



SITE SELECTION IN MEXICO: THE INDUSTRIAL PARK ADVANTAGE

Key elements for a successful
site selection process



Family - Owned. World - Renowned.

WHY MEXICO?

- ✓ Strategic location in North America, bordering the U.S. and direct access to Central & South America.
- ✓ 14th Largest Country with 1,864 mi. from end to end.
- ✓ 200 mi. with the U.S. with 54 border crossing points
- ✓ More than 36% of Mexico's inward FDI has been channeled to advanced manufacturing industries, such as automotive, spare parts, electronics, aerospace, pharmaceutical, e-commerce, and medical devices, among others.
- ✓ 43% of the population is under 25 years old, with an average age of 27
- ✓ Unemployment rate 3.7%



MEXICO'S DIFFERENTIATORS

Automotive and Parts
7th producer & 4th exporter of
light vehicles



Aerospace
potential high-tech export
market



Electronics
1st exporter of flat screens; 4th
of computers & 6th of mobiles



Medical Devices
Leading exporter of medical
& radiation devices in LATAM



Furniture
2nd largest supplier to the
United States



Home Appliances
5th leading exporter in the
world & leader in LATAM



Metal Mechanic
Top 10 main exporter of
machinery & mechanical

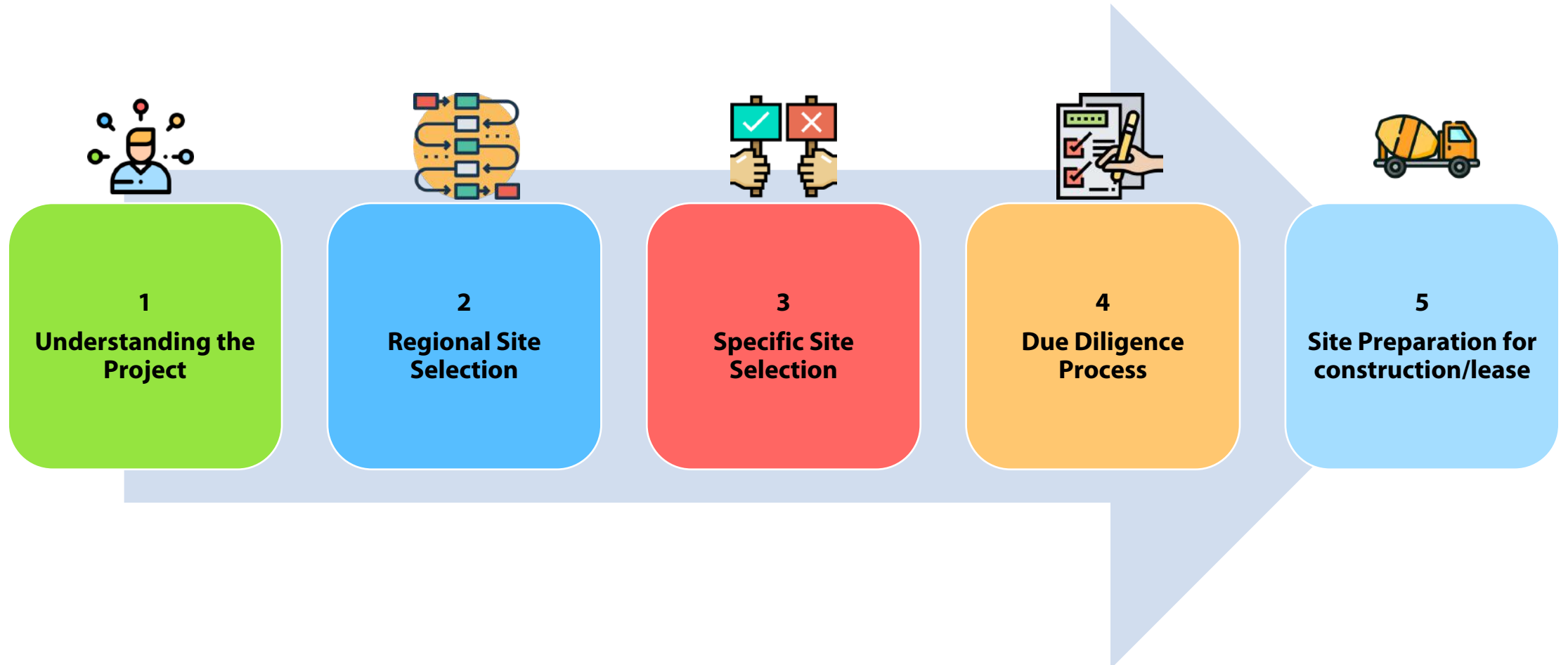


Telecomm
2nd country in the world with
the fastest internet speeds



- ✓ 14 Free Trade agreements (FTAs) and 8 Economic Complementations and Partial Scope Agreements
- ✓ Ranks amongst the Top 15 exporters in the world with 578 billion USD
- ✓ Annual FDI flows in the last 5 years have remained between 30 and 35 billion USD. By 2022, total FDI was 35.3 billion USD.

5 STEPS FOR SITE SELECTION



1. UNDERSTANDING THE PROJECT



- **Project Scope: What?**

- Product, Facility Size, Volumes, Equipment, Headcount & Skills, Utilities & Consumption, Raw Material(s), Supply Base, Customer(s)...

- **Company Objective: Why Mexico?**

- Cost reduction, Proximity to Customer(s), Logistics, Suppliers....

- **Corporate Criteria**

- Time Frame
- Buy or Lease
- Existing or BTS Facility
- Project Confidentiality / Company Exposure
- City Profile
 - Border, interior, big, small.
- Expat Quality of life
- Outside or Inside Industrial Park
- Curb Appeal

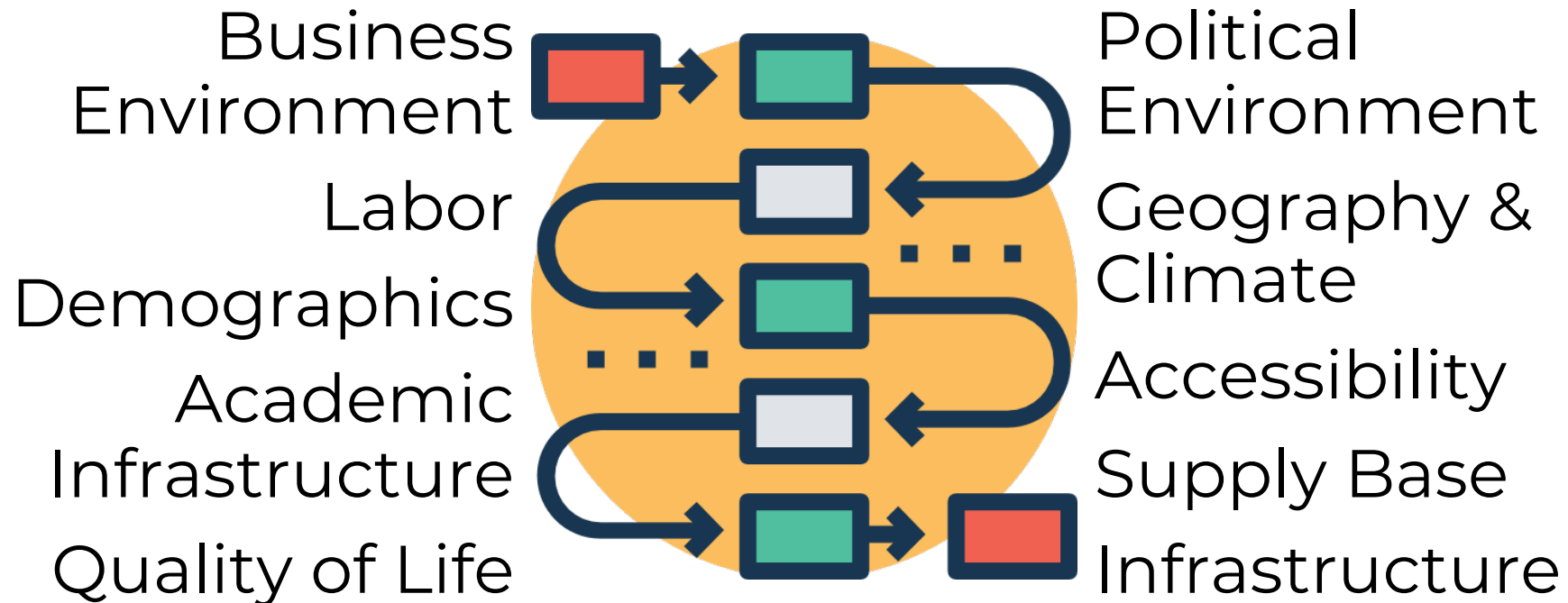
1. UNDERSTANDING THE PROJECT



Defining the crucial specifications for the **Project/Building** are key

- Total area (production, warehouse, office)
- Basic building specs such as Floor thickness, building height, utilities consumption (water, electricity, natural gas).
- Tenant Improvements (TI's) such as Fire protection system, office finishes, cranes, specialty rooms, etc.

2. REGIONAL SITE SELECTION KEY CRITERIA



3. SPECIFIC SITE SELECTION KEY CRITERIA



- **Business Environment**

- Labor
- Demographics
- Academic Infrastructure
- Quality of Life
- Political Environment
- Geography & Climate
- Accessibility
- Supply Base
- Infrastructure

- Turnover Rate
- Absenteeism
- Labor Environment
- Unemployment Rate*
- Labor Availability
- Labor Culture / Vocation
- Union Presence
- Established Companies & Competitors

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
- **Labor**
- Demographics
- Academic Infrastructure
- Quality of Life
- Political Environment
- Geography & Climate
- Accessibility
- Supply Base
- Infrastructure
- Availability
- Skills
- Fully Loaded Cost

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
- Labor
- **Demographics**
- Academic Infrastructure
- Quality of Life
- Political Environment
- Geography & Climate
- Accessibility
- Supply Base
- Infrastructure
- Population
 - Total
 - Economically Active
- Average Age
- People Entering the Workforce

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
 - Labor
 - Demographics
 - **Academic Infrastructure**
 - Quality of Life
 - Political Environment
 - Geography & Climate
 - Accessibility
 - Supply Base
 - Infrastructure
- Universities
 - Community Colleges
 - Technical Schools
 - Training Centers
 - Research Centers

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
- Labor
- Demographics
- Academic Infrastructure
- **Quality of Life**
- Political Environment
- Geography & Climate
- Accessibility
- Supply Base
- Infrastructure
- Residential Areas
- Country Clubs
- Lodging
- Restaurants
- Hospitals
- Shopping Malls
- Convention Centers
- Cultural / Sport Activities
- Financial Services
- Bilingual Schools & Universities
- Expat Community

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
- Labor
- Demographics
- Academic Infrastructure
- Quality of Life
- **Political Environment**
- Geography & Climate
- Accessibility
- Supply Base
- Infrastructure
- Attitude towards business
- Incentives
- Political party in power

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
- Labor
- Demographics
- Academic Infrastructure
- Quality of Life
- Political Environment
- **Geography & Climate**
- Accessibility
- Supply Base
- Infrastructure
- Topography
- Temperature
- Humidity
- Prevailing Winds
- Rainfall
- Elevation

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
- Labor
- Demographics
- Academic Infrastructure
- Quality of Life
- Political Environment
- Geography & Climate
- **Accessibility**
- Supply Base
- Infrastructure
- Airports
 - Commercial / Cargo
 - Domestic / international flight's frequency
- Main roads connections
- Railroad connections
- Distance to other cities
- Distance to the port of entry
- Parcel services
- Freight services
- Freight costs
 - Air
 - Land
 - Rail
 - Sea

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
- Labor
- Demographics
- Academic Infrastructure
- Quality of Life
- Political Environment
- Geography & Climate
- Accessibility
- **Supply Base**
- Infrastructure
- Services
 - Maintenance
 - Special processes
 - Heat treatment
 - CNC Machining
 - Chemical
 - Tool & Die Casting
 - Injection Molding
 - NDT
 - Other
 - Metrology
 - Laboratory
- Raw Materials.

3. SPECIFIC SITE SELECTION KEY CRITERIA



- Business Environment
 - Labor
 - Demographics
 - Academic Infrastructure
 - Quality of Life
 - Political Environment
 - Geography & Climate
 - Accessibility
 - Supply Base
 - **Infrastructure**
- Industrial Parks
 - Location
 - Available Buildings
 - Available Land
 - Building Lease Rate
 - Land Prices
 - Rail Spur
 - Utilities
 - Water
 - Potable
 - Treated
 - Sewage
 - Electricity
 - Tension (Low, High, Mid)
 - Natural Gas
 - Telecommunications

COST ANALYSIS



For both the Regional & Specific Site Analysis, *operating cost scenarios* must be determined by considering the following:

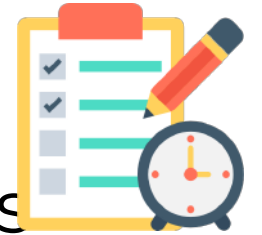
- Labor
- Process Utilities
- Freight, Customs & Logistics
- Building (Lease Rate, Triple Net, Utilities, CAM Fees)
- Administrative costs

DUE DILLIGENCE



Zoning
Ownership
Utilities Feasibility
Water
Sewage
Electricity
Natural Gas
Permits & Registrations

Easements
Site Studies
Soil Mechanics
Topographic
Environmental Studies
Phase One
Phase Two



WHY CHOOSE AN INDUSTRIAL PARK?

- ✓ Certainty on the property of the land and its use.
- ✓ Strategic locations: access to main trade corridors.
- ✓ Access to infrastructure and services.
- ✓ Compliance with local and federal regulations.
- ✓ Quick process to set up an operation.
- ✓ Security and safety
- ✓ Covenants and central administration



TYPICAL INFRASTRUCTURE INCLUDED

- Paved Streets (Asphalt or Concrete)
- Public Lighting & Wide Sidewalks
- Rainwater & Sanitary Sewage
- Wastewater Treatment Plant
- Power Substation & Electrical Grid
- Access to Telecom Services
- Landscaping
- Security & Gated Access 24/7



TIMEFRAMES TO CONSIDER

- ✓ Acquire land and built yourself (owning)
+12 months.
- ✓ Lease a Built-to-Suit (BTS) facility
~8 to 10 months*
- ✓ Lease or Existing buildings
3-6 months



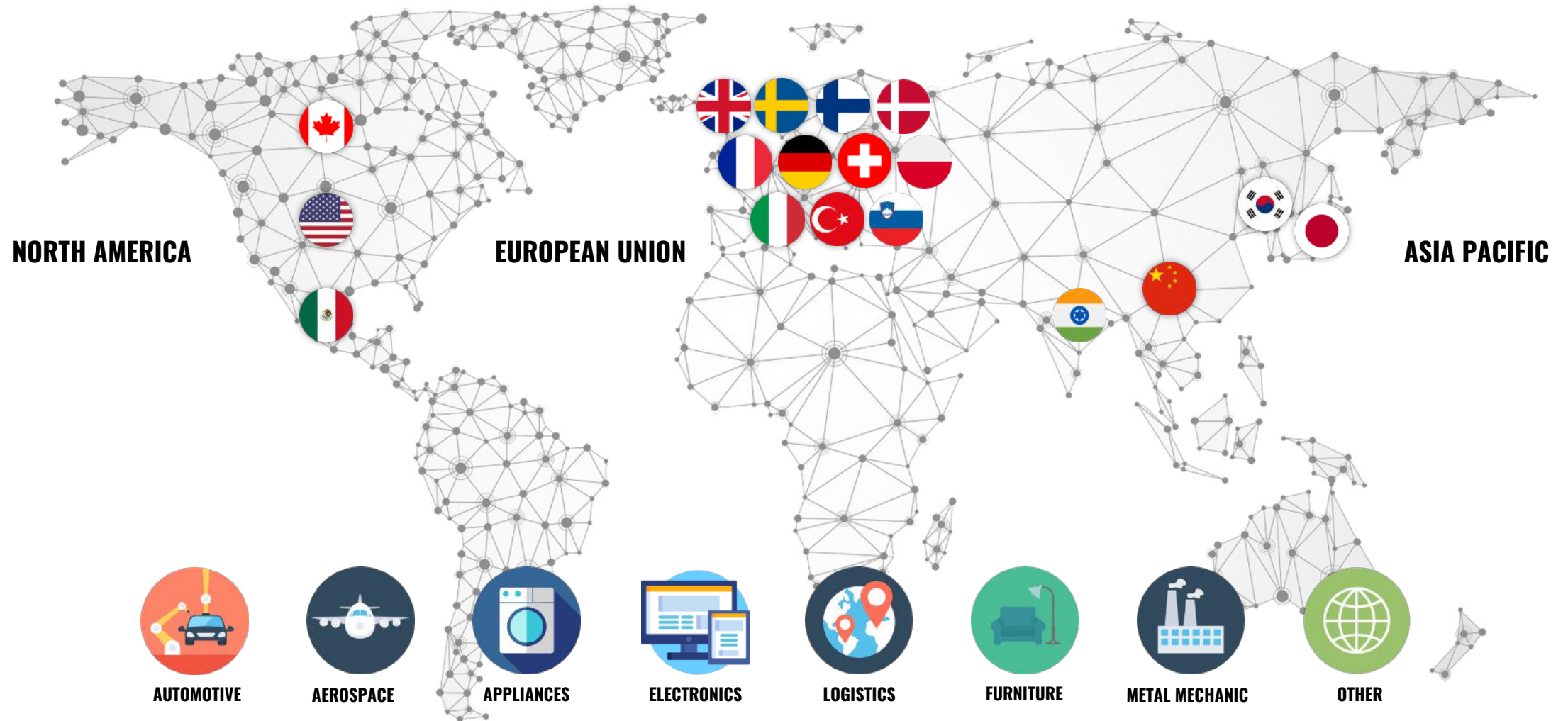
AMISTAD QUICK FACTS

CORE BUSINESS			+45 years of Experience	+3000 Hectares Developed
	INDUSTRIAL REAL ESTATE	CONSTRUCTION & DESIGN	+35 Million Sq.Ft. Built	+10 Million Sq.Ft. Leased
OTHER			+180 Clients	+16 Industrial Parks
	COMMERCIAL REAL ESTATE	OLIVE OIL PRODUCTION	~1,500,000 Sq.Ft. built per year	133 MUSD (CKD/REIT) Public Development Fund
			WINE PRODUCTION	RANCHO EL FORTIN
				Coahuila's Largest Industrial Developer

OUR FOOTPRINT



OUR CLIENTS & INDUSTRIES



OUR CLIENT PORTFOLIO

10 Chinese Customers



Family - Owned.
World - Renowned.

NORTH MEXICO

Boulevard Galerias 381 Torre Edden Piso 3
Fracc. Parque Centro; 25279 Saltillo, Coahuila

Mexico
+52 844 415 8005

Jose Luis Benitez
jbenitez@amistadmexico.com



ampip

PROUD-MEMBER

FOR MORE INFORMATION:

www.amistadmexico.com • info@amistadmexico.com

