

\$34.5 Million Construction Loan Arranged by Marcus & Millichap Capital Corporation

PASADENA, Calif.--(BUSINESS WIRE)-- [Marcus & Millichap \(NYSE: MMI\)](#), financing subsidiary [Marcus & Millichap Capital Corporation \(MMCC\)](#), has arranged a \$34.5 million construction loan for a 48-unit condominium development project in Pasadena, California.

"After completing the first phase of the project, with financing from another intermediary, the developer asked us to create a more flexible and competitive financing option for the second phase," said Stefen Chraghchian in [MMCC's Encino office](#). "Phase I involved converting the adjacent office tower to 57 condominium units and Phase II will add 48 units above a parking structure." Chraghchian and [Sharone Sabar](#), senior managing director capital markets, arranged the loan. "The structure of the deal was complex as the unsold units from Phase I were attached to the Phase II loan as collateral," continued Chraghchian. "We negotiated a payout structure for unit sales that would pay down the loan balance over time while allowing the developer to access more immediate sales proceeds."

The 30-month loan was structured with a 5% adjustable interest rate and 40% loan-to-value. "Being in the midst of the Covid-19 pandemic added an additional challenge," added Sabar. "We emphasized the importance of timing to all parties and pushed to close as quickly as possible." The six-story, 62,075-gross-square-foot project is expected to be completed 2021. It will include an amenity deck with a pool, hot tub, and outdoor entertainment area. The average unit size will be 1,243 square feet.

About Marcus & Millichap (NYSE: MMI)

With over 2,000 investment sales and financing professionals located throughout the United States and Canada, Marcus & Millichap is a leading specialist in commercial real estate investment sales, financing, research and advisory services. Founded in 1971, the firm closed 9,726 transactions in 2019 with a value of approximately \$50 billion. Marcus & Millichap has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. To learn more, please visit: www.MarcusMillichap.com.

About Marcus & Millichap Capital Corporation

Marcus & Millichap Capital Corporation (MMCC) is a subsidiary of Marcus & Millichap (NYSE: MMI), a leading commercial real estate investment services firm with offices throughout the United States and Canada. Through its network of national, regional and local lenders, MMCC provides capital markets products for a wide variety of investment properties, including apartments, shopping centers, office buildings, industrial facilities, single-tenant net-lease properties, seniors housing, hotels/motels, manufactured home communities and self-storage facilities. In 2019, MMCC closed over 1,900 commercial real estate financing transactions totaling \$7.1 billion. To learn more, please visit:

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