

Example: Complicated Office Project Completed in Mexico / Latin America.

DAIMLER
Daimler Financial Services

DAIMLER Financial Services Case Study

www.daimler.com

Location:

ARCOS II Building,
Paseo de los Tamarindos
No. 90, Delegacion Cuajimalpa,
05120 Mexico, D. F., Mexico.



Note: This is a sample from the Panamericas teams managed jointly with our Mexico and Latin America Teams. This project is from Mexico City. Samples from other LatAm countries are available upon request.

Background

Daimler and Chrysler had shared office space in Mexico City resulting from the global joint venture between the German and US automotive operations. Daimler Financial Services offers financial and mobile automotive services.

Both operations were co-located in Mexico City at the Chrysler building in order to consolidate functions and increase efficiencies. The building, built in 1999, offers 684,000 sf of construction divided into 9 floors of parking spaces and 16 floors of office space.

Situation

When Daimler and Chrysler terminated the venture, Daimler elected to relocate from the shared offices immediately

Challenges

The assignment originated with request for site identification and lease negotiation advisory for 1,200 square meters (M2) during our initial meeting. By week 3 the requirement was for 5,600 M2, and escalated to 11, 000 M2 by the end of week 4.

Daimler executives were concerned with the space planning since it also managed Fruehauf and other trucking facilities in the State of Mexico. In our planning sessions they elected to consolidate these operations with other Daimler office functions scattered throughout Mexico City.

Most of the employees moved near the Santa Fe sector when Daimler purchased Chrysler and relocated into the half-full Chrysler Santa Fe building. Daimler management desired to identify options in the Santa Fe submarket.

Example: Complicated Office Project Completed in Mexico / Latin America.

DAIMLER
Daimler Financial Services

Note: This is a sample from the Panamericas teams managed jointly with our Mexico and Latin America Teams. This project is from Mexico City. Samples from other LatAm countries are available upon request.

DAIMLER
Financial Services
Case Study

www.daimler.com

Location:
ARCOS II Building,
Paseo de los Tamarindos
No. 90, Delegacion Cuajimalpa,
05120 Mexico, D. F., Mexico.

Team Actions

At that time, the Santa Fe submarket offered no inventories of space available to meet the massive space requirement and diverse needs for all the Daimler divisions.

Daimler required accelerated planning market analysis and existing, strong relationships with all Mexico City office developers to meet the needs for this complex project.

Our team summarized all available options, including the modelling issues for build to suits. We had recent similar experience re-locating HARRIS, a well-known sound amplification company from another location to an adjacent submarket.

After balancing Daimler needs for large space requirement, the large number of employees, parking and location in the city, we negotiated the project to be sited in an adjacent office sector, Bosques de las Lomas. Our team crafted the project transaction through our relationship with the developer of an under construction building with new, contemporary architecture and features not previously constructed in Mexico City.

Daimler utilized our services throughout the process and requested our support during construction for the space. Daimler US supervisors visiting Mexico to the supervise TI's did not speak Spanish. Its contractor was not overly proficient in English, and our team supported the communication and problem solving process.

Results

We completed a complex process of site selection and negotiated a lease on 11,338 M2 (122,042 sf) of office space

The site enabled us to craft space for multiple divisions and uses, in a new building under construction with architectural features Daimler felt would highlight its image in Mexico.

We negotiated a greatly reduced rent, from an asking rental rate averaging \$30 / M2 to \$24.50 / M2 with an extended free rent period allowing 8 ½ months for retrofitting. Daimler also received over standard parking rights and preferred signage, and favored tenant status

