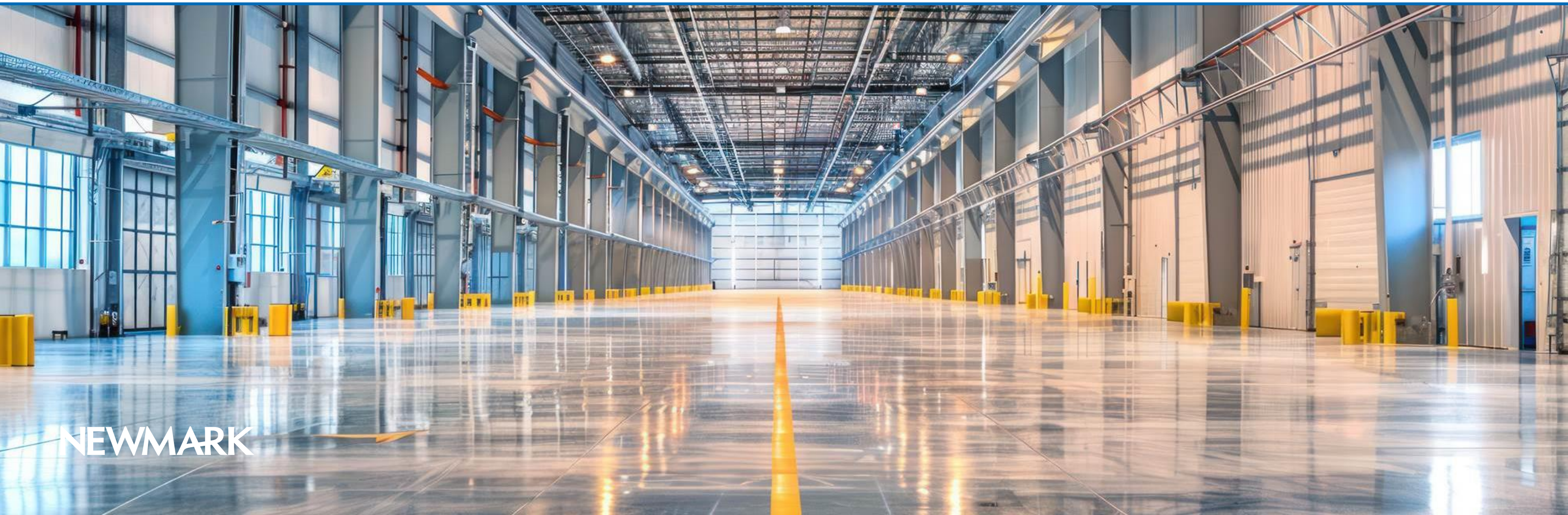


1Q25

Guadalajara Industrial Market



NEWMARK

| | | |
|------|---------------------|----|
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Market Analysis

Economy

- **Uncertainty Led to a Slowdown:** Policies implemented by the governments of Mexico (judicial reform) and the United States (tariffs on supply chains) have created a climate of uncertainty, resulting in a slowdown in Mexico’s industrial sector.
- **New Economic Policy, New Rules:** The phenomenon of nearshoring has shifted to being a secondary policy, now replaced by “strategic protectionism.”
- **Stability in the Purchasing Power of the Peso and Inflation Control:** Cuts to the interbank interest rate (a 50 basis point adjustment, reducing it to 9.50%) were enacted in response to economic slowdown and moderate inflation. However, tariff policies may impact Mexican exports, maintaining inflationary risks due to peso depreciation and production cost pressures.

Transactions

- **Transactions Concentrated in Select Parks:** Each industrial park represented a quarter of all transactions that took place in Plataforma Park, El Salto Park III, Avant, and FlexPark. While most of these transactions remain confidential, the electronics and materials/equipment sectors stand out.
- **Completion of Niagara Bottling Facility:** The construction of facility at Centro Logístico Jalisco has been completed. The project originally began in the third quarter of 2024.

* The Federal Reserve did not adjust interest rates during the first quarter of 2025. However, two rate cuts are anticipated later in the year.

Market fundamentals

| | Current Quarter | Prior Quarter | One Year Ago | 12-Month Forecast |
|---------------------------|-----------------|---------------|--------------|-------------------|
| Total Inventory (SF)* | 68.4M | 67.2M | 62.8M | ↑ |
| Vacancy Rate | 2.9% | 2.8% | 1.5% | ↑ |
| Gross Absorption (SF) | 1.4M | 1.6M | 1.5M | → |
| Net Absorption (SF) | 0.6M | -0.3M | 0.3M | → |
| Asking Rent (USD/SF/year) | \$7.50 | \$7.76 | \$8.13 | → |
| U. Construction (SF) | 3.4M | 3.1M | 3.2M | → |

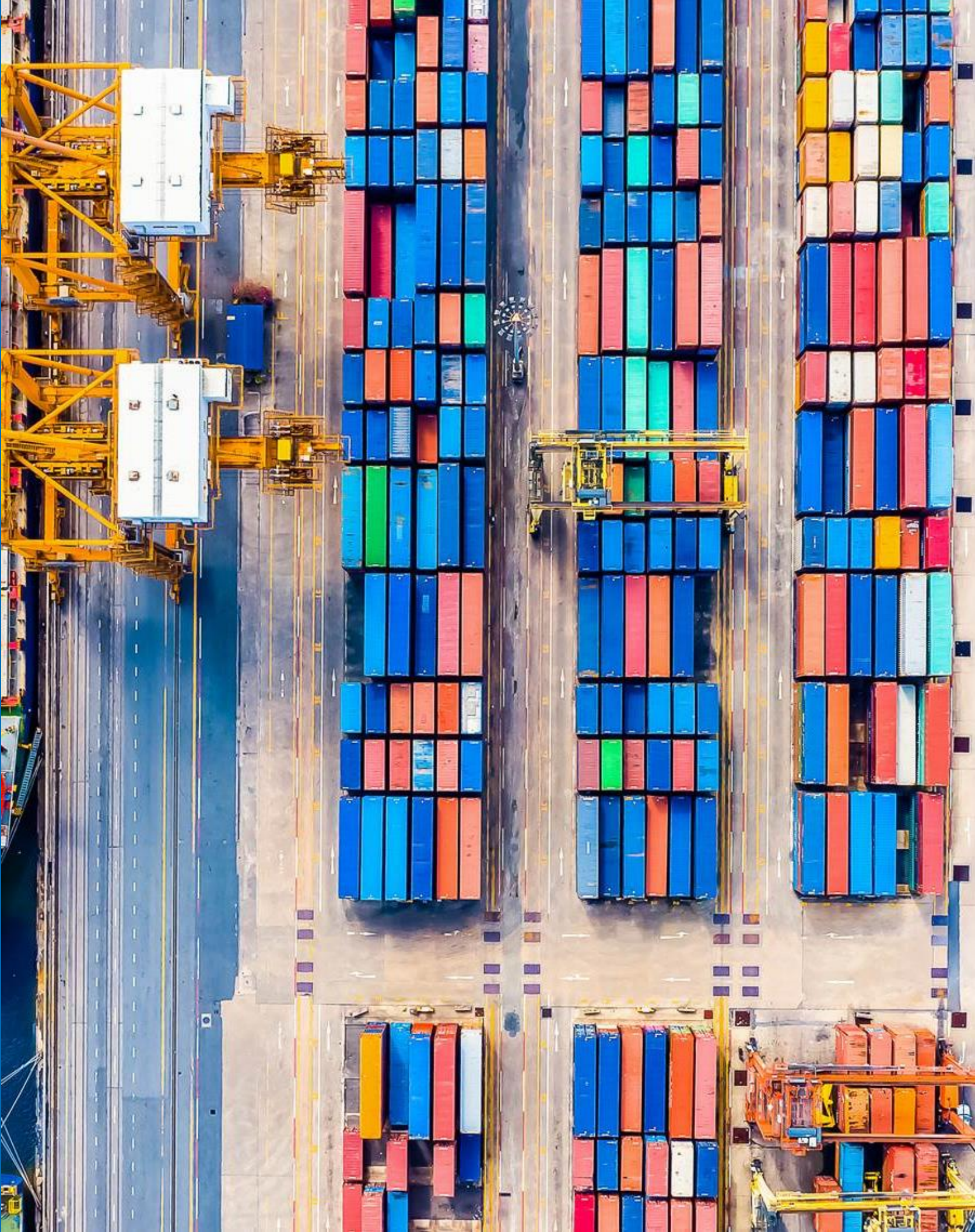
Outlook

- **Strategic Investments vs. Tariff Challenges in Supply Chains:** Earlier this year, NVIDIA revealed plans to establish a new manufacturing facility in Guadalajara, reportedly near the new Periférico corridor. While the company has experienced supply chain losses due to tariff-related challenges, its recent announcement of cutting-edge AI chips—alongside the Guadalajara plant—has significantly raised market anticipation and optimism.
- **Industrial Expansion in Key Submarkets:** Construction is officially underway for Parque Industrial Tecnológico V, a high-tech industrial park strategically located in the El Salto–Aeropuerto submarket. This development positions the region as a growing hub for technological innovation and industrial activity.

*The table takes into account the six submarkets located within the state of Jalisco.

1Q25

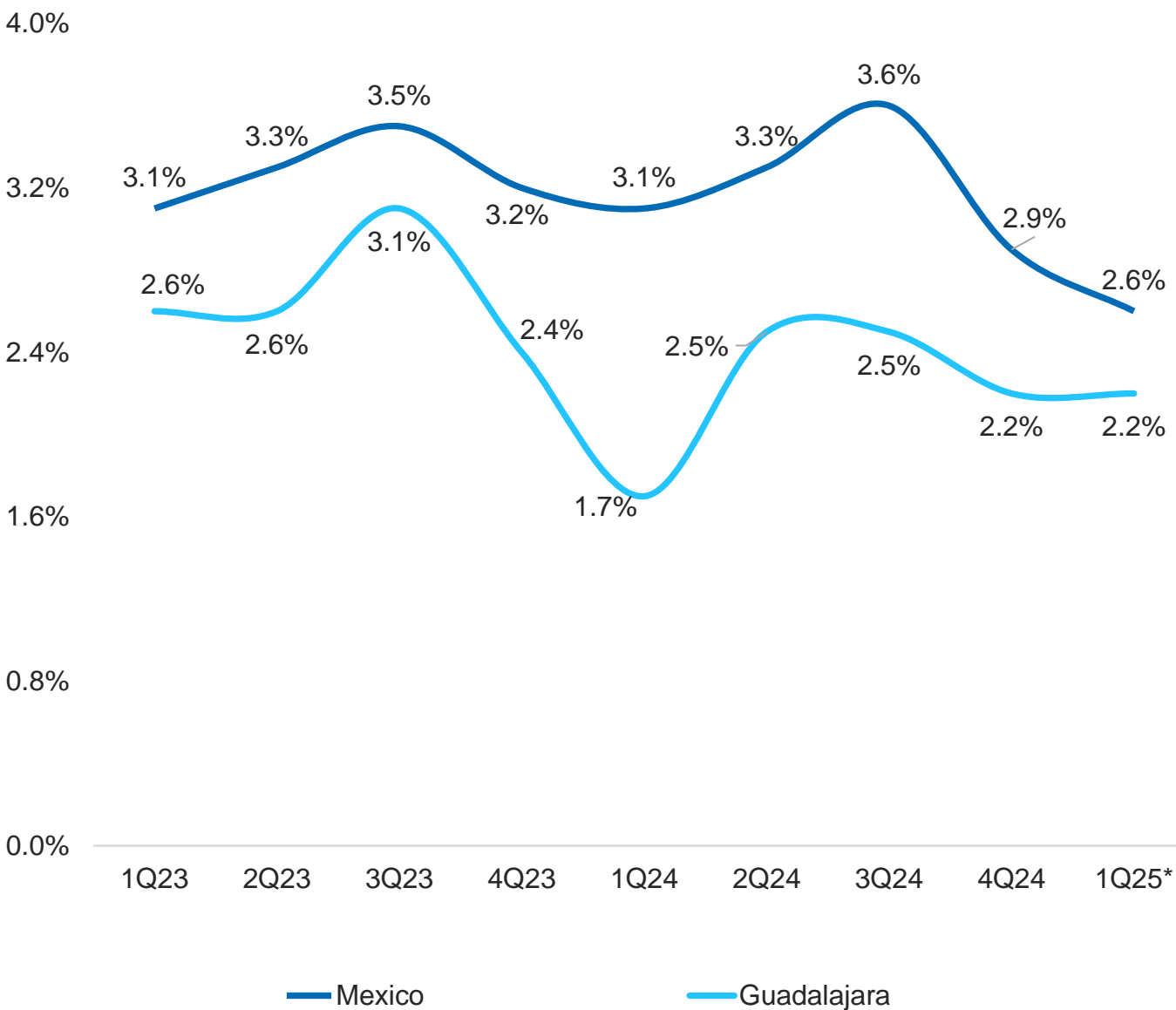
Economy



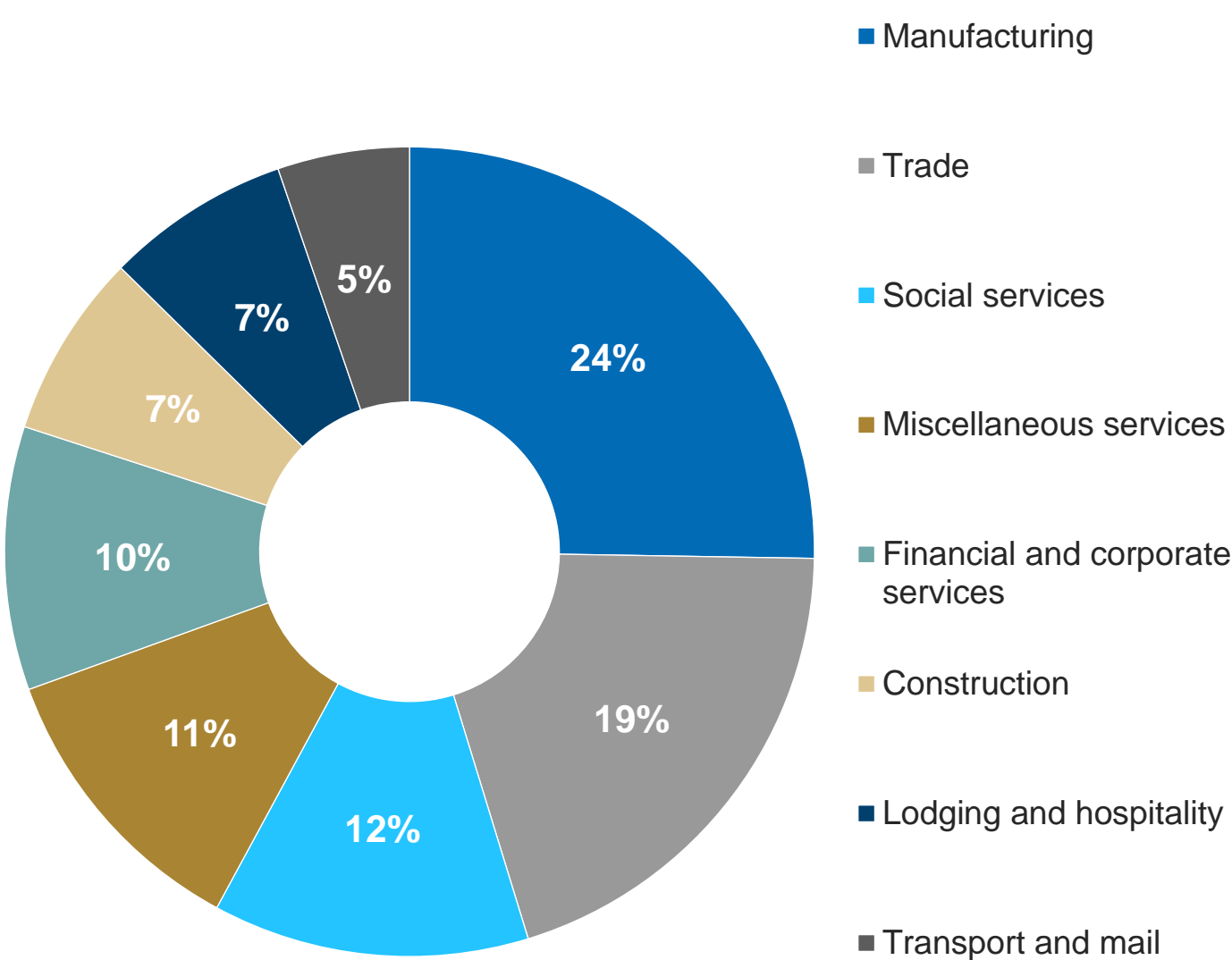
Employment

Unemployment showed positive performance, decreasing by 0.5 percentage points in Guadalajara, a figure lower than the 0.7-point decline seen in Mexico's more urbanized areas. A recovery was observed in manufacturing subsectors, while other sectors (excluding trade) experienced losses in their overall participation.

Unemployment Rate



Recent Employment Trends in Guadalajara**

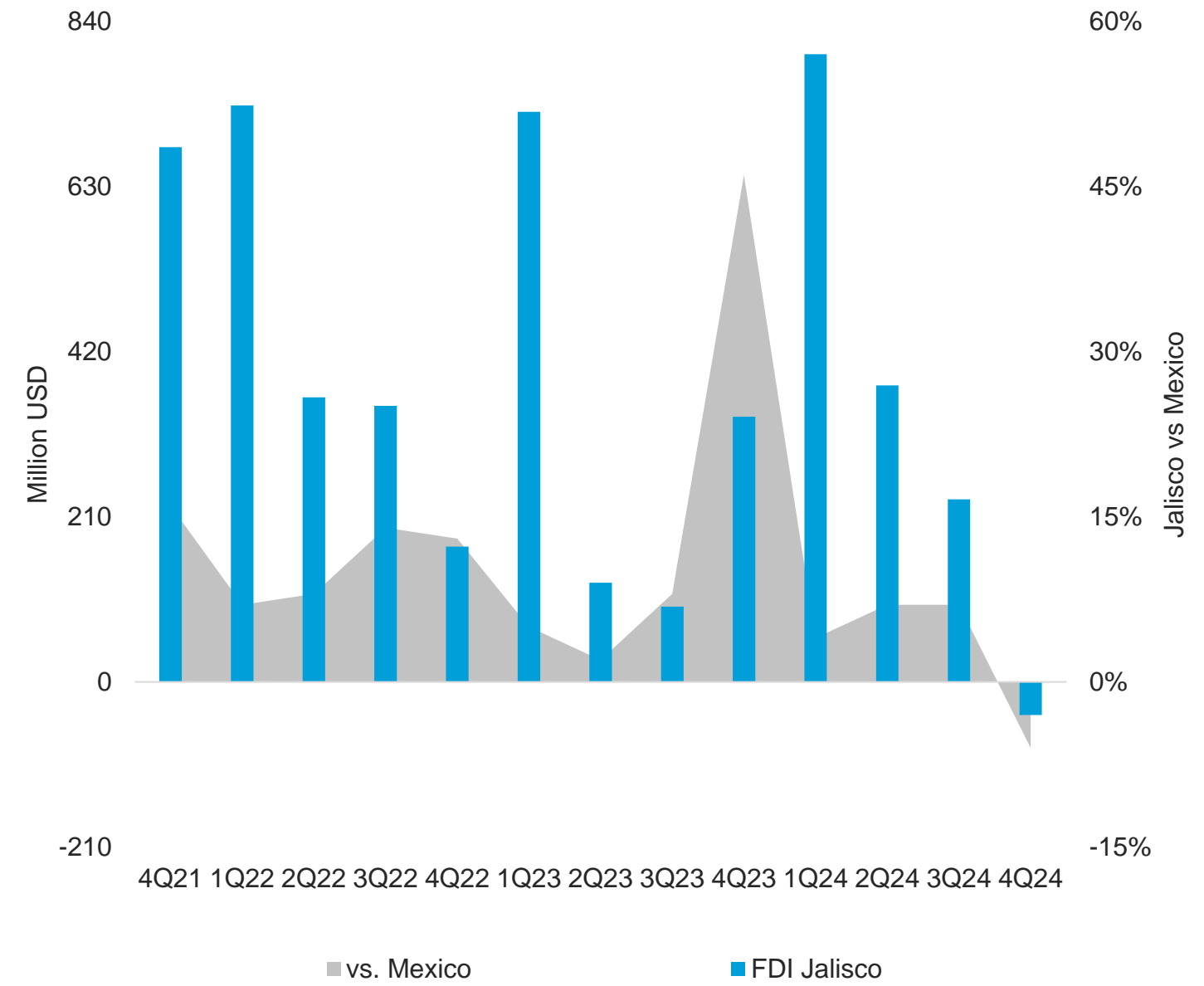


Source: INEGI.
Notes: *Preliminary Insights to 1Q25.
**Official information available through 4Q 2024.

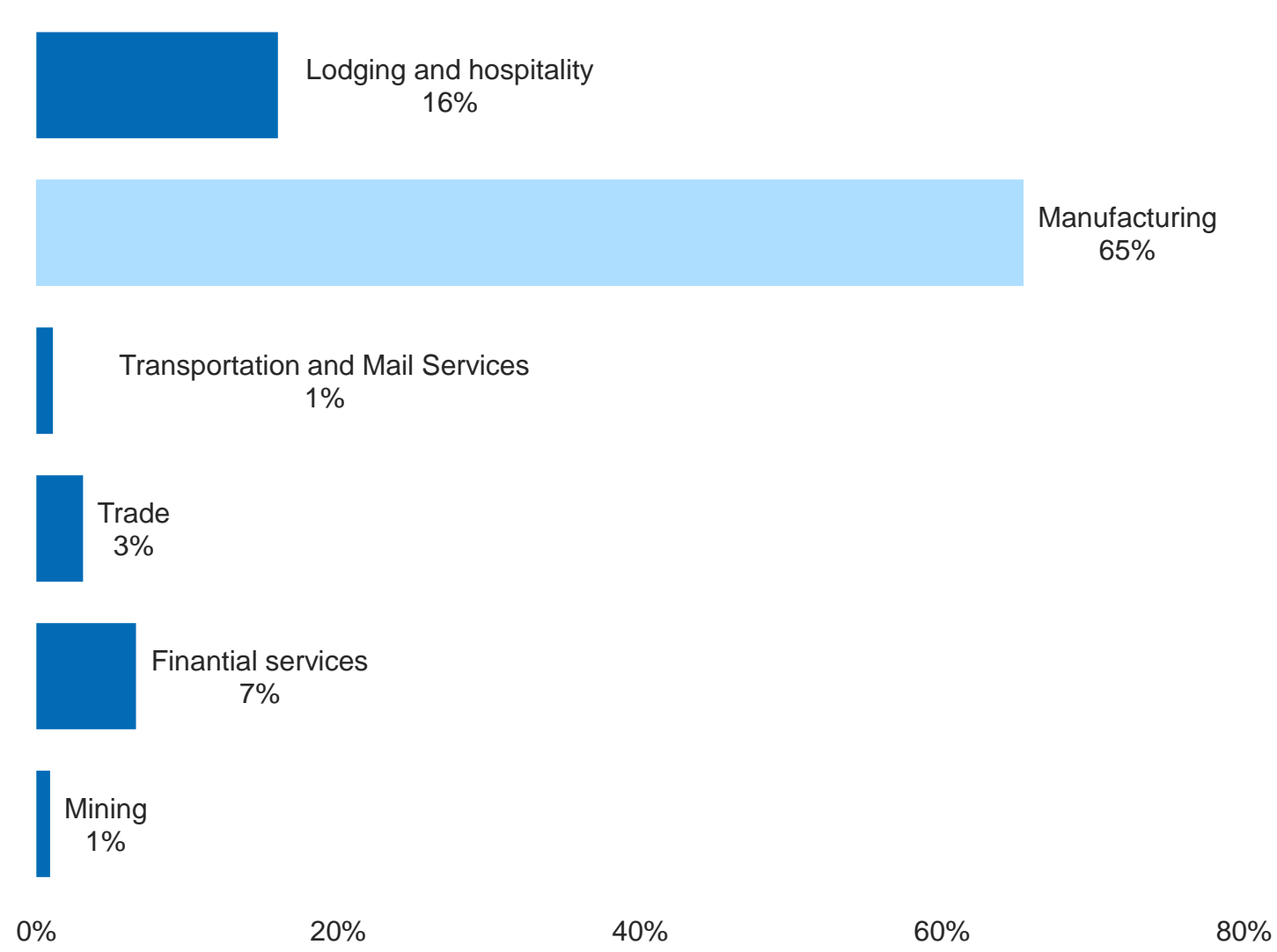
Investments

For the first time in four years, Foreign Direct Investment (FDI) recorded a negative result, possibly due to profit repatriation, asset sales, or the closure of operations—primarily observed in information media companies. Additionally, the manufacturing sector experienced a slowdown, with its total proportion decreasing by 3 percentage points compared to the previous quarter.

Foreign Direct Investment (FDI)



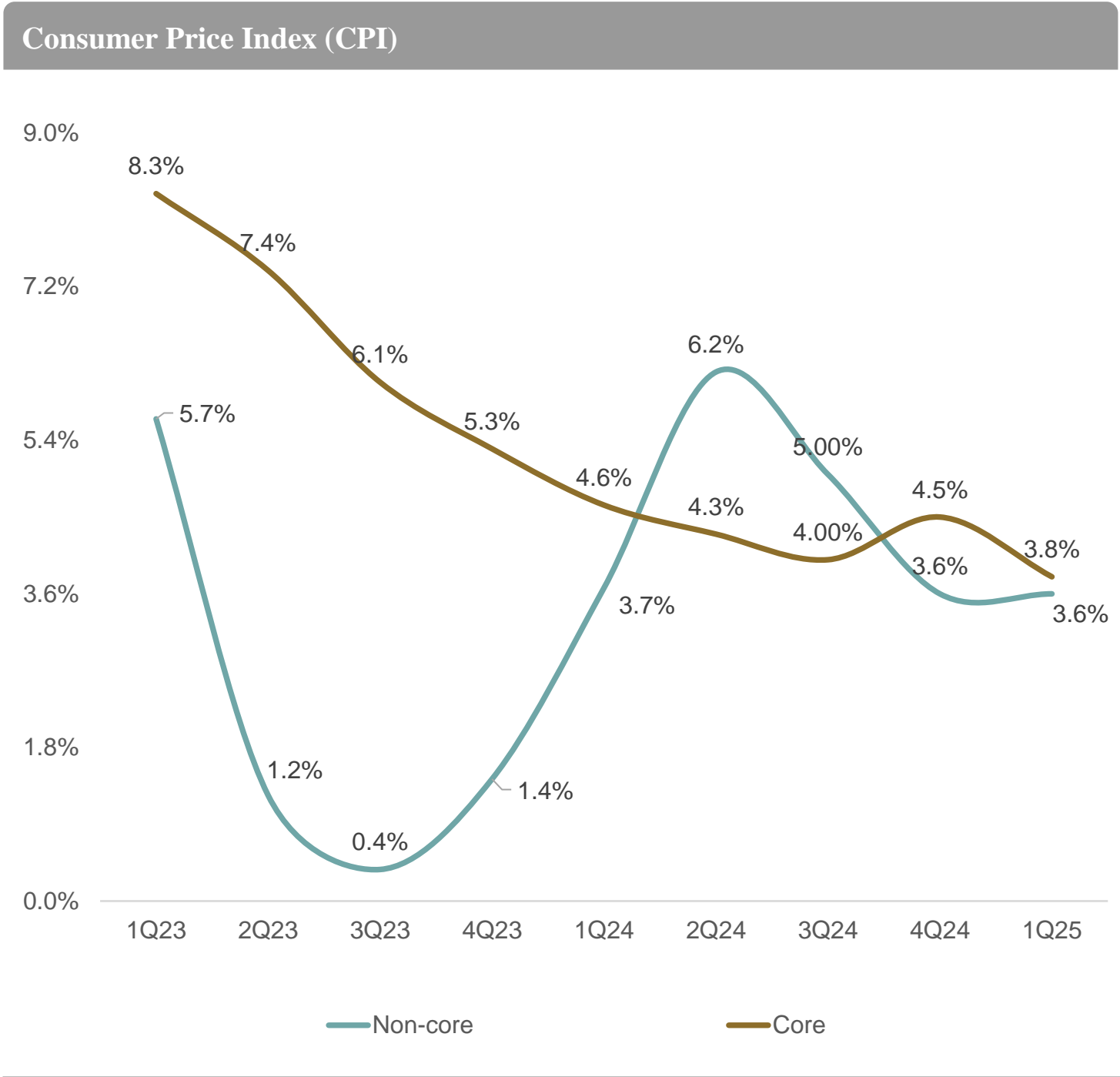
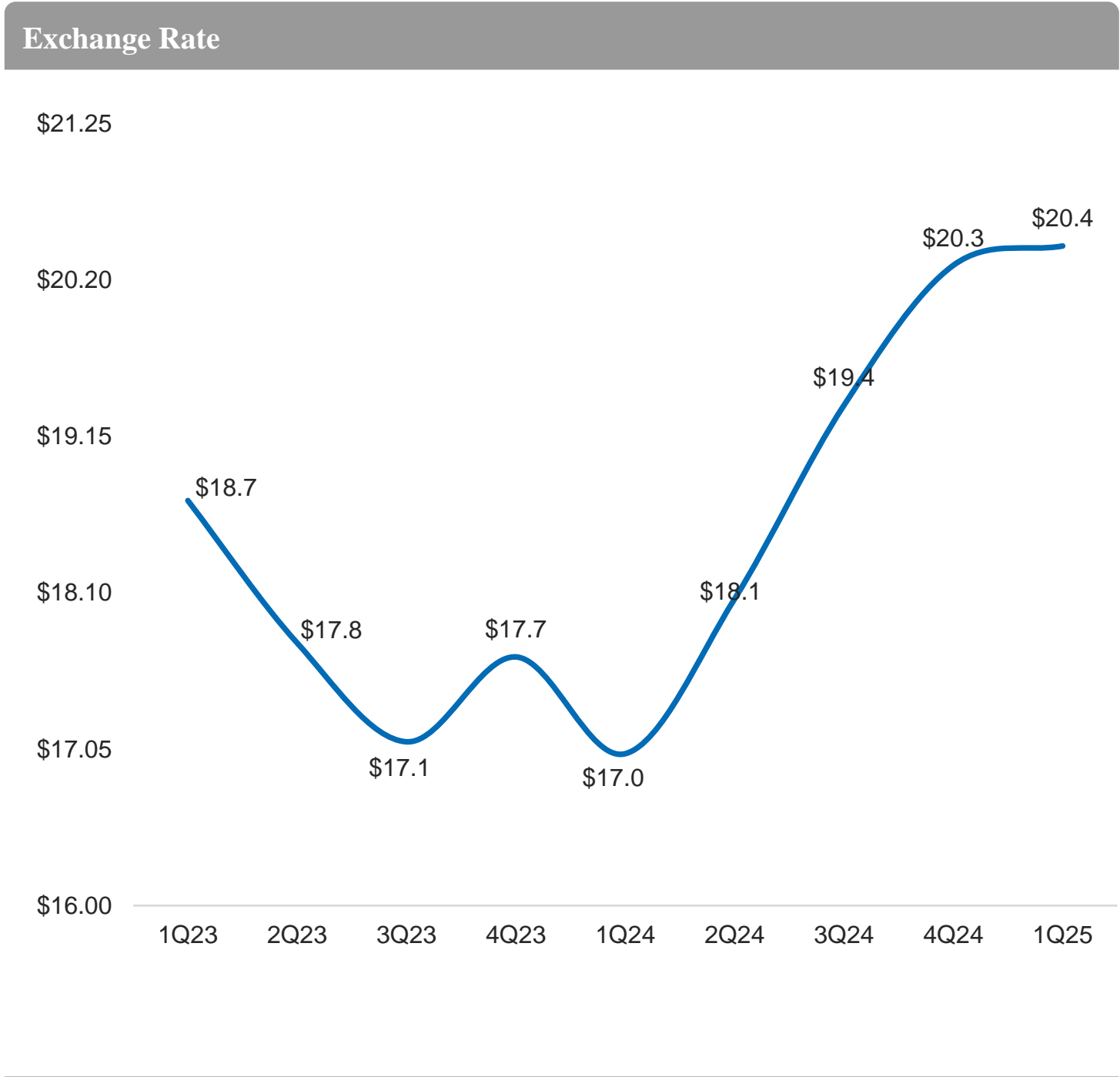
FDI by subsector (YTD 2024)



Source: Secretaría Economía
Note: Official information available through 4Q 2024.

Inflation-devaluation

Although inflation continued its downward trend in both indicators, a slowdown in the pace of its decline was observed. Meanwhile, the exchange rate of the dollar broke its upward trend and stabilized at levels close to 20 pesos per dollar.



Source: Banco de México and INEGI.

1Q25

Market fundamentals



Market Summary

Despite economic challenges, the market exhibited positive factors such as stability in construction. Additionally, there was healthy growth in both availability and net absorption. However, the effects of the slowdown were reflected in increased inventory and rising asking prices.

| Submarket Statistics (Guadalajara city) | | | | | | | | |
|---|---------------------------|----------------------|-----------------|-----------------|-----------------------------|---------------------------|---------------------------------------|--|
| | Inventory (Million SF) | Construction (SF) | Vacancy (SF) | Vacancy Rate | Gross Absorption (SF) | Net Absorption (SF) | Asking Lease Rate (USD/SF/year) | Construction Asking Rent (USD/SF/Year) |
| Zona Industrial | 2.3 | - | - | 0.0% | - | - | - | - |
| El Salto | 30.6 | 2,535,288 | 1,624,320 | 5.3% | 1,009,685 | 336,870 | \$7.57 | \$8.36 |
| López Mateos Sur | 7.3 | 667,368 | 86,112 | 1.2% | 322,920 | 236,808 | \$5.45 | \$7.75 |
| Periférico Sur | 9.1 | - | 129,103 | 1.4% | 26,049 | 26,049 | \$7.10 | - |
| Zapopan Norte | 16.1 | - | 40,473 | 0.3% | - | - | \$10.03 | - |
| Total | 65.4 | 3,202,656 | 1,880,008 | 2.9% | 1,358,654 | 599,727 | \$7.50 | \$7.95 |

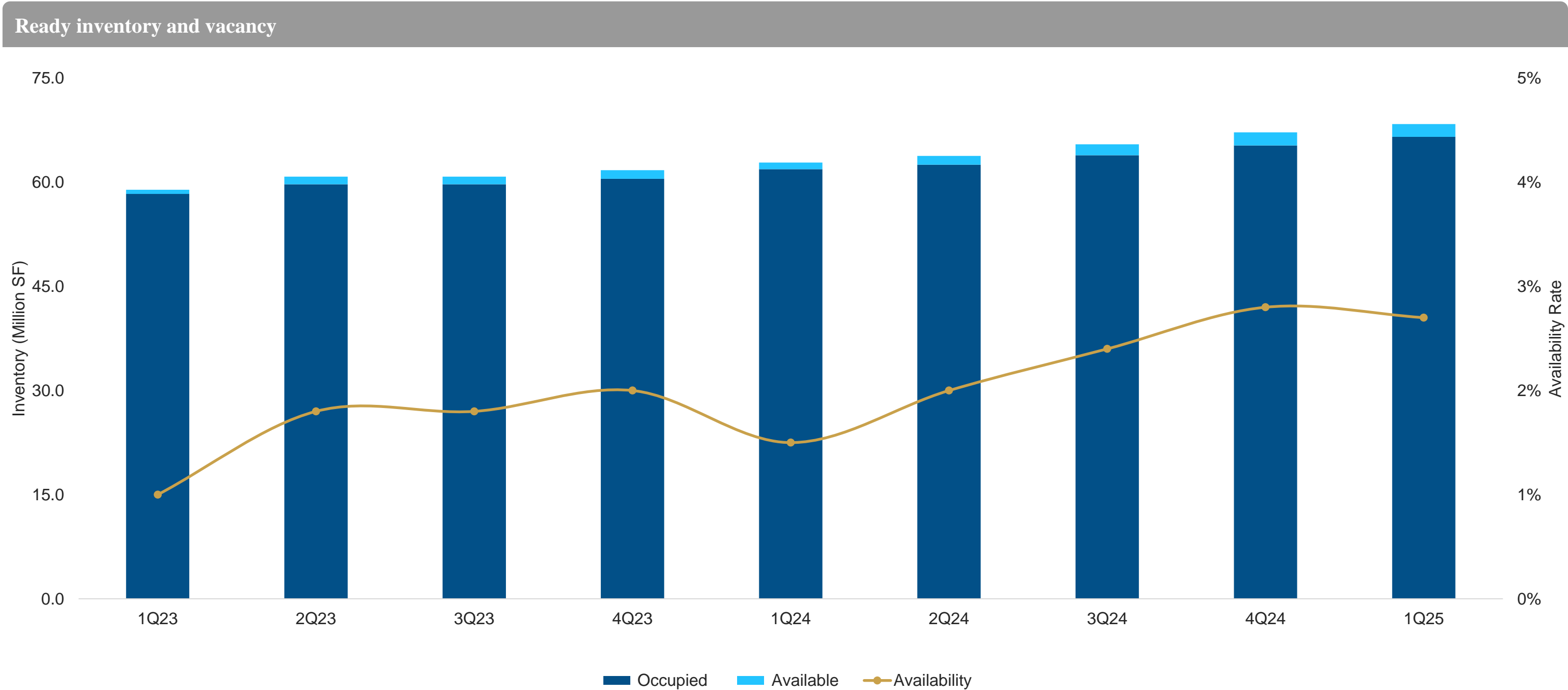
| Submarket Statistics (Outside Guadalajara City) | | | | | | | | |
|---|-----|---------|---|------|---|---|---|---|
| Lagos de Moreno | 3.0 | 161,460 | - | 0.0% | - | - | - | - |

| Market Statistics | | | | | | | | |
|-------------------|------|-----------|-----------|------|-----------|---------|--------|--------|
| Total | 68.4 | 3,364,116 | 1,880,008 | 2.9% | 1,358,654 | 599,727 | \$7.50 | \$7.95 |

*Inventory adjustment for the warehouse confirmed as Class A at Coca Cola's Distribution Center (CEDIS).

Inventory and Availability Trends

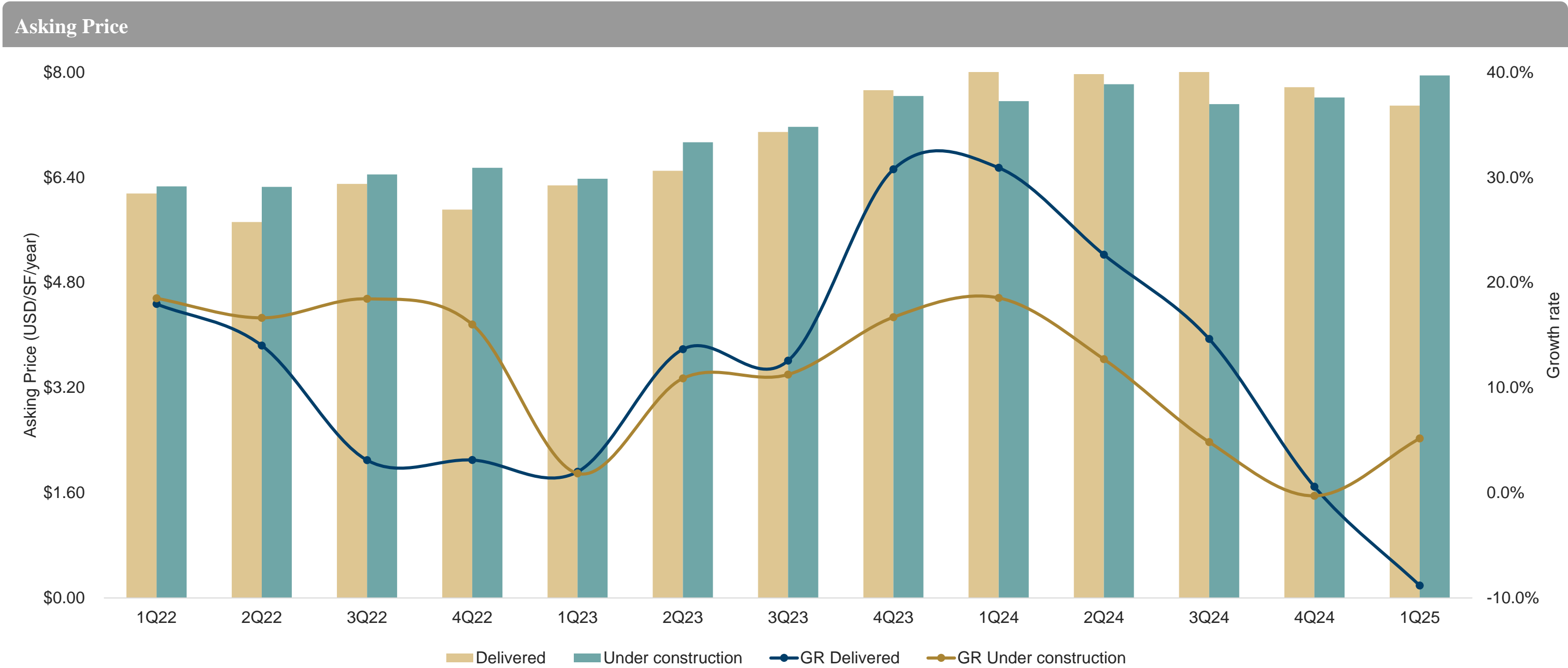
There was a slowdown in the inventory growth rate compared to the previous quarter, settling at 1.8%. However, when compared to the same period last year, growth levels remained steady, reaching 9% annually. Additionally, availability is projected to reach 4% by the end of the year.



Source: Newmark Research

Trend in asking prices

The prices of delivered and under-construction facilities tend to grow in sync; however, the growth rates for delivered facilities are more volatile. The recent decline in growth rates (especially the -8.80% in 1Q25 for delivered facilities) suggests a market correction or possible economic slowdown.

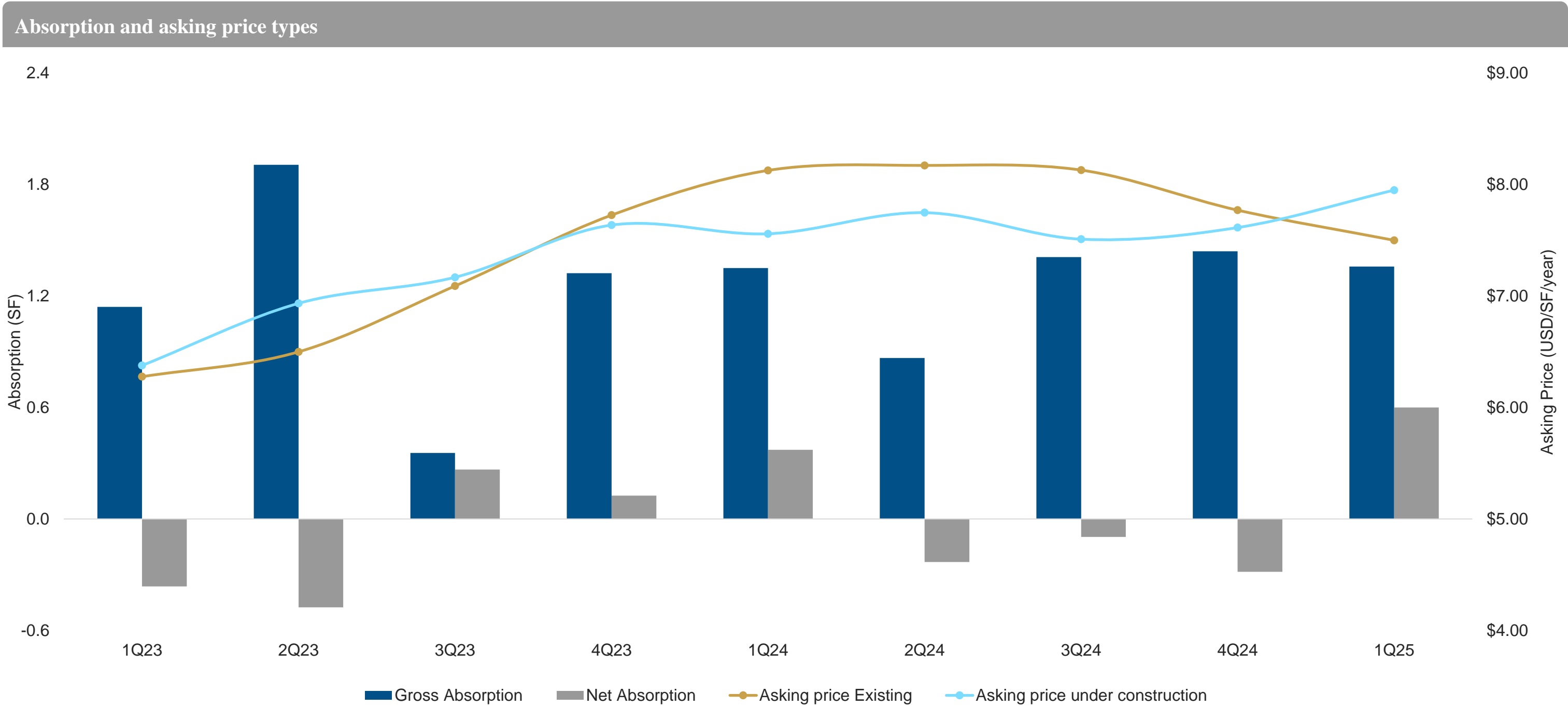


Note: The growth rate takes the same period of the previous year as a reference.

Source: Newmark Research

Absorption and Asking price

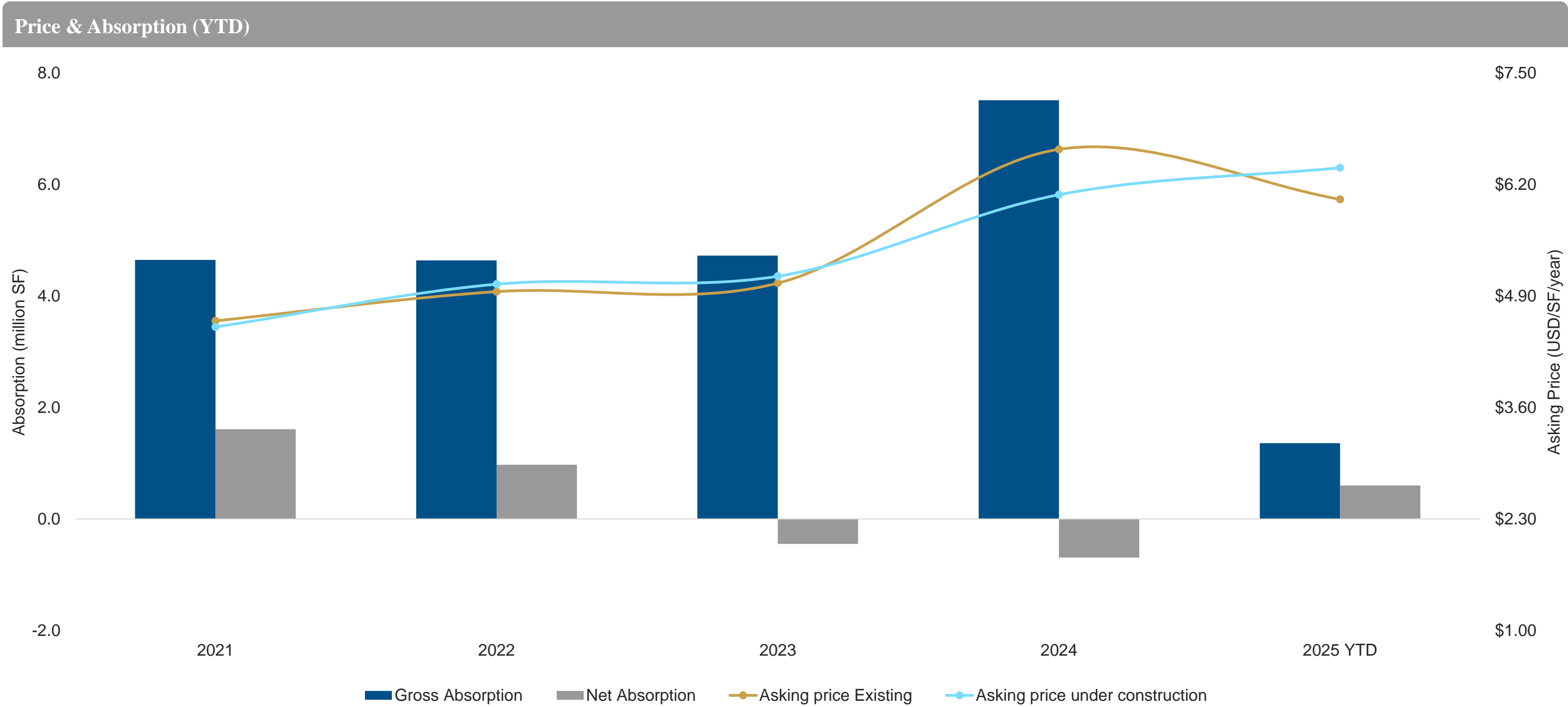
The economic slowdown stabilized gross absorption, net absorption, and asking prices. Notably, the turn of the year affected construction costs, driving an increase in asking prices for warehouses under construction. Meanwhile, asking prices for completed warehouses declined, influenced by exchange rate fluctuations of the dollar and cautious stances amid the prevailing uncertainty.



Source: Newmark Research

Annual Price Trends and YTD Market Absorption

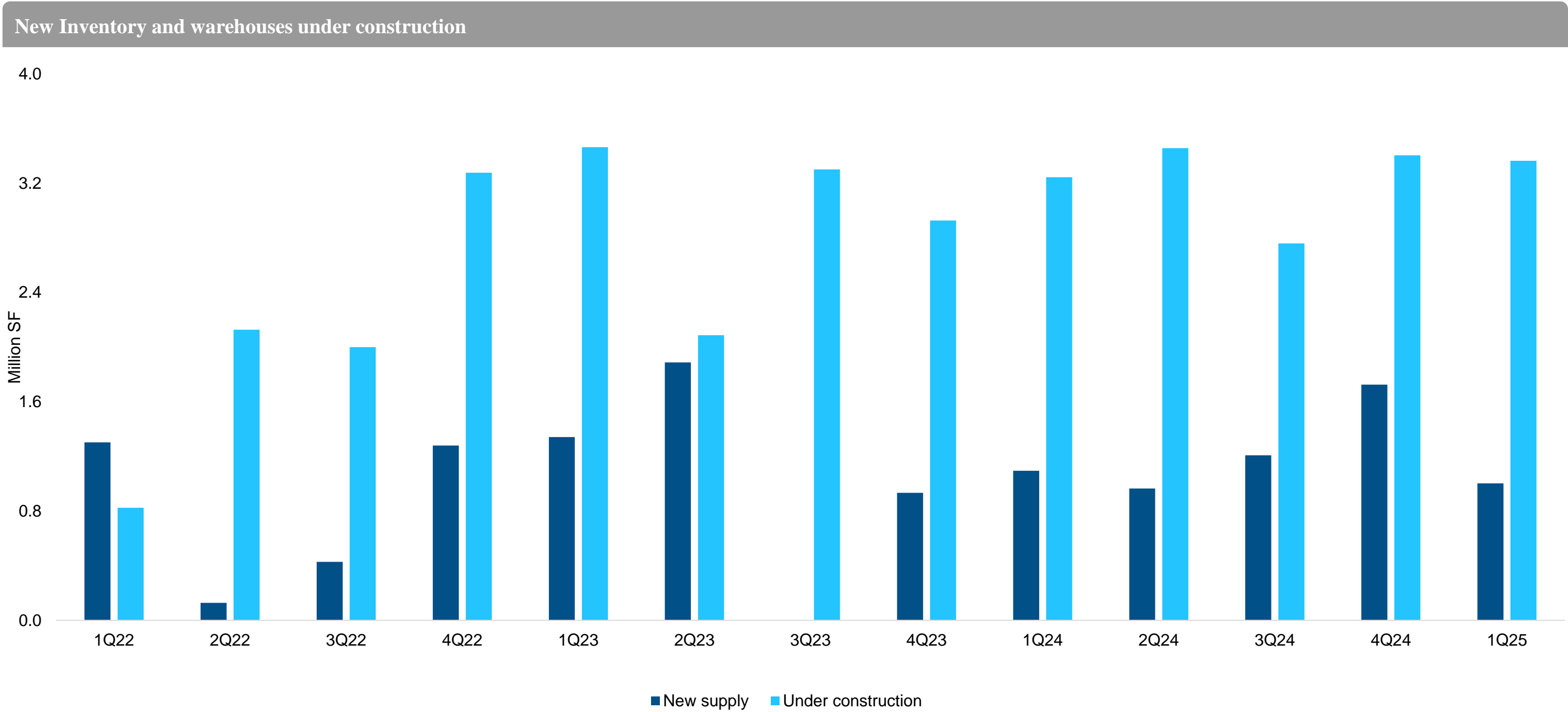
Annual trends show that the behavior of market absorption and pricing reflects slow, steady growth. However, the price deceleration observed in the current quarter significantly disrupts the growth trend seen since the first quarter of 2021.



Source: Newmark Research

New supply

The industrial market in Guadalajara showcased resilience and dynamism, as evidenced by the sustained levels of construction activity. However, confidence remains cautious, with several projects slowing their construction pace and scheduled starts for early 2025 being delayed. The most notable expression of this investment caution was the decline in new inventory.



Source: Newmark Research

Construction, main deals & Spec

The market remains focused on the development of speculative warehouses and large investments in the El Salto submarket.

Parks under construction

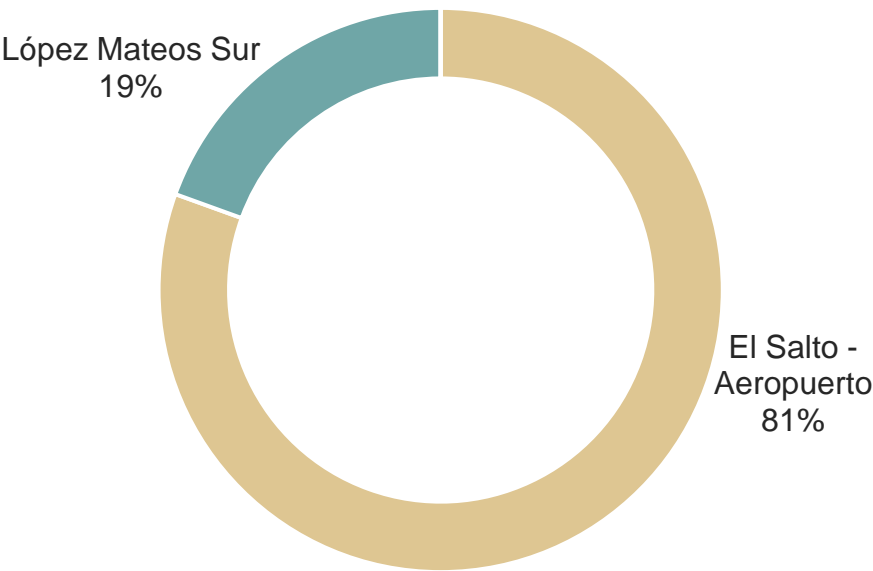
| Industrial Park | Submarket | Delivery date | NRA (SF) |
|----------------------------------|---------------------|---------------|-----------|
| Parque Industrial Tecnológico V* | El Salto-Aeropuerto | 3Q2025 | 2,045,160 |
| Plataforma Park Guadalajara | El Salto-Aeropuerto | 3Q2025 | 1,541,383 |
| Avant Industrial Park | López-Mateos Sur | 2Q2025 | 430,560 |

*New park

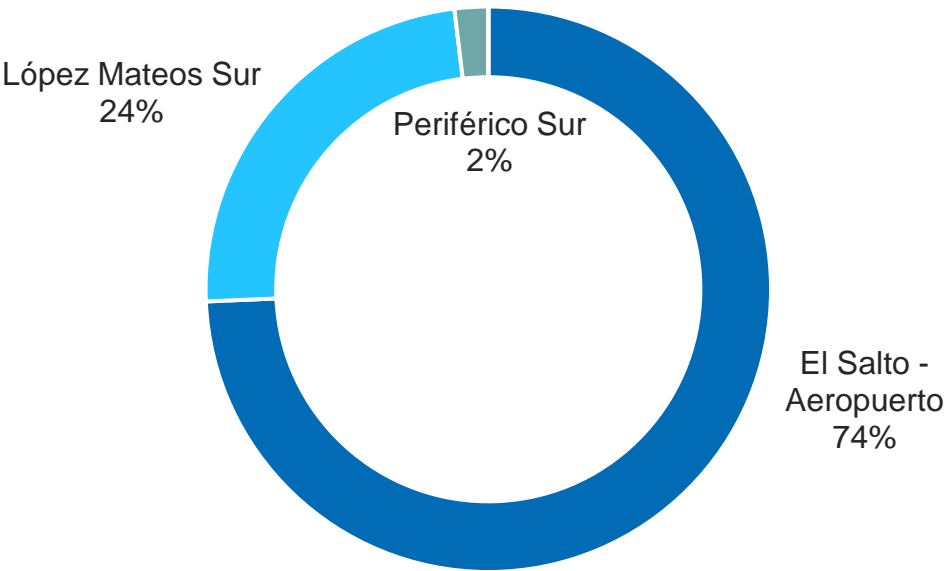
Main deals

| Industrial Park | Submarket | Type | NRA (SF) |
|-------------------------------|-----------------------|------|----------|
| Plataforma Park Guadalajara | El Salto - Aeropuerto | Spec | 373,306 |
| Avant Industrial Park | López Mateos Sur | Spec | 322,920 |
| FlexPark El Salto | El Salto - Aeropuerto | Spec | 293,233 |
| El Salto Park Guadalajara III | El Salto - Aeropuerto | Spec | 215,517 |

Construction by submarket (%)



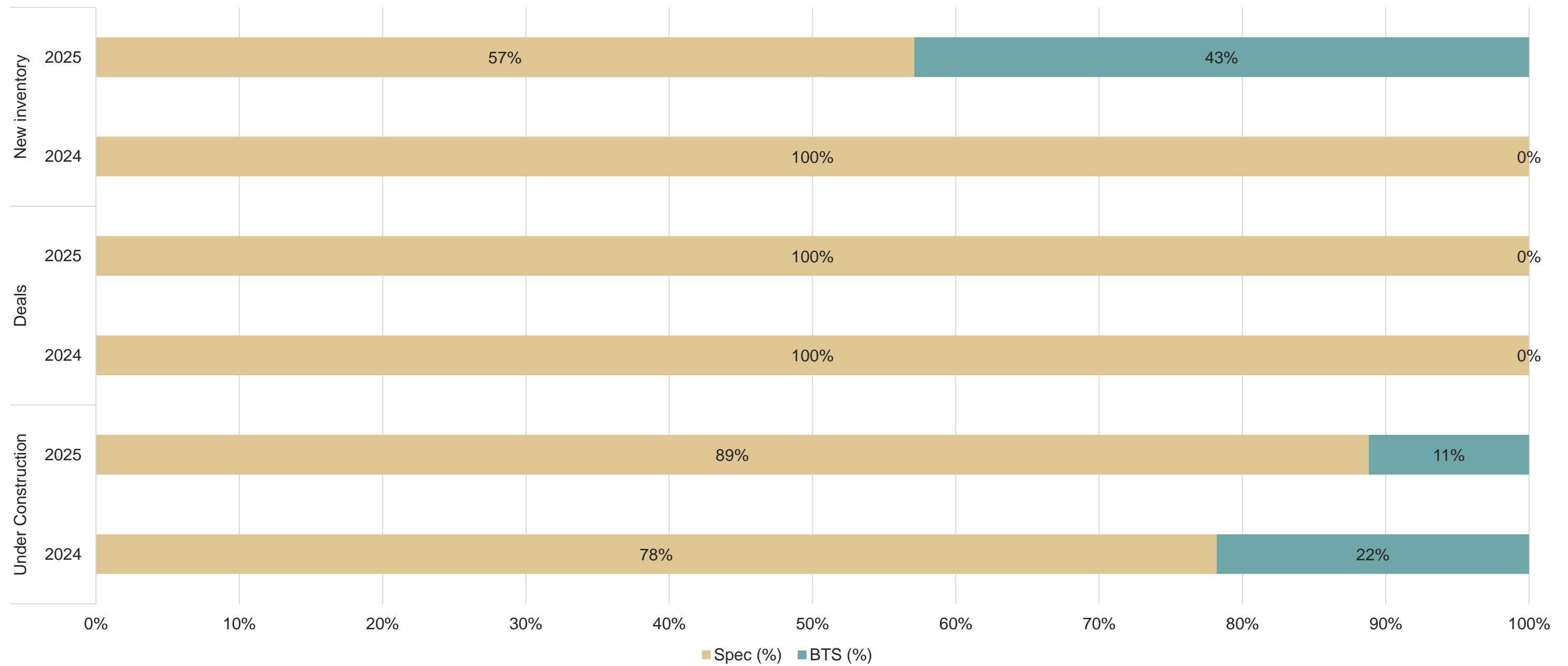
Gross Absorption by submarket (%)



Source: Newmark Research

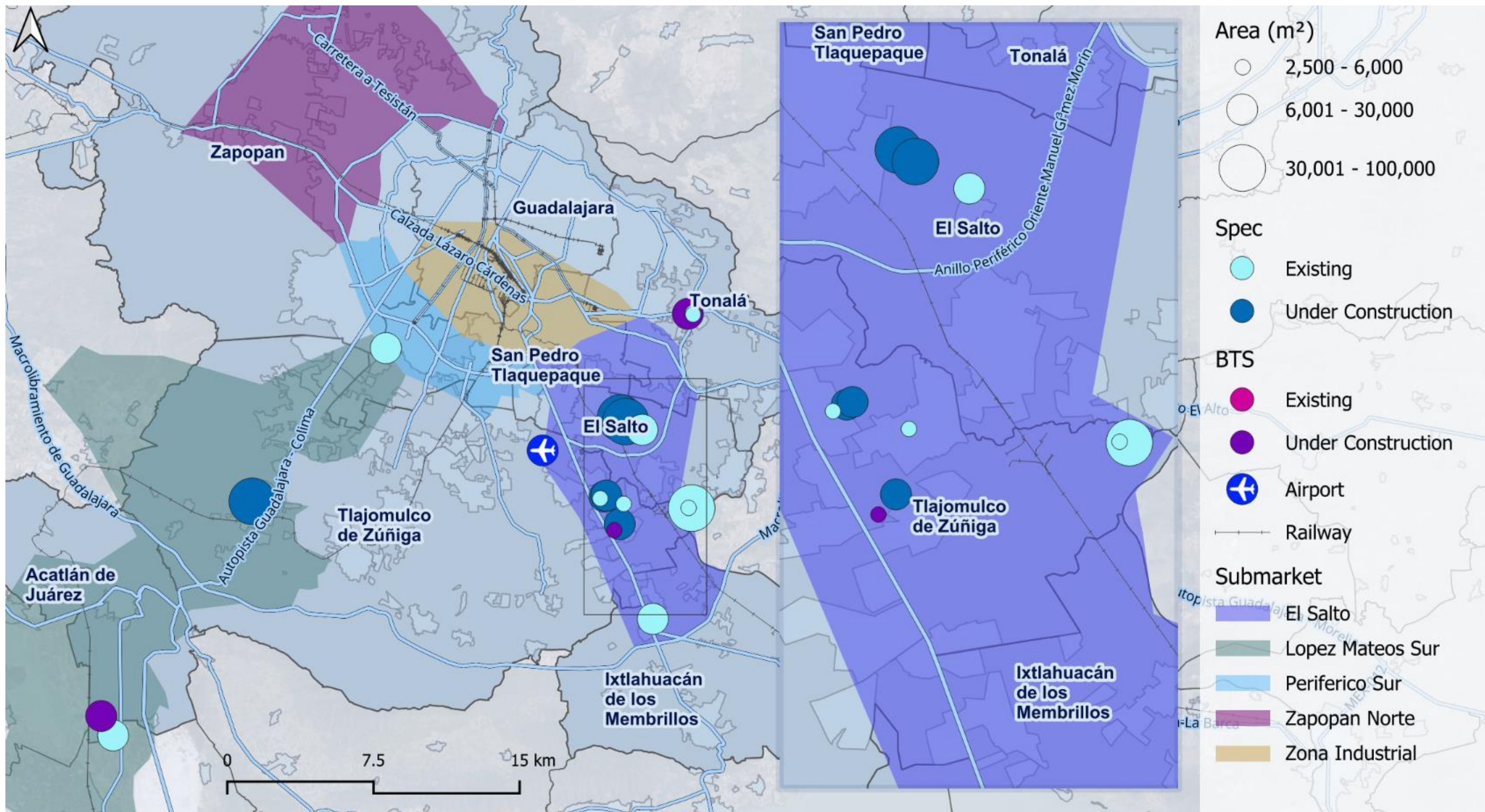
Speculative Market vs. BTS in the 1st Quarter.

The slowdown and the completion of projects coinciding with the beginning of the year reflect a greater participation of BTS projects in Guadalajara. These projects played a more prominent role in the new inventory.



Source: Newmark Research

Industrial market localization



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