

Industrial Q4 2020

	YoY Chg	12-Mo. Forecast
4.2% Vacancy Rate	▲	▼
640k Net Absorption, SF	▼	▲
\$5.35 Asking Rent, PSF	▲	▲

Overall, Net Asking Rent Class A buildings

ECONOMIC INDICATORS Q4 2020

	YoY Chg	12-Mo. Forecast
471k Ciudad Juarez Employment	▼	▲
4.8% Ciudad Juarez Unemployment Rate	▲	▼
4.4% Mexico Unemployment Rate	▲	▲

Source: INEGI | IMSS data as of November 2020

ECONOMY: The recovery of formal jobs continues

The recovery of formal employment in the country has not occurred and the forecast, according to BBVA Research, is that it is expected to be slow. However, Ciudad Juarez continues to recover more quickly. According to the number of jobs registered in the Mexican Institute of Social Security (IMSS), from October to November, 4,160 new jobs were registered.

DEMAND: Positive closing figures in a challenging year

Juarez closes the fourth quarter with a net absorption of 640,374 square feet, and with a year-to-date overall net absorption of 888,646 square feet. Even though the year-on-year net absorption at the end of the year was 50% lower, the quarter-over-quarter comparison is positive since there was approximately 30% more leasing activity than in the fourth quarter of 2019. The fourth quarter closes with a total of 1,025.74 square feet in leasing activity.

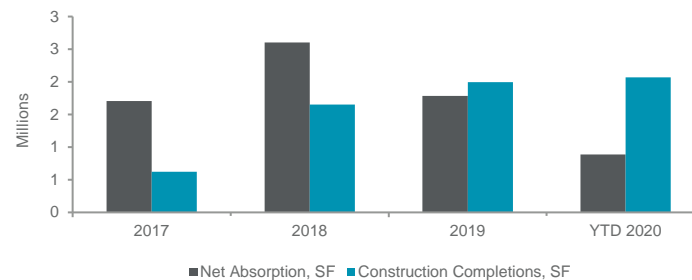
Even though the annual leasing activity was similar to last year's overall activity, vacancies in 2020 increased 62% compared to the previous year. This quarter 6 buildings were vacated, totaling 385,000 square feet. One of these buildings, which was vacated during the quarter, was sold immediately in the same period. Vacancy rate at the end of year reached 4.2%.

In mid-December, American Industries began construction of a 144,000-square-foot speculative facility located in the southeast part of the city. There are 13 speculative buildings currently under construction comprising 1,567,605 square feet that will be delivered sometime during the first half of 2021. One of the most noteworthy transactions of the quarter was the lease of a 217,000-square-foot speculative building, owned by MPA Group.

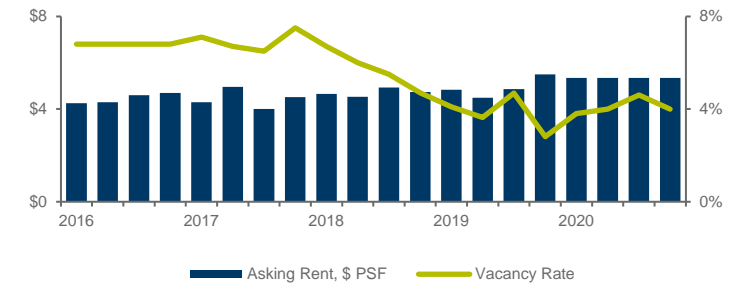
PRICING: Continuing slight increases on rental rates

Rental rates had a slight increase of about \$ 0.09 USD, compared to the immediate previous period.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT





Industrial Q4 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)	Q4 CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Class A	38,346,953	919,033	2.4%	827,778	827,778	2,037,687	1,567,605	179,385	\$5.35
Class B	23,421,319	1,563,256	6.7%	121,448	-126,982	-325,856	-	-	\$4.75
Class C	10,646,054	542,296	5.1%	76148	-60,422	-823,185	-	-	\$4.30
CIUDAD JUAREZ TOTALS	72,414,327	3,024,585	4.2%	1,025,374	640,374	888,646	1,567,605	179,385	\$4.80

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Northeast	16,843,241	495,446	2.9%	142,219	142,219	-218,950	174,353	-	\$4.80
Northwest	16,432,162	566,748	3.4%	55,377	-135,656	-616,729	-	-	\$4.25
Southeast	34,020,161	1,502,815	4.4%	827,778	680,216	2,024,230	1,393,252	179,385	\$5.35
Southwest	5,118,763	459,576	9.0%	0	-46,405	-299,905	-	-	\$5.00
CIUDAD JUAREZ TOTALS	72,414,327	3,024,585	4.2%	1,025,374	640,374	888,646	1,567,605	179,385	\$4.80

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

KEY LEASE TRANSACTIONS Q4 2020

PROPERTY	SUBMARKET	TENANT	SF	TYPE
JUA 044	Southeast	Eaton	217,455	New Lease
CDJ Southpark I	Southeast	Not disclosed	194,014	New Lease
CJS AJ 18	Southeast	Not disclosed	180,535	New Lease
BTS Spec Bldg E2	Southeast	Bizlink	135,930	New Lease
Vesta Q1 - Expansion	Southeast	EP Logistics	99,844	New Lease
Fortaleza Bldg	Northeast	FSI	76,148	New Lease
Fuentes VII	Northeast	NAPS	66,071	New Lease
JUA 026 (CDJ WEST II)	Northwest	3M	55,377	New Lease

*Renewals not included in leasing statistics

KEY SALE TRANSACTIONS Q4 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
Altavista Bldg	Northwest	Delgado Group / Endygo	55,165	Low \$20s

KEY CONSTRUCTION COMPLETIONS Q4 2020

PROPERTY	SUBMARKET	DEVELOPER	SF	TYPE
Bravos IX	Southeast	Intal/Los Bravos	179,385	Speculative

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