

AI didn't write this report, but it is driving activity. Server manufacturing & electronics suppliers continue to grow.

▼ 6.9%
Vacancy Rate

▲ 914,554
SF Net Absorption

▲ 1,028,251
SF Construction

▼ 0
SF Delivered Construction

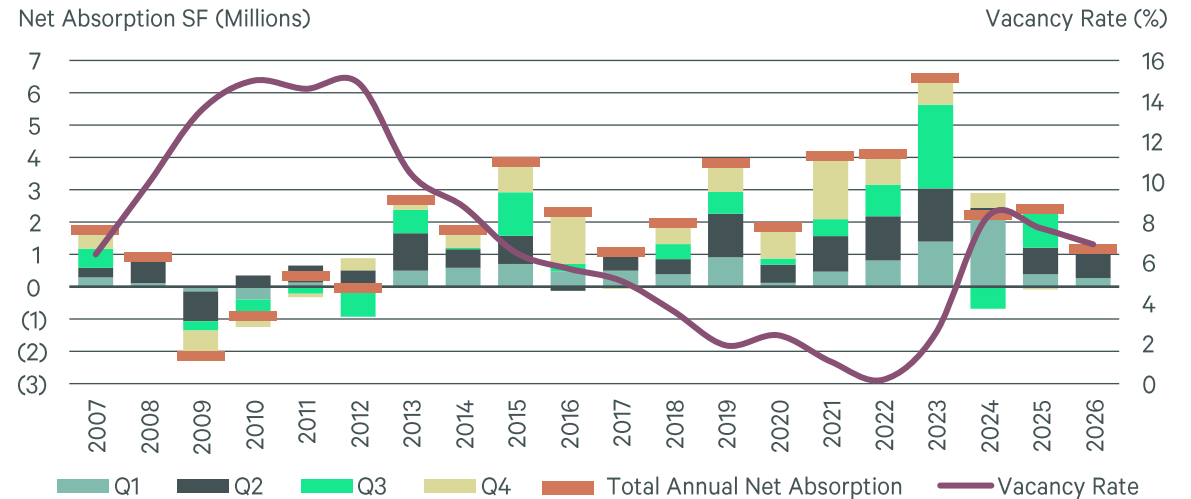
Note: Arrows indicate change from previous quarter.

MARKET OVERVIEW

- Q2 2026 closed with 914,554 sq. ft. of quarterly net absorption.
- The market-wide vacancy rate fell by 80 bps quarter-over-quarter and by 150 bps year-over-year. The Class A vacancy rate fell 130 bps quarter-over-quarter and 290 bps year-over-year.
- 1.0 million sq. ft. of space remained under construction at the end of Q2 2026.
- Q2 2026 closed with users seeking almost 2.0 million sq. ft., below the 61 trailing-quarter historical average but a quarter-over-quarter and year-over-year improvement.

The Juarez Industrial Market closed the quarter with healthy net absorption and strong leasing and user sale activity. Demand for industrial space in the market continues to fall below historical averages due to uncertainty related to tariffs and trade as well as the upcoming USMCA review. However, market fundamentals have held steady. Minimal move outs, no vacant speculative deliveries during the quarter, and strong leasing led to positive absorption and a declining vacancy rate. With a slowing of new construction starts over the past few quarters and no new spec starts in Q2 2026, supply growth can take a breather as demand regains footing.

FIGURE 1: Net Absorption and Vacancy



Source: CBRE Research, Q2 2026.

Absorption and Activity

Q2 2026 closed with 914,554 sq. ft. of net absorption, more than triple the net absorption posted in the previous quarter. Leasing activity during the quarter was up compared to recent quarters. The market registered five new leases, a small expansion, and two user sales totaling 1.6 million sq. ft. of activity. All of the absorption during Q2 2026 was through the lease up and sale of existing Class A space and one Class B lease. The largest share of activity, three leases and a user sale totaling 975,000 sq. ft., occurred in the Southeast submarket.

The market-wide vacancy rate was down 80 basis points (bps) quarter-over-quarter and 150 bps year-over-year. The Class A vacancy rate fell by 130 bps quarter-over-quarter and fell from 10.7% in Q2 2025 to 7.8% in Q2 2026. This was due to the lease up of existing spaces as well as the continued slowing of speculative deliveries. While no significant vacancy occurred during the quarter, several large vacancies are expected to occur before the end of 2026. Sublease space accounts for 11% of all vacant space in the Juarez Market.

Construction

With a build-to-suit (BTS) starting during Q2 2026 and speculative (spec) development that began in the previous quarter, industrial space under construction closed at just over 1.0 million sq. ft. This is a quarter-over-quarter increase of 461,000 sq. ft. but 260,000 sq. ft. below the Q2 2025 figure. Four spec projects totaling 798,251 sq. ft. and a BTS projected estimated at 230,000 sq. ft. remained under construction at the end of the quarter.

FIGURE 2: Cd. Juarez Industrial Market Statistics

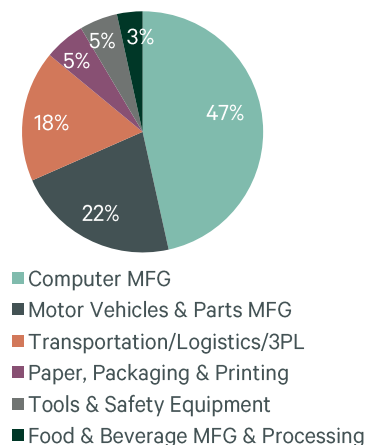
Submarket	Vacancy (%)	Availability (%)	Construction (SF)		Net Absorption (SF)	
			Active	Delivered	Q2 2026	YTD 2026
North	3.9	5.4	79,416	-	-	(328,051)
West	8.5	10.1	-	-	-	218,526
Central	4.7	4.7	-	-	-	-
Southwest	9.4	12.8	230,739	-	60,000	60,000
Southeast	8.3	10.8	230,000	-	295,843	408,565
South/Elux	4.5	5.1	488,096	-	558,711	824,684
San Jeronimo	-	-	-	-	-	-
Juárez Total	6.9	8.9	1,028,251	-	914,554	1,183,724
Class A	7.8	9.4	1,028,251	-	854,554	1,015,395
Class B	3.9	6.7	-	-	60,000	168,329

Source: CBRE Research, Q2 2026.

Future Activity

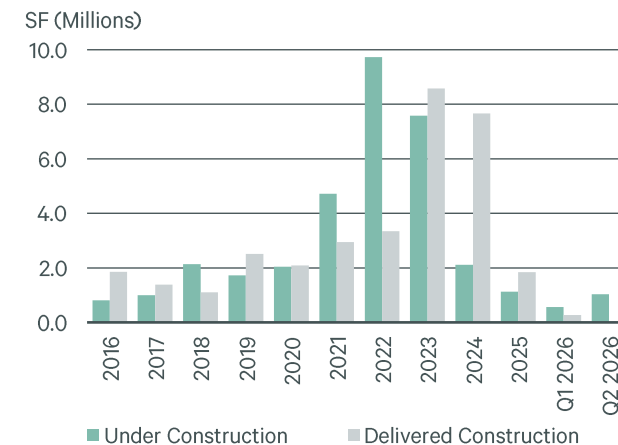
CBRE tracks user demand for space in the Juarez Industrial Market. Q2 2026 closed with users seeking almost 2.0 million sq. ft., below the 61 trailing-quarter historical average but a quarter-over-quarter and year-over-year improvement. While demand for industrial space continues to be impacted by uncertainty and many projects have been placed on hold, demand by industry remains broad with 10 different industries represented. Demand for space in the market ranged in size from 30,000 sq. ft. to 380,000 sq. ft. and a median size of 100,000 sq. ft.

FIGURE 3: YTD Q2 2026 Absorption by Industry



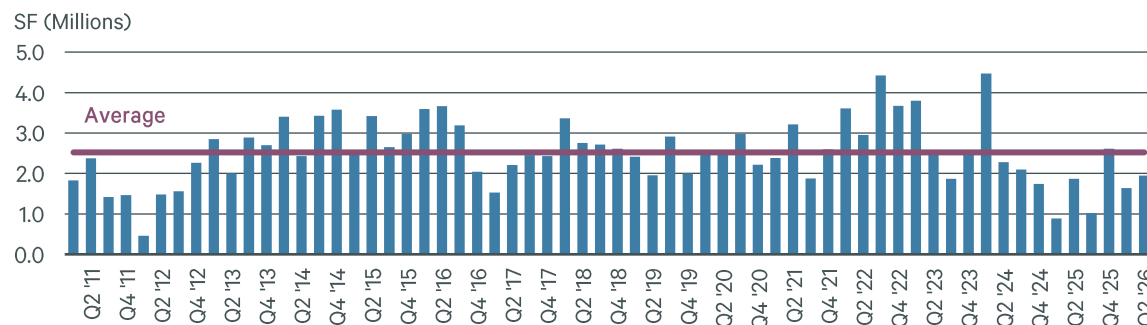
Source: CBRE Research, Q2 2026.

FIGURE 4: Construction



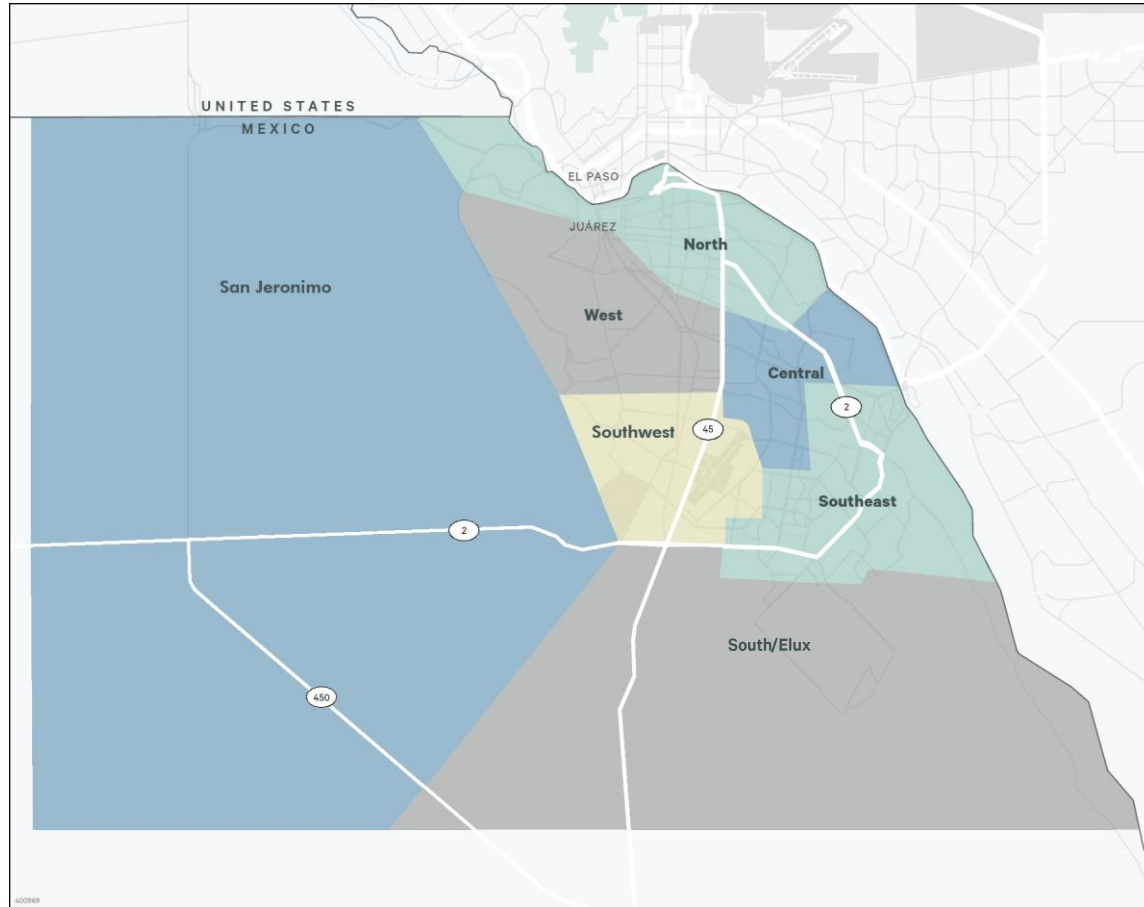
Source: CBRE Research, Q2 2026.

FIGURE 5: Active Users in the Market



Source: CBRE Research, Q2 2026.

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Triple Net Lease Rate: Rent excludes the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied immediately.

Survey Criteria

Includes all industrial buildings 30,000 sq. ft. and greater in size in greater metropolitan area of Juárez, Chihuahua and San Jeronimo, Chihuahua. Buildings which have begun construction as evidenced by site excavation or foundation work.

Contacts

Elisabeth Downs

Senior Field Research Analyst
elisabeth.downs@cbre.com

Jeremy Bock

Research Manager
jermey.bock@cbre.com

Marc Miller

Research Director
marc.miller1@cbre.com

CBRE EL PASO OFFICE

221 N. Kansas, Suite 2100
El Paso, TX 79936

© Copyright 2026. All rights reserved. This report has been prepared in good faith, based on CBRE’s current anecdotal and evidence based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this presentation, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE’s control. In addition, many of CBRE’s views are opinion and/or projections based on CBRE’s subjective analyses of current market circumstances. Other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE’s current views to later be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.

Nothing in this report should be construed as an indicator of the future performance of CBRE’s securities or of the performance of any other company’s securities. You should not purchase or sell securities—of CBRE or any other company—based on the views herein. CBRE disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CBRE as well as against CBRE’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

