

1Q 2018 | Puebla INDUSTRIAL MARKET



MARKET INDICATORS

	4Q2017	1Q2018
AVAILABILITY RATE	↓	↓
CONSTRUCTION	↑	↑
AVERAGE RENTAL PRICE	↔	↔
GDP	↑	↑
UNEMPLOYMENT RATE	↓	↓
EXCHANGE RATE (USD)	↑	↓

ECONOMIC OUTLOOK

The Mexican economy grew 2.4% in the first quarter of 2018, compared to the same period last year and 1.1% compared to the last quarter of 2017.

Likewise, the Bank of Mexico calculates that the GDP will grow in 2018 between 2% and 3%, with uncertainty about the renegotiation of the North American Free Trade Agreement (NAFTA) and the elections that will take place on July 1, as one of its main risks.

Regarding the international panorama, the pace of global expansion continues thanks to the recovery of investment and trade in advanced economies. The confidence indicators remain at high levels, but show signs of moderation. World growth is projected to increase slightly to 3.9% this year, compared to 3.8% in 2017.

INDUSTRIAL OUTLOOK

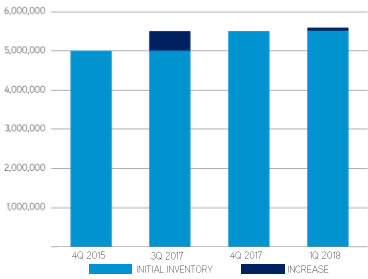
INVENTORY

- > 5,585,203 sqm
- > 12 industrial corridors
- > 629 monitored industrial properties (over 2,000 sqm)

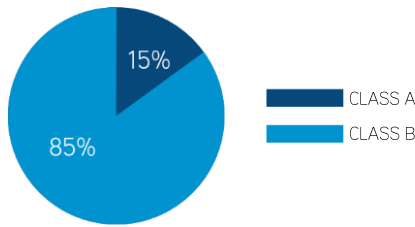
MARKET SEGMENTATION BY CLASS

- > Class A: .83 million sqm
- > Class B: 4.74 million sqm

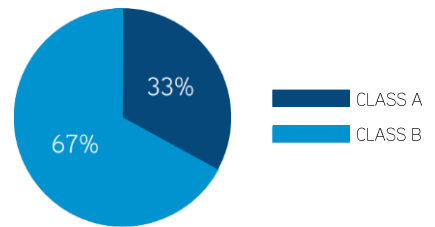
INVENTORY AND INCREASE IN BUILDINGS 4Q 2017 – 1Q 2018



INVENTORY (SQM) PER CLASS 1Q 2018 TOTAL: 5.5 MILLION SQM



AVAILABILITY (SQM) PER CLASS 1T 2018 TOTAL: 150,327 SQM

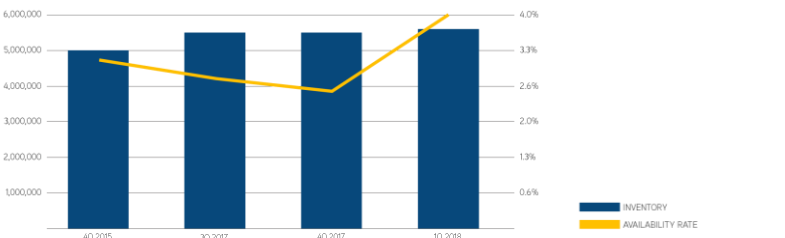


> In the first quarter of 2018, an availability rate of 4.04% was registered taking into account the twelve main corridors that make up the industrial market of the Metropolitan Zone of Puebla. The availability increased in relation to the records of the fourth quarter of last year, when the rate was 2.55%.

> Of the total available area that has been reported, 33% corresponds to industrial buildings and class A warehouses, while the remaining 67% corresponds to class B properties. In total, 226,152 m² were registered in disuse.

> In the Puebla 2000 Corridor, the highest availability of the Metropolitan Area of Puebla was registered, with 63,924 m², which represents 28.26% of the total available area.

INVENTORY AND AVAILABILITY RATE 1Q 2018



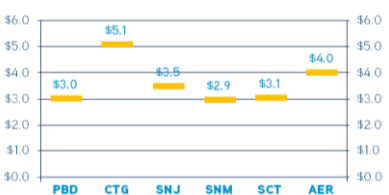
MAP OF INDUSTRIAL CORRIDORS IN PUEBLA AND THE METROPOLITAN AREA



PRICE PER AREA

Cuaulancingo's Industrial Corridor records the highest average monthly listed rental price, which is \$ 5.1 USD / sqm, while San Miguel's Industrial Corridor recorded the lowest average with \$ 2.9 USD / sqm per month.

MONTHLY LISTED RENTAL PRICES (USD/SQM) IN INDUSTRIAL PREMISES PER AREA



PRICE PER CLASS

The listed rental price ranges between \$ 3.1 and \$ 5.3 USD/sqm per month for class A industrial premises, and \$2.9 up to \$5.1 USD/sqm per month for class B buildings, considering the twelve monitored industrial corridors.

MONTHLY LISTED RENTAL PRICES (USD/SQM) IN INDUSTRIAL PREMISES PER CLASS



Corridor	Parks and Industrial Zones	Corridor	Parks and Industrial Zones
5 de Mayo	Parque Industrial 5 de Mayo Zona Industrial 5 de Mayo	Resurrección	Parque Industrial Resurrección Zona Industrial Resurrección
Aeropuerto	Parque Puebla Textil Zona Industrial Muni've Vesta Park II	San Jerónimo	Parque Industrial San Jerónimo Camafra Zona Industrial San Jerónimo
Area Uno	Zona Industrial Quetzalcóatl Zona I	San Miguel	Parque Industrial San Miguel Parque Industrial El Carmen
Chachapa	Parque Industrial Chachapa Conjunto Industrial Chachapa Zona Industrial Chachapa	Sanctorum	Zona Industrial Sanctorum
Cuaulancingo	Volkswagen Parque Industrial FINSA Parque Industrial Bralemex Zona Industrial Almecatta	Tlaxcala-Fábricas	Zona Industrial Federal a Tlaxcala
Puebla 2000	Parque Industrial Puebla 2000 Zona Industrial Puebla 2000	Xoxtla	Zona Industrial Xoxtla

We know that information is a fundamental tool in the decision-making process. This Industrial Market Overview aim is just to provide general information about the main industrial corridors in Puebla Metropolitan Area. This report and other research documents can be found in our webpage www.colliers.com

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