



# MIDLAND/ ODESSA

INDUSTRIAL BUILDING  
PORTFOLIO

**MIDLAND &  
ODESSA, TEXAS**

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## CONFIDENTIAL OFFERING MEMORANDUM

BY HENRY S. MILLER BROKERAGE, LLC; A LICENSED TEXAS REAL ESTATE BROKERAGE ENTITY

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# OFFERING SUMMARY

**INDUSTRIAL BUILDING  
PORTFOLIO**  
MIDLAND/ODESSA, TEXAS

## **OFFERING OVERVIEW**

Henry S. Miller Brokerage, LLC has been retained as the exclusive agent for the sale of ultimately approximately 50 properties in the Midland/Odessa region of West Texas. There are some retail properties within the portfolio, but the majority of buildings are industrial in nature and are related in some capacity to the oil and gas industry in the Permian Basin. We will be presenting these properties in three (3) separate portfolios beginning with an initial group of sixteen (16) properties, but are open to discussions on selling them all together or some other type of property mix. The buildings range in size from as small as approximately 1,500 square feet to approximately 25,000 square feet with the acreage for the sites going as high as 10 acres. They are very similar in nature being metal construction with general office area in the front portion of the building, a work area in the rear that may contain a wash bay and one or two cranes, and an open, fenced in work yard for equipment, cabling, pipe, vehicles, etc. The owner has developed these properties over the past several years and simply feels it is time to market them to aspiring investors in the extremely active oil and gas market in West Texas. The owner has also indicated that he could remain involved with the properties in a management role for an out-of-area buyer.

## **POTENTIAL**

A new owner has the opportunity to not only receive excellent income from the existing tenants, but increase rental rates as the leases roll in the future. Due to innovative horizontal drilling techniques and advanced fracking techniques the projections are extremely positive for the future. We feel this is an excellent time and opportunity for investors to be a part of this historically strong market in West Texas.



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## **MIDLAND/ODESSA**

The Permian Basin's oil and gas industry is an important driver of economic activity in the region and beyond. The industry's activities generate and sustain jobs, income, and output. The industry also provides substantially to the gross state products of both Texas and New Mexico. In addition, through various measures of taxation, the industry provides many localized benefits to the citizens of both New Mexico and Texas. Recent innovations and discoveries in both plays and technologies have given rise to increased production of oil and gas and have led to additional economic benefits that will likely impact the region for years to come. These benefits are in the form of sustainable growth and a more stable economy than has been experienced in the past. Specifically, several potential and confirmed Resources Plays have been identified in the Permian Basin. Recourse Plays (Shale Plays being a subset) are the most active drilling areas in the U.S. and have a number of characteristics that make the economics favorable. First, these Resource Plays cover very large areas (multiple counties). Second, they resemble more of a manufacturing type of process where thousands of wells are drilled and enable producers to take advantage of economies of scale. Moreover, wells exhibit a repeatable statistical distribution, thus offer a predictable performance in a given geological subset adding to favorable economics. On the technology side, the Permian Basin has the greatest rig count of any basin/region in the world (27% of the U.S. and 56% of Texas). A rapidly increasing amount of the U.S. and Permian Basin wells are being drilled horizontally. As such, Permian Basin well productivity has improved dramatically since 2011 due to improved technology in horizontal drilling and hydraulic fracturing. Drilling efficiencies are being realized in all U.S. Resource Plays and the Permian Basin is the least mature, thus vast efficiency improvements are expected in the Permian Basin. Unquestionably, the Permian Basin's oil and gas industry is leading the way to new economic heights in Southeast New Mexico and West Texas.

Source: *Economic Impact: Permian Basin's Oil & Gas Industry*



# PROPERTY PICTURES

**INDUSTRIAL BUILDING  
PORTFOLIO**  
MIDLAND/ODESSA, TEXAS



NOTICE & DISCLAIMER: The enclosed information is from sources believed to be reliable, but Henry S. Miller Brokerage, LLC has not verified the accuracy of the information. Henry S. Miller Brokerage, LLC makes no guarantee, warranty or representation as to the information, and assumes no responsibility for any error, omission or inaccuracy. The information is subject to the possibility of errors, omissions, changes of condition, including price or rental, or withdrawal without notice. Any projections, assumptions or estimates are for illustrative purposes only. Recipients should conduct their own investigation.

# INFORMATION ABOUT BROKERAGE SERVICES

*Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

## NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS ®

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### **IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

### **IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### **IF THE BROKER ACTS AS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent

must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

(1) shall treat all parties honestly;

(2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;

(3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and

(4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

**If you choose to have a broker represent you**, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

*Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.*

Buyer, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>)