

A RARE USER INVESTMENT OPPORTUNITY

MULTIFAMILY / SENIOR HOUSING / BEHAVIORAL HEALTH BUILDING

1831 Murchison Drive, El Paso, Texas 79902



CBRE

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EXECUTIVE SUMMARY

Occupancy:	Vacant
Year Built:	1987
2019 Taxes:	\$6,477.32
Rooms:	121 one bedroom, 44 studios

The Offering

CBRE's Investment Sales platform is pleased to exclusively offer 1831 Murchison for purchase. The 115,377 square foot, 7.29 acre, three-story facility was built in 1987 and is within minutes from a hospital and ambulatory surgery centers. The property is now vacant, with limited furniture, fixtures and equipment conveying with the sale.

Investment Highlights

Strategically located on Murchison in central El Paso, the property is conveniently situated close to a number of major medical facilities. The building presents an excellent opportunity for a health system or private practice to acquire a building and immediately integrate into the existing referral network.



Convenient proximity to major medical facilities

The Property is within a few miles of hospitals (including both HCA and Tenet hospital systems), ambulatory surgery centers and long-term acute care hospitals. Tenet Healthcare Corporation (Dallas) is one of the largest investor-owned hospital systems in the country, owning and operating 49 acute-care hospitals and 125 outpatient centers in 11 states, with 59,000 employees generating \$9.1 billion revenue on 500,000 admissions and 4 million outpatient visits annually. Tenet has provided healthcare services to El Paso, west Texas and southern New Mexico for over 50 years. Tenet's acute-care hospitals include Providence Memorial Hospital, Sierra Medical Center, The Children's Hospital at Providence, and Sierra Providence East Medical Center.

HCA (Nashville) was founded in 1968 as one of the nation's first hospital companies. HCA now owns and operates about 162 hospitals and 113 surgery centers in 20 states with about 200,000 employees. HCA's acute-care facilities in El Paso include Las Palmas Medical Center and Del Sol Medical Center.

Expanding regional military mission

The area's military bases are a significant economic driver for El Paso, which include Fort Bliss, Holloman Air Force Base and White Sands Missile Range. Fort Bliss is the military's second largest base covering 1,700 square miles over Texas and New Mexico, with installation headquarters in El Paso. The adjacent White Sands Missile Range is the largest military installation at 3,200 square miles and serves as a rocket and bomb test range. The 2005 Base Realignment and Closure (BRAC) Commission added over 16,000 military and civilian jobs to Fort Bliss, almost doubling its assigned personnel. The Army's Air Defense and Artillery Center at Fort Bliss procures about \$80 million in products and services annually, about \$60 million from the local economy. The total annual economic impact of Fort Bliss on the El Paso economy is estimated to exceed \$3 billion, up from \$1 billion five years ago.

Aging demographics and affordable care act (ACA)

The number of Americans over 65 years of age (with an increased need for health care) is projected to double to 71 million to account for 20 percent of the population by 2030.

The goal of the ACA is to provide better access to quality healthcare to an estimated 46 million uninsured Americans. With the increased numbers accessing the healthcare system, the increased demand for services will create a need for more medical office space. It is estimated that 8,000 additional primary care physicians will be required to serve the increase in demand by 2018, which would create the need for about 20 million additional square feet of medical office space. While uncertainties exist as to the specifics of the reform, it is clear that demand for services and medical office space will increase.

Recession-resistant property category

Medical office has been generally categorized as a "recession resistant" property type according to National Real Estate Investor magazine. Physician practices typically sign long-term leases with adjustments for increased property expenses, and are resistant to relocate once the practice is established.





SITE

N. COTTON ST.

El Paso LTAC Hospital

EL PASO INTEGRATED PHYSICIAN'S GROUP, P.A.

ARMENDARIZ MIDDLE SCHOOL

YOUNG WOMEN'S STEAM RESEARCH

EL PASO BEHAVIORAL HEALTH CENTER

TEXAS ONCOLOGY

MURCHISON DR.

Tenet Health
ADVANCED CENTER FOR WOMEN'S HEALTH AT PROVIDENCE
EL PASO ORTHOPAEDIC SURGERY

Mountain View Health & Rehabilitation

eliminating racism empowering women
ywca
Buena Vista Eye Care

SCHUSTER HEIGHTS MEDICAL PARK
PERNATAL HEALCARE CENTER: WALLACE ROGER, DO
PASO DEL NORTE CHILDREN'S DEVELOPMENT CENTER

The Hospitals of PROVIDENCE

Kindred Hospital El Paso
ALIVANT
SRC

ARIZONA AVE.

LAMAR ELEMENTARY SCHOOL
WIGGS MIDDLE SCHOOL

SPECTRUM THERAPY & FITNESS
LabCorp
Southwest
COBALT rehabilitation
CENTER of the HEART
Ray

RIM RD.

BROWN ST.

Southwest Neuro pine Institute
Davita
CONVIVA Care Center
FRESENIUS KIDNEY CARE
El Paso Vascular Access Center

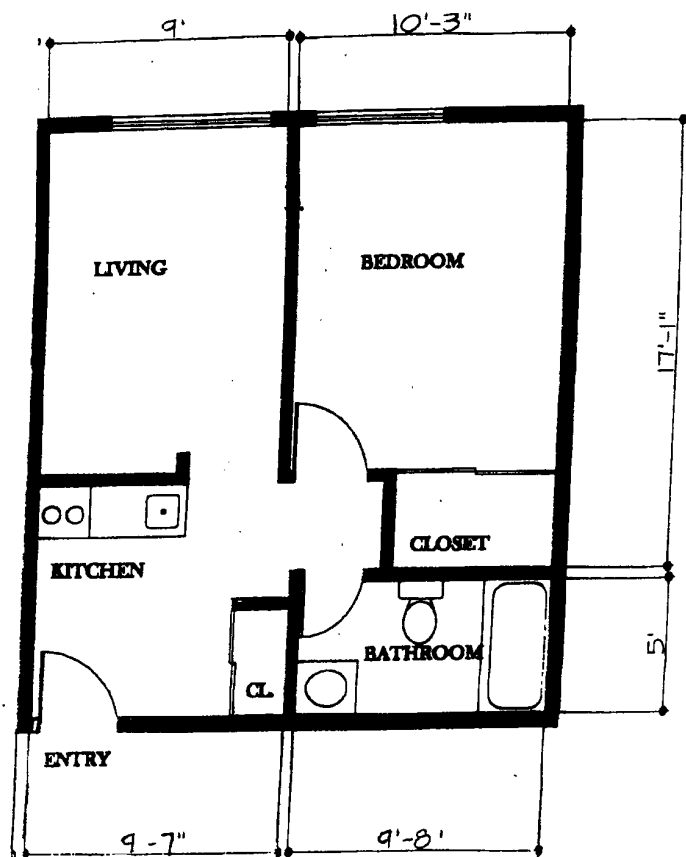
EL PASO HIGH SCHOOL

SOTO DENTAL PARTNERS
EL PASO SMILES CENTER, PLLC



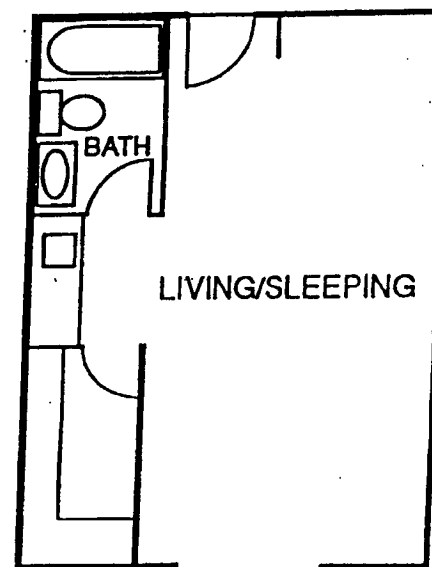
ONE BEDROOM

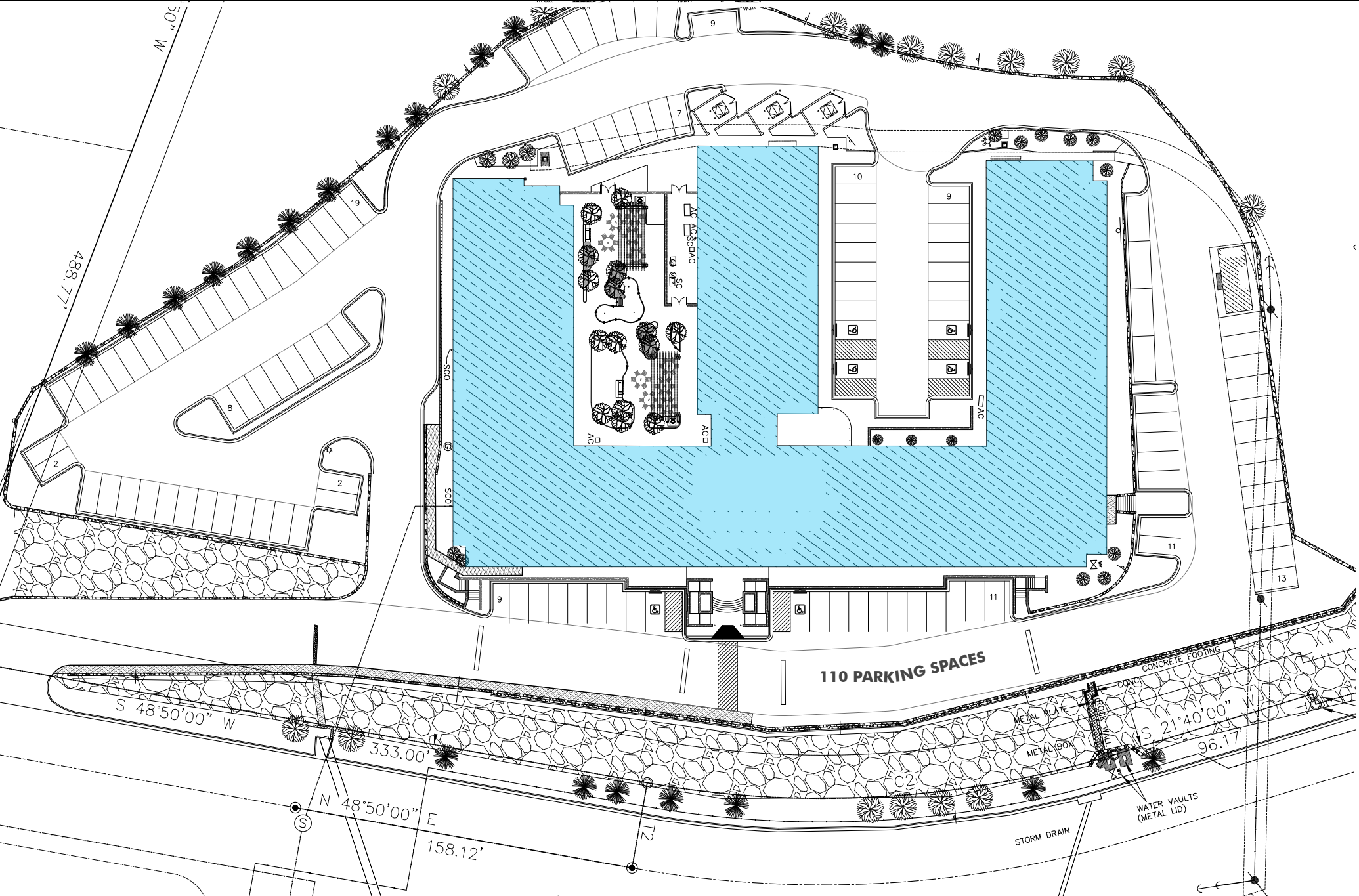
± 534 SQ. FT.



STUDIO

± 408 SQ. FT.





AREA INFORMATION

El Paso is the sixth-largest city in the state of Texas, located at the western tip of the state where it meets with New Mexico and the country of Mexico. The second largest international metroplex in the world, El Paso is situated on the geographic center of the 2,000-mile U.S./Mexico border across the Rio Grande Valley from Cd. Juarez, Mexico and seamlessly blends diverse cultures and traditions. The city's strategic location has spawned one of the most impressive real estate markets on the southern United States border. As such, El Paso is a thriving city that plays a key role in world trade, manufacturing and distribution while servicing as a regional center for health care, higher education and the cultural arts. El Paso's dynamic growth has been credited to the development of an integrated international trade region with Cd. Juarez, Mexico, long before free-trade zones and global markets flourished. El Paso is currently the 21st largest city in the United States and the sixth largest in Texas. El Paso is also one of the fastest growing cities, since the recession, with a growth of 10.7% since 2007. The El Paso MSA population is just over 850,000, and, when combined with its sister city of Cd. Juarez (Mexico's sixth largest city), creates a metropolitan area along the U.S./Mexico border with about 2.5 million residents. El Paso was selected as an All-American City in 2010 and 2018 by the National Civic League.

These regional synergies have created several exciting developments in El Paso over the past few years. The expansion of Fort Bliss, the construction of the new Texas Tech Medical School and the Downtown Revitalization Plan are all bringing positive news to El Paso.

ECONOMY

El Paso ranks among some of the fastest-growing metropolitan areas in the nation, benefiting from the relatively low costs of living and doing business. El Paso is also be home to the first four-year medical school on the U.S.-Mexico border with the opening of the Paul L. Foster School of Medicine, which will deliver a local economic impact of approximately \$1.3 billion. Additionally, downtown El Paso is the beneficiary of a substantial public and private investment which is driving a re-birth of the central business district and surrounding areas.

El Paso also serves an important role in international trade as it is a key entry point into the United States from Mexico. Once a major copper refining area, chief manufacturing industries in El Paso now include food production, consumer electronics, construction materials, automotive parts and medical equipment and plastics.



Over 75 of the Fortune 500 companies have a presence in Cd. Juarez or El Paso and the area has seen some of the largest foreign direct investment projects in Mexico over the past few years including major manufacturing campuses for Electrolux and Foxconn. Over \$107 billion worth of goods crossed between El Paso and Juarez region international ports of entry in 2019. Another substantial economic driver in the area is Fort Bliss, a United States Army post located immediately to the north of El Paso and a vital component of the El Paso regional economy. A notable contribution is the recent \$6 billion Fort Bliss base expansion. An average of \$112 million in output, \$32.6 million in labor and household income, and an incremental 833 jobs were generated in El Paso County during 2011-2013, due to construction expenditures on Fort Bliss and its William Beaumont Army Medical Center (WBAMC). Additionally, Fort Bliss and nearby White Sands Missile Range in New Mexico are at the center of U.S. Army Joint Modernization Command which plans and executes worldwide multi-echelon, joint, and multinational live experiments in support of the Army’s modernization strategy. As such, the need to perform technical trials of unmanned weapons will attract defense contractors to the El Paso area, bolstering the demand for local commercial real estate.

Major Employers in El Paso

T&T Staff Management LP	Employment Services	6,200
The Hospitals of Providence	Health Care - Public	5,100
Alorica	Inbound Customer Service	2,800
University Medical Center	Health Care - Public	2,300
Dish Network	Technical Support Center	1,600
Texas Tech University Health Sciences Center	Higher Education and Health Care	1,500
GC Services	Inbound Customer Service	1,500

Source: Texas Workforce Commission, March 2020

2018 EMPLOYMENT

Industry	Employment (000's)	Establishments
Private Sector		
Health Care	43.0	1,741
Retail Trade	39.2	2,114
Leisure and Hospitality	36.6	1,672
Professional and Business Services	34.3	2,257
Wholesale, Transportation and Utilities	26.6	2,076
Manufacturing	16.5	602
Construction	15.6	1,259
Financial Activities	12.2	1,700
Other Services	6.9	1,239
Information	4.4	146
Education	2.2	161
Natural Resources and Mining	1.1	117
Unclassified	0.3	141
Government	67.1	250
Total	306	15,475

Source: Texas Workforce Commission, March 2020





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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.

CBRE, Inc.	299995		(915) 585-3883
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
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Designated Broker of Firm	License No.	Email	Phone
Scott Senese	404094		(512) 499-4900
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date