

	YoY Chg	12-Mo. Forecast
<b>3.7%</b> Vacancy Rate	▼	▼
<b>490</b> Net Absorption, SF	▼	▲
<b>\$5.35</b> Asking Rent, PSF	▲	▲

*Overall, Net Asking Rent*

### ECONOMIC INDICATORS Q2 2020

	YoY Chg	12-Mo. Forecast
<b>457k</b> Ciudad Juarez Employment	▼	▼
<b>2.8%</b> Ciudad Juarez Unemployment Rate	▲	▲
<b>3.5%*</b> Mexico Unemployment Rate <small>*1Q 2020 figure (INEGI)</small>	▲	▲

Source: Desarrollo Económico A.C./ INEGI

### ECONOMY: Unavoidable effects of the pandemic

The second quarter of 2020 has been a big challenge for the economies across the world. Obviously, Mexico did not escape the inevitable loss of jobs as a result of the pandemic and the consequent slowdown in the economy. Most analysts expect the national economy to contract between -7% and -12% this year. A bleak picture with a severe weakening in economic activity overall.

### SUPPLY AND DEMAND: Juarez keeps moving despite the havoc

Despite the loss of jobs and the already visible economic slowdown, Ciudad Juarez recorded a positive net absorption. The lease activity resulted in 500 square feet of net absorption in the second quarter. The industrial market closed with a total of 611,148 square feet in transactions, which includes new-leases and sales.

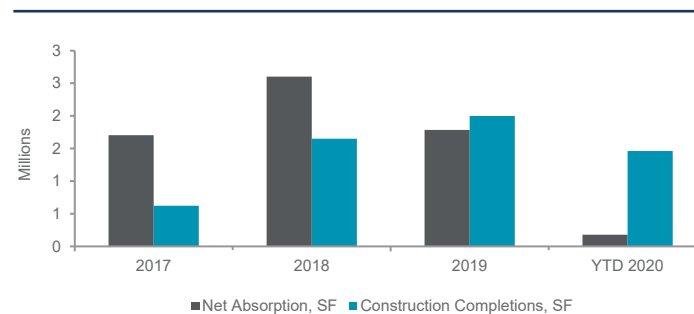
Four industrial buildings started construction this quarter, which totaled 441,244 square feet of additional speculative space. Currently there are 1,351,330 square feet under construction. In this year, a total of six new speculative buildings have been delivered to the market for a total of 834,736 square feet. Significantly, two of these new buildings were entirely preleased before their completion.

As expected, the vacancy rate increased slightly during the second quarter when compared to the previous. A total of 20 basis points, closing at 3.7% in June. This however remains below the annual 2019 average of 3.8%.

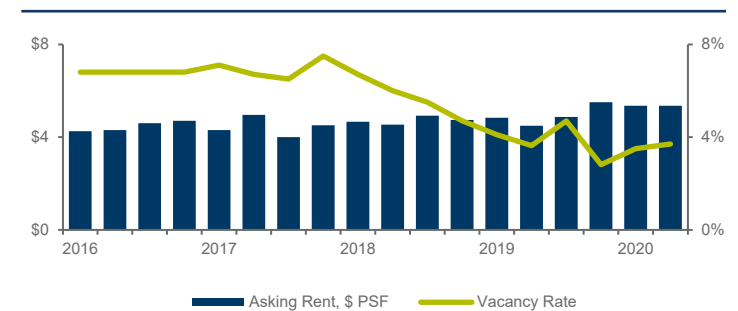
### PRICING: Stable prices despite low availability

Prices remained stable with no increases during the second quarter of the year. This is partially due to the caution exhibited by area developers related to the Covid-19 pandemic. Regardless, we expect that lease rates will increase as soon as the situation shows stabilization.

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & ASKING RENT





## Industrial Q2 2019

BUILDING TYPE	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	LEASING ACTIVITY	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	Q2 CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Class A	37,741,056	1,304,040	3.5%	378,511	378,511	574,264	1,351,330	834,736	\$5.35
Class B	23,421,319	933,536	4.0%	44,058	12,362	-61,447	-	-	\$4.80
Class C	10,646,054	446,173	4.2%	-	-390,384	-390,384	-	-	\$4.30
<b>CIUDAD JUAREZ TOTALS</b>	<b>71,808,430</b>	<b>2,683,749</b>	<b>3.7%</b>	<b>422,569</b>	<b>489</b>	<b>122,433</b>	<b>1,351,330</b>	<b>834,736</b>	<b>\$5.35</b>

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)	Q2 CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Northeast	16,843,241	450,247	2.7%	44,058	-218,950	-218,950	-	-	\$4.80
Northwest	16,432,162	679,855	4.1%	-	-159,072	-366,986	-	-	\$4.25
Southeast	33,414,264	1,448,439	4.3%	378,511	378,511	708,369	1,351,330	834,736	\$5.35
Southwest	5,118,763	105,208	2.1%	-	-	-	-	-	\$5.00
<b>CIUDAD JUAREZ TOTALS</b>	<b>71,808,430</b>	<b>2,683,749</b>	<b>3.7%</b>	<b>422,569</b>	<b>489</b>	<b>122,433</b>	<b>1,351,330</b>	<b>834,736</b>	<b>\$5.35</b>

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

### KEY LEASE TRANSACTIONS Q2 2020

PROPERTY	SUBMARKET	TENANT	SF	TYPE
UP-CJS-01	Southeast	Zirtec	150,128	New Lease
CJS-BI-O1 (Expansion)	Southeast	Jusda	150,000	New Lease
Vesta Q4	Southeast	EP Logistics	78,383	New Lease
JUA 036	Northwest	SFI	44,058	New Lease

\*Renewals not included in leasing statistics

### KEY SALES TRANSACTIONS Q2 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
Bigso Box	Northeast	Bigso Box / Palleteiro	48,826	Not disclosed
Tyco Building	Northeast	Tyco - TE Connectivity	139,753	Not disclosed

### KEY CONSTRUCTION COMPLETIONS Q2 2020

PROPERTY	SUBMARKET	DEVELOPER	SF	TYPE
Bldg 01	Southeast	Fibra Nova	128,690	Spec
Bldg 02	Southeast	Fibra Nova	86,072	Spec
Vesta Q1 - Expansion	Southeast	Vesta	143,601	Spec
Vesta Q4	Southeast	Vesta	78,383	Spec
CJS AJ 18	Southeast	Intermex	180,535	Spec
JUA 044	Southeast	Macquarie	217,455	Spec

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