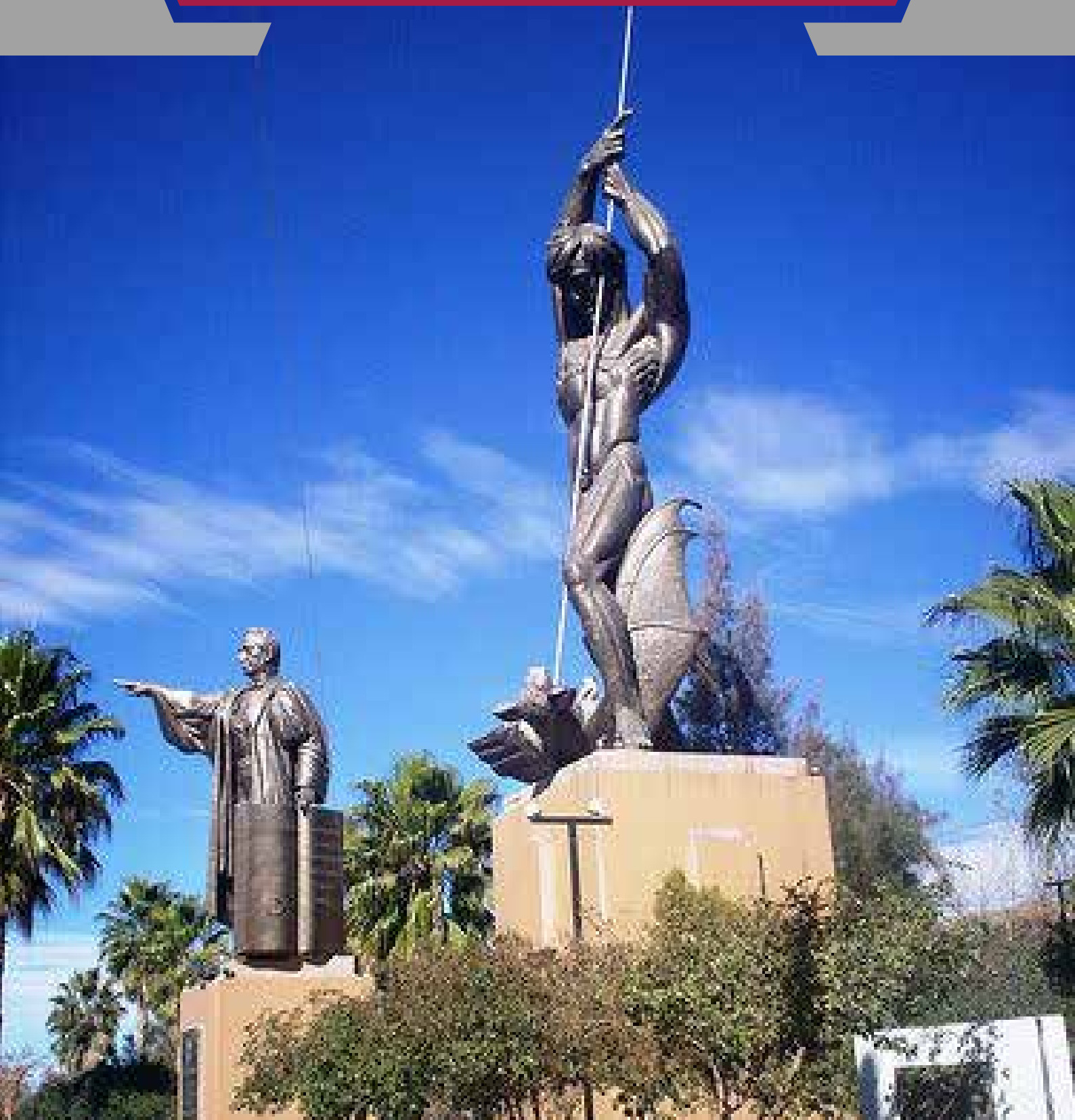
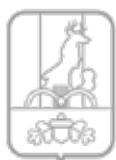


SITE ANALYSIS



MARCH 2024



NOGALES
LA GRAN FRONTERA
2021 - 2024

DDE

DIRECCIÓN DE DESARROLLO ECONÓMICO

INTRODUCTION

In 2020, the population in Nogales was 264,782 inhabitants (50% male and 50% female). Compared to 2010, the population in Nogales grew by 20.2%.

Nogales' international sales in 2022 were US\$4,905M, which grew by 16% over the previous year. The products with the highest level of international sales in 2022 were Electrical Wire and Cable (US\$820M), Machinery and Mechanical Appliances Having Individual Functions, Not Elsewhere Specified (US\$661M), and Instruments and Apparatus Used in Medical Sciences (US\$517M).

Because of its geographic location, the city is also the main access point for U.S. tourists to the state of Sonora. For this reason, the most important economic activity in the municipality of Nogales is the foreign maquiladora export industry (mainly to the United States), operating a total of 104 plants in 15 different industrial parks, with approximately 46,000 workers.

Six of the 50 largest companies in Sonora are located in Nogales, in areas such as automotive, aerospace, metal-mechanics, medical products and electronics.

The municipality also has a wide variety of commercial establishments and services, the main ones being supermarkets, restaurants, imports, hardware stores, construction companies, transportation and lodging services, etc.

POPULATION

Total: 264,782 INEGI 2020

- Women: 132,522
- Men: 132,260

Economically active population:
169,477

People working for the industry:
46,706

BORDER CROSSING 24 H BUSINESS

Rated 4 of 5

SECURITY

These numbers are for the month of
February 2024.

- Business robbery with violence: 20
- Kills: 1
- Domestic Violence: 45
- Residential Burglary: 11

DISTANCE FROM SEA PORTS

1. Guaymas, Sonora 420 km
2. Ensenada, Baja California 820 km
(about 509.52 mi)
3. Topolobambo, Sinaloa 795 km
(about 493.99 mi)
4. Mazatlán, Sinaloa 1166 km
5. Long beach, California 899 km
(about 558.61 mi)

DISTANCE FROM AIR PORTS

1. Hermosillo, Sonora: 285 km
(about 177.09 mi)
2. Tucson, Az: 110 km (about 68.35 mi)
3. Phoenix, Az: 285 km (about 177.09 mi)

PROXIMITY TO RAILWAY

The railroad tracks pass through the city.
The railroad station is in the city center
near the industrial parks, with a
maximum travel distance of approx.
7 km. And a minimum distance of 1 km
approx.

AVERAGE SALARY (OPERATOR)

Salary January 2024

Highest: \$420.00 MXN

Medium: \$401.00MXN

Minimum: \$374.89

MXN Average: \$386.42

TECHNICAL SCHOOL UNIVERSITIES

1. Universidad Tecnológica de Nogales

INDUSTRIAL PARKS

12 industrial parks and there´s available infrastructure for new industrial parks.

AVERAGE MAX TEMPERATURE

35 °C in summer

AVERAGE MAX HUMIDITY

71.4%

AVERAGE MAX RAINFALL

75 MM

AVERAGE MIN TEMPERATURE

2 °C in Winter

LOCAL GOVERNMENTAL INVESTMENT

In support of the program to promote the economic development of the population center of Nogales and the establishment of new industrial, commercial and service companies, the Municipal Treasury may grant reductions in the collection of fees for feasibility and specific land uses to individuals or legal entities with business activities, as long as they request it for the benefit of their physical plant, upon written request to the Secretary of Economic Development, who will evaluate the investment costs and the benefits in employment for the population. The reductions will be made effective through the following:

1. 25% discount for new companies that generate less than 25 annual jobs, renting the property where they are established.
2. 50% discount for new companies that generate from 25 to 50 jobs by renting the real estate where they are established or that generate less than 25 jobs but that demonstrate that they are legal owners of the real estate where they are established.
3. 75% discount for new companies that generate from 51 to 300 jobs by renting the property where they are established.
4. 90% discount for new companies that generate more than 300 jobs by renting the property where they are established or that generate between 25 and 100 direct jobs but that demonstrate that they are legal owners of the property where they are established.
5. 100% discount for new companies that employ more than 100 direct employees and/or that the value of their investment exceeds \$3,500,000.00 MXN, if they can prove that they are the owners of the real estate for which they are requesting discounts.
6. 100% discount to owners or promoters of service workshops such as body shops, auto mechanics, carpentry, etc., if it is on land marked in the PDU as suitable for the installation of these.

AVERAGE ELECTRICITY COST

The cost may vary depending on the exchange rate. These prices are expressed in USD.

Tariff	Description	Charge	Unit	March-24
GDMTO	High demand in ordinary medium voltage	Fixed cost	\$/Month	34.11
		Variable (energy)	\$/kWh	0.080
		Distribution	\$/kW	5.61
		Capacity	\$/kW	21.12

Tariff	Description	time interval	Charge	Unit	Mar-24
GDMTO	High demand in hourly medium voltage	-	Fixed cost	\$/Month	34.11
		Base	Variable (energy)	\$/kWh	0.059
		Intermediate	Variable (energy)	\$/kWh	0.096
		Point	Variable (energy)	\$/kWh	0.11
			Distribution	\$/kW	5.61
			Capacity	\$/kW	24.29

AVERAGE RENT OF INDUSTRIAL BUILDING

The cost may vary depending on the exchange rate. These prices are expressed in USD.

COMPANY/ INDUSTRIAL PARK	\$ SQ. FT. (USD)
NUEVO NOGALES (DAMOZA)	New building \$5.75 - \$6.00 Non-new building \$5.25
NUEVO NOGALES (DAB)	\$4.80 - \$6.50
SAN CARLOS	\$5.50
FOPIN NOGALES	\$3.50
SAN RAMON (DAB)	\$4.80 - \$6.50
EL CID, EL RAQUET	\$4.50
PERIFÉRICO (DAMOZA)	\$4.80 - \$6.00
PARQUE INDUSTRIAL BUSTAMANTE	\$3.50

SOURCES

Verdugo & Associates: Average Salaries

Index Nogales: Industrial Parks and workforce

INEGI: Population 2020

Public Security Department: Security levels

MORE INFORMATION

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