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Real Estate, Infrastructure and Hospitality Practice and Antitrust Joint Newsletter



Mexican Antitrust Commission launches investigation for potential absolute monopolistic practices in the non-residential real estate lease market

On October 22nd, 2020, the Investigating Authority of the Federal Commission of Economic Competition (COFECE) published in the Federation Official Gazette and its official web site a notice of the initiation of an investigation for potential absolute monopolistic practices (cartels) in the non-residential real estate lease market.

COFECE initiated the investigation process under file number IO-004-2020 (the "**Investigation**") to determine if any absolute monopolistic practices described in the Federal Economic Competition Law have taken place in such market. However, this Investigation should not be considered as a prejudgment of responsibility of any economic agent.

The Investigation has an initial term of 120 business days. Such term may be extended for the same period of time on four additional occasions.

If COFECE proves the existence of absolute monopolistic practices, the economic agents involved may be sanctioned for up to 10% of the companies' income. Likewise, the individuals involved may be subject to criminal and/or civil sanctions.

It is important that companies are properly prepared and duly legally advised in case the COFECE requires information from them.

At Sanchez Devanny we have substantial experience in these processes, and we are at the disposal of companies that want to adequately prepare a response to any requirement if they are involved in an investigation by the COFECE and the proceeding that may occur.

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