

CASE STUDY



Mitsubishi

Mexicali, Mexico

"It was evident that even before formerly engaging your team's services that our concerns became yours. You advised us effectively and surpassed our expectations during a rather challenging real estate transaction."

KUNISHIGE TAKATA, EXECUTIVE

VP

MELCO DISPLAY DEVICES

CHALLENGE

In February 2003, Mitsubishi formally announced the closing of their Mexicali manufacturing facility by May 2003 known as Melco Display. The company, a division of Mitsubishi Electric, needed to dispose of their assets quickly before the end of the year. Interviews were held by Melco Display with other major commercial real estate firms to determine the best disposition team. CB Richard Ellis was chosen as a finalist along, with a multinational team from Colliers International. Capabilities presentations were presented by both companies and on July 21st Melco Display engaged the exclusive services of Vince Roche from CB Richard Ellis' Mexico Advisory Services and Hajimu Taguchi of the CB Richard Ellis' Japan Desk to dispose of their 548,173 sq. ft. facility and 3.2 million sq. ft. of land.

RESPONSE

The Japan Desk, based in Torrance, California teamed up with the Mexico Advisory Group to implement an aggressive marketing strategy that identified all potential buyers. Hajimu Taguchi of the Japan Desk and Vince Roche of the CBRE Mexico Advisory Services served as team leaders. By combining these two Global Corporate Services teams, time was saved by circumventing cultural barriers (Japan/Mexico/United States) and the focus remained on the business.

On July 28, 2003, a signed Letter of Intent to Purchase the entire facility was received from industrial real estate developer, Cambridge Realty Partners, LLC. Cambridge Realty Partners, headquartered in Santa Fe, New Mexico hold approximately 1.2 million sq. ft. of Class "A" industrial properties within Mexico alone. Negotiations lasted approximately four months and the deal closed on target the second week of December 2003.

Cambridge Realty Partners plans to convert and expand the approximate 74-acre property into an industrial park.

BENEFIT

Mitsubishi received the desired results for a difficult industrial disposition from the CBRE team of professionals covering three different cultures and reporting process in the same amount of countries. A disposition within an industrial marketplace that had not shown increased absorption for over two years and clearly a specialize scenario to potential buyers.