



## INDUSTRIAL ACTIVITY REPORTED, DESPITE CONTINGENCY

We have experienced an increase of activity related to potential "reshoring" of manufacturing operations from Asia (particularly China) to Mexico and the United States.

Despite the plant closures of non-essential production in mid-March, approximately 400,000 square feet was signed in five new leases. Most were signed in the month of March.

Overall vacancy remained below 4% and closed the quarter at 3.5%.

Developers didn't halt construction during this period. A total of 626,787 was added to the inventory with four (4) buildings completed during the quarter. Of which, 349,787 sf corresponded with speculative space. Currently, 12 buildings, equivalent to about 1,646,665 sf, are under construction and expected to be completed by years end.

New customers continue to look for industrial space in the city. We predict that about 600,000 sf is in the pipeline that should close within Q2 2020.

## MEXICO ECONOMIC UPDATE

The arrival of the COVID-19 pandemic has created an economic shock that has likely pushed the global economy down. Policies initiated to "flatten the curve" of infection include the voluntary and mandated shutdown of large sectors of the economy. Retail establishments, restaurants, passenger transportation, schools and leisure activities have almost all virtually ground to a halt while customers self-quarantine and apply social distancing.

We continue to closely monitor developments and are working to publish data and insight as quickly as possible.

To view our latest perspective on the coronavirus and its potential impact on CRE and the economy, access Cushman & Wakefield's [COVID-19 resource page](#).

## TRENDS AND INSIGHTS

### **Cushman & Wakefield Covid-19 Webinar Replay**

Learn more on the evolving COVID-19 situation and its implication for **real estate occupiers and investors**.

[Click to Replay](#)

### **The Space Between – Social Distancing in Distribution Centers**

Distribution centers face an unusual challenge to staff facilities, operate longer hours, and implement new or augmented means of 'social distancing' to manage the implied risks of the virus contagion. [Click for Article](#)

### **Warehouse Readiness Essentials Checklist**

Many industrial-related sectors have been considered "essential" to the global COVID-19 response, with a significant number of companies continuing to operate manufacturing and distribution facilities. We offer these ideas to keep in mind. [Click for Article](#)

CUSHMAN & WAKEFIELD  
WEEKLY COVID-19 UPDATES

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SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	LEASING ACTIVITY	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	Q4 CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Northeast	16,843,241	418,670	2.5%	-	-	-	-	77,000	\$4.70
Northwest	16,432,162	601,565	3.7%	-	-207,914	-207,914	-	-	\$4.70
Southeast	32,579,529	1,352,542	4.2%	398,603	329,858	329,858	1,646,665	549,787	\$5.10
Southwest	5,118,763	105,208	2.1%	-	-	-	-	-	\$4.80
<b>CIUDAD JUAREZ TOTALS</b>	<b>70,973,695</b>	<b>2,477,985</b>	<b>3.5%</b>	<b>398,603</b>	<b>121,944</b>	<b>121,944</b>	<b>1,646,665</b>	<b>626,787</b>	<b>\$5.00</b>

\*Rental rates reflect weighted net asking \$psf/year

#### KEY LEASE TRANSACTIONS

PROPERTY	SUBMARKET	TENANT	SF	TYPE
CJS-AJ-15 - Aerojuarez Industrial Park	Southeast	Arrow	68,745	New Lease
CJS-IN-06 - Intermex Industrial Park	Southeast	Polygroup	74,531	New Lease
Vesta Q3 - Blvd. Independencia	Southeast	Number One Expedite	45,625	New Lease
UP-CJS-01 - Blvd. Manuel Talamas Camandari	Southeast	Tecma	150,128	New Lease
Axial I	Southeast	Empacadora Superior	59,574	New Lease

\*Renewals not included in leasing statistics

#### KEY CONSTRUCTION COMPLETIONS

PROPERTY	SUBMARKET	DEVELOPER	SF	TYPE
CIJ 15	Southeast	Prologis	242,643	SPEC
Sunrise (Mount Franklin Foods)	Southeast	Grupo Chihuahua	200,000	BTS
CJ01-INV	Southeast	Roca Desarrollos	107,144	SPEC
Mercury Marine Bldg.	Northeast	Mercury Marine	77,000	BTS

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