



WEST TEXAS

INDUSTRIAL

The Midland–Odessa industrial market ended Q3 2025 on solid footing, with fundamentals signaling continued regional strength despite moderate headwinds. Combined, the two markets account for nearly 36 million SF of industrial inventory, with an average vacancy rate of 7.8%. Midland continues to outperform Odessa in key indicators, posting 471,000 SF of net absorption over the past 12 months compared to just 33,000 SF in Odessa. Overall, the region averaged 252,000 SF of net absorption year-over-year, a healthy figure given the broader slowdown in speculative construction. While new development is well below the pace of previous years, at just 134,300 SF, it remains balanced enough to help stabilize availability without oversaturating the market.

This dynamic is also reflected in rent performance, where Midland’s stronger fundamentals have translated into higher pricing power. Asking rents in Midland averaged \$16.96/SF, compared to \$13.01/SF in Odessa. While both markets saw slight declines in rent growth (-0.6% in Midland and -0.1% in Odessa), they remain competitively positioned relative to their size and energy-centric demand.

Sales activity has been strongest in Odessa, with \$37.7 million closed over the past 12 months (approximately \$82/SF). Midland recorded \$23.2 million in volume at a much higher \$122/SF average, driving the combined average to \$102/SF. The pricing gap highlights investor interest in stabilized, higher-quality assets in Midland, while Odessa’s higher volume suggests broader liquidity and opportunity for value plays.

ERES remains actively engaged in both markets, with current listings like 8516 ECR 66 in Midland—a flexible 6,450± SF industrial property on 6.6± acres, offered for sale or lease. Priced at \$1.25 million or \$9,000/month, the site offers abundant yard space and versatile infrastructure ideal for logistics or oilfield users. With tight development pipelines and resilient demand, the Midland–Odessa industrial corridor continues to serve as a key node in Texas’ energy and distribution network.

	ODESSA	MIDLAND	COMBINED AVERAGE
EXISTING INVENTORY (SF)	14.9 MIL	21 MIL	17.95 MIL
UNDER CONSTRUCTION (SF)	61,200	73,100	67,150
12 MO NET ABSORPTION (SF)	33,000	471,000	252,000
VACANCY RATE	8.40%	7.20%	7.80%
MARKET ASKING RENT / SF	\$13.01	\$16.96	\$14.99
MARKET ASKING RENT GROWTH	-0.10%	-0.60%	-0.35%
12 MO SALES VOLUME	\$37.7 MIL	\$23.2 MIL	\$30.45 MIL
MARKET SALE PRICE / SF	\$82.00	\$122.00	\$102.00

*All data points sourced from CoStar 2025

**Texas is a non-disclosure state. Therefore, data points may vary by source and fluctuate over time.

DAVID PEARSON

MANAGING BROKER

✉ david.pearson@erescompanies.com

☎ +1 432.664.2745

ALONSO HERNANDEZ

ASSOCIATE AGENT

✉ alonso.hernandez@erescompanies.com

☎ +1 432.425.9692



10800 State Hwy 191 | Suite 3 | Midland, TX



www.erescompanies.com



WEST TEXAS

LAND

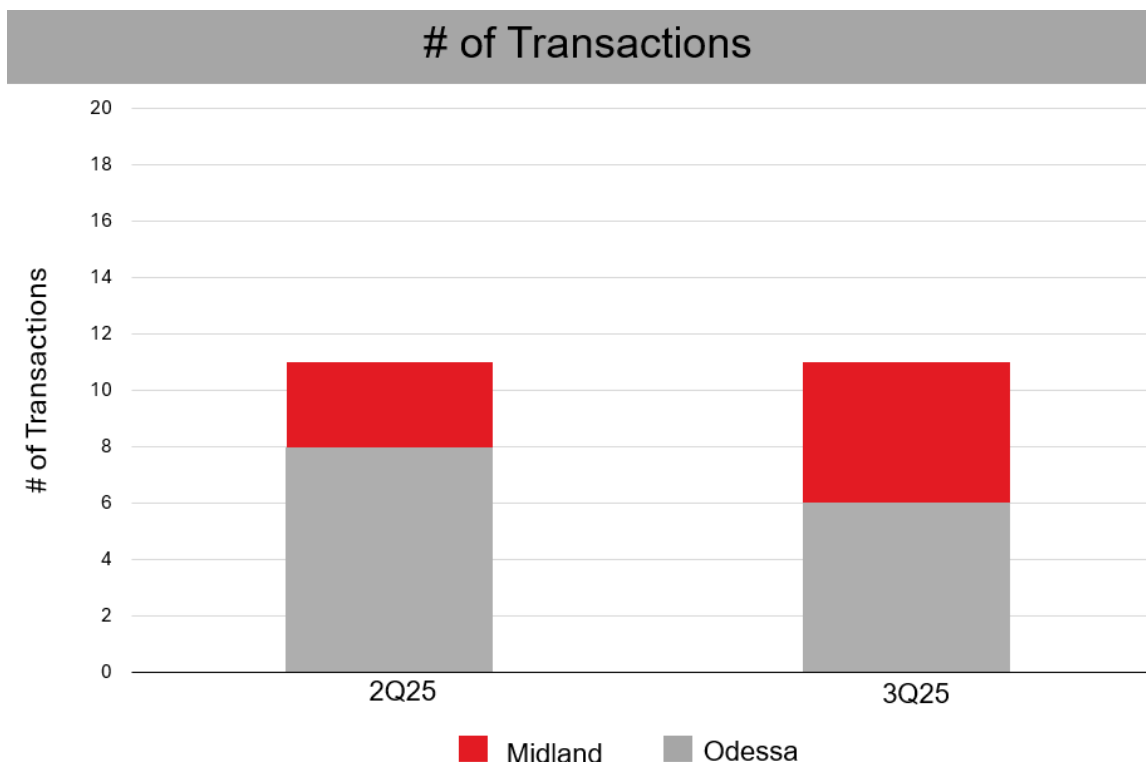
As of Q3 2025, land sales activity in Midland and Odessa continues to highlight two divergent but equally strategic markets. Due to Texas’ status as a non-disclosure state, publicly available pricing data remains limited as only a portion of transactions disclose sale values, meaning reported averages are not always reflective of true market conditions. That said, six recorded transactions in Odessa spanned approximately 31.74 AC, with at least two disclosed sales totaling \$800,000. Both were notable: the \$250,000 sale of 2920–2960 S FM 866 (2.0 AC) and a 10-AC parcel on the I-20 Service Road that sold for \$550,000. Infill properties near major highways and commercial arteries continue to command strong interest.

Midland saw greater transactional activity, with 11 reported sales totaling over 599 AC. Although reported volume reached \$4.4M, disclosed pricing ranged widely -

from \$6,000/AC to more than \$300,000/AC - depending on location, zoning, and parcel size. Sales included a 400.00 AC site on County Road 190 that sold for \$2.4MM and a high-visibility, multi-parcel transaction along County Road 140 totaling 72.92 AC (price undisclosed). The data suggests Midland remains attractive to larger-scale developers and industrial users seeking cost-effective land positions with long-term potential.

ERES Companies is currently marketing three sites in Midland to meet a range of buyer and developer needs. These include 2407 Camp Street (0.23± AC for \$400,000), 2412 Camp Street (0.115± AC for \$220,000), and 2406 Connell Street (0.58± AC, available for sale at \$850,000 or for lease). Each site is well-located within proximity to downtown and major commercial hubs, making them ideal for infill development, service providers, or specialty users.

While Odessa offers premium positioning and a higher price per acre on average, Midland’s larger parcels and broader development corridors continue to attract interest from industrial, commercial, and mixed-use investors alike. Together, these markets present a balanced and strategic landscape for land buyers seeking optionality across scale, pricing, and use case in West Texas.



*All data points sourced from CoStar 2025

**Texas is a non-disclosure state. Therefore, data points may vary by source and fluctuate over time.

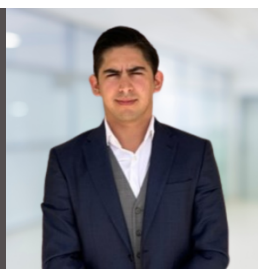


DAVID PEARSON

MANAGING BROKER

✉ david.pearson@erescompanies.com

☎ +1 432.664.2745



ALONSO HERNANDEZ

ASSOCIATE AGENT

✉ alonso.hernandez@erescompanies.com

☎ +1 432.425.9692



10800 State Hwy 191 | Suite 3 | Midland, TX

www.erescompanies.com