

## Industrial Q3 2020

YoY Chg      12-Mo. Forecast

**4.6%**

Vacancy Rate



**291k**

Net Absorption, SF



**\$5.35**

Asking Rent, PSF



Overall, Net Asking Rent  
Class A buildings

### ECONOMIC INDICATORS Q3 2020

YoY Chg      12-Mo. Forecast

**461k**

Ciudad Juarez  
Employment



**2.8%**

Ciudad Juarez  
Unemployment Rate



**5.2%**

Mexico  
Unemployment Rate



Source: Desarrollo Económico A.C./ INEGI |  
Unemployment rates as of March 2020

### ECONOMY: Staggering recovery of formal jobs

Even though the post-Covid-19 recovery outlook for Mexico is predicted to be slow and bumpy, Ciudad Juárez experienced a strong job recovery during the months of June, July, and August, totaling 14,850 formal-jobs generated in that period. According to IMSS data, during the months of March, April and May around 14,400 formal jobs were lost. This recovery was mostly driven by the transportation industry.

### DEMAND: Industrial activity continues in the positives

By the end of the third quarter, Juárez reported a net absorption of 291,030 square feet. Total leasing activity for the period almost reached one million square feet. There were no sales reported during the quarter. Vacancies reached about 645,000 square feet, the highest rate. The vacancy rate closed at 4.6%, which is an increase of 60 basis point when compared to the previous quarter.

Out of a total of 3,324,899 square feet available, 44% is newly constructed space. The remaining available space is class B and C inventory.

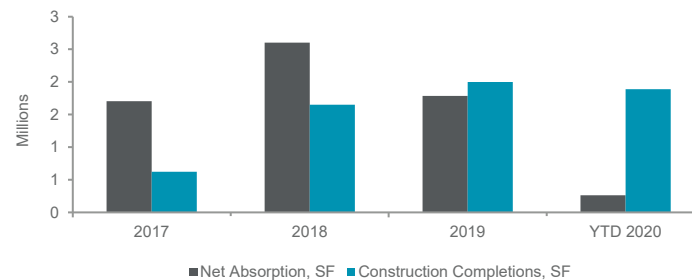
There has been a total of 1,888,035 square feet of new industrial space delivered so far in 2020. Of which, only 277,000 square feet is build-to-suit space. The 1.6 million square feet remaining, is speculative space. At the close of this report 56% of this new speculative space has already leased.

Although industrial activity slowed this year, new companies continue to arrive in the city. Of the 8 new leases that were signed in the third quarter, half were with new companies.

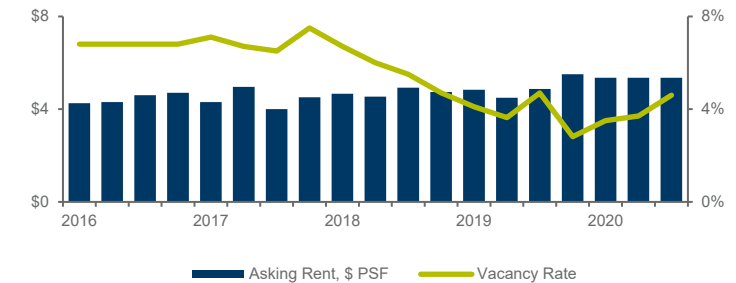
### PRICING: Slight increase in rental prices

Rental prices increased slightly during the third quarter, this due to the high demand of class A space.

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & ASKING RENT



## Industrial Q3 2020

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)	Q3 CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Class A	38,167,568	1,466,387	3.8%	620,773	620,773	1,044,909	1,608,176	426,512	\$5.35
Class B	23,421,319	1,287,790	5.5%	218,373	-164,459	-225,906	-	-	\$4.75
Class C	10,646,054	570,722	5.4%	116,269	-165,284	-555,668	-	-	\$4.30
<b>CIUDAD JUAREZ TOTALS</b>	<b>72,234,942</b>	<b>3,324,899</b>	<b>4.6%</b>	<b>955,415</b>	<b>291,030</b>	<b>263,335</b>	<b>1,608,176</b>	<b>426,512</b>	<b>\$4.80</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)	Q3 CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Northeast	16,843,241	515,112	3.1%	0	-142,219	-361,169	177,000	-	\$4.80
Northwest	16,432,162	827,567	5.0%	214,269	-141,119	-508,105	-	-	\$4.25
Southeast	33,840,776	1,830,607	5.4%	741,146	620,773	1,179,014	1,431,176	426,512	\$5.35
Southwest	5,118,763	151,613	3.0%	0	-46,405	-46,405	-	-	\$5.00
<b>CIUDAD JUAREZ TOTALS</b>	<b>72,234,942</b>	<b>3,324,899</b>	<b>4.6%</b>	<b>955,415</b>	<b>291,030</b>	<b>263,335</b>	<b>1,608,176</b>	<b>426,512</b>	<b>\$4.80</b>

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

### KEY LEASE TRANSACTIONS Q3 2020

PROPERTY	SUBMARKET	TENANT	SF	TYPE
ROCA Inv 1 + Expansion	Southeast	Boyd Technologies	214,000	New Lease
CIJ-15	Southeast	Ergomotion	242,643	New Lease
Inventory Building I & II	Southeast	Cardinal Health	240,746	New Lease
Joyson Bldg	Northwest	Keytronics	116,269	New Lease
JUA 035	Northwest	Houston Foam	98,000	New Lease
Vesta Q1 - Expansion	Southeast	EP Logistics	43,757	New Lease

\*Renewals not included in leasing statistics

### KEY SALES TRANSACTIONS Q3 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
No sales to report				

### KEY CONSTRUCTION COMPLETIONS Q3 2020

PROPERTY	SUBMARKET	DEVELOPER	SF	TYPE
AI Spec Independencia II	Southeast	American Industries	120,373	Spec
CDJ Independencia IB	Southeast	IGS	53,795	Spec
CDJ Southpark III NEW	Southeast	IGS	55,469	Spec
CDJ Southpark IV NEW	Southeast	IGS	196,875	Spec

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