



NRG Realty Group, LLC  
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[www.nrgrealtygroup.com](http://www.nrgrealtygroup.com)

# S&R COMPRESSION-2513 HOLDRIDGE RD, MIDLAND, TX

## Investment Offering Memorandum



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EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third-party independent professionals selected by such party.

All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. NRG Realty Group makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. NRG Realty Group does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by NRG Realty Group in compliance with all applicable fair housing and equal opportunity laws.



**Larry Nielsen**  
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432-260-0088

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# EXECUTIVE SUMMARY

NRG Realty Group is excited to offer a prime investment opportunity: a 15,000 SF industrial facility in Midland, TX, leased for 5 years to S&R Compression under a low-basis, NNN lease. This opportunity offers 60 months of steady cash flow with annual increases and minimal landlord responsibilities. Located in the Permian Basin, a key hub for U.S. oil and gas, this asset benefits from the region's energy infrastructure. S&R Compression, a leading fabricator of vapor recovery units, provides strong financials and growth potential.

**Low Basis:** This low-cost entry point enhances potential ROI while reducing downside risk.

**Tenant Strength:** S&R Compression is a growing and financially stable company in the energy sector, particularly relevant in the Permian Basin's oilfield service industry. This makes them a strong tenant with low risk of default.

**Lease Structure:** The lease is a 5-year NNN lease, which limits landlord responsibilities and provides a passive income stream. The tenant covers expenses related to taxes, insurance, and maintenance, minimizing the financial burden on the investor.

**Rent Escalations:** The lease includes annual rent increases starting from \$19,000 in year one and progressively increasing to \$21,384.67 by year five. These escalations provide inflation protection and growth in cash flow over the lease term.

**Tenant Maintenance Responsibilities:** S&R Compression is responsible for maintaining major systems such as HVAC, plumbing, and structural components, with capped costs for certain repairs. This reduces risk and ensures the property is well-maintained.

## INVESTMENT SUMMARY

Tenant	Property Type	Address	Building SF	Year Built	Acreage	Lease Expiration	Lease	Base Rent (per month)	Annual NOI	Base Rent PSF	Cap Rate	Sales Price	Price PSF
S&R Compression	Industrial	2513 Holdridge Rd, Midland, TX	15,000	2024	4.25	12/31/2029	NNN	\$19,000	\$228,000	\$15.20	8.5%	\$2,682,352.94	\$178.82

## CASH FLOW – ASSUME COMMENCEMENT DATE OF 1/1/2025

Lease Dates	01/01/2025 - 12/31/2025	01/01/2026 - 12/31/2026	01/01/2027 - 12/31/2027	01/01/2028 - 12/31/2028	01/01/2029 - 12/31/2029	01/01/2030 - 12/31/2030**	01/01/2031 - 12/31/2031	01/01/2032 - 12/31/2032
S&R Compression 2513 Holdridge	\$19,000/Mo	\$19,570/Mo	\$20,157.10/Mo	\$20,761.81/Mo	\$21,384.67/Mo	\$22,026.24/Mo	\$22,683.99/Mo	\$23,367.60/Mo
NOI	\$228,000.00	\$234,840.00	\$241,885.20	\$249,141.72	\$256,616.04	\$264,314.52	\$272,243.88	\$280,411.20
Average Escalation	0.0%	3%	3%	3%	3%	3%	3%	3%
Effective Cap Rate	8.50%	8.76%	9.02%	9.29%	9.57%	9.85%	10.15%	10.45%

\*S&R secured two months free rent (11/01/2024 – 12/31/2024)

\*\*Assumes S&R Renewal of 36 months



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# TENANT OVERVIEW



## S&R Compression dba S&R Vapor Recovery

S&R Vapor Recovery is the premier fabricator of vapor recovery equipment. By delivering outstanding run times and consistent product quality, we have a reputation for reliability and performance that builds profits. Our team is dedicated to working with you to accurately analyze your specific needs to match you with the optimal equipment that improves your economics and the environment.

(Source: <https://www.sandrivr.com/>)

S&R Vapor Recovery's services help reduce emissions in the energy sector, which is crucial in meeting environmental regulations and optimizing oil and gas production efficiency. With strong financials and significant market presence, S&R Compression represents a stable and growing opportunity for investors. The company's focus on innovation, regulatory compliance, and operational excellence has allowed it to scale effectively while maintaining a robust revenue base.

### Tenant Highlights

Founded	2007
Headquarters	Tulsa, OK
Website	<a href="http://www.clearflowes.com">www.clearflowes.com</a>
Private Equity	<a href="https://sandrivr.com/">https://sandrivr.com/</a>

### Financial Profile

Revenue	NDA Required
EBITDA	-
Net Income	-
Total Assets	-
Total Liabilities	-





# PROPERTY OVERVIEW

2513 Holdridge, Midland, TX

## Lease Abstract

Tenant	S&R Compression
Building Use	Industrial/Warehouse
Rent Commencement	01/01/2025
Lease Expiration	12/31/2029
Term Remaining	62 Months
Current Annual Rent	\$228,000
Escalations	3%
Renewal Options	(1) 36 Month Renewal
Estoppel	Upon Request
Landlord Obligations	Roof, Structure, Foundation



## Site Description

Property Type	Industrial
Total Square Feet	15,000 SF
Office Square Feet	3,750 SF
Parcel Size	4.25 Acres
Building to Land Ratio	8.10%
Parking	Surface
Year Built	2024
Years Expanded	-
Number of Buildings	1
Number of Stories	1
Dock-High Doors	0
Grade-Level Doors	(9) 14'x16'
Clear Heights	26'
Wash-Bay	Yes-covered
Crane(s)	10-ton Crane Ready

## Construction

Basic Construction	Metal
Foundation	Slab
Framing	Steel
Floors	Concrete
Exterior Walls	Metal
Roof Type	Metal



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# SUBJECT PROPERTY

2513 Holdridge, Midland, TX

## PROPERTY DESCRIPTION

New spec building in the highly sought-after TX-191 and FM 1788 area between Midland & Odessa! This property is a 15,000 SF industrial building on 4.25 acres. The building includes 3,750 SF of office space with 7 offices, a conference room, a break area, and 2 restrooms. The 9,750 SF fully-insulated shop has (9) 14'x16' overhead doors that form (4) drive-through bays and (1) drive-in bay from the 1,500 SF covered wash-bay. There is an additional office, breakroom, and restroom in the shop. Site is serviced with 3-Phase/480V power, water well, and septic.

## LOCATION DESCRIPTION

Located in the highly sought-after, highly trafficked area of TX-191 and FM 1788 in Midland, TX. From the intersection of TX-191 and FM 1788, travel North 0.41 miles to W County Road 77 and turn East. Travel 0.31 miles to N County Road 1287 and turn North. Travel 0.39 miles to W County Road 74 and turn East. Travel 0.63 miles to the Property that is South of W County Road 74.

## PROPERTY HIGHLIGHTS

- 15,000 SF Building on 4.25 Acres
- 2,000 SF Office; 7 Private Offices
- 9,750 SF Shop (130' x 75')
- (4) Drive-Through Bays & (1) Drive-In Bay
- (9) 14' x 16' Overhead Doors
- Shop Office, Shop Restroom
- 1,500 SF Covered Wash-Bay
- 3-Phase/480V Power, Septic, Water Well



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# PROPERTY PHOTOS

2513 Holdridge, Midland, TX





# PROPERTY MAP

2513 Holdridge, Midland, TX

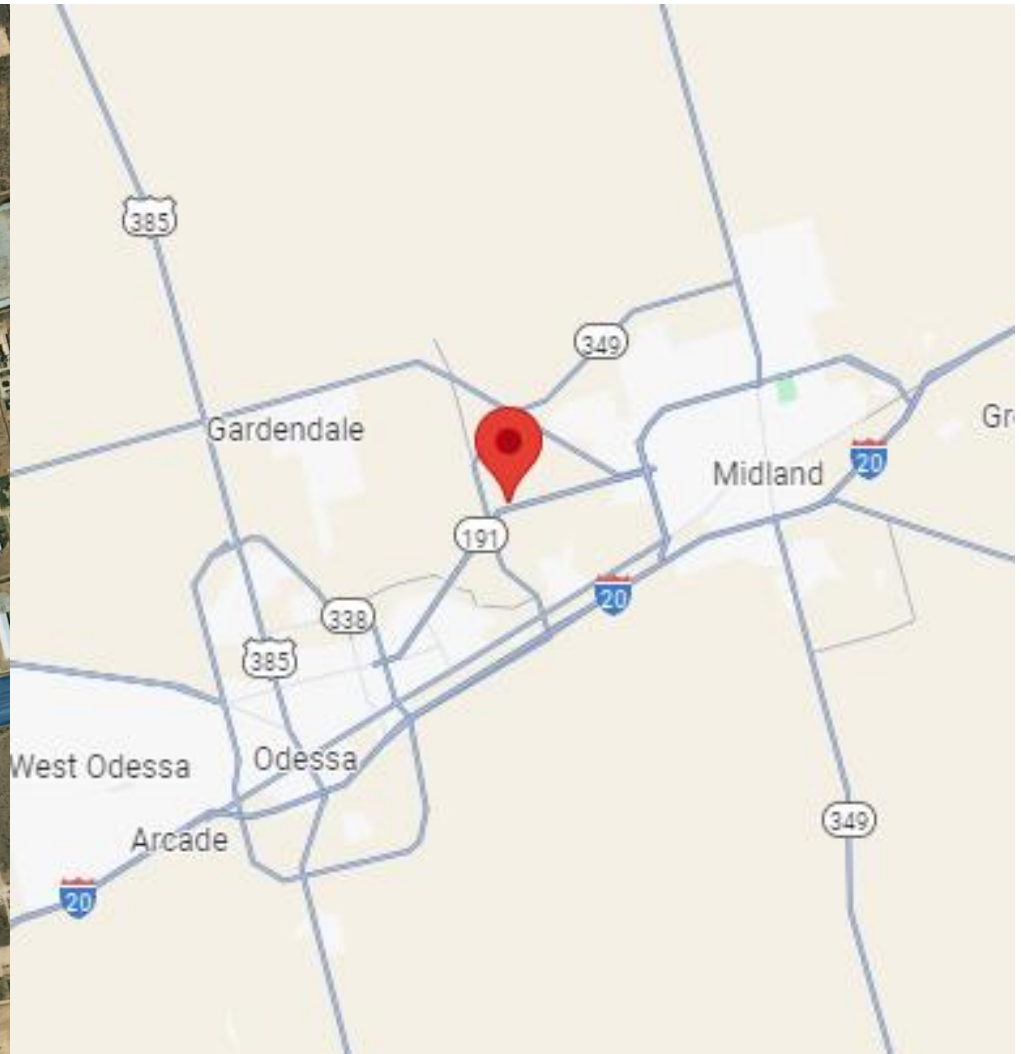


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# PROPERTY MAP

2513 Holdridge, Midland, TX



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# BROKER PROFILE



Larry Nielsen joined NRG Realty Group in October 2019, bringing extensive expertise to support new and existing clients in the Permian Basin. With a distinguished career in the Oil and Gas sector, Larry has held key executive roles in Operations and, more recently, in Sales. Over the past four years, he has successfully secured contracts worth over \$250 million with E&P Operators for service companies across South and West Texas.

Before transitioning to the private sector, Larry served honorably in the United States Navy. Originally from Arizona, he has since made Midland, TX, his home. Outside of his professional commitments, Larry enjoys weightlifting, hiking, reading, and spending quality time with his six children, of whom he is immensely proud. He earned his degree in Business Management from Post University.

## LARRY NIELSEN

Senior Vice President

Mobile: 432-260-0088

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## ABOUT NRG

*“The Commercial Focused Realty Group”*

NRG was formed to provide individuals and companies who operate in the tertiary shale plays a single point of contact for each of their real estate transactions and facility needs throughout the United States.

We have spent years building relationships with corporate real estate directors, energy executives, local brokers, developers, general contractors, municipalities, and investors in each of the major basins.

These relationships allow us to effectively provide a variety of transaction options based on our client's needs.

We have represented clients on existing office and industrial facilities for lease, purchase, build to suit, unimproved land for development, and direct sales, subletting existing space, sale-leaseback transactions, and sale of land for commercial purposes.



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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.*

### 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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Justin Dodd	0601010	justin@nrgrealtygroup.com	2145347976
Designated Broker of Firm	License No.	Email	Phone
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Sales Agent/Associate's Name	License No.	Email	Phone
Larry Nielsen	680101	larry@nrgrealtygroup.com	4322600088
Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date



*The Energy Focused Real Estate Company*

**BROKERAGE & SITE SELECTION**

**DEVELOPMENT & DUE DILIGENCE**

**BUILD TO SUIT**

**INVESTMENTS**

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