

FOURTH QUARTER 2017
EARNINGS CONFERENCE CALL

March 8, 2018

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation are “forward-looking statements” within the meaning of the federal securities laws, including our business outlook for 2017 and beyond and expectations for market share growth. Statements about our beliefs and expectations and statements containing the words “may,” “could,” “would,” “should,” “believe,” “expect,” “anticipate,” “plan,” “estimate,” “target,” “project,” “intend,” “well-positioned” and similar expressions constitute forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results and performance in future periods to be materially different from any future results or performance suggested in forward-looking statements in this earnings press release. Investors are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. Any forward-looking statements speak only as of the date of this earnings press release and, except to the extent required by applicable securities laws, the Company expressly disclaims any obligation to update or revise any of them to reflect actual results, any changes in expectations or any change in events. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements.

Factors that could cause results to differ materially include, but are not limited to: (1) general economic conditions and commercial real estate market conditions, including the conditions in the global markets and, in particular, the U.S. debt markets; (2) the Company’s ability to attract and retain transaction professionals; (3) the Company’s ability to retain its business philosophy and partnership culture; (4) competitive pressures; (5) the Company’s ability to integrate new agents and sustain its growth; and (6) other factors discussed in the Company’s public filings, including the risk factors included in the Company’s Annual Report on Form 10-K to be filed with the Securities and Exchange Commission on March 16, 2018.

CONFERENCE CALL PARTICIPANTS



HESSAM NADJI

President, Chief Executive Officer and Director



MARTY LOUIE

Chief Financial Officer

MMI FINANCIAL HIGHLIGHTS

2017 FOURTH QUARTER HIGHLIGHTS

Financial Highlights		YOY
Revenue	\$202.8 million	7.2%
Net Income	\$8.5 million	(50.6)%
Adjusted Net Income⁽¹⁾	\$20.1 million	16.9%
Adjusted EBITDA	\$32.1 million	2.7%

Operational Highlights		YOY
Sales Volume	\$12.3 billion	12.1%
Transaction Closings	2,443	5.8%
Investment Sales and Financing Professionals as of December 31, 2017	1,819	4.7%

(1) Excludes a one-time charge in the amount of \$11.6M in connection with the re-measurement of deferred tax assets, net due to the enactment of the Tax Cuts and Jobs Act.

FULL YEAR 2017 HIGHLIGHTS

Financial Highlights		YOY
Revenue	\$719.7 million	0.3%
Net Income	\$51.5 million	(20.3)%
Adjusted Net Income⁽¹⁾	\$63.2 million	(2.3)%
Adjusted EBITDA	\$111.7 million	(5.6)%

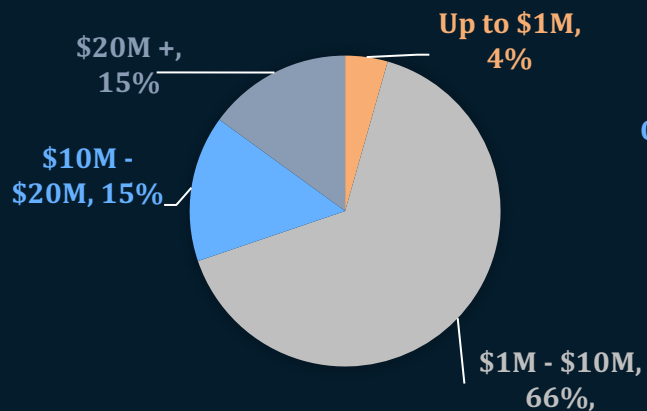
Operational Highlights		YOY
Sales Volume	\$42.2 billion	(0.3)%
Transaction Closings	8,979	(0.2)%
Investment Sales and Financing Professionals as of December 31, 2017	1,819	4.7%

(1) Excludes a one-time charge in the amount of \$11.6M in connection with the re-measurement of deferred tax assets, net due to the enactment of the Tax Cuts and Jobs Act.

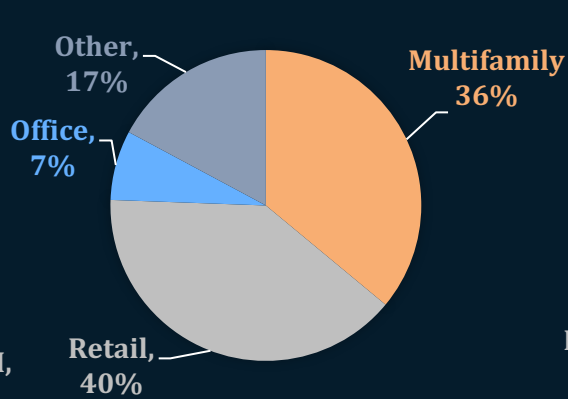
2017 FOURTH QUARTER BROKERAGE HIGHLIGHTS

		YOY
Sales Volume	\$8.7 billion	5.1%
Transaction Closings	1,752	4.8%
Investment Sales Professionals as of Dec. 31, 2017	1,723	5.4%
Real Estate Brokerage Commissions Revenue	\$177.3 million	2.7%

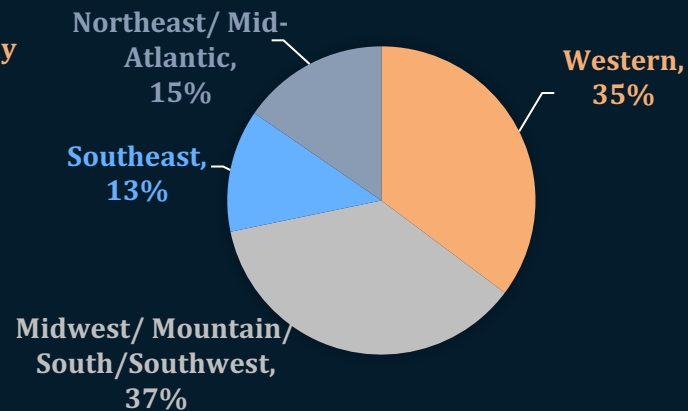
Revenue by Transaction Size



Transactions by Property Type



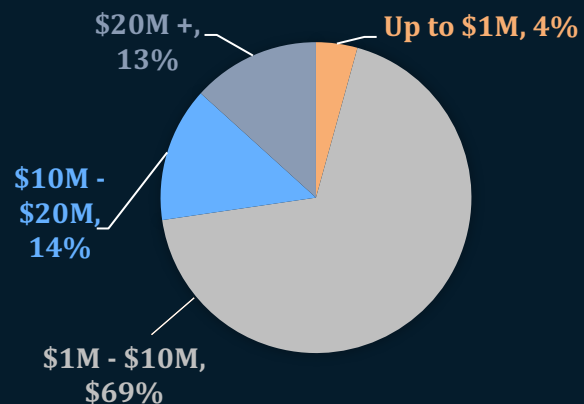
Transactions by Region



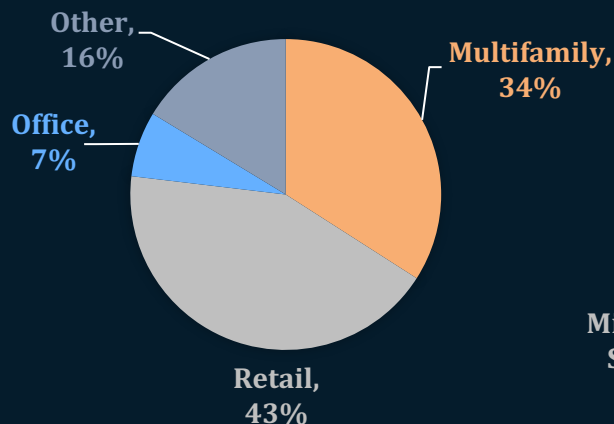
FULL YEAR 2017 BROKERAGE HIGHLIGHTS

		YOY
Sales Volume ⁽¹⁾	\$30.5 billion	(4.7)%
Transaction Closings	6,562	1.3%
Investment Sales Professionals as of Dec. 31, 2017	1,723	5.4%
Real Estate Brokerage Commissions Revenue	\$649.4 million	(1.9)%

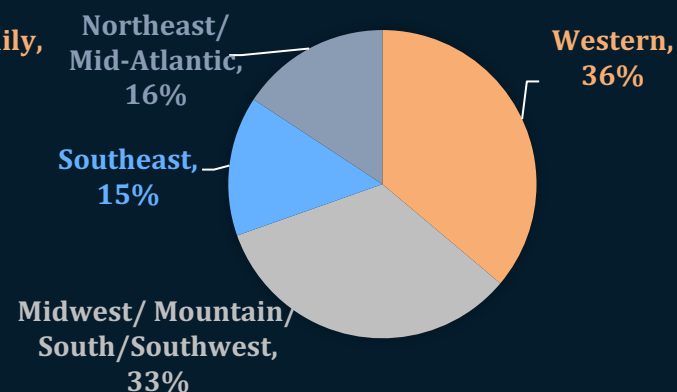
Revenue by
Transaction Size



Revenue by
Property Type



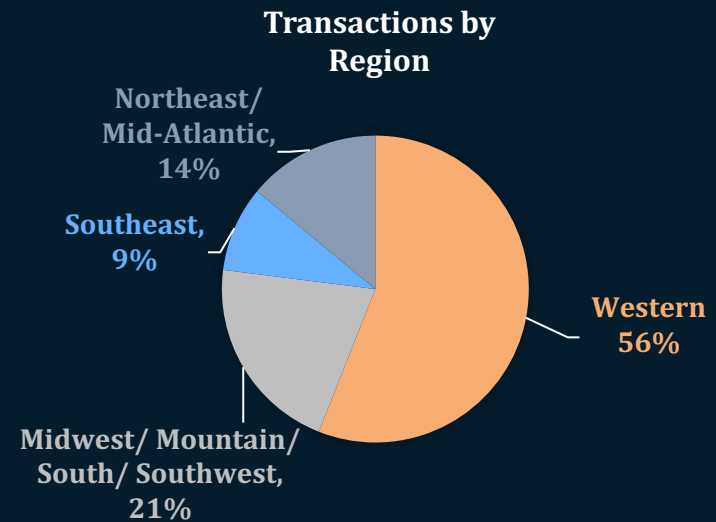
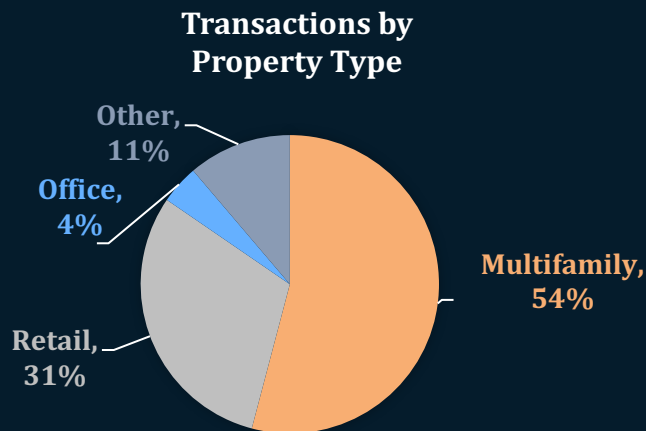
Revenue by
Region



(1) Normalized sales volume, adjusting for one transaction in 1Q 2016, represents year over year reduction of 3.2%.

2017 FOURTH QUARTER FINANCING HIGHLIGHTS

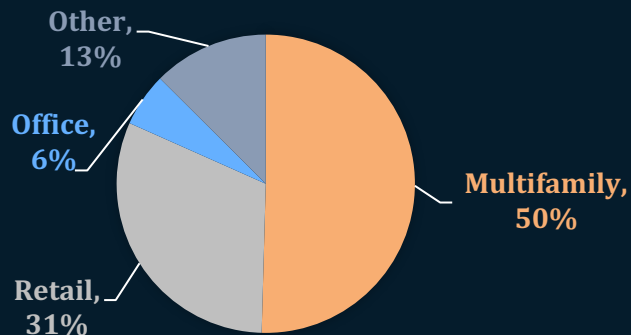
		YOY
Sales Volume	\$1.7 billion	24.2%
Transaction Closings	499	13.2%
Financing Professionals as of Dec. 31, 2017	96	(6.8)%
Financing Fees Revenue	\$15.5 million	22.6%



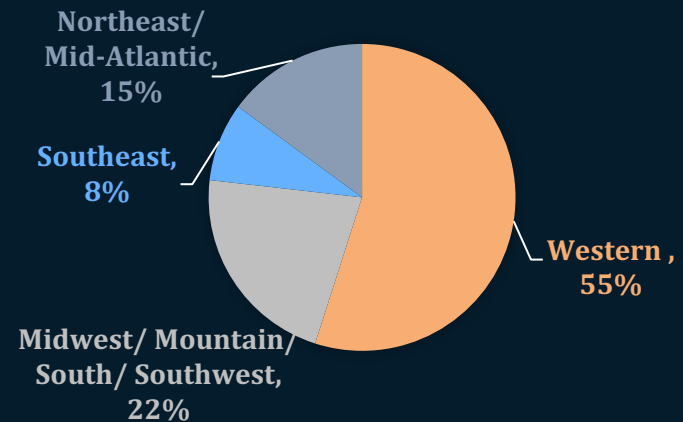
FULL YEAR 2017 FINANCING HIGHLIGHTS

		YOY
Sales Volume	\$5.6 billion	10.3%
Transaction Closings	1,707	3.4%
Financing Professionals as of Dec. 31, 2017	96	(6.8)%
Financing Fees Revenue	\$49.7 million	14.3%

**Transactions by
Property Type**



**Transactions by
Region**

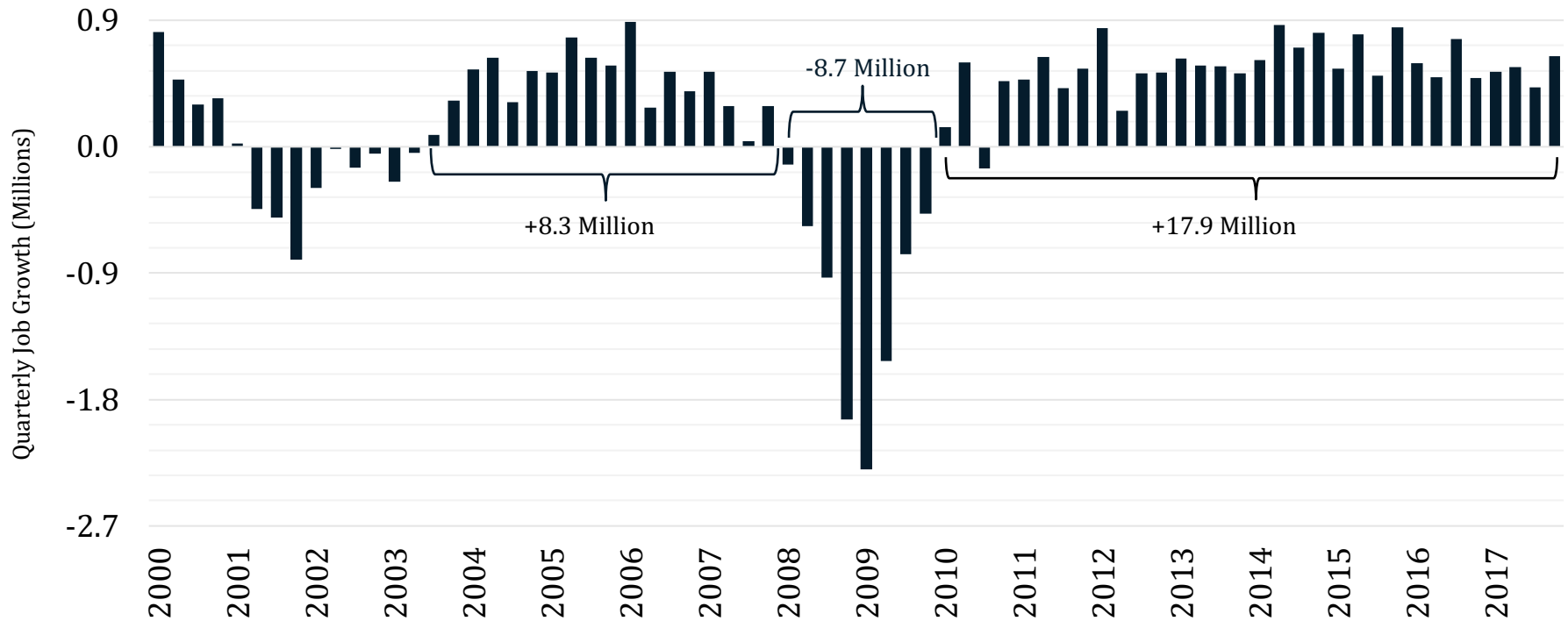


MARKET HIGHLIGHTS

U.S. EMPLOYMENT GAINS DRIVING REAL ESTATE DEMAND

U.S. Employment Has Expanded Well Above Prior Peak

*2018 forecast to add 2.3 million jobs**

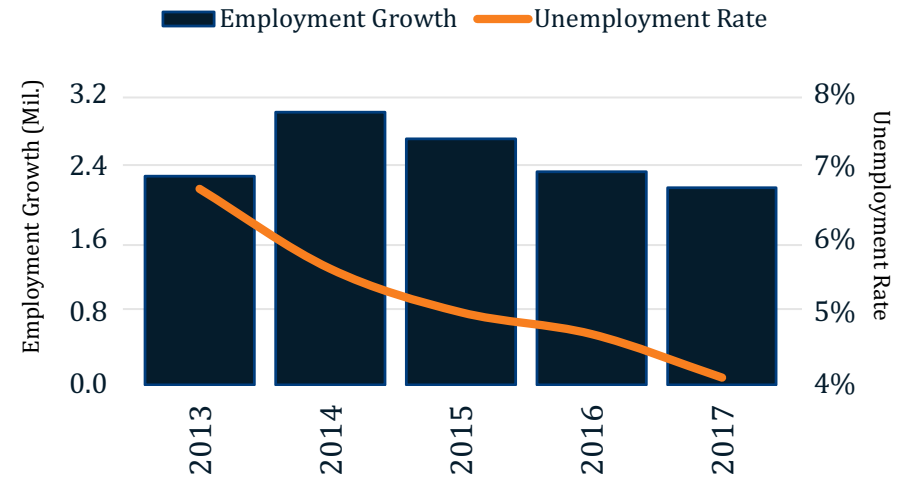


* Forecast per Economy.com
Sources: BLS, Moody's Analytics

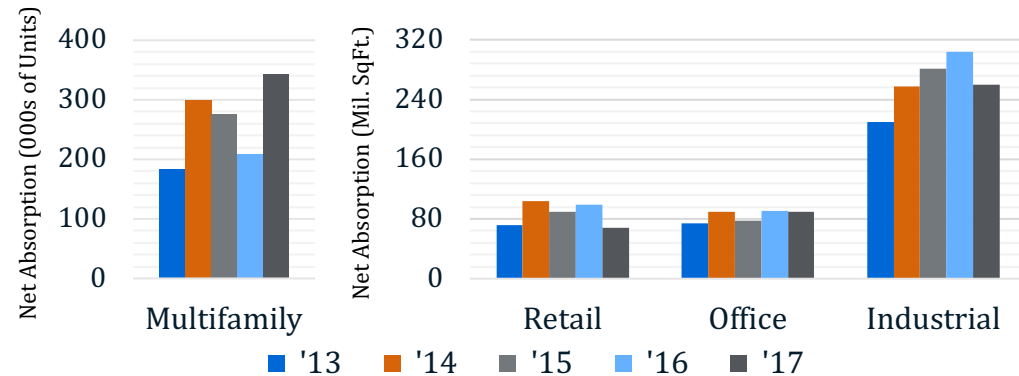
EMPLOYMENT AND SPACE DEMAND REMAIN STRONG

- Employment growth totaled nearly 2.2 million jobs in the past 12 months
- Total employment stands 9.2 million above the pre-recession peak
- Unemployment rate is down 260 basis points since 2013
- Space absorption for multifamily, office, and industrial remain solid
- Retail absorption encountering variation by location, type, and age of property

Employment Growth vs. Unemployment Rate



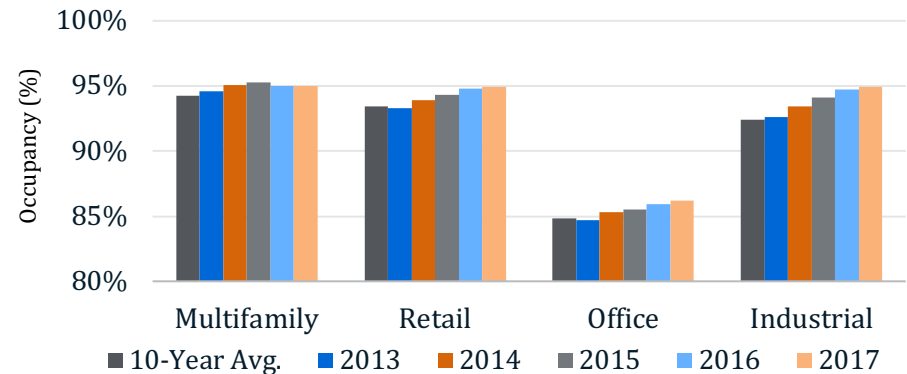
Space Absorption Trends



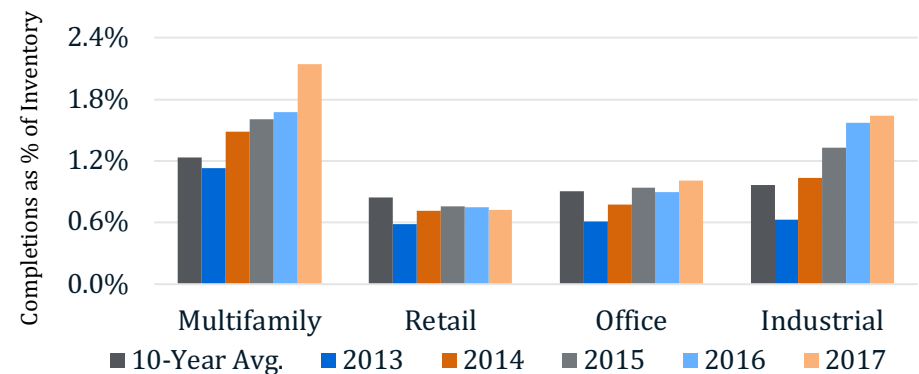
PROPERTY FUNDAMENTALS REMAIN HEALTHY; CONSTRUCTION TRENDS VARY BY PROPERTY TYPE

- Property fundamentals demonstrate healthy performance across all property types
- Multifamily properties led the recovery, followed by industrial – new supply in both sectors has increased as a result
- Select markets showing signs of high-end apartment oversupply risk; class B/C workforce apartments remain very stable
- New supply for office and retail remain within long-term averages

Occupancy Trends



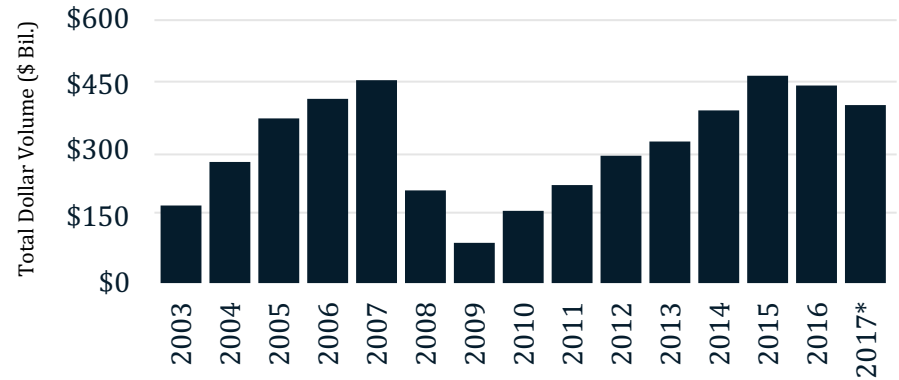
Construction Trends



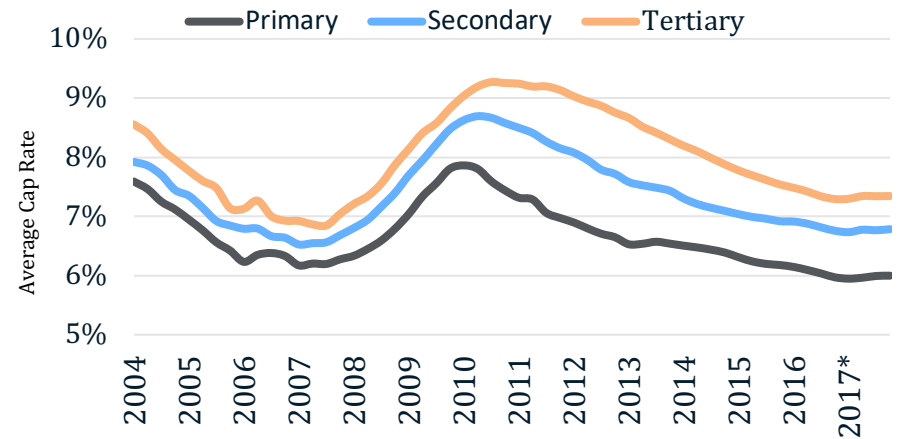
INVESTMENT SALES HAVE SLOWED MODERATELY; REMAIN AT HEALTHY LEVELS

- Throughout 2017, sales volume slowed by an estimated 7%-10% ⁽¹⁾ as uncertainty restrained some investors
- Interest rate volatility, uncertainty regarding tax reform and economic initiatives widened expectation gap
- Strengthening economic outlook, healthy fundamentals and increased clarity on tax policy expected to alleviate some uncertainty
- Investors are still calibrating higher interest rates and the benefits from the new tax laws
- Price and cap rates stable, but lower velocity indicative of widened bid-ask spread

U.S. Commercial Real Estate: Total Dollar Volume ⁽¹⁾



Cap Rates by Market Type ⁽¹⁾



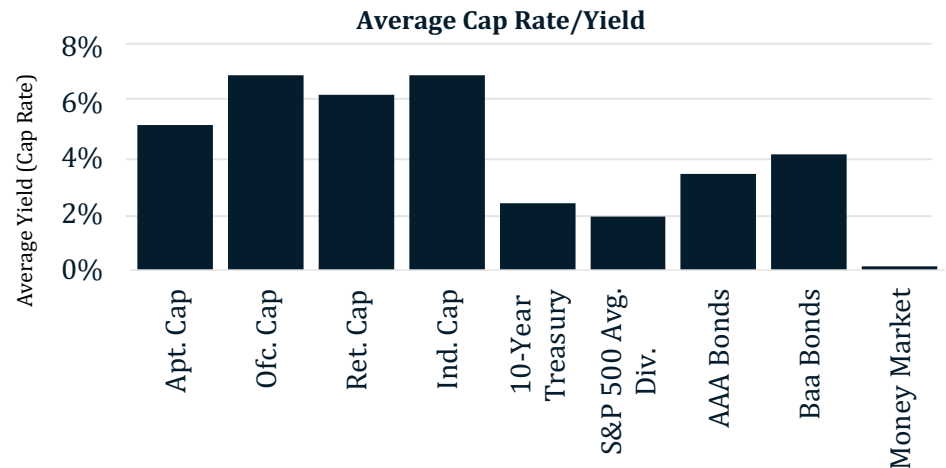
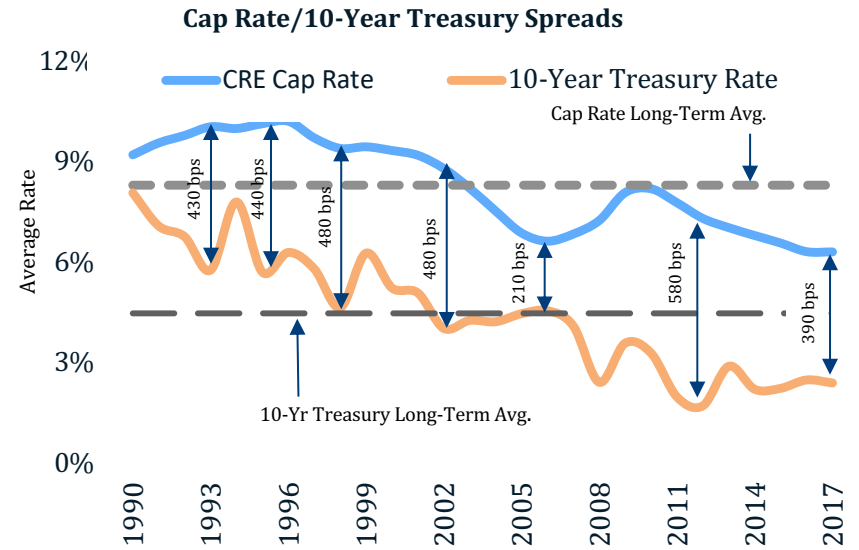
Sources: CoStar Group, Inc., Real Capital Analytics

* Preliminary estimate

(1) Includes sales \$1 million and greater for multifamily, retail, office and industrial properties.

COMMERCIAL REAL ESTATE YIELDS COMPELLING

- Cap rates have maintained stability despite interest rate volatility
- The spread between cap rates and the ten-year treasury is in alignment with the long-term average
- Commercial real estate offers compelling yields when compared to other investment options



MMI MARKET POSITION

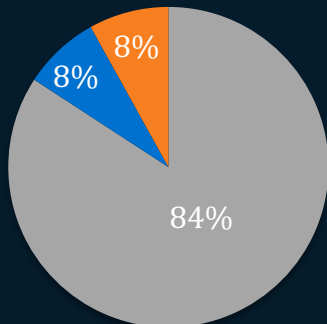
PRIVATE CLIENT MARKET SEGMENT

Largest Sales and Commission Pool Opportunity

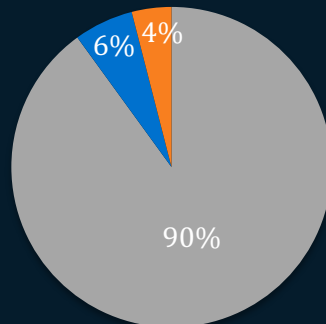
- Market segment consists of sales \$1 million - \$10 million; is the largest and most active, accounting for 80%+ of transactions
- Primarily driven by high-net worth individuals, partnerships and smaller private fund managers
- Influenced by personal drivers that result in buying/selling/ refinancing properties, as well as market conditions
- Market segment features the highest commission rates

Transactions by Investor Segment ⁽¹⁾

Commercial Real Estate Market

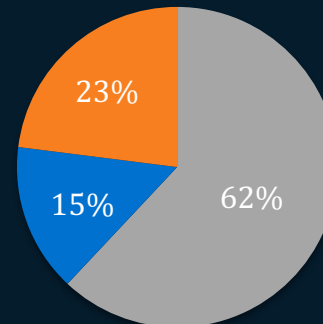


Marcus & Millichap

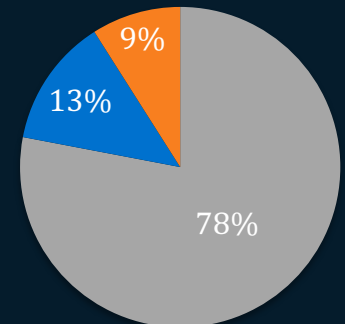


Commission Pool by Investor Segment ^{(1) (2)}

Commercial Real Estate Market



Marcus & Millichap



- Private Client Market Segment (\$1M - \$10M)
- Middle Market Segment ⁽³⁾ (\$10M - \$20M)
- Larger Transaction Market Segment ⁽³⁾ (\$20M+)

Sources: CoStar Group, Inc., Real Capital Analytics

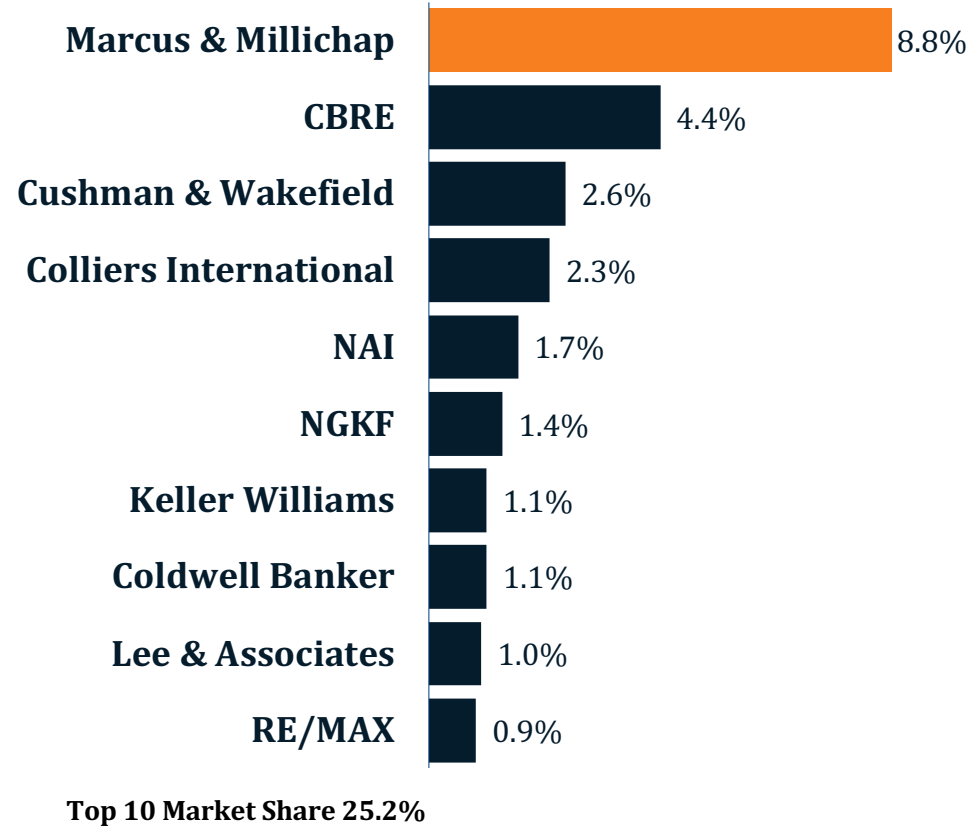
(1) Includes apartment, retail, office, and industrial sales \$1 million and greater for 2017; 4Q preliminary estimate for market total. Commercial Real Estate market totaled an estimated 51,605 transactions, with \$7.6 billion in total commission pool.

(2) Estimate based on industry averages: 3.7% commission rate for Private Client Market segment, 2.0% rate for Middle Market Segment and 0.8% for Larger Transaction Market segment.

(3) Middle Market segment (previously referred to as hybrid segment) and Larger Transaction Market segment (previously referred to as Institutional Market segment).

MMI: PRIVATE CLIENT MARKET LEADER WITH GROWTH OPPORTUNITY

- Top 10 U.S. Brokerage Firms by Market Share (Private Client Market Segment \$1M – \$10M) ⁽¹⁾



Sources: CoStar Group, Inc., Real Capital Analytics

Market share includes recent company mergers and acquisitions

(1) Includes multifamily, retail, office, and industrial sales from \$1 million to \$10 million during the trailing 12-months through 3Q 2017 in which the brokerage firms represented the seller.

MARKET SHARE GROWTH OPPORTUNITY BY PROPERTY TYPE

- Leverage platform, relationships, brand to grow in various sectors
- Growth opportunity remains in leading property types (multifamily and retail)
- Expanding multi-tenant office, shopping center and industrial presence
- Increased engagement in specialty property types and larger transactions

MMI 2017 Transactions by Property Type ⁽¹⁾

Property Type	Transactions	Volume (\$Billion)
Multifamily	3,322	\$21.5
Retail	3,553	\$11.5
Office	662	\$2.7
Industrial	353	\$1.3
Hospitality	237	\$1.3
Self-Storage	195	\$1.1
Land	273	\$0.7
Manufactured Housing	95	\$0.6
Seniors Housing	53	\$0.5
Mixed-Use/Other	236	\$1.0
Total	8,979	\$42.2

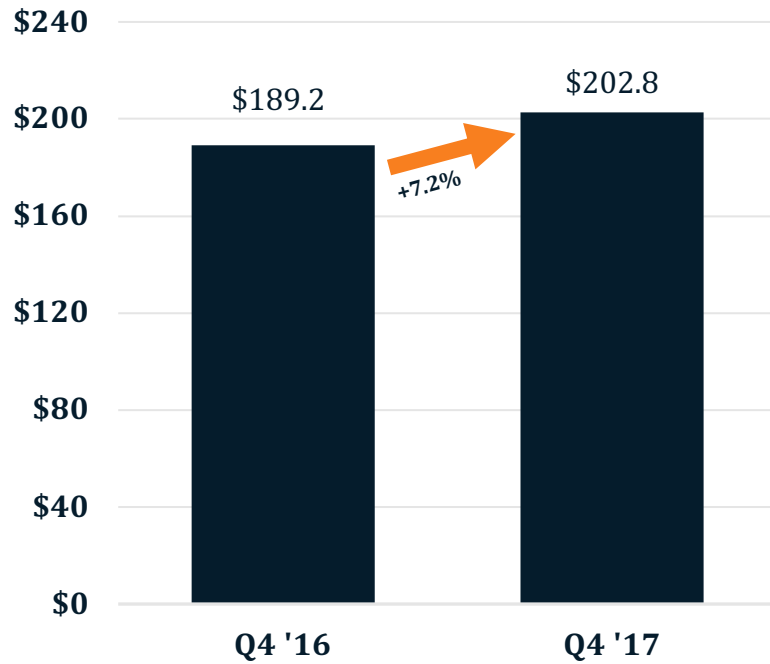
(1) Includes investment sales, financing and other transactions in 2017

MMI FINANCIAL DETAILS

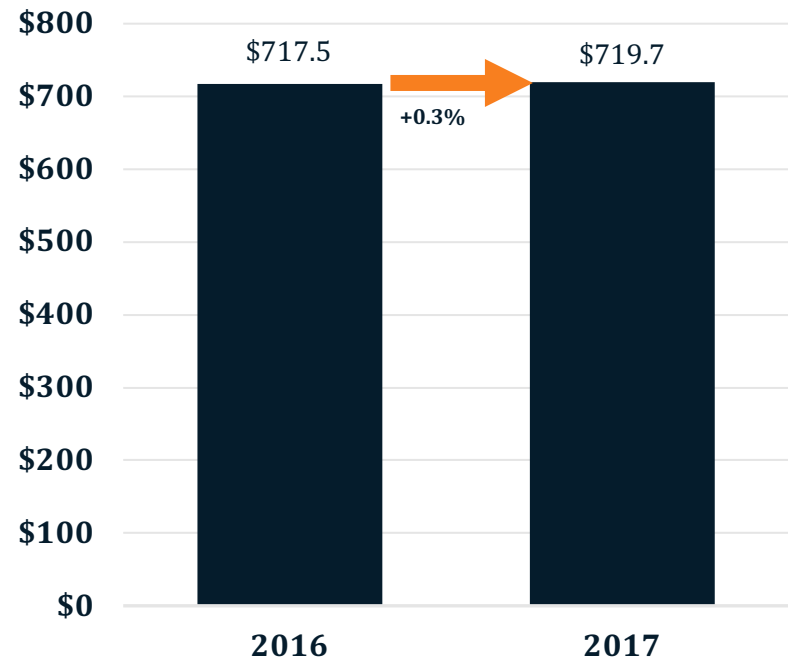
TOTAL REVENUES

(\$ in millions)

Q4 2016 vs. Q4 2017

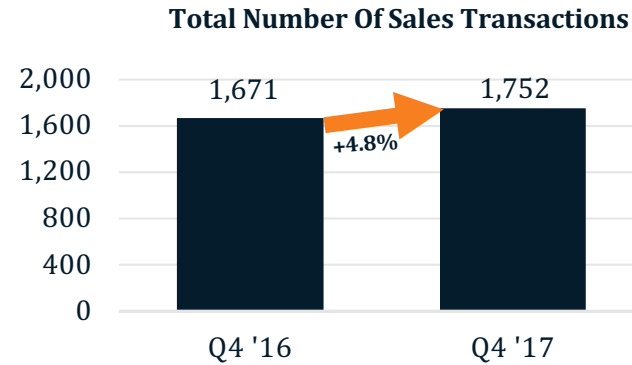
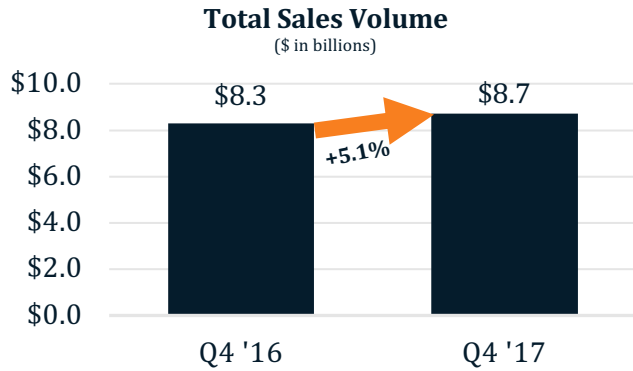


Full Year 2016 vs. 2017

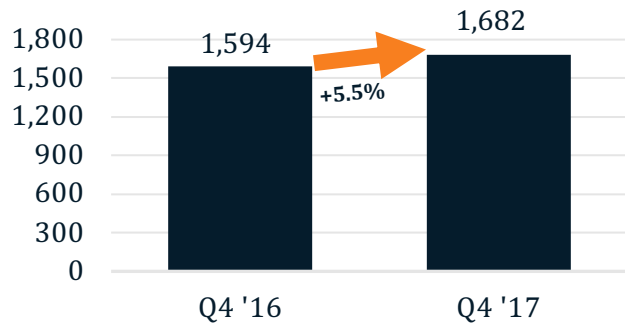


BROKERAGE OPERATING METRICS

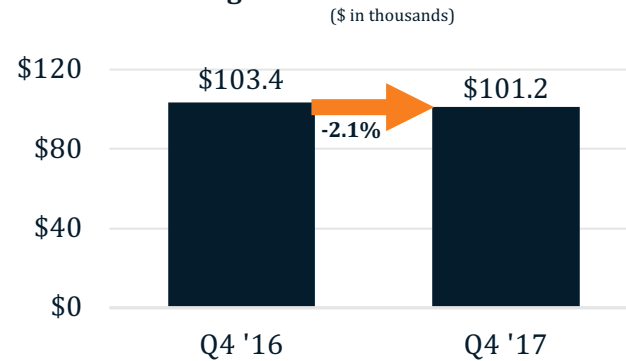
Q4 2017



Average Number of Investment Sales Professionals

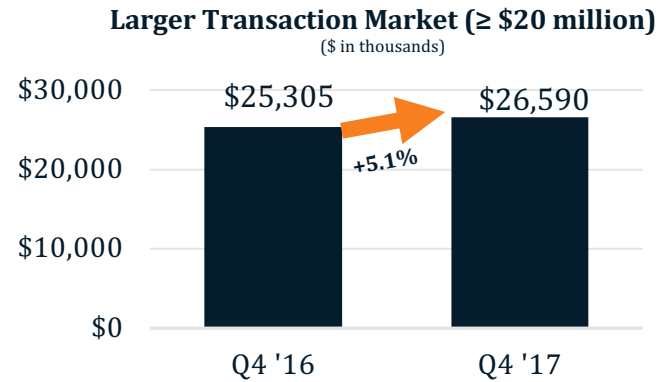
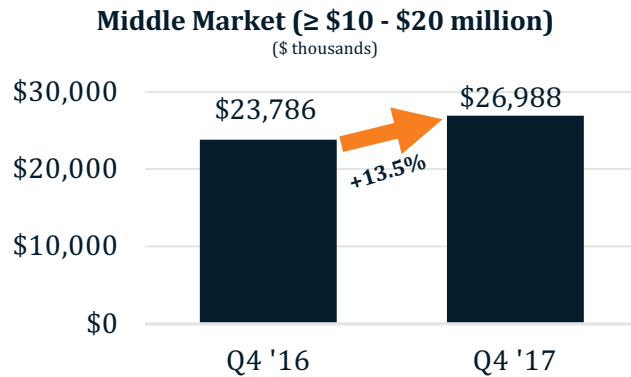
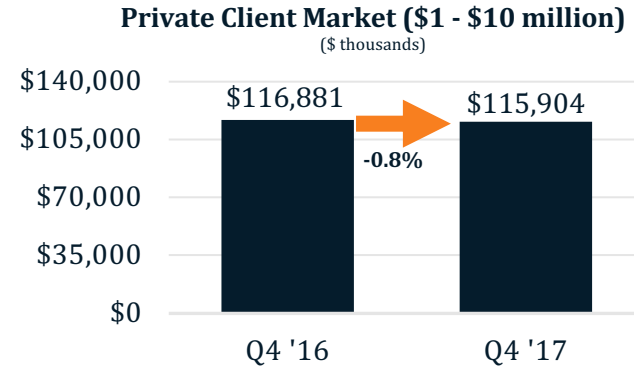
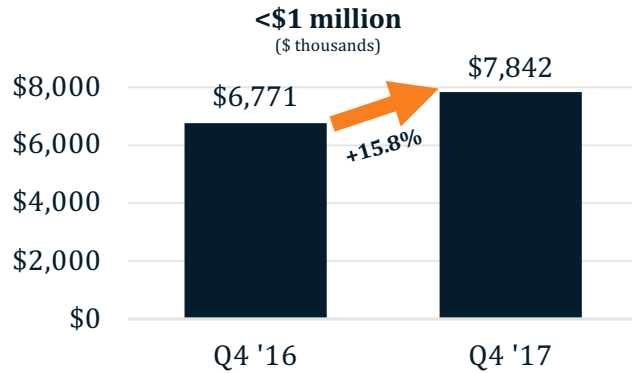


Average Commission Per Transaction



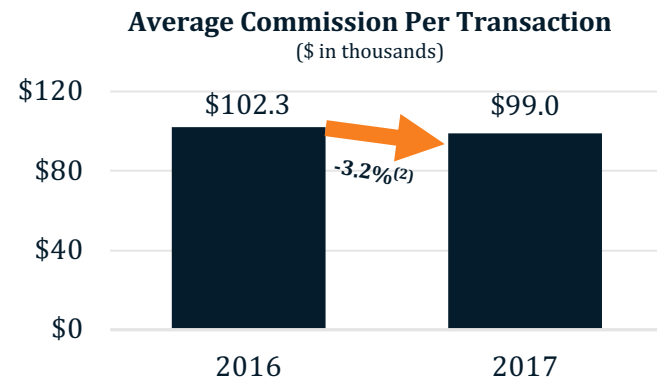
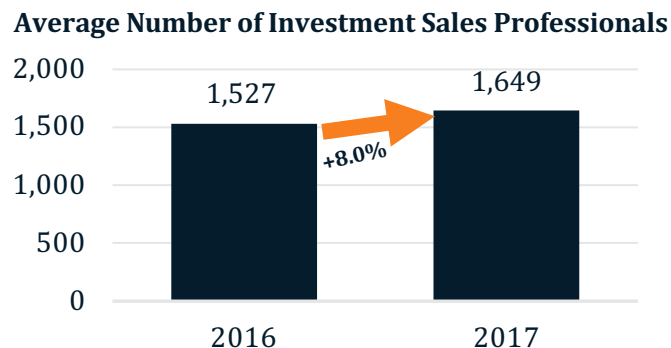
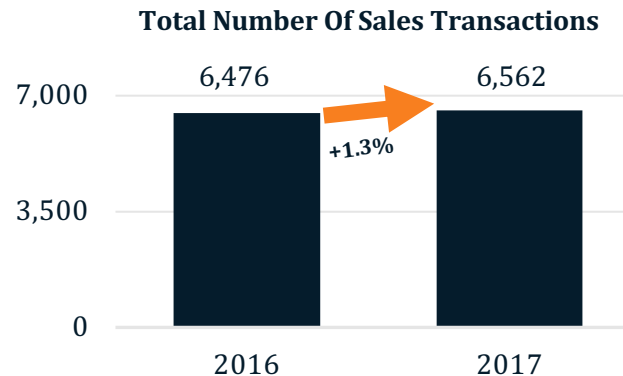
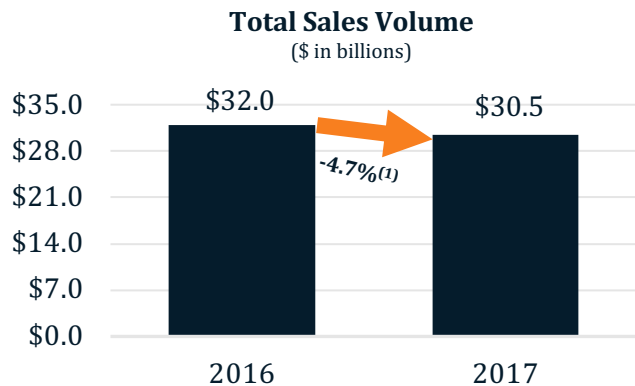
BROKERAGE REVENUE BY MARKET SEGMENT

Q4 2017



BROKERAGE OPERATING METRICS

Full Year 2017

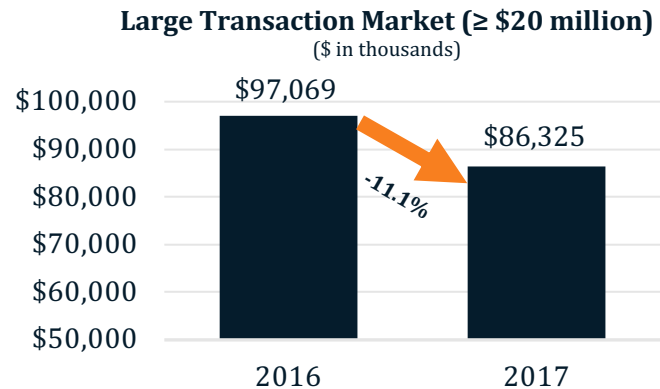
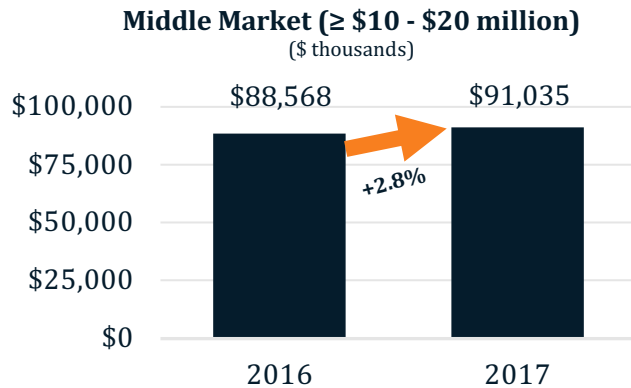
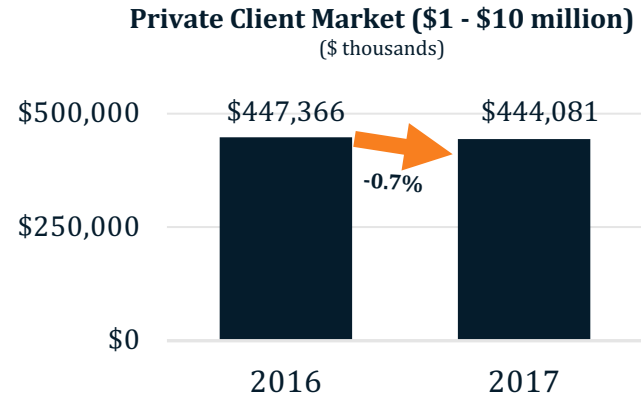
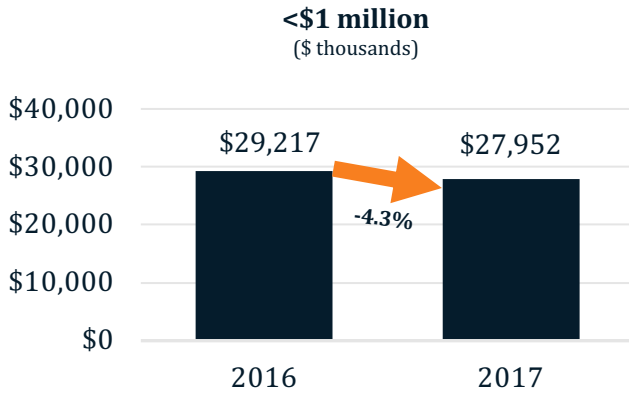


(1) Normalized sales volume, adjusting for one large transaction in 1Q 2016, represents year over year reduction of 3.2%

(2) Normalized average commission per transaction, adjusting for one large transaction in 1Q 2016, represents year over year reduction of 2.9%

BROKERAGE REVENUE BY MARKET SEGMENT

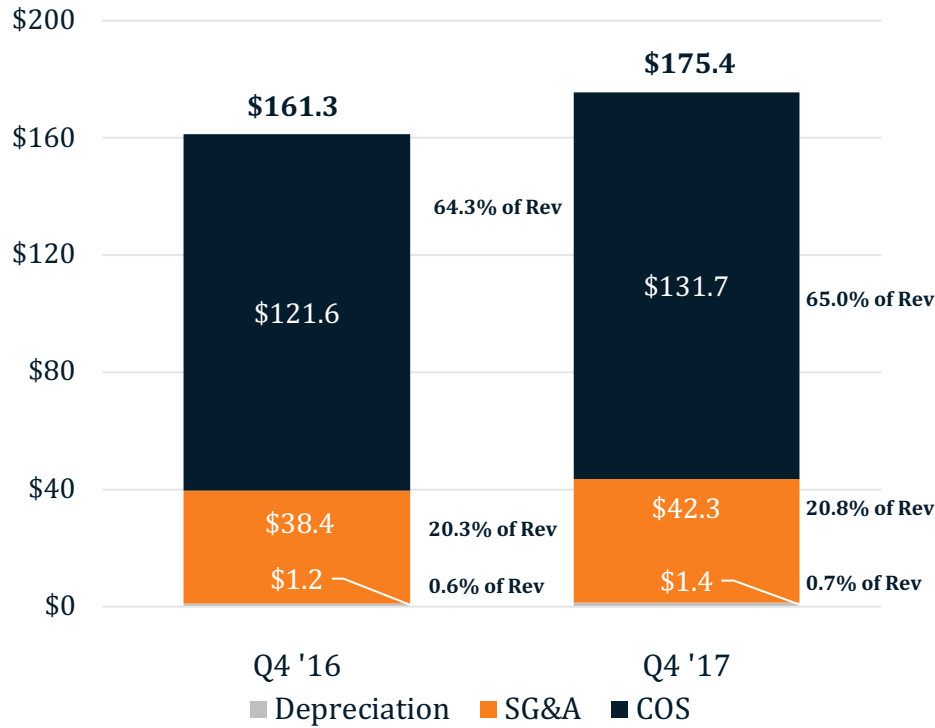
Full Year 2017



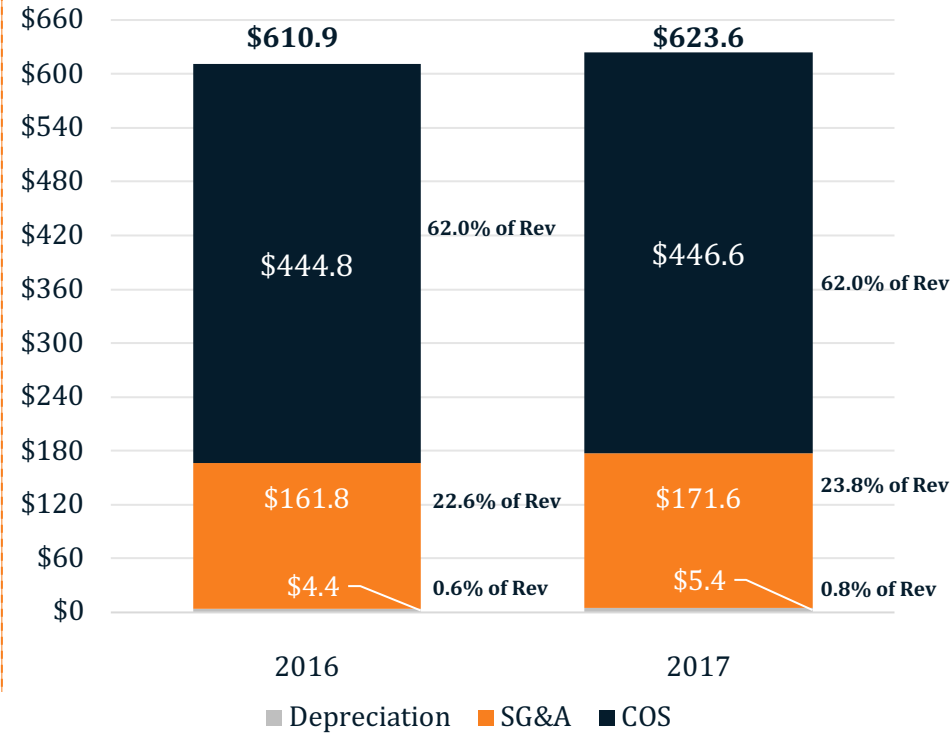
OPERATING EXPENSES

(\$ in millions)

Q4 2016 vs. Q4 2017

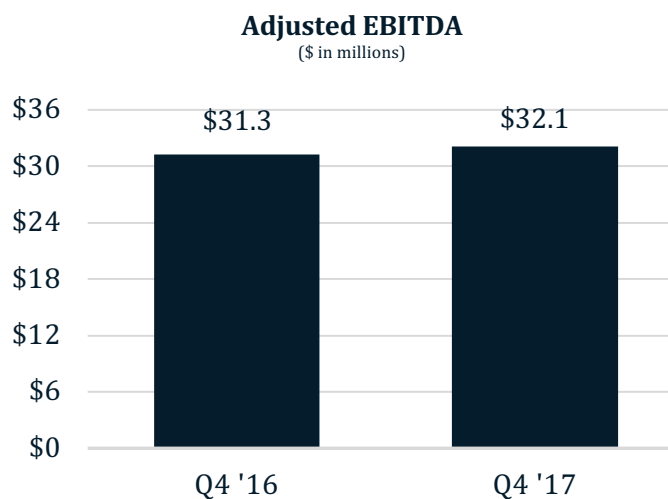
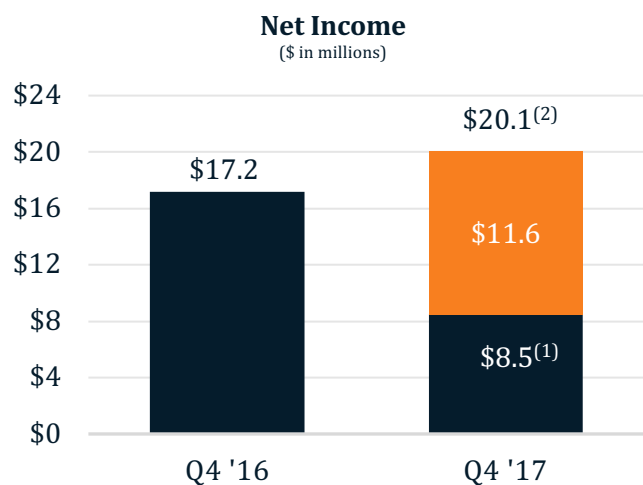


Full Year 2016 vs. 2017



NET INCOME AND ADJUSTED EBITDA PERFORMANCE

Q4 2017

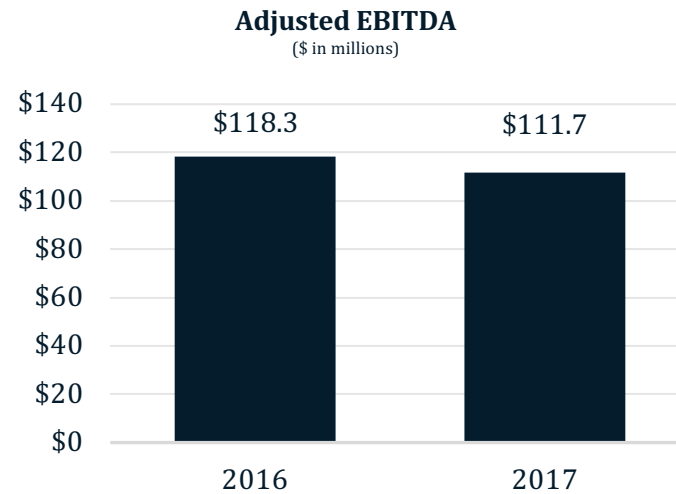
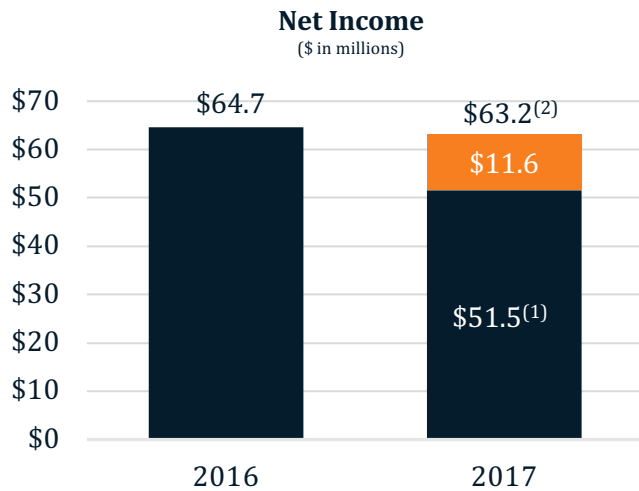


(1) Includes a one-time charge in the amount of \$11.6M in connection with the re-measurement of deferred tax assets, net due to the enactment of the Tax Cuts and Jobs Act.

(2) \$20.1 million is adjusted net income which adds back a one-time charge in the amount of \$11.6M in connection with the re-measurement of deferred tax assets, net due to the enactment of the Tax Cuts and Jobs Act.

NET INCOME AND ADJUSTED EBITDA PERFORMANCE

Full Year 2017

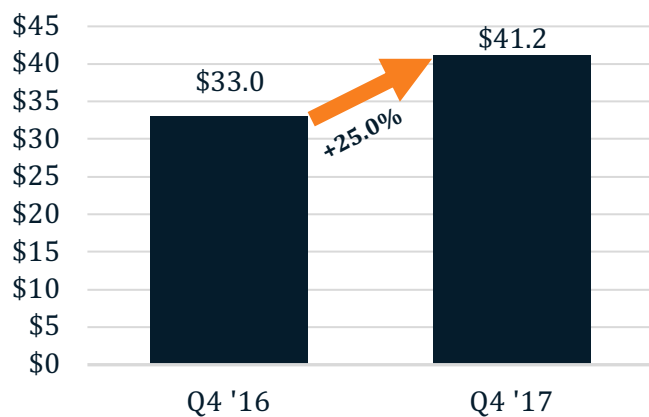


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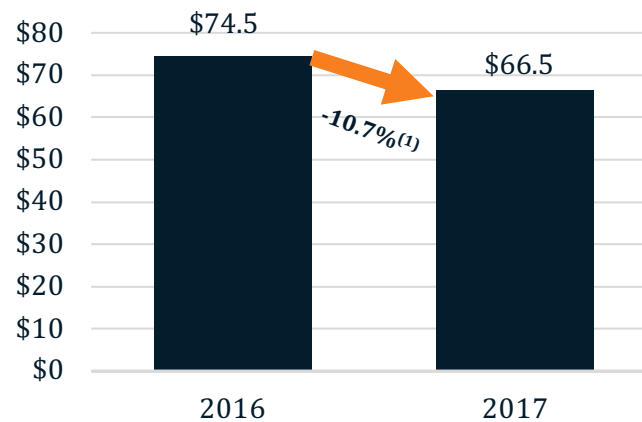
(2) \$63.2 million is adjusted net income which adds back a one-time charge in the amount of \$11.6M in connection with the re-measurement of deferred tax assets, net due to the enactment of the Tax Cuts and Jobs Act.

CASH FLOW PROVIDED BY OPERATING ACTIVITIES

QTD Cash Flow Provided by Operating Activities
(\$ in millions)

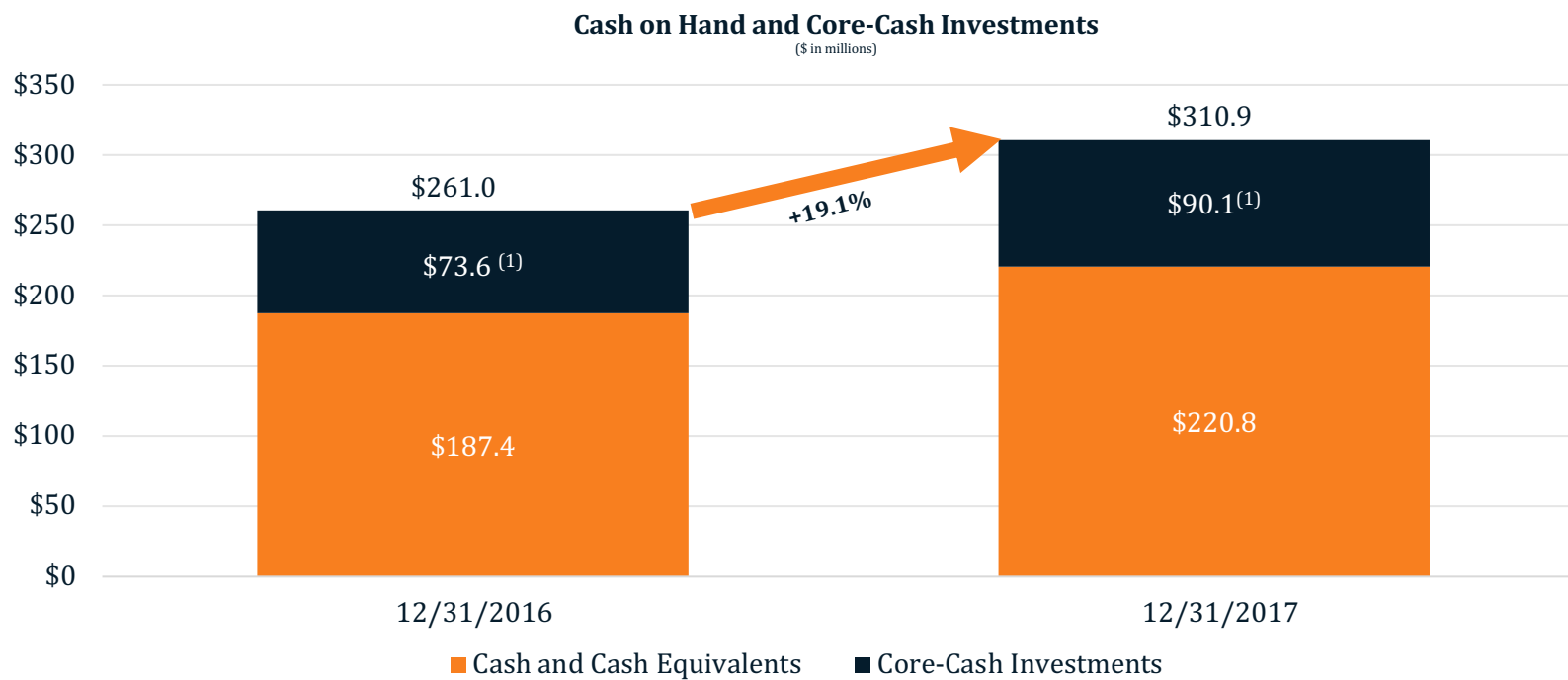


YTD Cash Flow Provided by Operating Activities
(\$ in millions)



(1) Net cash provided by operating activities is driven by our net income adjusted for non-cash items and changes in operating assets and liabilities. The decrease in cash provided by operating activities was primarily due to differences in timing of payments and receipts, an increase in advances to the Company's investment sales and financing professionals, a reduction in the deferral of certain discretionary and other commissions, payments for SARs liability and a higher proportion of operating expenses compared to revenues. These decreases were partially offset by a change in bonus accruals

STRONG LIQUID CAPITAL POSITION



(1) Relates to investments designated by the Company as core-cash investments in fixed and variable debt securities, in accordance with our investment policy approved by the Board of Directors with weighted average maturity of 0.53 years and 1.16 years for the periods ended 12/31/2017 and 12/31/2016, respectively.

APPENDIX

ADJUSTED EBITDA RECONCILIATION

Adjusted EBITDA, which the Company defines as net income before (i) interest income and other, including net realized gains (losses) on marketable securities, available-for-sale and cash and cash equivalents, (ii) interest expense, (iii) provision for income taxes, (iv) depreciation and amortization and (v) stock-based compensation. The Company uses Adjusted EBITDA in its business operations to evaluate the performance of its business, develop budgets and measure its performance against those budgets, among other things. The Company also believes that analysts and investors use Adjusted EBITDA as a supplemental measure to evaluate its overall operating performance. However, Adjusted EBITDA has material limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under U.S. generally accepted accounting principles ("U.S. GAAP"). The Company finds Adjusted EBITDA as a useful tool to assist in evaluating performance because Adjusted EBITDA eliminates items related to capital structure and taxes and non-cash stock-based compensation charges. In light of the foregoing limitations, the Company does not rely solely on Adjusted EBITDA as a performance measure and also considers its U.S. GAAP results. Adjusted EBITDA is not a measurement of the Company's financial performance under U.S. GAAP and should not be considered as an alternative to net income, operating income or any other measures derived in accordance with U.S. GAAP. Because Adjusted EBITDA is not calculated in the same manner by all companies, it may not be comparable to other similarly titled measures used by other companies.

	Three Months Ended Dec. 31		Year Ended Dec. 31	
	2017	2016	2017	2016
Net Income	\$8,480	\$17,174	\$51,524	\$64,657
Adjustments:				
Interest income and other⁽¹⁾	(1,221)	(516)	(3,514)	(1,761)
Interest expense	370	378	1,496	1,533
Provision for income taxes⁽²⁾	20,138	10,921	47,702	42,445
Depreciation and amortization	1,388	1,223	5,363	4,387
Stock-based compensation	2,972	2,102	9,145	7,035
Adjusted EBITDA⁽³⁾	\$32,127	\$31,282	\$111,716	\$118,296

(1) Other for the three and twelve months ended December 31, 2017 and 2016 includes net realized gains (losses) on marketable securities, available-for-sale.

(2) Provision for income taxes for the three and twelve months ended December 31, 2017, includes a one-time charge in the amount of \$11.6 million in connection with the remeasurement of deferred tax assets, net due to enactment of the Tax Cuts and Jobs Act, which reduced the U.S. federal statutory corporate tax rate from 35% to 21%. In addition, the Company adopted a new accounting pronouncement in 2017 that required any windfall tax benefits, net of shortfalls to be recorded as a discrete item in the Company's provision for income taxes. These windfalls/shortfalls arise from the difference in the grant date price and the vesting date price of employee and non-employee directors vesting of restricted stock units, deferred stock units and restricted stock awards. The Company recognized \$2.7 million and \$2.9 million in windfall tax benefits, net of shortfalls during the three and twelve months ended December 31, 2017, respectively as a reduction in the Company's provision for income taxes.

(3) The increase in Adjusted EBITDA for the three months ended December 31, 2017 compared to the same period in the prior year is primarily due to higher total revenues, partially offset by a higher proportion of operating expenses compared to revenues. The decrease in Adjusted EBITDA for the twelve months ended December 31, 2017 compared to the same period in the prior year is primarily due to a higher proportion of operating expenses compared to revenues, partially offset by higher total revenues.

COMPANY OVERVIEW

NATIONAL PLATFORM FOCUSED ON INVESTMENT BROKERAGE

- 47-year old platform dedicated to perfecting real estate investment brokerage
- Designed to facilitate the movement of capital providing liquidity to clients

MARKET LEADER IN THE PRIVATE CLIENT MARKET SEGMENT

- Only national brokerage firm focused on the Private Client Market segment
- Private Client Market segment consistently comprises 80%+ of U.S. commercial property sales transactions annually

PLATFORM BUILT FOR MAXIMIZING INVESTOR VALUE

- Marcus & Millichap Capital Corporation (“MMCC”), Research & Advisory support client dialogue, financing, strategy and sales execution
- Culture and policy of information sharing is key to maximizing investor value

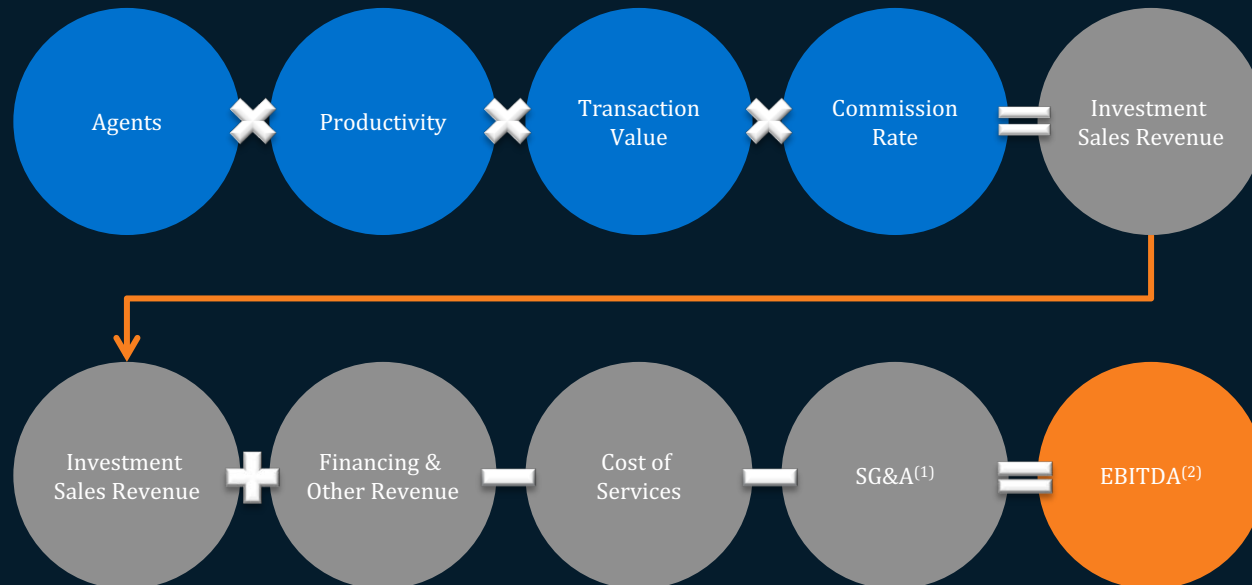
MANAGEMENT WITH SIGNIFICANT INVESTMENT BROKERAGE EXPERIENCE

- Non-competitive management with extensive investment brokerage experience, committed to training, coaching and supporting investment sales professionals
- Creates a competitive advantage through agent retention and better client results

WELL POSITIONED TO EXECUTE ON STRATEGIC GROWTH PLAN

- Positioned to increase Private Client Market segment share, expand presence in specialty niches/larger transaction business and grow financing division, MMCC

ILLUSTRATIVE MMI EARNINGS MODEL



(1) Includes stock-based compensation

(2) EBITDA is not a measurement of our financial performance under U.S. GAAP and should not be considered as an alternative to net income, operating income or any other measure derived in accordance with U.S. GAAP