

2018



NEW MEXICO | AT THE BORDER



WHY NEW MEXICO



High-quality, motivated and trainable workforce



Access to critical transportation infrastructure



An environment virtually free of natural disaster risk



Abundance of available real estate at reasonable prices



Affordable, sustainable energy



A fair and equitable tax structure



Generous incentives and training programs



Cooperative pro-business government

Choosing a place to grow your business can be a difficult decision. And, yet, companies continue to choose New Mexico as a place to call home. Why does the Land of Enchantment continue to attract so many new ventures? Because New Mexico offers it all!

You will find everything you need to prosper right here, in New Mexico. Our unique competitive advantages are not going unnoticed. New Mexico continues to attract some of the most sophisticated and recognized companies from across the globe. Our workforce is well educated and hard working. State and municipal governments are not only business-friendly, they are also very accessible. We've reduced taxes and created strong incentives, including lucrative job training programs. There are virtually no risks of business disruption from natural disasters. Our land and energy costs are some of the lowest in the country.

On top of all this, people are moving to the Southwest in record numbers, ensuring employers have the talent they so desperately need, and New Mexico is squarely in the path of this growth. We offer exactly what the best-and-brightest are looking for; a quality lifestyle that's hard to find anywhere else. There's culture, arts and history, surrounded by a stunning landscape that invites you to come out and play. Housing is exceptionally affordable, making it realistic for people to experience the joys of homeownership. And all of this is in a place that provides four seasons while also offering a mild climate year-round. Our state provides a tangible quality of life that benefits employees and employers alike.

These attributes have helped New Mexico jump to the top of the list for both new and expanding companies alike.

BOOMING AT THE BORDER

The Southwest is booming, and New Mexico is at its crossroads. Literally. Three interstate highways, I-25 (north-south), I-40 (east-west), and I-10 (east-west) provide strong access throughout the U.S., as well as to the international borders of Mexico and Canada. From New Mexico, it is possible to reach Texas, Arizona, Colorado, Kansas, and Utah by truck within one day, and California markets in two days. Both Union Pacific and BNSF Railroads provide rail access throughout the state. As a result of this extensive transportation network, distribution companies, manufacturers, and other business are well-positioned here to easily serve both domestic and international markets.



A population of almost 2.2 million people and strategically located within the region experiencing the fastest rate of population growth in the U.S.



Ample physical space; the 5th largest U.S. state by land mass (~122k sq. miles).



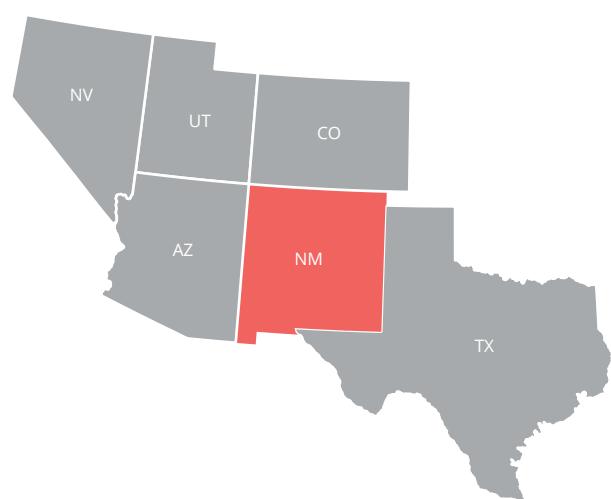
Destination (in miles)	Santa Teresa	Albuquerque
Cuidad Juarez	16	269
Phoenix	424	418
Dallas	648	647
Denver	705	447
Las Vegas	724	572
Oklahoma City	732	544
Houston	759	884
Long Beach	803	799
Matazlan	827	1,077
Salt Lake City	858	598
Kansas City	944	788
Matamoros	950	1,200
New Orleans	1,105	1,170
Chicago	1,542	1,337
Calgary	1,788	1,530
Newark	2,185	1,981



Strong transportation infrastructure linkages to Mexico, with three border crossings.



Approximately equidistant to ports of LA/Long Beach and Houston/Galveston.



SANTA TERESA

New Mexico is geographically well-positioned to serve major markets in both the U.S. and Mexico by both road and rail. It's long been a critical hub for the flow of goods into the United States (U.S.) from Mexico and Latin America. The bi-national Borderplex is home to 2.7 million people, in three states, and two countries. It's a competitive as well as collaborative business environment and is made up of the cities of Las Cruces, New Mexico; El Paso, Texas; and Juarez, Chihuahua, Mexico.

There is approximately a billion dollars a day in trade between the U.S. and Mexico, and that trade continues to grow. As companies look for the most efficient ways to bring either their finished goods across the border or to deliver raw materials to Mexico, New Mexico continues to be the best choice.

New Mexico has been able to leverage its strong labor force, robust transportation infrastructure, unique position as a border state, favorable tax and regulatory policies, and competitive incentive tools to create one of the most used, most developed, and most talked about inland ports of entry in the country. The New Mexico city of Santa Teresa, ideally located among the major metros of Las Cruces, Juarez, and El Paso, has become one of the most important commercial ports of entry on the U.S./Mexico border. *The region is unique in that there are no geographic barriers, such as rivers, which leads to an efficient crossing. And it's booming. 53 percent of New Mexico's total exports pass through this region on their way out of state.*

With an efficient border crossing, innovative policies, and a strong workforce, this New Mexican port has repeatedly demonstrated the capability to draw talent from throughout the region. Investment in new rail lines and roads, and the implementation of smart policies such as overweight truck zones contribute to Santa Teresa's success, continually making this port of entry a leader in trade.

As the most modern port in the Paso del Norte Region, Santa Teresa's Port of Entry has the fastest commercial crossing of the entire Juarez-El Paso Customs district. No crossing fees are charged at the Santa Teresa Port of Entry and the Santa Teresa Port offers a direct shot into the interiors of both the U.S. and Mexico.

Santa Teresa is the designated port in the El Paso Region for oversized loads and heavy machinery exports/imports. New infrastructure at Santa Teresa Port of Entry continues to attract companies interested in border trade.

Santa Teresa offers superior logistics infrastructure with rail access provided by both Union Pacific railroads and BNSF. It is home to Union Pacific's Santa Teresa Intermodal Facility, a \$500 million state-of-the-art facility in southern New Mexico and one of Union Pacific's largest in the nation. This facility facilitates fast, direct connections to ports in LA/Long Beach and Houston, and has helped make the Santa Teresa area a strategic focal point for rail shipments in the southwestern United States.

SANTA TERESA'S COMPETITIVE BUSINESS ENVIRONMENT



A overweight cargo zone that allows carriers to carry up to 96,000 lbs of a reducible load within a 12-mile radius of the Santa Teresa and Columbus Ports of Entry, \$250 annual per truck permit.



Public warehousing services allow companies to rent industrial space without having to sign a long-term contract



No sales taxes charged for trade support companies (customs agents, transportation companies, and logistics companies) for 5 years.



Competitively priced land and industrial space for manufacturing and warehousing located in the heart of the Paso del Norte Region.



Foreign Trade Zone to allow duty free imports.



Local airport capable of receiving large commercial shipments.



Customs brokerage firms and freight forwarders may be exempt from paying sales taxes for up to five years.



HUB Zone status for companies wishing to become preferred suppliers to the government.



THE LOS SANTOS BI-NATIONAL CAMPUS

Santa Teresa in New Mexico and San Jeronimo in Mexico are working together to propose the idea of a new community, called Los Santos. The idea is to have a 70,000-acre community based in two states (Chihuahua and New Mexico), and two countries (the U.S. and Mexico). This would put the community in the heart of the New Mexico Borderplex region.

THE NEW MEXICO TALENT POOL

Talent is the essential component of any successful business and in New Mexico we are constantly focused on developing, retaining, and attracting talent. Our commitment to this is just one of the many reasons that the 2017 Business Facilities State Rankings Report listed New Mexico in the **top ten for Economic Growth Potential and number 5 for Workforce Training Leaders.**

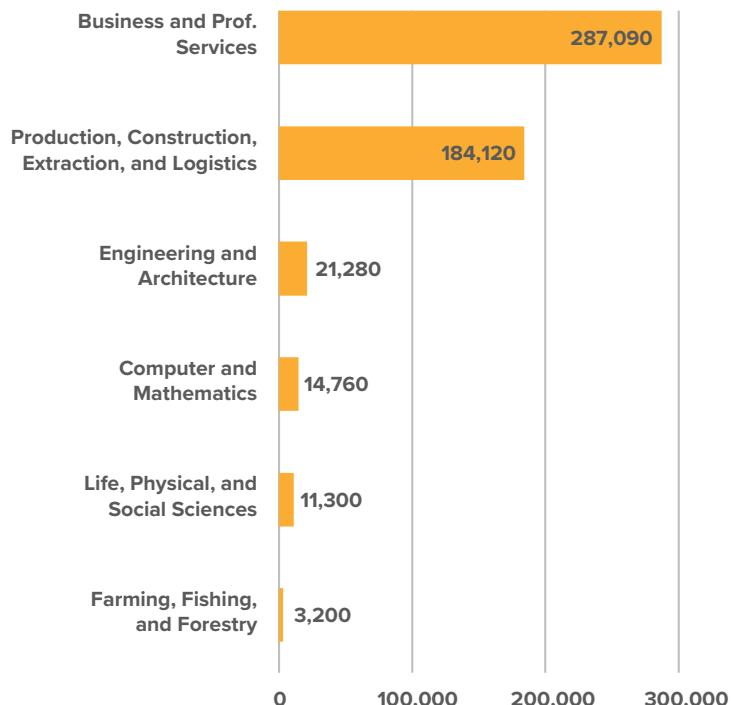
New Mexico has a rich pool of talent, ranging from highly experienced and specialized experienced workers with today's most in-demand skills to a plentiful pipeline of entry level talent. Statewide there are over 300,000 employed in business and professional services occupations. Over 200,000 work in manufacturing, logistics and natural resources jobs. The proportion of our workforce in scientific jobs is almost twice that of the nation as a whole. Similarly, we have a concentration of engineering employment 1.5 times that of the U.S. overall. Our varied workforce, coupled with our competitive wages and low cost of living, means employers get access to well-educated, enthusiastic and productive employees all while keeping compensation costs below average.

HIGHER EDUCATION

Higher education is a priority in New Mexico. Every year, thousands of students graduate from our universities with various degrees ranging from liberal arts and nursing, to business, math, science, engineering, and education. This continues to increase the New Mexico talent pool, providing companies with access to the best and brightest.

The state is home to three major research universities, four comprehensive four-year institutions, seven independent community colleges, three cooperative education sites and many specialized learning facilities, totaling 50 locations statewide.

Occupational Employment in Key Economic Base Sectors



Across New Mexico, we have over

133,000

students enrolled in our public higher education institutions.



This is almost **7%** of the state's entire population.



Almost **40,000** of these are full-time students enrolled in our top-tier research universities.

OUR THREE RESEARCH UNIVERSITIES



The University of New Mexico is a comprehensive, Carnegie-designated Research 1 University and is the nation's only flagship state university that is also a Hispanic Serving Institution (HSI). UNM is a place where cutting-edge research and creative endeavors flourish. Among the university's outstanding research units are the Center for Advanced Research Computing, Cancer Center, New Mexico Engineering Research Institute, Center for High Technology Materials, Design Planning Assistance Center, and the Mind Research Network. UNM's Health Science Center conducts innovative medical research that reaches every corner of the globe. It has particularly strong programs in both Business and Engineering.



New Mexico State University sits on a 900-acre campus and enrolls more than 15,000 students from 49 states and 89 foreign countries. NMSU serves a multi-cultural population of students and community members across the state at five campuses, a satellite learning center in Albuquerque, cooperative extension offices located in each of New Mexico's 33 counties, and 12 agriculture research and science centers. NMSU has developed an international track record in research and development in several disciplines, including animal and range science, biochemistry, molecular biology, genetics, computer science, energy, medical and health sciences, space and aerospace, water and other environmental issues.

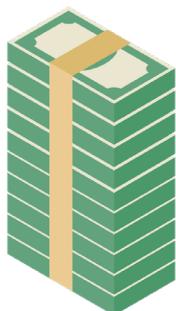


New Mexico Tech serves the state and beyond through education, research, and service, focused in science, technology, engineering, and mathematics. NMT has more than a dozen research divisions that work with private industry, government agencies, and other universities to contribute ground-breaking research to the scientific community and the world of industry, science, and engineering.

AND WE DO IT FOR LESS

Our three largest research/comprehensive universities all have average starting salaries for graduates below the overall U.S. average of \$49,785.

\$49,785



National Average

\$48,100



New Mexico State University
3.5% below the U.S. average

\$45,500



University of New Mexico
8.6% below the U.S. average

\$42,800



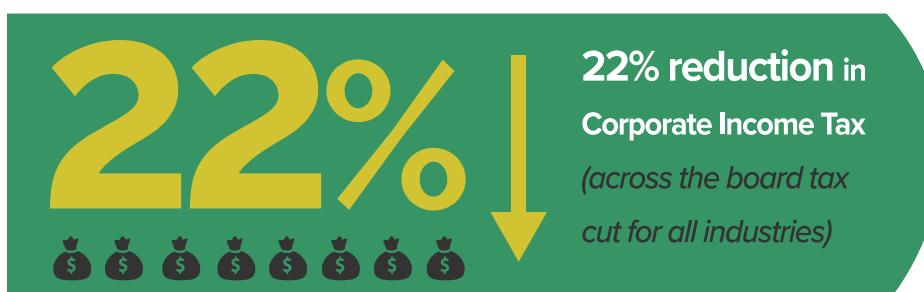
Eastern New Mexico University
14% below the U.S. average



PRO-BUSINESS ENVIRONMENT

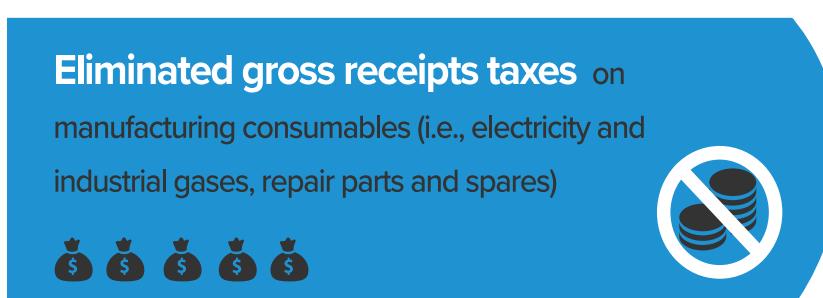
The Land of Enchantment, indeed. New Mexico offers one of the lowest cost environments in the country. This, combined with powerful incentives and low corporate taxes, means that a company can thrive in our pro-business environment.

New Mexico also offers one of the most favorable business environments in the country for manufacturing and distribution. Our superior business climates, along with our aggressive incentives, are designed to provide businesses with logistical, financial and operational advantages to allow them to better compete in the global market.



LOW ENERGY COSTS

New Mexico has comparatively low energy costs compared to the rest of the U.S. as well as extensive renewable energy potential (solar and wind).



RAPID WORKFORCE DEVELOPMENT FUND

The Rapid Workforce Development Act is aimed at providing resources to quickly establish or expand programs in the state's institutions of higher education to train and educate New Mexico's workers for employment with existing or new businesses in the state.

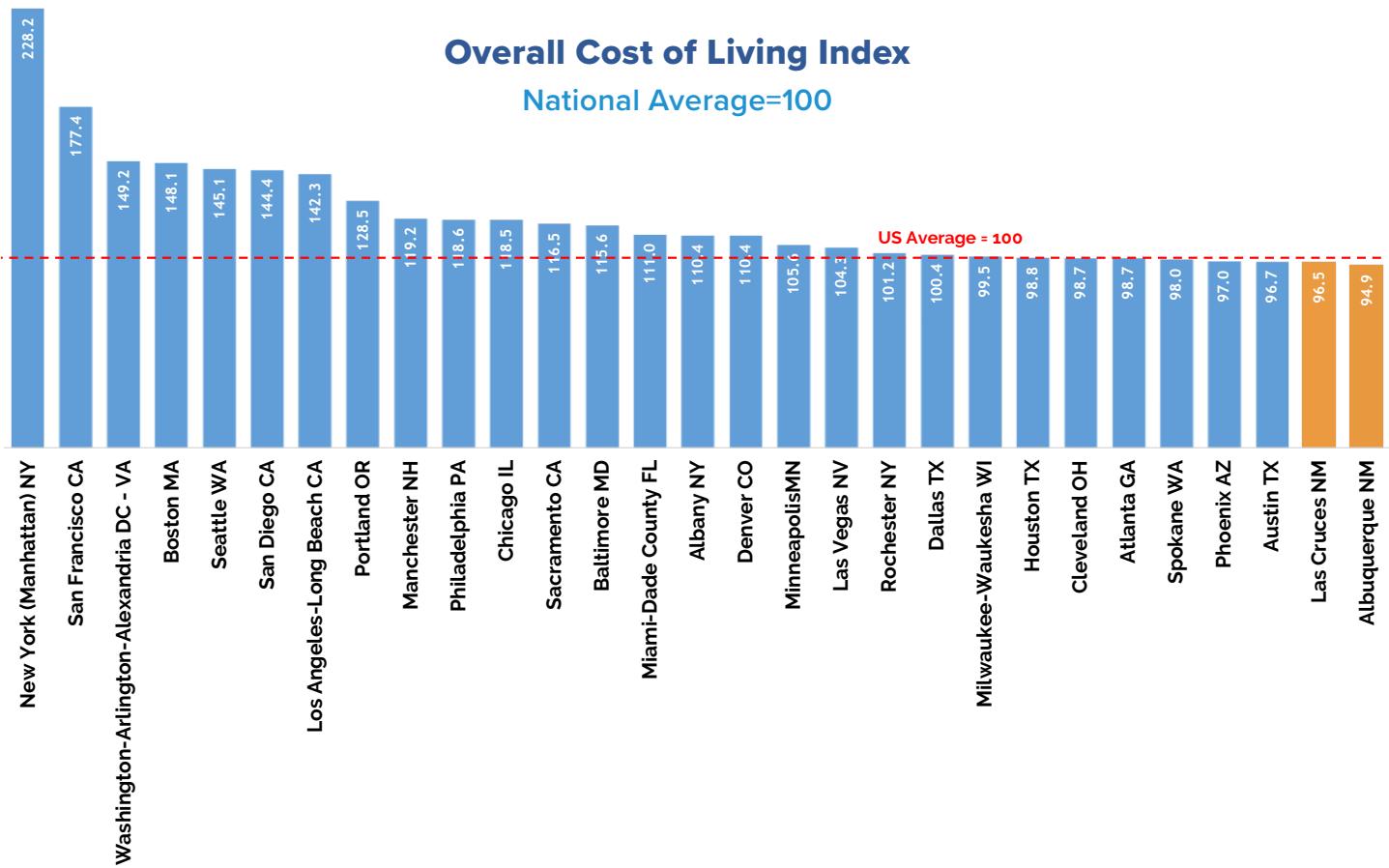


LOW RISK OF NATURAL DISASTERS

New Mexico offers employers one of the lowest risk locations in the U.S. – free from many of the natural disasters that plague much of the globe. Hurricanes, floods, tornadoes, earthquakes, blizzards, heat waves, and storms present little or no threat in New Mexico. This is a tremendous benefit to companies; lower downtime from disruption and eliminating the potential for facilities to be damaged or destroyed.

REAL ESTATE AND COST OF LIVING

New Mexico is the fifth largest state in land area; 121,589 square miles. You would expect land to be plentiful, and it is. It is also quite reasonably priced. New Mexicans enjoy some of the lowest property tax rates in the nation. Additionally, the state has a lower cost of living than the national average.





INCENTIVES

New Mexico values business and we can utilize our incentive tools to partner with companies to encourage job creation and investment. The state's financial incentives are designed to be an ongoing benefit that rewards companies for future expansions, not just the initial attraction of companies. By designing incentives this way, it allows both new and existing companies to utilize these programs. Just a few of our incentive tools include:

LOCAL ECONOMIC DEVELOPMENT ACT (LEDA)

LEDA is a discretionary, cash-grant incentive program that can be used towards reimbursing the costs associated with land, building and infrastructure improvements. Funding awards are determined on a project-by-project basis.

JOB TRAINING INCENTIVE PROGRAM

The flagship New Mexico Job Training Incentive Program (JTIP) funds on-the-job and classroom training for newly-created jobs in expanding or relocating businesses by reimbursing employers for 50-75% of employee wages for up to 6 months.

HIGH WAGE JOBS TAX CREDIT (HWJTC)

Employers are eligible to receive a tax credit for each new high-wage economic-base job (paying over \$40,000 in a rural area or \$60,000 in a metro). The credit equals 10% of the wages and benefits paid for each such job created. Credits in excess of tax liability can be refunded to the employer as cash.



Stampede Meat announced it will hire 1,295 employees and invest \$36 million in Sunland Park, NM over the next 5 years. They were awarded up to **\$3 million in LEDA funds** and will be able to take advantage of JTIP.

INDUSTRIAL REVENUE BOND (IRB)

IRBs allow for significant real and personal property tax and compensating tax abatements. Terms vary by community/project.

RURAL JOBS TAX CREDIT

This credit can be applied to taxes due on (state) gross receipts, corporate income, or personal income tax up to \$1,000 per year per employee. Credit can be taken for 2-4 years depending on location. Any balance of this credit can be carried forward for a period of 3 years from the date of issuance.

MANUFACTURER'S INVESTMENT TAX CREDIT

A tax credit of 5.125% of the value of qualified equipment may be applied against compensating or gross receipts tax.

TECHNOLOGY JOBS AND R&D TAX CREDIT

Businesses under 50 employees, with qualified expenditures under \$5 million, may claim a tax credit of 5% of qualified R&D expenditures.

ALTERNATIVE ENERGY PRODUCT MANUFACTURERS TAX CREDIT

5% tax credit against gross receipts/compensating taxes for equipment purchases.

THE LAND OF ENCHANTMENT



Few places on earth offer the rich history and cultural diversity found in New Mexico.

Visitors are drawn to the state's many historical sites, museums and celebrations.



New Mexico continues to be one of the best kept secrets of the southwest. From the beauty of southern New Mexico's deserts to some of the country's finest ski slopes, this land of breathtaking contrasts offers a myriad of activities.

New Mexico's weather is as varied as its landscape. Its elevation provides for four seasons throughout the state. Most parts of the state enjoy a very moderate climate and low precipitation.

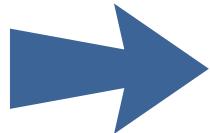


Many who call New Mexico home seek out its scenic beauty and countless outdoor recreation activities. And when you're done for the day, explore New Mexico's many microbreweries and wineries, *from award-winning IPAs to green chile wine there's something for everyone.*

New Mexico's favorable quality of life dynamics confer real and tangible benefits on employers in the state; helping to maximize productivity, minimize cost, and enhance workforce stability.

FAVORABLE QUALITY OF PLACE FACTORS

- Low cost of living, especially housing
- Mild climate year-round
- Lack of congestion
- Diversity/multiculturalism
- Easy and affordable access to recreational/cultural amenities



TANGIBLE BENEFITS TO EMPLOYERS

- Low turnover
- Low upward pressure on wages
- Higher productivity
- Strong ability to recruit talent from other markets



ABOUT THE NEW MEXICO PARTNERSHIP

The New Mexico Partnership is designated by the State to be your single-point-of-contact for locating and expanding your business in New Mexico. We offer a coordinated approach and a formal network of economic developers to simplify the site selection process by providing expertise on talent, critical infrastructure, educational and R&D institutions, real estate and facilities, incentives, and all the other factors that go into a business location decision. Our services cover the whole state, are confidential and free of charge, and we can coordinate all of the activities required for you to choose New Mexico.

Whether you're looking to expand or relocate your company to New Mexico, the New Mexico Partnership can provide you with all you need to know to grow your business.

