



Guanajuato Industrial Market

Area of opportunity

Even under the challenging post-pandemic economic conditions and global conflict, the arrival of investors finds opportunities in the industrial market of Guanajuato. There was a decrease in both average asking lease prices and the availability rate, as well as an increase in absorption values.

Additionally, although inventory grew, it is expected to be sluggish due to the prolonged remaining availability of warehouses in the various submarkets. Construction will mainly be oriented towards BTS projects.

Automotive and e-commerce sectors open plants

Le Belier and Amazon opened new plants in the Leon and San Miguel de Allende submarkets. The strengthening of the automotive sector points to strategic conditions of localization and integration into value chains. While e-commerce companies see Guanajuato as a new logistics hub, the new plant will have areas of delivery influence over Queretaro, Michoacan, San Luis Potosi and Aguascalientes.

Current Conditions

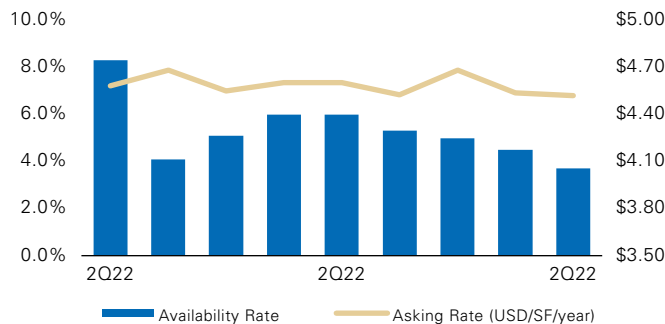
- Class A industrial inventory consists of 88.5 million square feet at the end of the second quarter.
- There was a slight decrease in average asking lease prices compared to the previous quarter.
- The availability rate dropped from 4.5% to 3.7% between the first and second quarters of 2022.

Market Summary

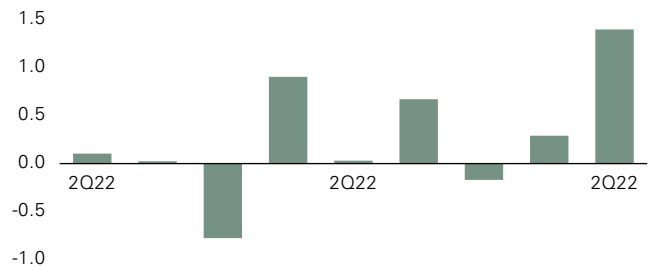
	Current Quarter	Prior Quarter	One year ago	12-month forecast
Total inventory (SF)	88.5M	87.8M	87.0M	→
Vacancy rate	3.7%	4.5%	6.0%	↓
Quarter net absorption (SF)	1.4 M	0.3 M	0.2 M	↑
Average asking rent (USD/SF/year)	\$4.52	\$4.54	\$4.60	→
Under construction (SF)	0.7 M	0.9 M	0.5 M	→

Market Analysis

AVERAGE LEASE RATE AND VACANCY RATE



NET ABSORPTION (SF million)



Differential decisions in the increase in average asking lease price

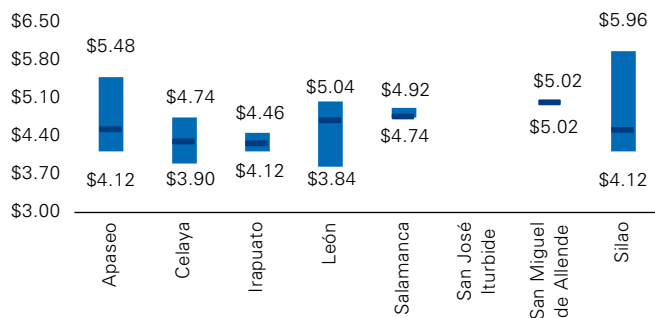
While average asking lease prices in general trended lower compared to last quarter, brokers report small increases. With the exception of Celaya and Irapuato, the maximum prices had significant increases. In the same way, the average asking lease price saw an increase except in León. An increase in minimum prices was also recorded in the Apaseo, San Miguel de Allende and Silao submarkets. The decrease in average asking lease prices was driven by the León and Salamanca markets, driven by their availability rate and time in the property market.

Inauguration of BTS projects raise activity in submarkets

The most notable activity, driven by the incorporation of e-commerce and automotive company warehouses, reflects the outstanding performance in general activity in the León and San Miguel de Allende submarkets. The Silao submarket continues to see high rates of activity and absorption compared to the previous quarter. The Celaya submarket still does not report activity, while Salamanca had a small closing which reenergized activity in the submarket.

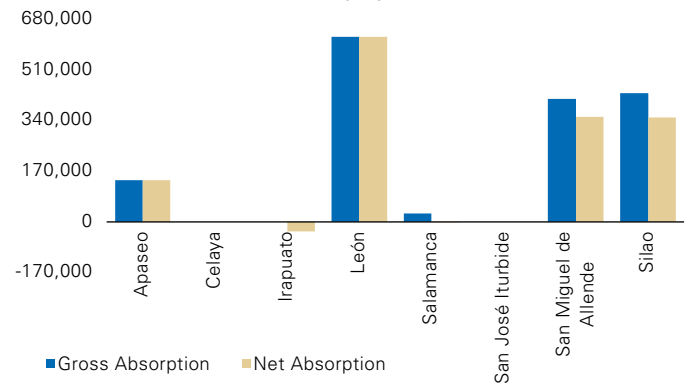
Average Asking Rates Range

AVERAGE ASKING RATES (USD / SF / Year)



Net and Gross Absorption by Submarket

NET AND GROSS ABSORPTION (SF)



Market Summary

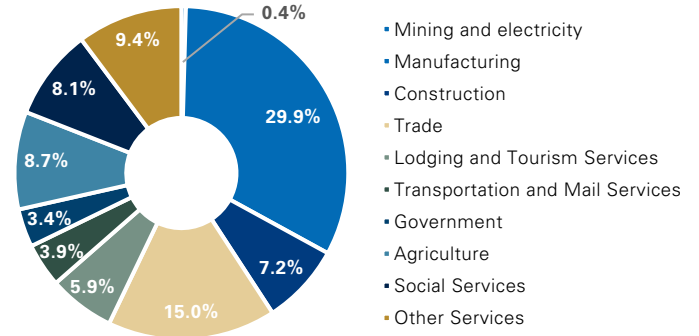
	Total Inventory (SF million)	Under Construction (SF million)	Total Vacancy (SF million)	Vacancy Rate	Gross Absorption (SF million)	Net Absorption (SF million)	Average Asking Rate (USD/SF/year)
Apaseo	7.1	0.1	0.6	8.6%	0.1	0.1	\$4.53
Celaya	12.7	0.1	0.5	4.1%	-	-	\$4.30
Irapuato	16.5	0.1	0.4	2.3%	-	0.0	\$4.27
León	10.0	0.1	0.2	2.4%	0.6	0.6	\$4.69
Salamanca	4.3	0.0	0.3	7.3%	0.0	0.0	\$4.76
San José Iturbide	9.4	-	-	-	-	-	-
San Miguel de Allende	2.2	0.1	0.1	2.8%	0.4	0.4	-
Silao	26.3	-	1.2	4.6%	0.4	0.3	\$4.59
Total	88.5	0.7	3.3	3.7%	1.6	1.4	\$4.52

Steady and stable conditions

Although a decrease in the vacancy rate (Guanajuato and nationally) and in the INPC has been registered during this quarter, the rise in the price of the Mexican peso highlights concerns regarding the possible effects of macroeconomic pressures due to inflation. However, the country's stable conditions in the face of global economic adversity led to a positive performance in attracting investment.

Employment per Economic Sector

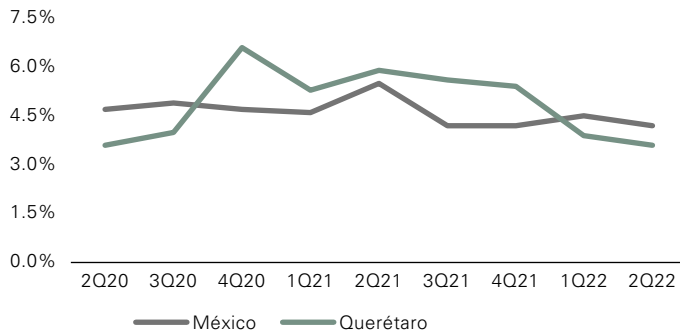
GUANAJUATO, JUNE 2022



Source: INEGI, ENOE

Unemployment Rate

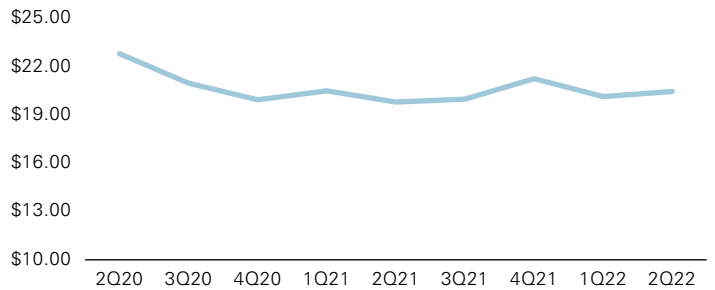
ANNUAL INDICATOR



Source: INEGI, ENOE

Exchange Rate

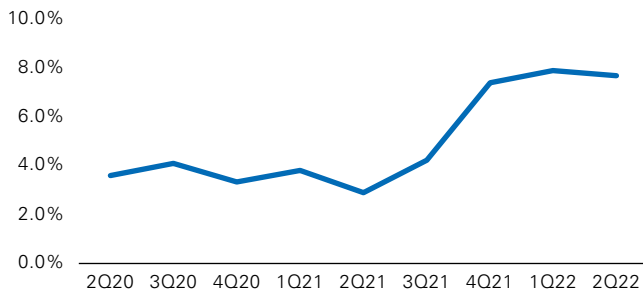
MEXICAN PESOS (MXN) PER U.S DOLLAR (USD)



Source: Banxico

Consumer Price Index (CPI)

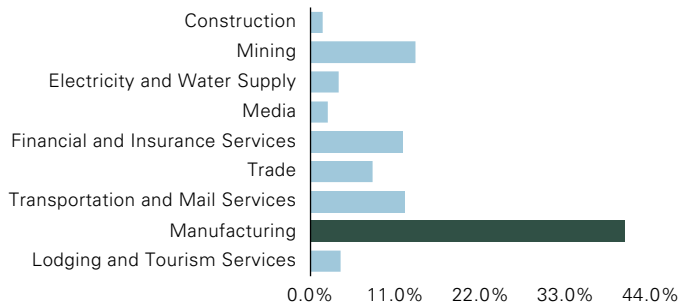
ANNUAL INDICATOR



Source: Banxico

Foreign Direct Investment

PERCENTAGE



Source: CEFP

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