Nuevo León

Business & Investment Guide

To live, work and do business.

INVEST MONTERREY



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General Connectivity

Connectivity from Monterrey to the World



Transportation is a crucial component for a region's economic and social growth, playing a key role in its ability to function and compete. Globalization has only increased the importance of efficient transportation systems, making them indispensable for regional development and connectivity.

Monterrey's strategic location, near the U.S. border and with access to multiple ports, is crucial for its economic growth, providing easy access to world markets and enhancing trade opportunities. As a central transportation hub, Monterrey northern and central Mexico with the U.S., facilitating national and international distribution of goods. Its proximity to major ports on the Pacific Ocean and Gulf of Mexico further enhances this trade. Moreover, Monterrey benefits from economic integration agreements such as the USMCA, making it a key player North American markets.

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Diversified Economy

4,100+ Foreign capitalized companies in Monterrey

AUTOMOTIVE

brembo · CATERPILLAR · MAGNA A Fair Enterprise Corporation · HYUNDAI

DAIMLER · DELPHI · NAVISTAR · Panasonic

JOHN DEERE · KIA · POLARIS · DENSO

Kawasaki · Yanfeng Global Automotive Interiors · faurecia · ZF

HOME APPLIANCES

BOSCH · Hisense · WELBILT

Whirlpool · Danfoss · LG

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States Productivity

Compared to other major cities in Mexico, Monterrey excels in average scholarity, the number of graduated engineers, and the presence of IMMEX companies. This highlights the city's human capital as a highly skilled labor force, making it a standout location within the country.

Demographics

Key Human Capital Indicators for Major Cities in Mexico | 2013-2023

INDICATOR	MONTERREY NUEVO LEÓN	LEÓN, GUANAJUATO	DURANGO, DURANGO	CIUDAD JUARÉZ, CHIHUAHUA	PUEBLA, PUEBLA	SALTILLO, COAHUILA	SAN LUÍS POTOSÍ, SAN LUÍS POTOSÍ
Total Population	4,397,315	1,751,556	632,155	1,545,601	2,192,459	1,025,397	1,179,585
Economically Active Population	2,152,993	920,769	303,528	782,211	1,062,309	486,496	610,927
Average Scholarity Grade	10.7	9	9.7	10	9.2	10.4	9.6
Graduated Engineers 2022-2023	8,874	2,535	1,306	1,720	6,094	3,261	2,269
IMMEX Companies	475	75	73	319	173	72	125
Transport Equipment Manufacturing Companies	283	109	23	133	150	137	98

Source: Prodensa with data from INEGI.

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Salary Breakdown - General Positions

Monterrey

Monterrey Daily Wage

	MXN / USD		
Position	**25th Percentile**	**Median**	**75th Percentile**
General Operator	313 MXN / 17.40 USD	389 MXN / 21.61 USD	421 MXN / 23.40
Specialized Operator	417 MXN / 23.16 USD	467 MXN / 25.95 USD	557 MXN / 30.95 USD
CNC Technician	460 MXN / 25.50 USD	510 MXN / 28.33 USD	615 MXN / 34.16 USD
Maintenance Technician	526 MXN / 29.22 USD	593 MXN / 32.95 USD	733 MXN / 40.72 USD
Forklift Operator	361 MXN / 20.05 USD	392 MXN / 21.78 USD	431 MXN / 23.95 USD

Monterrey Monthly Wage

	MXN / USD		
Position	**25th Percentile**	**Median**	**75th Percentile**
Product / Design Engineer	29,780 MXN / 1,654.4 USD	36,040 MXN / 2,002.2 USD	43,220 MXN / 2,401.1 USD
Process Engineer	28,910 MXN / 1,606.1 USD	31,270 MXN / 1,737.2 USD	37,810 MXN / 2,100.5 USD
Production Planner	25,650 MXN / 1,425.0 USD	27,938 MXN / 1,552.1 USD	32,290 MXN / 1,793.8 USD
Maintenance Jr. Engineer	22,493 MXN / 1,249.6 USD	23,810 MXN / 1,322.8 USD	29,200 MXN / 1,622.2 USD
Plant Manager	91,041 MXN / 5,057.8 USD	149,500 MXN / 8,305.6 USD	205,603 MXN / 11,422.4 USD

For a comparison of monthly wages in other major cities in Mexico, please refer to the Appendix.

Source: Prodensa.

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Industrial

The average asking prices in the Monterrey market have experienced a significant surge, propelled by heightened demand for real estate, reaching a peak of $0.60 USD per square feet per month. It is worth noting that prices are rising nationwide, particularly in northern cities, driven by active demand for industrial space and escalating construction costs due to increased real estate demand.

However, Monterrey is not the market with the highest asking price. The CDMX-EDOMEX market holds the top spot with $0.71 USD per square feet per month. Meanwhile, other markets like Toluca ($0.58 USD), Chihuahua ($0.60 USD), and Juarez ($0.61 USD), boast similar asking prices to Monterrey.

Historical Average Asking Prices in Monterrey | 2016 - 2023

Year	Asking Price USD (SF/Month)
2016	$0.39
2017	$0.39
2018	$0.42
2019	$0.40
2020	$0.41
2021	$0.42
2022	$0.53
2023	$0.60

Current Average Prices for Industrial Real Estate | 2024

Municipality	Average Lease Price USD (SF/Month)	Average Buying Land Price USD (SF/Month)
Apodaca	$0.67	$200
Cienega de Flores	$0.62	$140
Escobedo	$0.63	$90
Guadalupe	$0.59	$200
Salinas Victoria	$0.59	$105
García	$0.59	$145
Pesquería	$0.60	$70
Santa Catarina	$0.60	$105

In the Monterrey market, Apodaca 's municipality has the highest average asking price for both lease and buying land.

Source: Citius AG.

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SETTING UP A COMPANY IN MEXICO

Operating Models

Based on the legal entity's specific objectives, the approach to establishing a manufacturing operation in Mexico can vary. Here are the main operating models for foreign investors in Mexico, arranged from potential lowest to highest profitability.



- Special Tax Regime (Art.- 182 & 183)
- Foreign resident involvement
- Permanent Establishment protection
- Safe Harbor (SH) Taxation (6.5% Costs / 6.9% Assets)
- Inventories and Fixed assets property of the principal entity

- Non Maquila Regime (Traditional manufacturer)
- Independence from Foreign Resident
- Permanent Establishment Analysis
- Regular taxation
- Functions, risks and assets aligned with manufacturing model
- Transfer Pricing Study for compliance (Arm's lenght mark-ups)
- Ownership of fixed assets

See a complete description of each model on the following pages.

Source — Deloitte.

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Expected Timeline

Setting up a company in Mexico involves several key steps, each with its expected timeline. From legal registration to obtaining permits and licenses, anticipate varying durations. Research suggests the processes take the following times:

1-2 months — Business Model Definition

4-6 months — Company Incorporation [Legal Requirements]

3-4 months — Site Selection & Construction

1-2 months — Permits [Environmental, Health, and Safety certification]

10-12 months — Factory Construction & Employment

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