



NM Borderplex

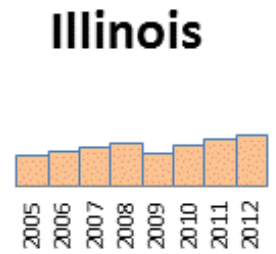
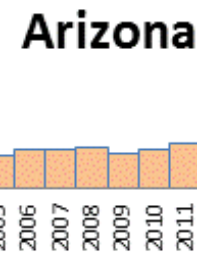
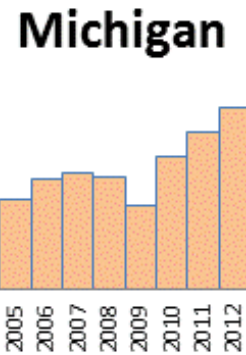
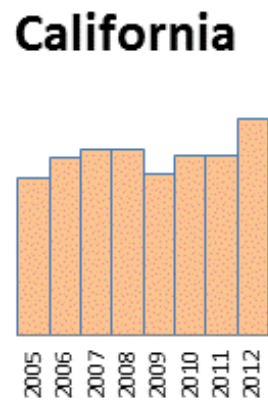
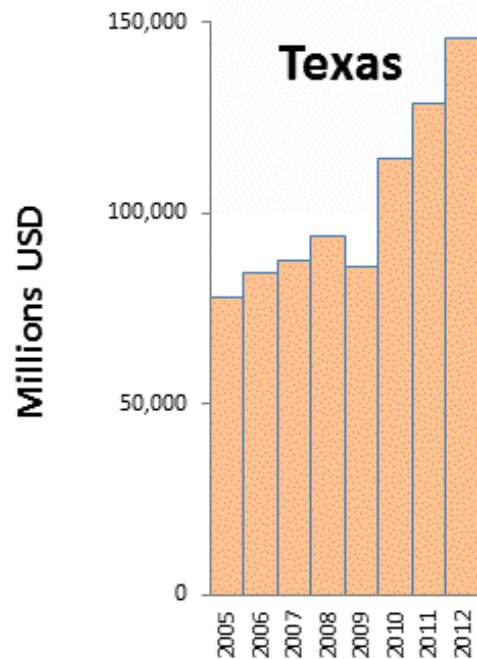
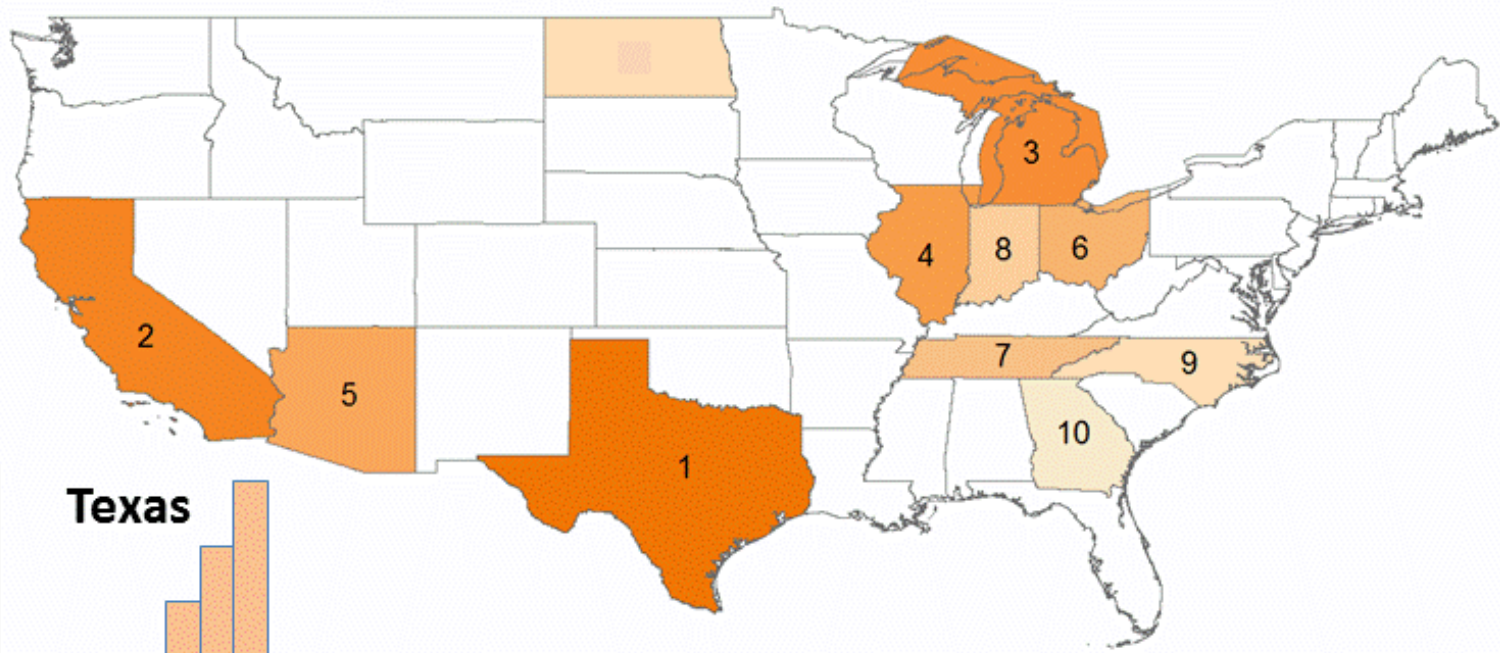
Why it Matters!

January 2014

US Trade with Mexico > \$300 billion annually

Surface Trade of US States with Mexico

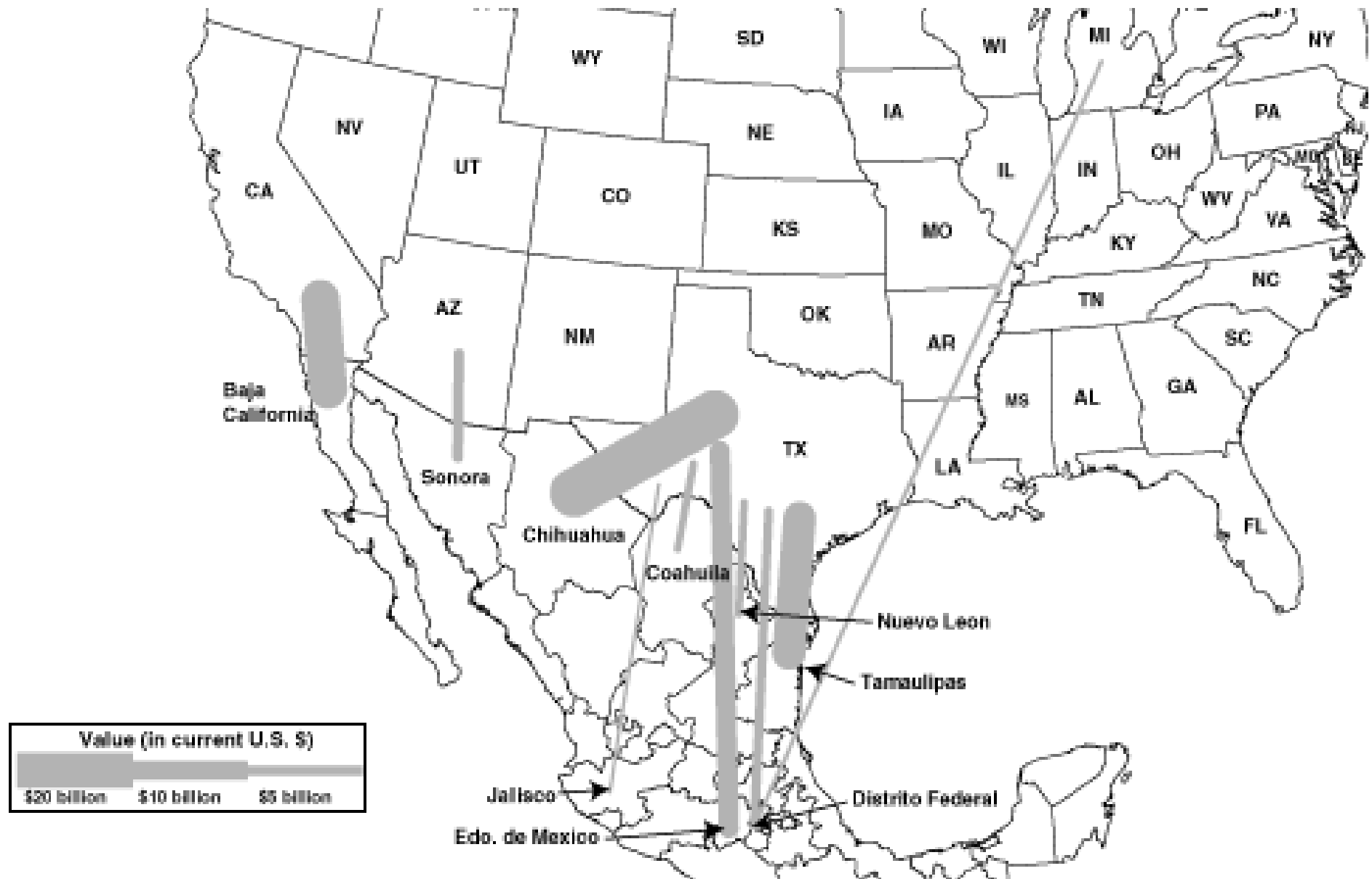
States Ranked Based on Value of Traded Goods (2005-2012)



US-Mexico Economic Relations: Job Creation Starts with Trade

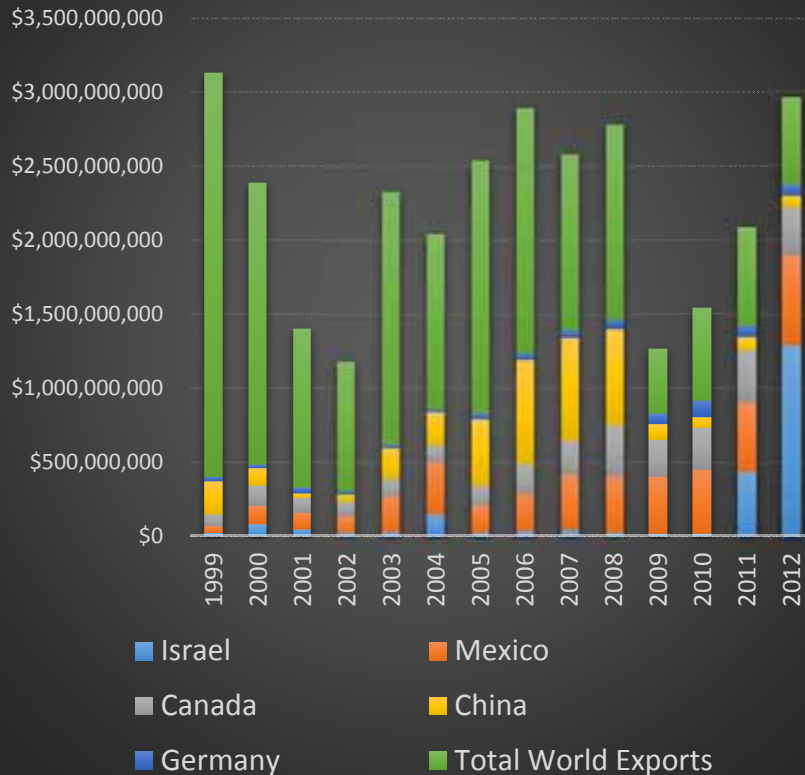


Merchandise Flow



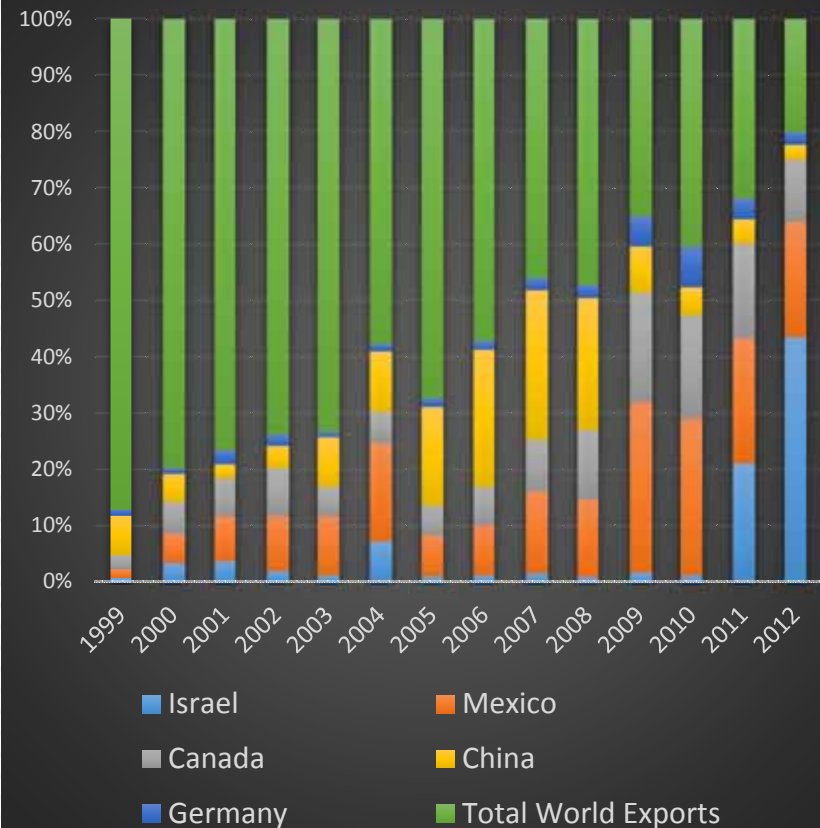
New Mexico's World Exports

New Mexico's Exports to the World



Total Exports with Top 5 Trade Partners & Rest of World

New Mexico's Export Partners



Percentage of Export Trade with Top 5 Trade Partners

Your roadmap to the Borderplex

»» What Google Maps aspires to
be ...

Regional Profile

- Two Countries/Three States
- Population > 2.4 million
- Gross Regional Product > \$41billion/yr
- Over 400 maquila factories
- 3 Commercial ports of entry



Santa Teresa Logistical Developments

- ▶ Pre-1993:
 - Charlie Crowder aggregated 22,000 acres
- ▶ 1993
 - Santa Teresa Port of Entry opened
- ▶ 1994
 - NAFTA
- ▶ 1997
 - STREDD entered market
- ▶ 1998
 - Mexico Gov paved road to Hwy 2
- ▶ 2000
 - Pete Dominici Hwy extended to I-10
- ▶ 2001
 - Samalayuca Bypass created
- ▶ 2008
 - FoxConn announcement
- ▶ 2011
 - Union Pacific begins construction of Phase I
- ▶ 2014 and further ...



Santa Teresa Industrial Base & Border Traffic

- ▶ Two border parks
- ▶ 2 million square feet
- ▶ 22,000 acres land
- ▶ Over 35 companies
- ▶ 2,250 employees
- ▶ Incorporates FTZ197
- ▶ \$1.3 billion in product crossing monthly.



Trending Now

- #NMBorderplex4Life,
#WorkinOnTheRailroad,
#ST-UP-andMe,
#IHateThisTrend
#Hashtag

Economic Development Trends & Impacts

- ▶ FoxConn's influence
- ▶ Union Pacific's impact
- ▶ Overweight cargo zone
- ▶ El Paso is growing
- ▶ Bi-national discussions



FoxConn's Influence

Hon Hai (Foxconn) the world leading electronics contract manufacturer is operating and expanding an Industrial Campus in San Jeronimo-Santa Teresa.

Economic Development Affect: Bi-national opportunities

- ▶ Trend: Enhances future maquila developments in San Jeronimo
- ▶ Capital Investment: \$185 million
- ▶ Largest maquila in Mexico
- ▶ Cross-border traffic: 300 Trucks per day
- ▶ Workforce: 5,000+; expected to grow over 20,000
- ▶ Potential of over 1,000 foreign executives.

- ▶ **NM Opportunity:**
 - ◆ Attracts direct and indirect supply chain
 - ◆ Creates U.S. based jobs (3-1 ratios)

Union Pacific's Impact

\$400 million project
2,200 acres of land
600 Permanent Jobs

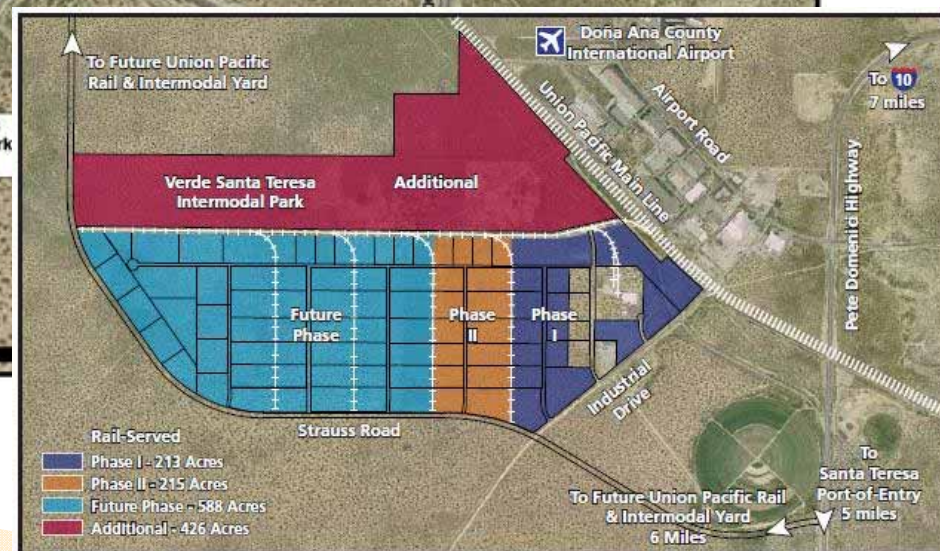
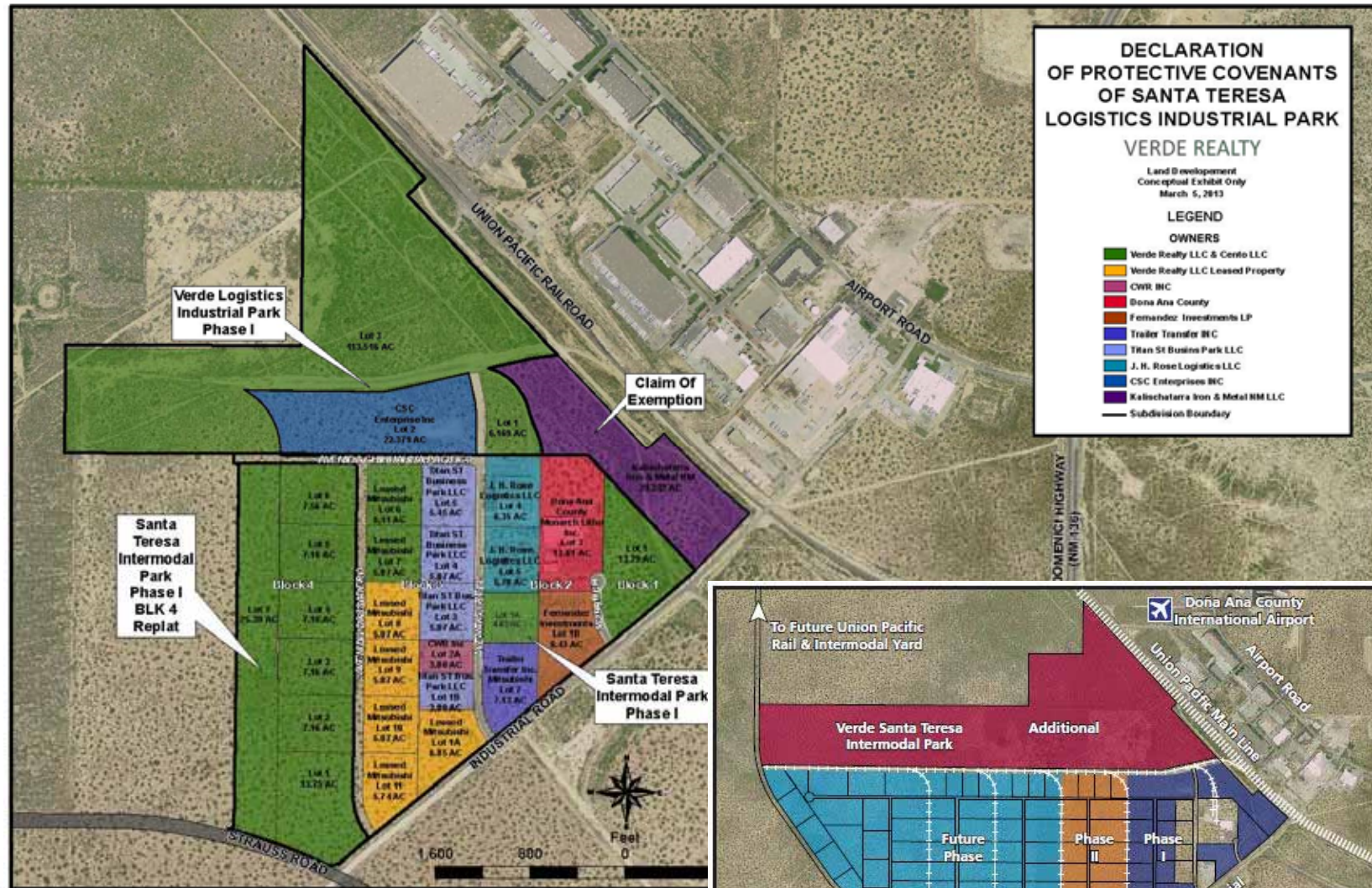
NM Opportunity:

Greater Demand,
Development, and
Services

- Inland Port Factor
- Bi-modal / Inter-modal growth
- North-South, East-West logistics hub



Rail Park Ownership



Overweight Cargo Zone

- ▶ Established 2011
- ▶ 6-mile overweight cargo zone
- ▶ Zero-cost legislation
 - \$250 permit per truck
- ▶ Up to 96,000 lbs of cargo
- ▶ Effective incentive leading to 3 new location decisions



El Paso Is Growing

▶ Ft. Bliss Impact

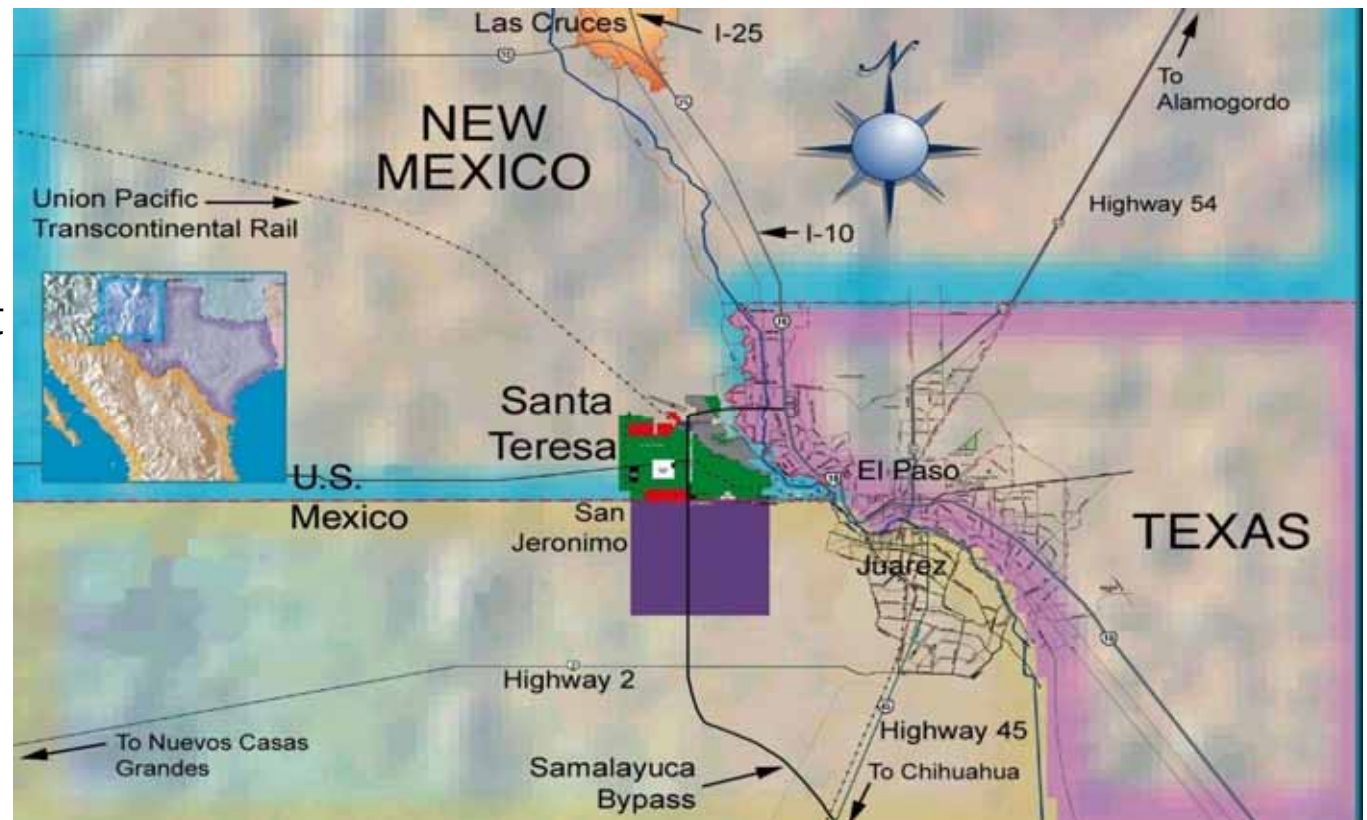
- 30,000 troops and families
- 100,000-200,000 population growth
- Residential/Commercial Impact
- Industrial Encroachment

▶ RESULTS : New Mexico Competing For Expanding Business

- Alaska Structures (400 Jobs – Las Cruces)
- L&M Radiator (180 Jobs – Las Cruces)
- TE Connectivity (150 Jobs-Santa Teresa)
- Twin Cities
- W Silver Recycling
- Many others ...

Bi-National Industrial Campus

- ▶ Two adjacent green field developments
- ▶ Two major land holdings
- ▶ Securitized bi-national zone
- ▶ One exclusive port of entry, with "easy" expansion



Opportunities / Challenges

OPPORTUNITIES

- ▶ Creation of a major logistics & distribution hub
- ▶ Increased and Diversified Investment:
 - Commercial, Hospitality, Healthcare Services
 - Checkpoint- 450 units (Hanson Asset Management)
- ▶ Strategic Advantages: Bi-national Industrial Campus

CHALLENGES

- ▶ Infrastructure & Housing
- ▶ Labor:
 - Identification of NM-based labor
 - Isolated / Transportation needs
 - Incentives not aligned with border needs.

Questions?



Davin Lopez

O: 575-525-2852

E: davin@mveda.com

