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OFFERING
MEMORANDUM



THE DARVILLE COMPANY

3710 NORTH COUNTY ROAD WEST

ODESSA, TX 79764

NON-ENDORSEMENT & DISCLAIMER NOTICE

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All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

TAG INDUSTRIAL
THE ABUSHAGUR GROUP

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA
www.marcusmillichap.com



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SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

THE DARVILLE COMPANY

3710 NORTH COUNTY ROAD WEST,
ODESSA, TX 79764

INVESTMENT HIGHLIGHTS

- Two Industrial Assets Totaling 14,330 Square-Feet, Situated on 1.22 Acres
 - Metal Construction Featuring Three Suites and Six Grade-Level Doors
 - The Darville Company is the Largest Tenant, Specializing in HVAC and Plumbing Services Since 1947
 - Permian Basin Metallurgical Laboratories was Established in 1993, and Provides Testing Services
in the Oil Field Service Industry
 - Frontage Along County Road West, with Easy Access to Loop 338 and Kermit Highway
-

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 3710 North County Road West in Odessa, Texas. The subject property consists of two industrial assets totaling approximately 14,330 square feet of space, situated on 1.22 acres of land. The asset features metal construction, three suites, and six grade-level doors. The Darville Company is the largest tenant, specializing in HVAC and plumbing services. Permian Basin Metallurgical Laboratories was established in 1993, and provides testing services in the oil field service industry. The upcoming vacancy of another tenant provides a lease-up opportunity for an investor. The subject property features frontage along County Road West, with Easy Access to Loop 338 and Kermit Highway.

The Darville Company has served the air conditioning and heating needs of Odessa-Midland and Permian Basin area neighbors since 1947. The Darville Company has skilled technicians and cutting-edge equipment needed to handle all residential and commercial HVAC needs. Their scope of work ranges from tankless water heater installation to air conditioning duct installation and everything in between for Odessa-Midland homes and businesses. The Darville Company has been featured as a Super Service Award Recipient from 2013-2017 and has over 20 employees. (darvilleco.com)

As the largest single source of oil and gas deposits in the United States, Odessa has long been known for its rich resources. New businesses have come to the city that have helped diversify the economy as well as reinforce the quality of life standards. Odessa proudly boasts world-class cultural and recreational facilities as well as healthcare and transportation often associated with larger cities. It also serves as the crucial midpoint between Fort Worth and El Paso. Lucrative financial incentives, site selection, logistics, qualified workforce, easy access to foreign markets, and low cost-of-living make it easy to do business (odessatex.com). Major industries include: medical, energy, distribution, manufacturing, and technology.



PROPERTY DETAILS // The Darville Company

3710 NORTH COUNTY ROAD WEST,
ODESSA, TX 79764

Number of Suites	3
Number of Buildings	2
Total Square Feet	14,330
Year Built	1969
Lot Size	1.22 Acres
Type of Ownership	Fee Simple
Building Class	C
Tenancy	Multi
Grade Level Doors	6
Construction	Metal
Market Vacancy	7.40%

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OFFERING HIGHLIGHTS // The Darville Company

3710 NORTH COUNTY ROAD WEST
ODESSA, TX 79764

OFFERING PRICE

\$549,500

CAP RATE

10.00%

PRO-FORMA CAP RATE

12.79%

Offering Price	\$549,500
Cap Rate	10.00%
Pro-Forma Cap Rate	12.79%
Price/SF	\$38.35
Total Square Feet	14,330
Occupancy	77.67%

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OPERATING STATEMENT // The Darville Company

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	62,400	4.35	76,800	5.36
Expense Reimbursement Income				
Net Lease Reimbursement				
Insurance	3,339	0.23	4,299	0.30
Total Reimbursement Income	\$3,339	30.9%	\$4,299	39.8%
Effective Gross Revenue	\$65,739	\$4.59	\$81,099	\$5.66

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Insurance	4,299	0.30	4,299	0.30
Real Estate Taxes	6,512	0.45	6,512	0.45
Total Expenses	\$10,811	\$0.75	\$10,811	\$0.75
Expenses as % of EGR	16.4%		13.3%	
Net Operating Income	\$54,928	\$3.83	\$70,288	\$4.90

Notes: Insurance expense estimated at \$0.30 per square foot.

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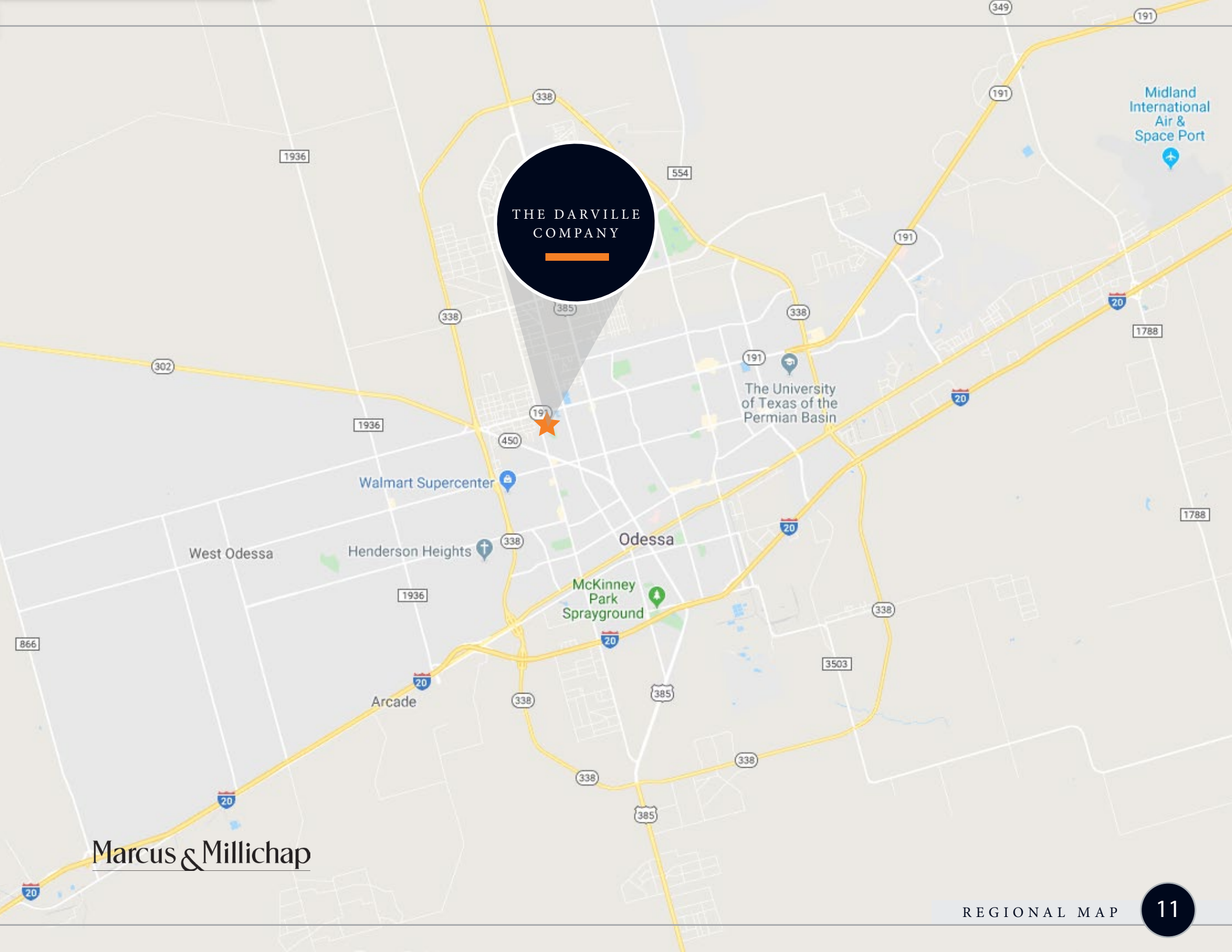
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RENT ROLL // The Darville Company

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Lease Type	Renewal Options and Option Year Rental Information
				Comm.	Exp.						
The Darville Company	3706-A	6,448	45.0%	5/1/13	5/31/23	\$4.65	\$2,500	\$30,000	\$30,000	NN	One Five-Year Renewal Option at Same Rent
Vacant	3706-B	3,200	22.3%			\$0.00	\$0	\$0	\$14,400		
Permian Basin Metallurgical Laboratory	3710	4,682	32.7%	10/1/19	9/30/21	\$6.41	\$2,500	\$30,000	\$30,000	NN	First Right of Refusal for New Lease
Billboard Income		0	0.0%	10/3/14	10/3/29	\$0.00	\$200	\$2,400	\$2,400		Renewal Option at Same Rent and Term
Total		14,330				\$5.61	\$5,200	\$62,400	\$76,800		
Occupied Tenants: 3				Unoccupied Tenants: 1		Occupied GLA: 77.70%		Unoccupied GLA: 22.30%			
Total Current Rents: \$5,200						Occupied Current Rents: \$5,200		Unoccupied Current Rents: \$0			

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THE DARVILLE
COMPANY

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THE DARVILLE
COMPANY

3710 North
County Road West

Haller Phillips

Motion Industries

American Rental
Construction Equipment

Bearing Supply

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MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources, providing the most competitive rates and terms.

We leverage out prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac, and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,707 debt and equity financings in 2017



National platform operating within the firm's brokerage offices



\$5.63 billion total national volume in 2017



Access to more capital sources than any other firm in the industry

WHY MMCC?

Optimum financing solutions to enhance value

Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings

The image is a full-page spread with a dark blue background. On the left and right sides, there are vertical panels showing the interior and exterior of a large industrial building with a corrugated metal roof and steel structure. The central area is a solid dark blue rectangle containing text. A thin white line forms a partial frame around the text.

SECTION 2
MARKET
OVERVIEW

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MIDLAND-ODESSA TEXAS

Located in West Texas, the Midland-Odessa metro is considered to be an energy capital as the Permian Basin is one of the biggest oil fields in the world and is home to some of the largest petroleum-producing companies. The metro consists of Martin, Midland and Ector counties. The public sector is a top job provider, but the private sector is driving the economic growth. The two largest cities are Midland with nearly 130,000 residents and Odessa with roughly 112,000 residents.



ENERGY
HUB

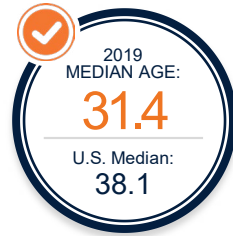


AFFORDABLE
HOUSING



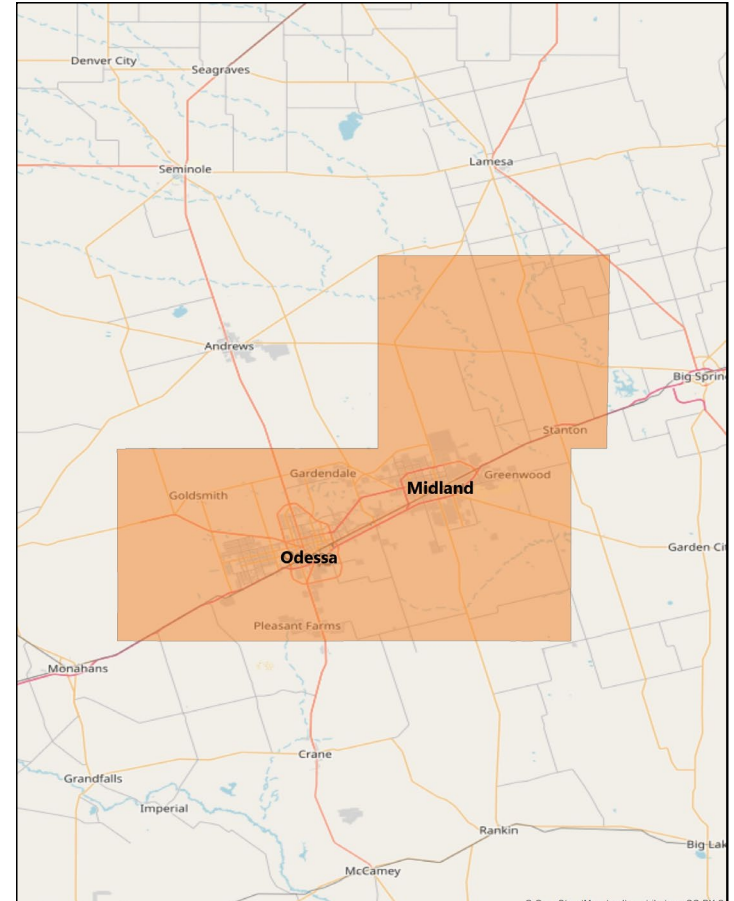
HIGHER
EDUCATION

METROPLEX GROWTH // The Darville Company

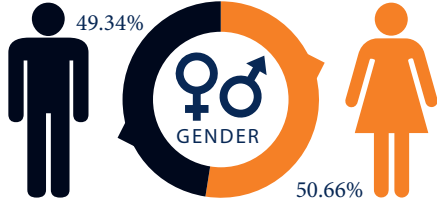


ECONOMY

The oil and energy sector drives the Midland-Odessa economy. The Permian Basin covers more than 86,000 square miles and is believed to contain as much as 46 billion barrels of oil. Petroleum powerhouses such as ExxonMobil, Chevron, and Occidental Petroleum have major operations in the area. Odessa has become a regional distribution hub for many companies outside of the energy industry. Family Dollar has its Texas Distribution Center in Odessa. Of the top 10 employers in Midland-Odessa, four are in the healthcare field. This sector is driven in part by Texas Tech University Health Sciences Center.



DEMOGRAPHICS // The Darville Company



DEMOGRAPHICS // The Darville Company

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	9,213	69,287	120,864
■ 2018 Estimate			
Total Population	9,103	69,495	119,523
■ 2010 Census			
Total Population	8,510	64,236	108,262
■ 2000 Census			
Total Population	7,463	60,881	99,544
■ Daytime Population			
2018 Estimate	10,868	85,346	144,070
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	3,552	24,670	44,168
■ 2018 Estimate			
Total Households	3,486	24,526	43,326
Average (Mean) Household Size	2.65	2.79	2.70
■ 2010 Census			
Total Households	3,204	22,334	38,798
■ 2000 Census			
Total Households	2,821	21,686	36,434

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$200,000 or More	1.46%	1.96%	3.14%
\$150,000 - \$199,000	0.95%	2.61%	3.63%
\$100,000 - \$149,000	9.52%	14.45%	14.38%
\$75,000 - \$99,999	12.90%	12.32%	12.60%
\$50,000 - \$74,999	19.06%	17.70%	17.32%
\$35,000 - \$49,999	17.50%	15.09%	14.13%
\$25,000 - \$34,999	11.70%	10.69%	10.46%
\$15,000 - \$24,999	12.11%	12.69%	12.11%
Under \$15,000	14.81%	12.48%	12.23%
Average Household Income	\$57,485	\$65,055	\$71,539
Median Household Income	\$46,065	\$48,928	\$51,396
Per Capita Income	\$22,013	\$23,139	\$26,119
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	9,103	69,495	119,523
Under 20	33.11%	32.56%	32.08%
20 to 34 Years	26.51%	24.35%	24.56%
35 to 39 Years	6.87%	6.90%	6.66%
40 to 49 Years	11.58%	11.49%	11.28%
50 to 64 Years	13.45%	15.03%	15.34%
Age 65+	8.46%	9.68%	10.11%
Median Age	29.68	30.83	30.86
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	5,386	41,819	71,937
Elementary (0-8)	7.17%	8.61%	8.58%
Some High School (9-11)	19.09%	16.17%	14.57%
High School Graduate (12)	33.51%	32.54%	30.35%
Some College (13-15)	24.16%	23.39%	23.91%
Associate Degree Only	5.69%	5.74%	6.25%
Bachelors Degree Only	5.89%	8.48%	10.26%
Graduate Degree	2.13%	2.73%	3.77%
■ Time Travel to Work			
Average Travel Time in Minutes	20	21	21

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INFORMATION ABOUT BROKERAGE SERVICES

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

11-2-2015

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A BROKER is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A SALES AGENT must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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ADAM ABUSHAGUR	661916	ADAM.ABUSHAGUR@MARCUSMILLICHAP.COM	972-755-5223
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email	_____ Phone

Buyer/Tenant/Seller/Landlord Initials

Date

THE DARVILLE COMPANY

3710 NORTH COUNTY ROAD WEST,
ODESSA, TX 79764

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