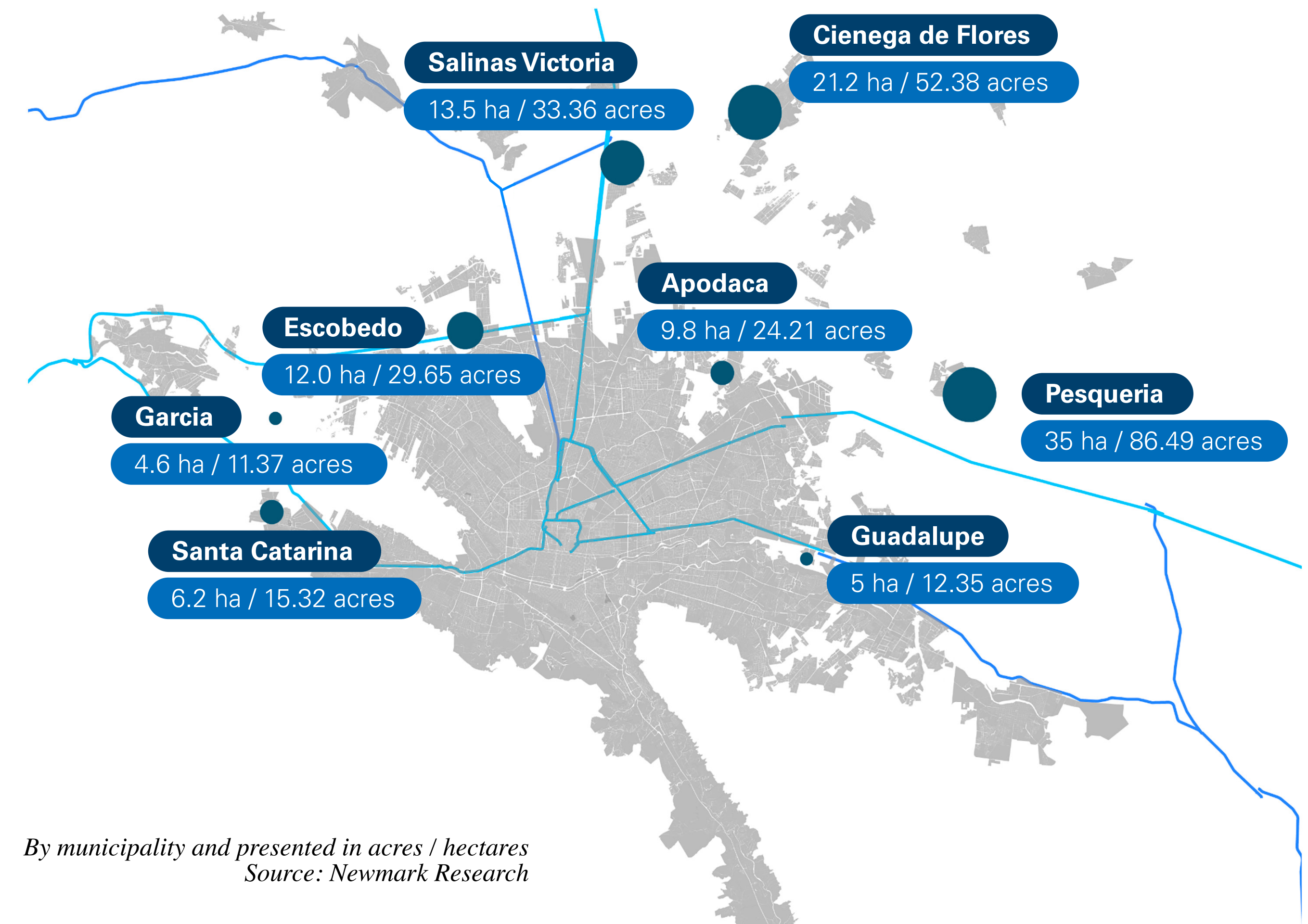
Category	Range (USD/m²)	Description
Low	< $45	Peripheral or developing submarkets (Pesqueria, El Carmen, Dr. Gonzalez)
Medium	$46- $97	Active submarkets in transition or consolidation (Cienega de Flores, Salinas Victoria, Garcia)
High	> $98	Consolidated urban submarkets with strong demand (Apodaca, Escobedo, Santa Catarina, Guadalupe)

***Figures have been converted to U.S. dollars based on an exchange rate of 1 USD = $18.50.**

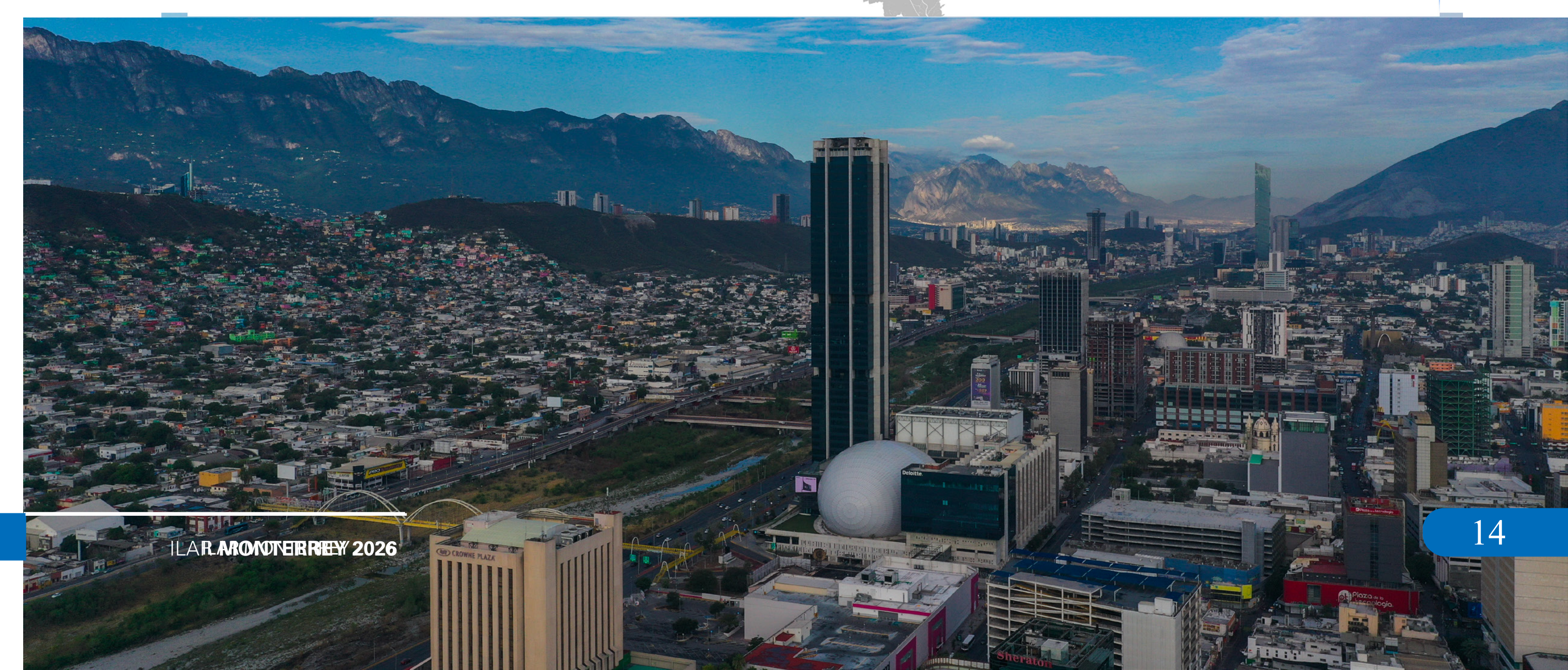
Industrial Submarket Profiles

Submarket	Connectivity	Main Industry	Land Availability	Price Level	Class A (m²)
Apodaca	Excellent	Multinationals, Logistics	Scarce	High	16,000
Cienega de Flores	Good	Logistics, Manufacturing	Available	Medium	24,500
Escobedo	Good	Mixed Industries, Logistics	Limited	High	13,700
Guadalupe	Excellent	Distribution, Last Mile, Light Industry	Scarce	High	15,700
Santa Catarina	Excellent	SMEs, Light Industry, Last Mile	Scarce	High	17,900
Pesqueria	Developing	Automotive, Heavy Industry, Steel	High	Low	12,300
Salinas Victoria	Good	Logistics, Heavy Industry	Available	Medium	28,800

Average Greenfield Land Size



By municipality and presented in acres / hectares
Source: Newmark Research

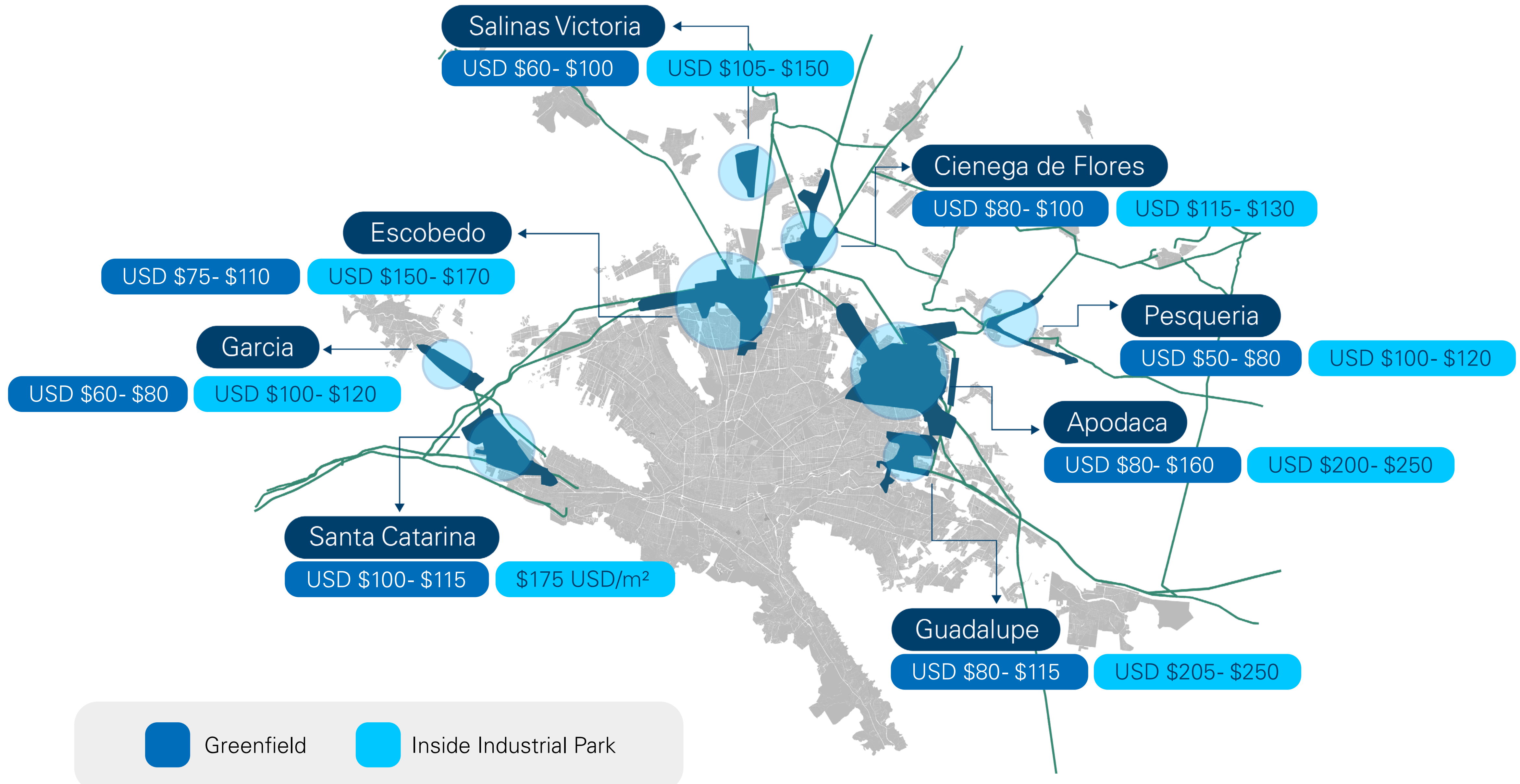


Greenfield and Inside Industrial Park

Land Prices

Greenfield land in the Monterrey metro area typically ranges from $50 to $160 USD/m², with the lowest prices found in Pesquería and García, where infrastructure and demand are still developing. In contrast, municipalities such as Ciénaga de Flores and Salinas Victoria have experienced notable price increases, driven by major investment announcements and the expansion of new industrial parks.

For "shovel-ready" land, prices generally range between $100 and $150 USD/m² across most industrial submarkets. However, in Apodaca and Guadalupe, values rise significantly to between $200 and $250 USD/m². This premium reflects strong tenant demand, supported by superior connectivity and a well-established industrial ecosystem.



Source: Newmark Research

Inside Industrial Park vs. Greenfield

Greenfield

Delivers high flexibility for land use, design, and fully customized project planning.

Ideal for large-scale or build-to-suit developments where specific configurations are required.

Requires additional investment and longer preparation times due to the need for new infrastructure.

Industrial Park

Offers immediate built-in infrastructure with roads, utilities, and security, helping accelerate project timelines.

Provides greater operational certainty, reducing risks and delays during setup.

Represents a higher cost option due to the convenience and readiness of the site.

Source: Newmark Land

Greenfield	Inside Industrial Park
Greater flexibility in design and land use	Security
Suited for BTS or large-scale projects	On-site utilities
Requires investment in infrastructure	Quicker launch timeline
Extended timeline to start operations	Greater operational certainty
Lower cost per m²	Higher cost per m²

Land Price Comparison by Submarket (USD/m²)

Submarket	Greenfield (USD/m2)	Industrial Park (USD/m2)	% Variation
Salinas Victoria	\$60- \$100	\$105- \$150	75%- 50%
Escobedo	\$75- \$110	\$150- \$170	100%- 55%
Garcia	\$60- \$80	\$100- \$150	67%- 87%
Santa Catarina	\$70- \$100	\$150- \$175	114%- 75%
Cienega de Flores	\$80- \$100	\$115- \$130	44%- 30%
Pesqueria	\$50- \$80	\$100- \$120	100%- 50%
Apodaca	\$120- \$160	\$200- \$275	67%- 72%
Guadalupe	\$80- \$115	\$205- \$250	156%- 117%

Industrial Land Annual Report

Monterrey 2026

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