

Mexico 1Q14

Market Overview Report



Industrial: Mexico and its surrounding sub-markets have an inventory of usable industrial facilities in excess of 138.4 million sf, more than 4.2 million sf under construction and 775 thousand sf completed during 2014.

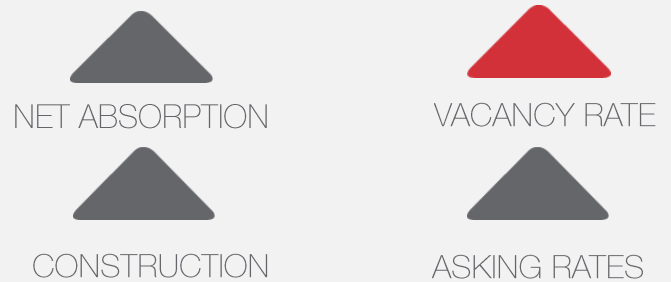
Retail: Markets in Mexico are expanding at a slower pace; latest inventory reflects slightly over 154 million sf of modern shopping centers, serving an ever expanding population.

Office: The office market is still growing at a higher rate than the last two years, showing the largest increases.

The outlook for Mexico, fairly positive despite world economic conditions, depends to a large extent on the United States economy. Employment is up over the last year, incomes are increasing, inflation is under control at approximately 4.0% and international reserves are at an all time high.

Blvd. Agua Caliente #10611-PB, Edif. Centura, Col. Aviacion, Tijuana B.C. Mex. 22410
 MX +52 664 971 0333
 US (619) 690 30209
www.naimexico.com

Overall Market Trends for 1Q14



Market Overview:

Country Statistics	Principal Lease Terms	Principal Business Taxes	Economy
Area - (Km2) 1,964,375	Term (Years) 3-5 Years	Corporate Tax 30%	Currency Mexican Peso
Population 112,336,538	Rent Paid Monthly	Withholding Tax 28%	Conversion Rate (vs USD) 13 to \$1US
Population Growth 1%	Rent Review End of Term	Value Added Tax (VAT) 16%	GDP (USD) \$1.081 Billion
Capital Mexico City	Indexation Annual/CPI	Property Transfer Tax 6%	GDP/Capita \$10,689 / yr
Capital Population 23M	Landlord Structural		GDP Growth 3%
			Inflation 5%
			Interest Rate 3.25%
			Unemployment Rate 5.2%

Significant Lease Transactions:

Tenant	Address	Size	Submarket
KUEHNE & NAGEL	-	259,000 SF	Toluca, MX
WALMART	-	200,000 SF	Tepotzotlan, MX
PROVA	-	180,000 SF	Cuautitlan, MX
SAMSUNG	-	100,000 SF	Polanco, MX