

# NEWS RELEASE

## Mexico Industrial FIBRA managed by PGIM Real Estate announces key leasing and development projects

**MEXICO CITY, [10 DEC 2021]** – A leading industrial real estate investment trust ("FIBRA"), externally managed by PGIM Real Estate and dedicated to acquiring, developing, leasing, and managing industrial real estate properties in Mexico, announced two key leases and two new development projects.

The FIBRA continues to take advantage of its high-conviction growth story in Mexico supported by PGIM Real Estate. The digital transformation of our society, and structural demand changes, have given rise to new opportunities in the e-commerce sector. As a result, the FIBRA has signed new lease agreements, demonstrating the relevance of e-commerce growth for the Fund's strategy:

- The signing of a seven-year term lease for the 210,000 square foot industrial property. This lease will generate an estimated US\$1.6 million in NOI per year, beginning in June 2022. The tenant specializes in the manufacturing of packaging solutions, which serves a diverse range of customers in the e-commerce sector.
- The signing of a five-year contract with a leading e-commerce group for last-mile operations in Tijuana. The repositioning of this currently vacant property of 50,849 square feet will generate annualized NOI of US\$320,000 as of December 2021.

Additionally, based on the same investment thesis, the FIBRA initiated new developments that will support its growth strategy:

- The beginning of two new industrial properties' developments in Ciudad Juárez and Monterrey that are expected to have a total Gross Leasable Area (GLA) of 473,000 square feet. These projects, located in the FIBRA's land reserves, are expected to require a total investment of US\$18.6 million and generate an estimated annualized net operating income (NOI) of US\$2.1 million for 3Q22. This implies a return on investment of over 11%. The FIBRA already has letters of intent for 68% of the leasable space, signed by multinational companies in the logistics sector.
- The groundbreaking for the construction of a 38,000 square foot expansion of an existing property in the growing electric automotive cluster of Ramos Arizpe, in Coahuila. It is estimated to require an investment of approximately US\$2.8 million, and the rate of return measured by NOI is 11%. The FIBRA expects construction to take approximately six months and the expansion to begin generating revenues in July 2022. Finally, the term of the new lease will be ten years.

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PGIM Real Estate's rigorous risk management, seamless execution, and extensive industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing<sup>2</sup>, and the deep local expertise of professionals in 32 cities globally. Through its investment, financing, asset management, and talent management approach, PGIM Real Estate engages in practices that ignite positive environmental and social impact, while pursuing activities that strengthen communities around the world. For more information visit [pgimrealestate.com](http://pgimrealestate.com).

<sup>1</sup> As of September 30, 2021, AUM reflected as gross. Net AUM is \$134B and AUA is \$45B.

<sup>2</sup> Includes legacy lending through PGIM's parent company, Prudential Financial, Inc

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