Mexico Success Stories
Panel

Moderator:
- Lyman Daniels (President, CBRE Mexico; Chair, ULI Mexico)

Panel:
- Raúl Gallegos (Managing Director, GE Capital Real Estate Mexico)
- Palmer Letzerich (Vice President, Managing Director, Hines)
- David O´Donnell (President and CEO, O´Donnell Mexico)
Mexico City Office Inventory (Class A/A+)

INVENTORY

GROWTH

1 Square Meter = 10.77 Square Feet
Mexico Industrial Inventory (Class A)

1 Square Meter = 10.77 Square Feet
Mexico’s Class A Office Cap Rates

- Cap Rate
- Mexico Risk

Basis Points

%
Mexico CRE Cycle

1993-2012

- 1993: NAFTA Chiapas conflict
- 1994: NAFTA consolidates new firms establishing operations in Mexico
- 1995: The majority of manufacturing industries relocate in China
- 1996-1997: Vicente Fox wins presidency
- 1998: Class A inventory 700,000 sqm
- 1999: Devaluation Crisis (Peso)
- 2000: NAFTA consolidates new firms establishing operations in Mexico
- 2001: Torre Mayor 77,000 sqm, Vacancy 20%
- 2002: Mexico City Historic Center re-development
- 2003: Class A 2.9 million sqm average office rents (US$23/ sqm/month)
- 2004: Multiple companies closed Mexican operations. Vacancy reaches 20% Torres Arcos 65,000 sqm
- 2005: Class A 3.4 million sqm
- 2006: Torre Esmeralda 77,000 sqm
- 2007: Class A 3.8 million sqm
- 2008: Class A 4.1 million sqm
- 2009: Class A reaches 3.4 million sqm
- 2010: Mexico celebrates 200 years of independence
- 2011: Felipe Calderon wins Mexican Elections
- 2012: Peña Nieto is elected as Mexico’s new President

Class A Office inventory grew 430% from 1993 to 2011