Marcus & Millichap

FIRST QUARTER 2019
EARNINGS CONFERENCE CALL

May 7, 2019

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 2019 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 filed with the Securities and Exchange Commission on March 1, 2019.

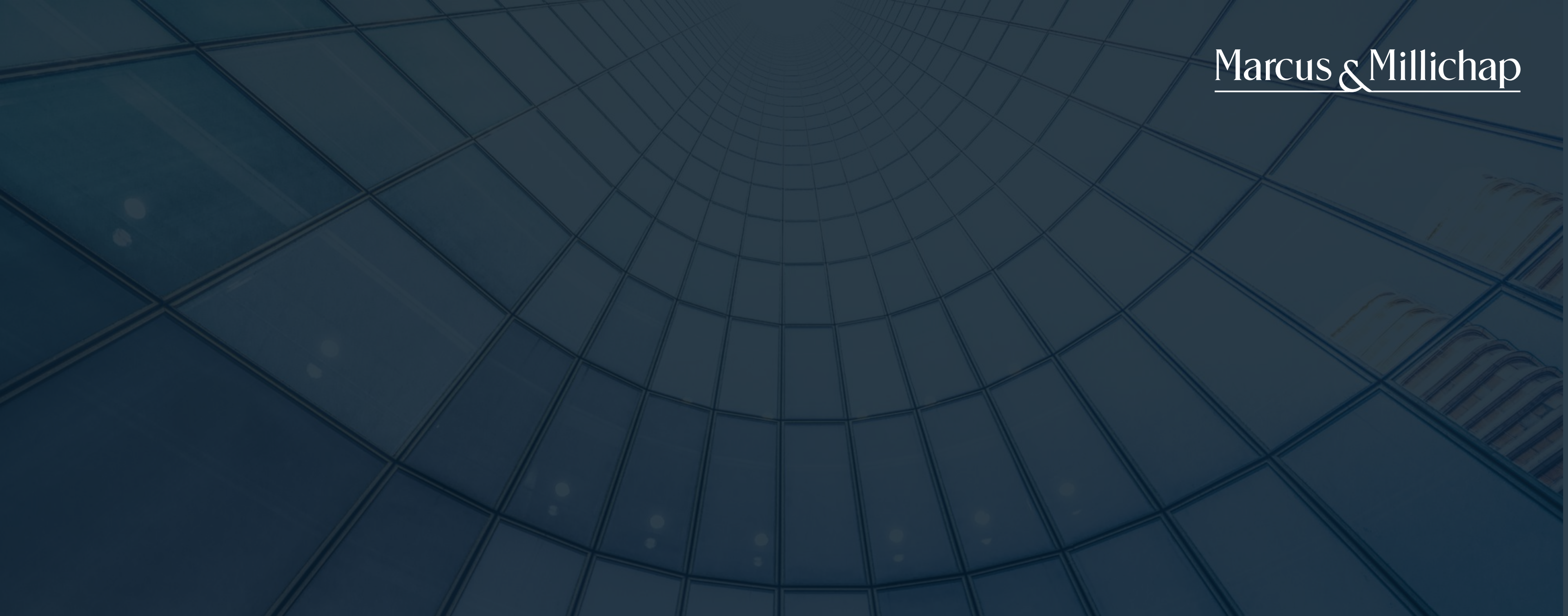
CONFERENCE CALL PARTICIPANTS

HESSAM NADJI

President, Chief Executive Officer and Director

MARTY LOUIE

Chief Financial Officer



MMI FINANCIAL HIGHLIGHTS

2019 FIRST QUARTER HIGHLIGHTS

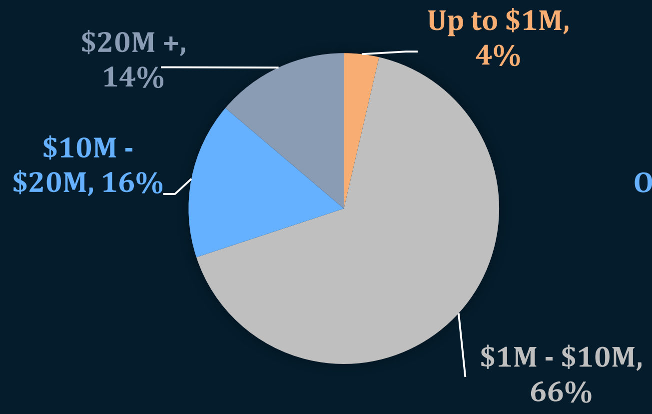
Financial Highlights		YOY
Revenue	$160.7 million	(7.9)%
Net Income	$15.6 million	(13.2)%
Adjusted EBITDA	$23.2 million	(15.6)%

Operational Highlights		YOY
Sales Volume	$9.8 billion	0.7%
Transaction Closings	1,950	(6.5)%
Investment Sales and Financing Professionals as of March 31, 2019	1,919	8.5%

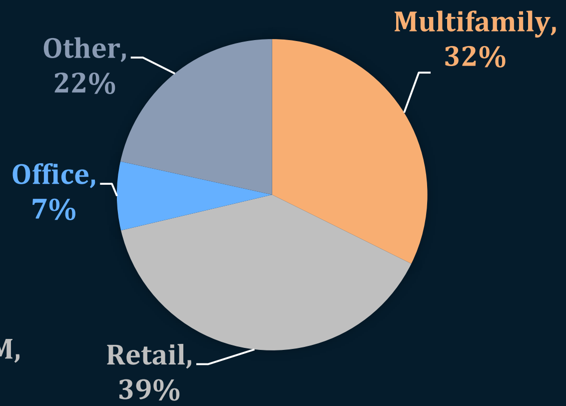
2019 FIRST QUARTER BROKERAGE HIGHLIGHTS

		YOY
Sales Volume	$7.1 billion	(10.3)%
Transaction Closings	1,405	(11.4)%
Investment Sales Professionals as of March 31, 2019	1,813	8.0%
Real Estate Brokerage Commissions Revenue	$144.9 million	(10.8)%

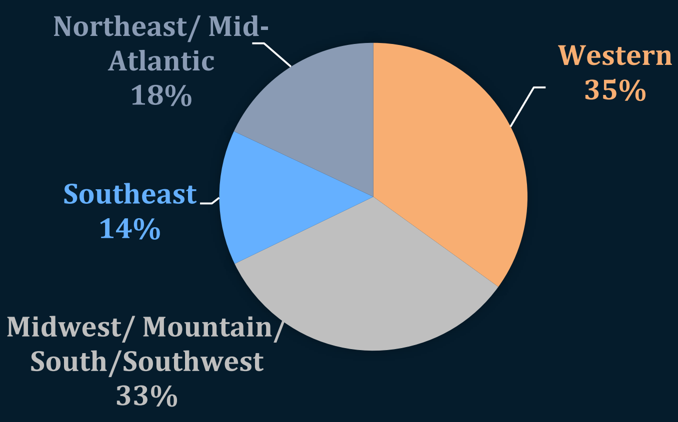
Revenue by Transaction Size



Transactions by Property Type

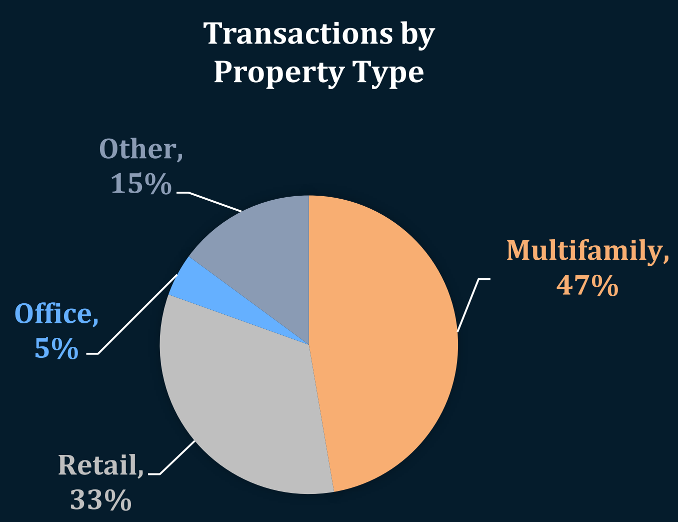


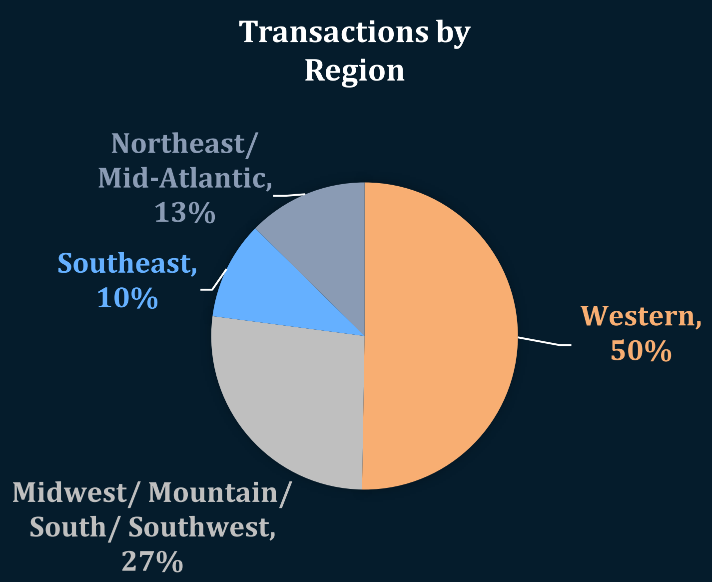
Transactions by Region



2019 FIRST QUARTER FINANCING HIGHLIGHTS

		YOY
Sales Volume	$1.5 billion	44.8%
Transaction Closings	388	19.8%
Financing Professionals as of March 31, 2019	106	16.5%
Financing Fees Revenue	$13.7 million	41.2%



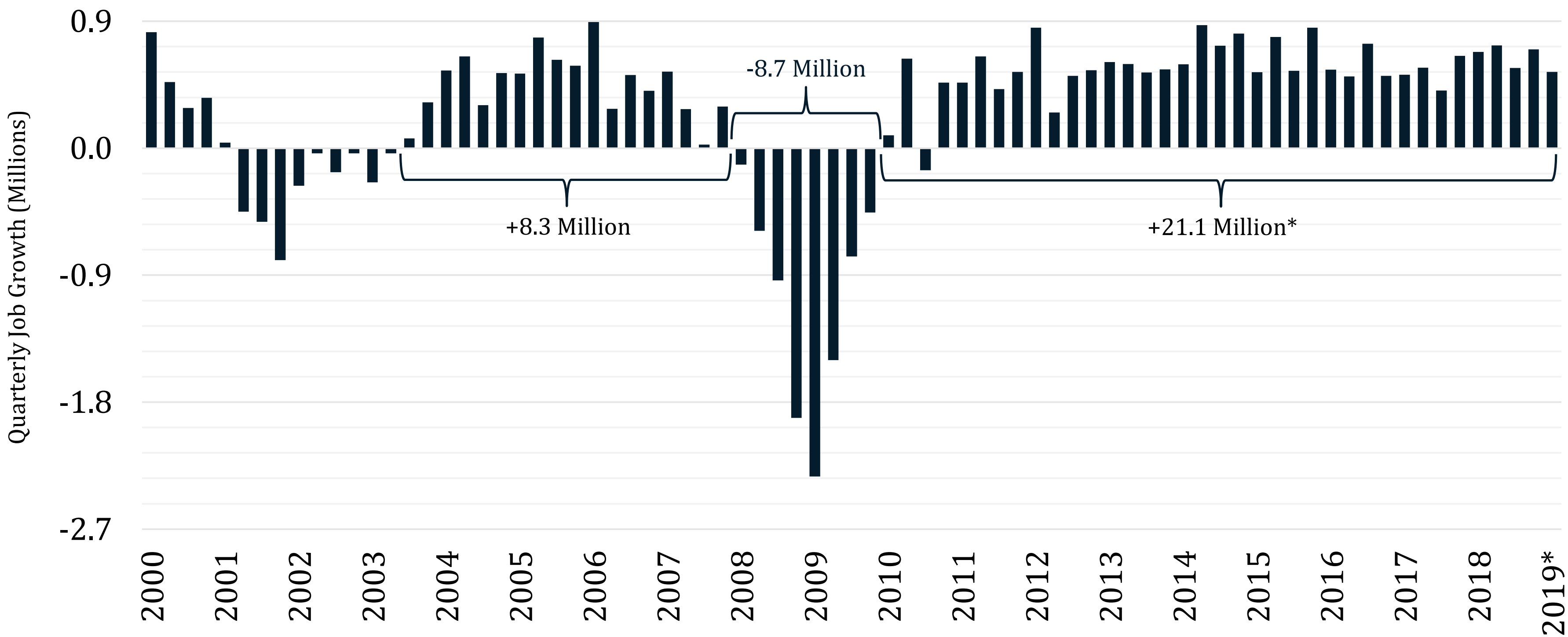


MARKET HIGHLIGHTS

U.S. EMPLOYMENT GAINS DRIVING REAL ESTATE DEMAND

Tight Labor Market Tapers U.S. Employment Growth in 2019

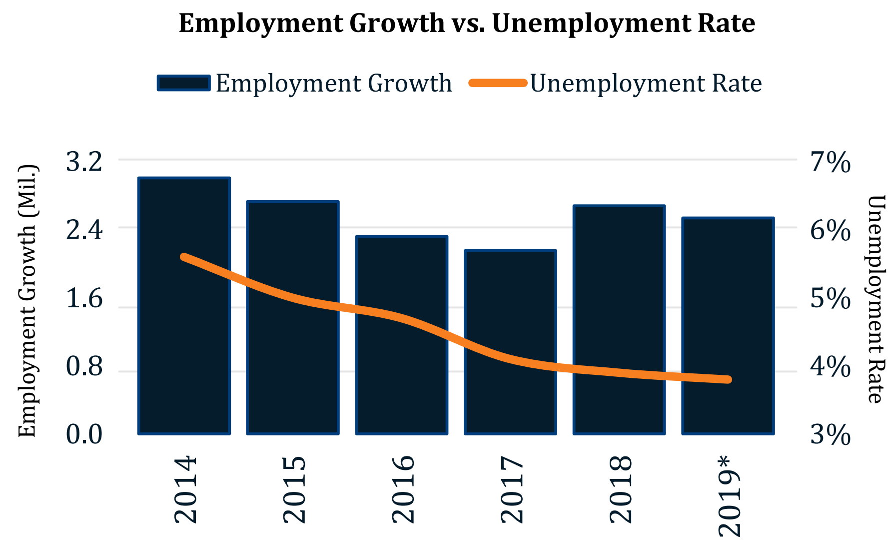
*2019 forecast to add 2.2 million jobs***

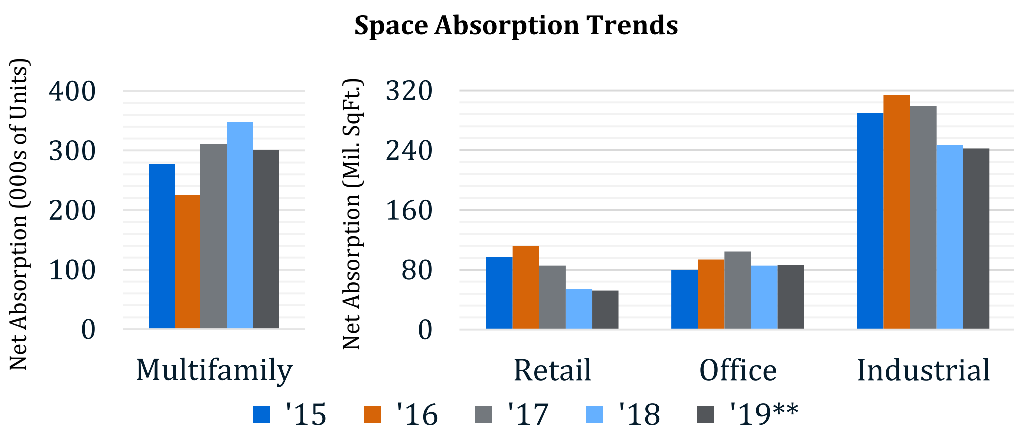


* Through 1Q 2019
** Forecast per Economy.com
Sources: BLS, Moody's Analytics

EMPLOYMENT AND SPACE DEMAND REMAIN STRONG

- Employment growth totaled more than 2.5 million jobs in the past 12 months
- Total employment stands 12.4 million above the pre-recession peak
- Unemployment rate is down 180 basis points since 2014
- Space absorption for multifamily, office, and industrial remain solid
- Retail absorption encountering variation by location, type, and age of property

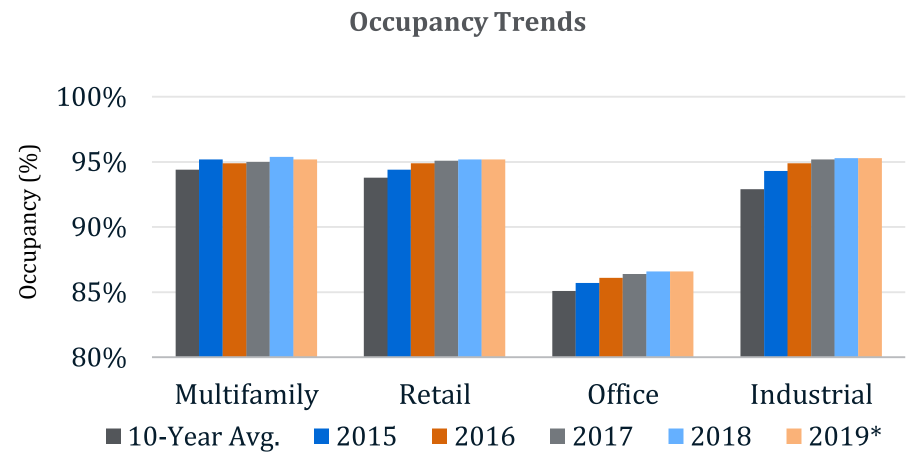


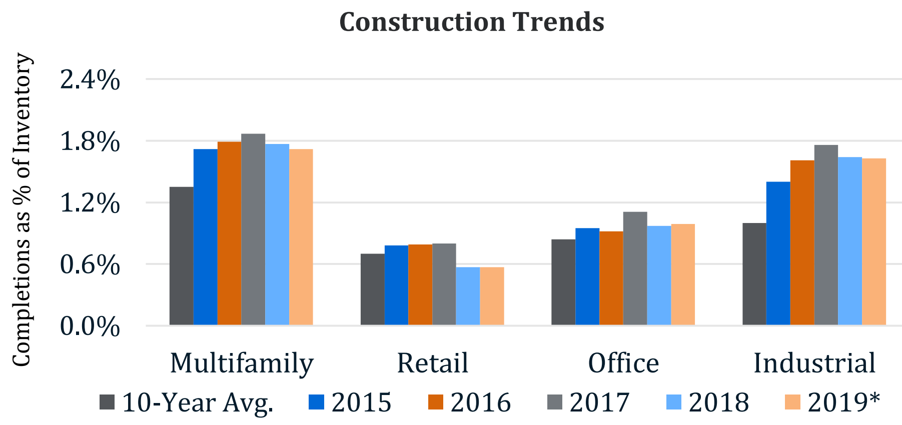


* Through 1Q; trailing 12-months through 1Q 2019 for employment growth
** Preliminary estimate for trailing 12-months through 1Q 2019
Sources: BLS, CoStar Group, Inc., RealPage, Inc.

PROPERTY FUNDAMENTALS REMAIN HEALTHY; CONSTRUCTION LEVELS BEGINNING TO EASE

- Property fundamentals demonstrate healthy performance across all property types
- Multifamily and industrial properties led the recovery – new supply in both sectors peaked in 2017 and are beginning to abate
- Select markets facing some high-end apartment oversupply risk; class B/C workforce apartments remain very stable
- New supply for office and retail remain within long-term averages





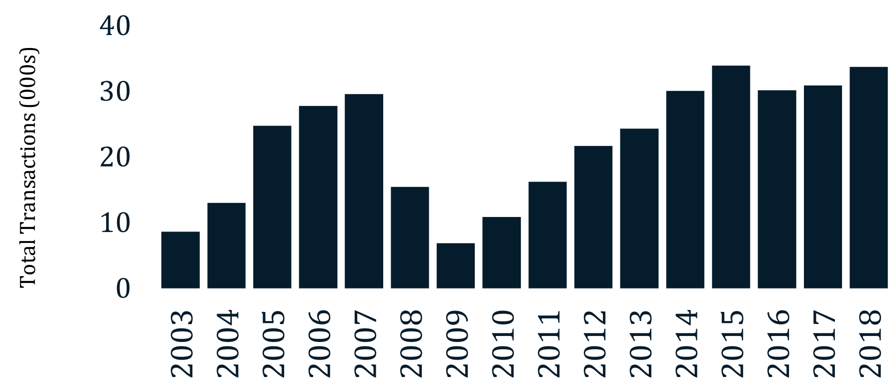
* Preliminary estimate through 1Q 2019; trailing 12-months through 1Q for construction
Sources: CoStar Group, Inc., RealPage, Inc.

CRE SALES HAVE REMAINED AT HISTORICALLY HEALTHY LEVLES

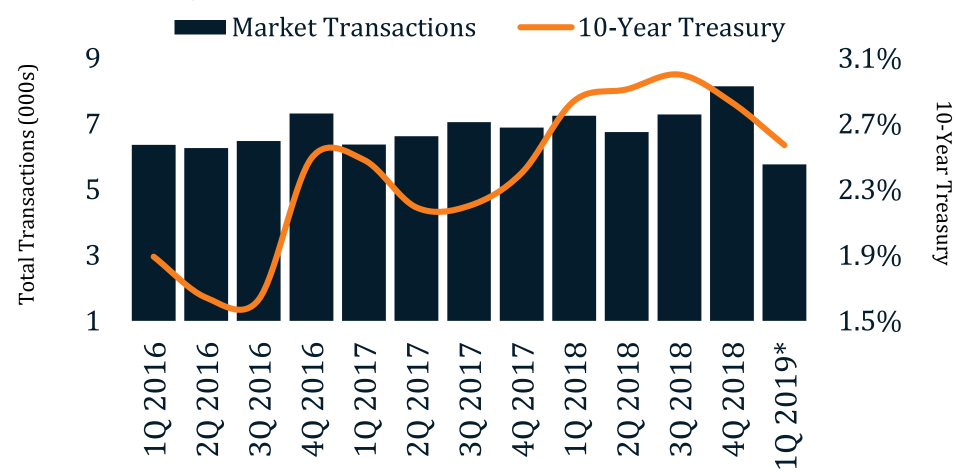
FED SHIFT, OTHER FACTORS CONTRIBUTED TO Q1-2019 TRANSACTION DECLINE

- Rising interest rates, hawkish Fed messaging in 2018 motivated many investors to transact before further increases anticipated in 2019.
- Heighted economic concerns, reversal in Fed stance to dovish in early 2019 lowered interest rates causing many investors to take their time to secure more favorable financing.
- 1Q total transactions declined by an estimated 22% year-over-year, according to Real Capital Analytics.
- Steady job growth, solid real estate fundamentals, lower interest rates should support a healthy market environment.

Annual U.S. Commercial Real Estate Sales Trends(1)



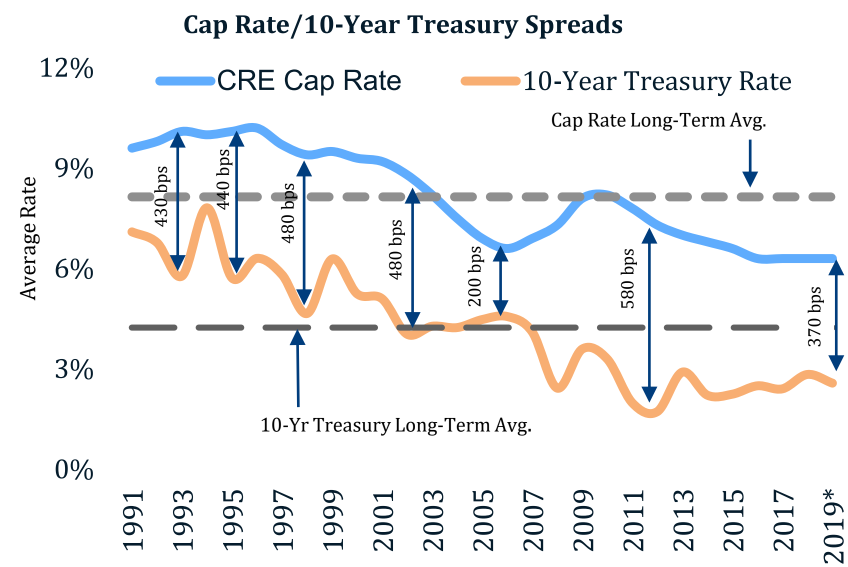
Quarterly U.S. Commercial Real Estate Sales and Interest Rates(1)

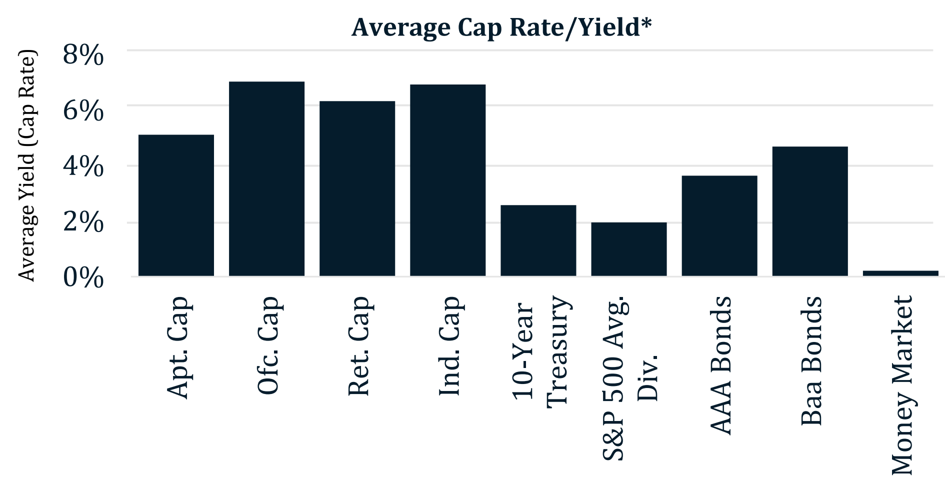


Sources: Real Capital Analytics, Federal Reserve
* Preliminary estimate for market sales
(1) Includes sales $2.5 million and greater for multifamily, retail, office, industrial, hotel, seniors housing, and land; multifamily, retail, office, and industrial sales for quarterly graph

COMMERCIAL REAL ESTATE YIELDS COMPELLING

- Overall, cap rates have maintained stability despite interest rate fluctuations
- The spread between cap rates and the 10-year treasury is still wider than the 2007 market peak
- Commercial real estate offers compelling yields when compared to other investment options
- Price and cap rates stable, but widened bid-ask spread remains persistent.





* As of 1Q 2019
Cap rates for sales $1 million and greater
Sources: CoStar Group, Inc., Real Capital Analytics, Federal Reserve, Standard & Poor's

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MMI MARKET POSITION

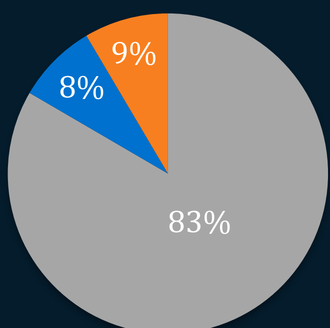
PRIVATE CLIENT MARKET SEGMENT

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



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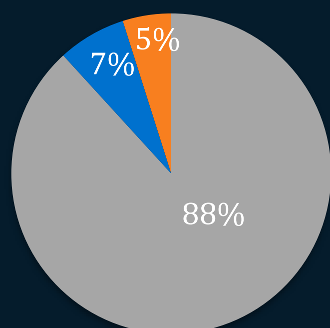
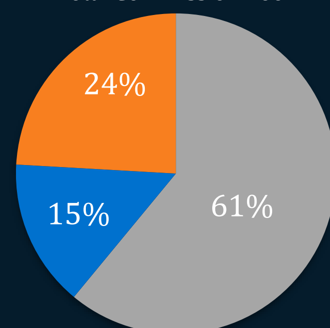
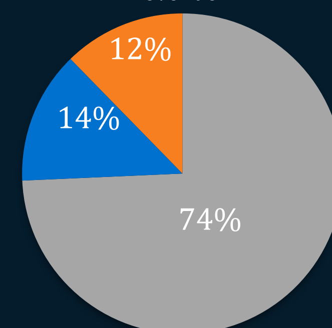


Commission Pool by Investor Segment (1) (2)

Commercial Real Estate Total Commission Pool

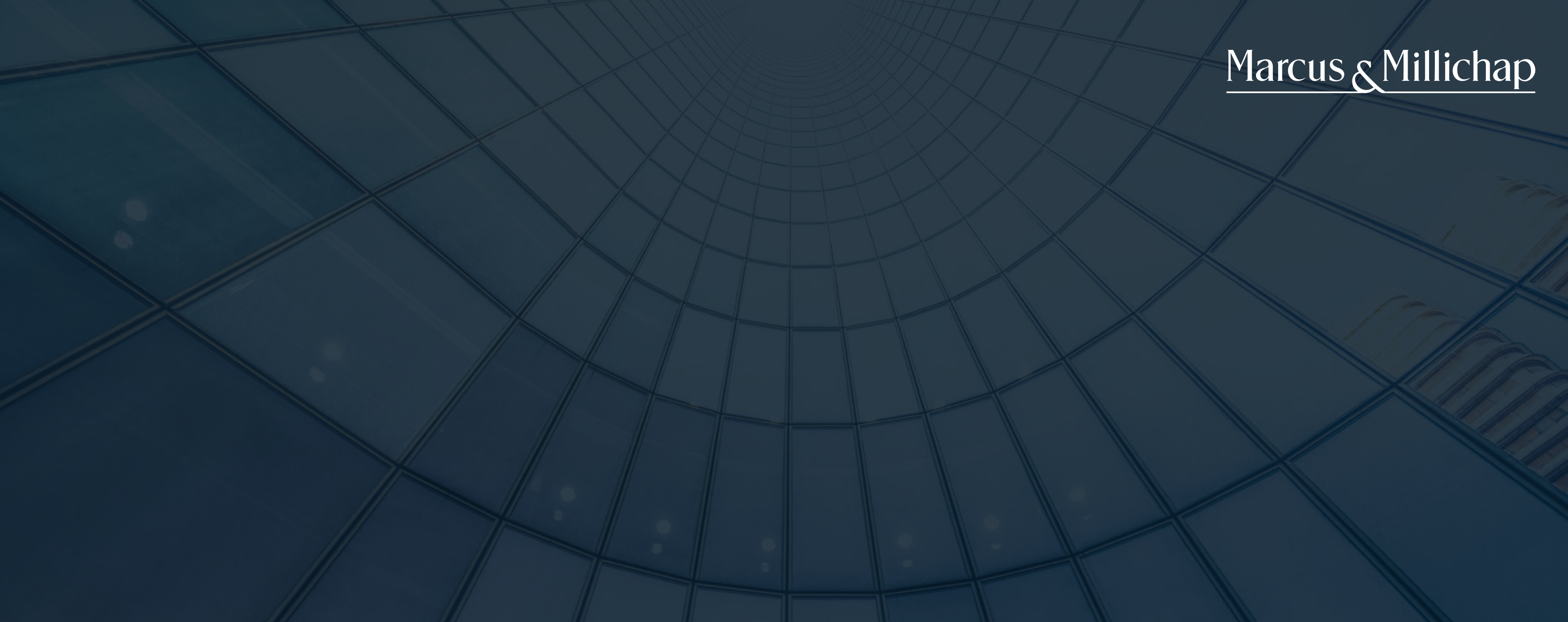


Marcus & Millichap Revenue



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

Sources: CoStar Group, Inc., Real Capital Analytics
(1) Includes apartment, retail, office, and industrial sales $1 million and greater for the trailing 12-months through 1Q 2019; 1Q preliminary estimate for market total.
(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.



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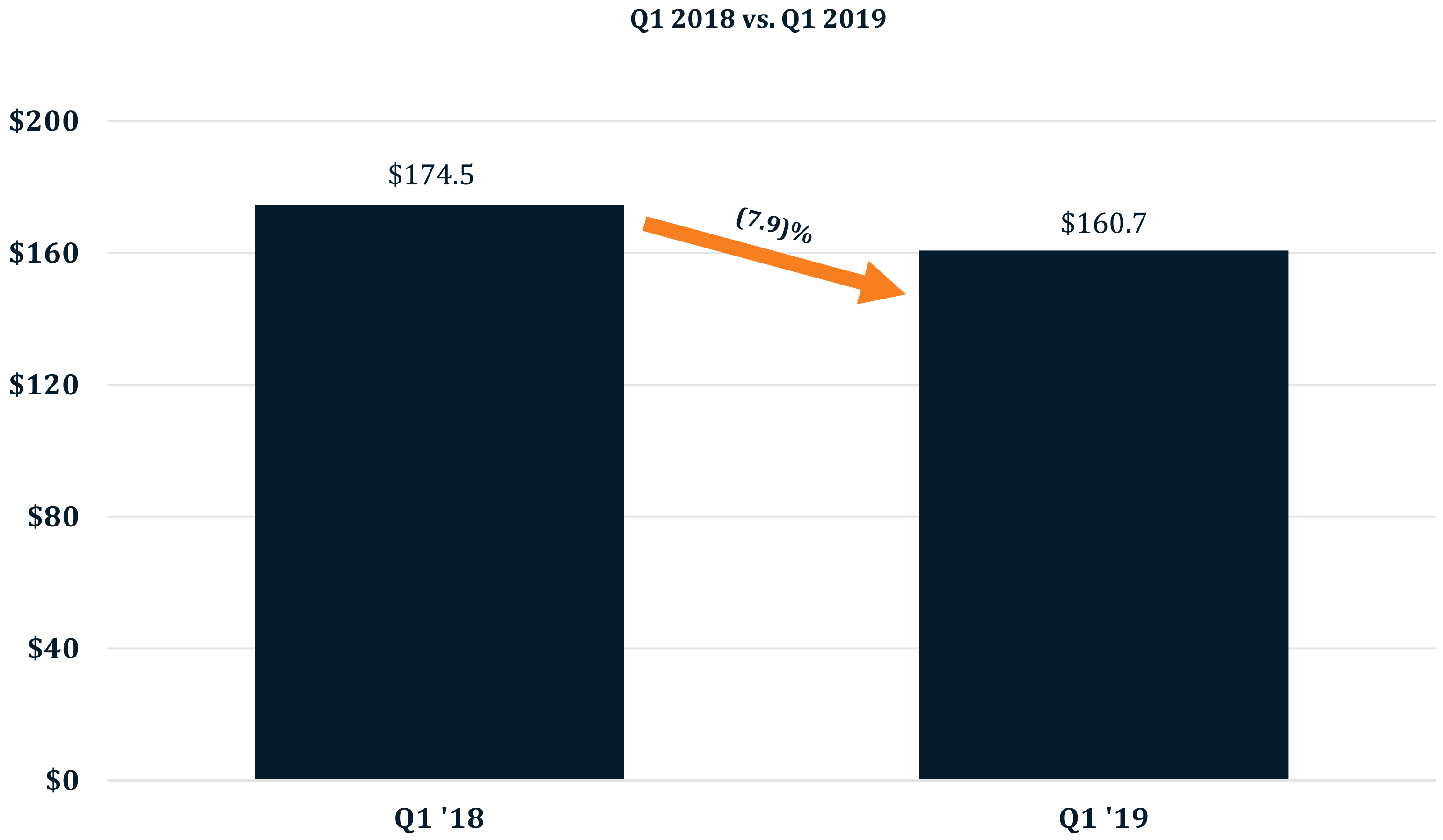
MMI FINANCIAL DETAILS

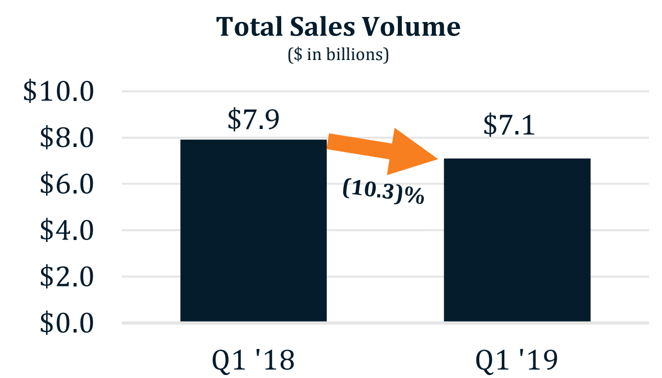
TOTAL REVENUES

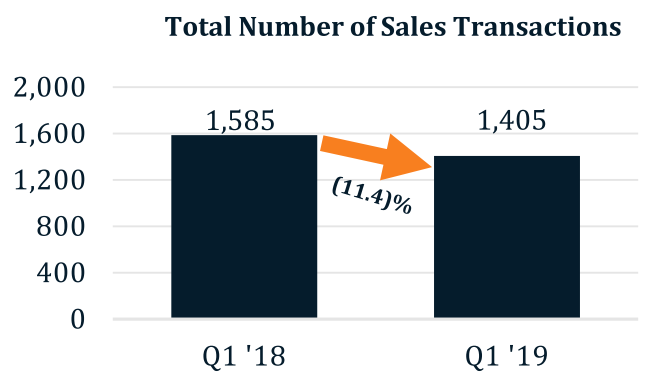
($ in millions)

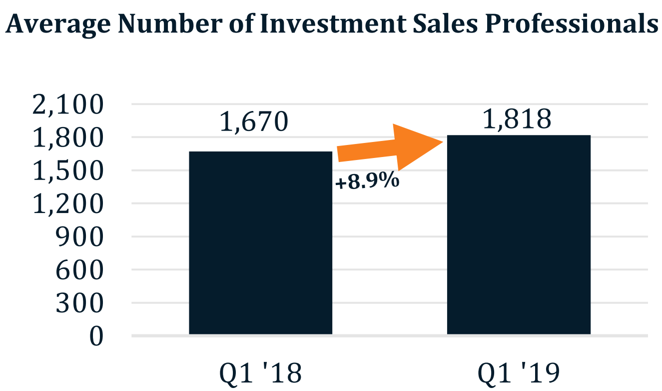


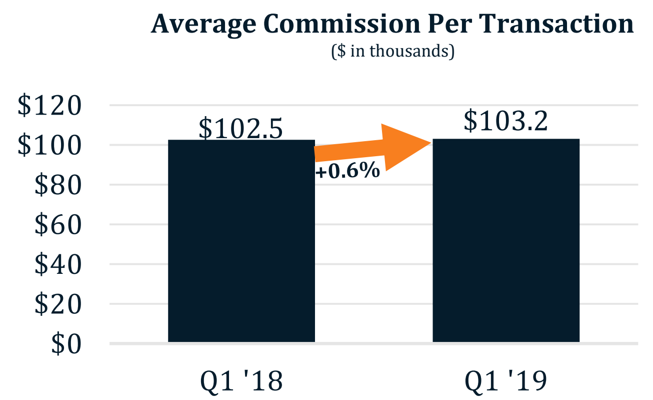
BROKERAGE OPERATING METRICS

Q1 2019



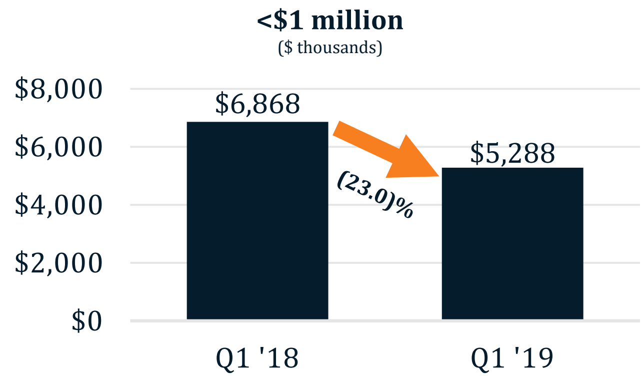


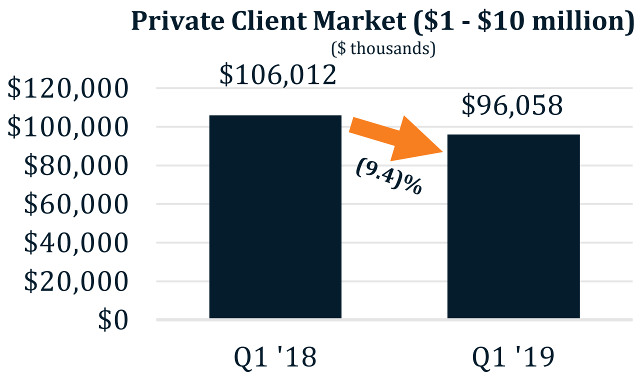


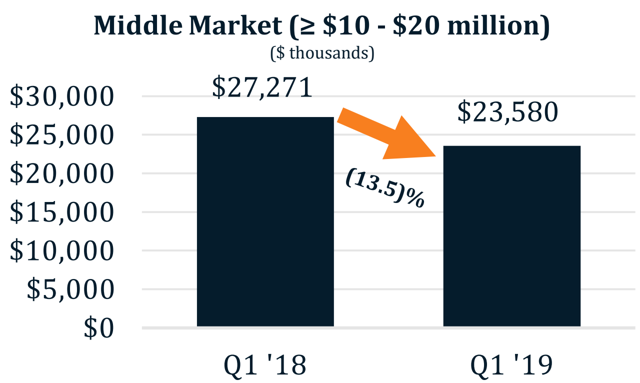


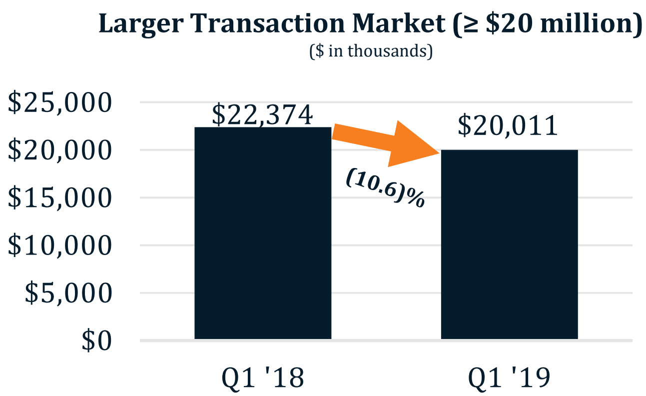
BROKERAGE REVENUE BY MARKET SEGMENT

Q1 2019



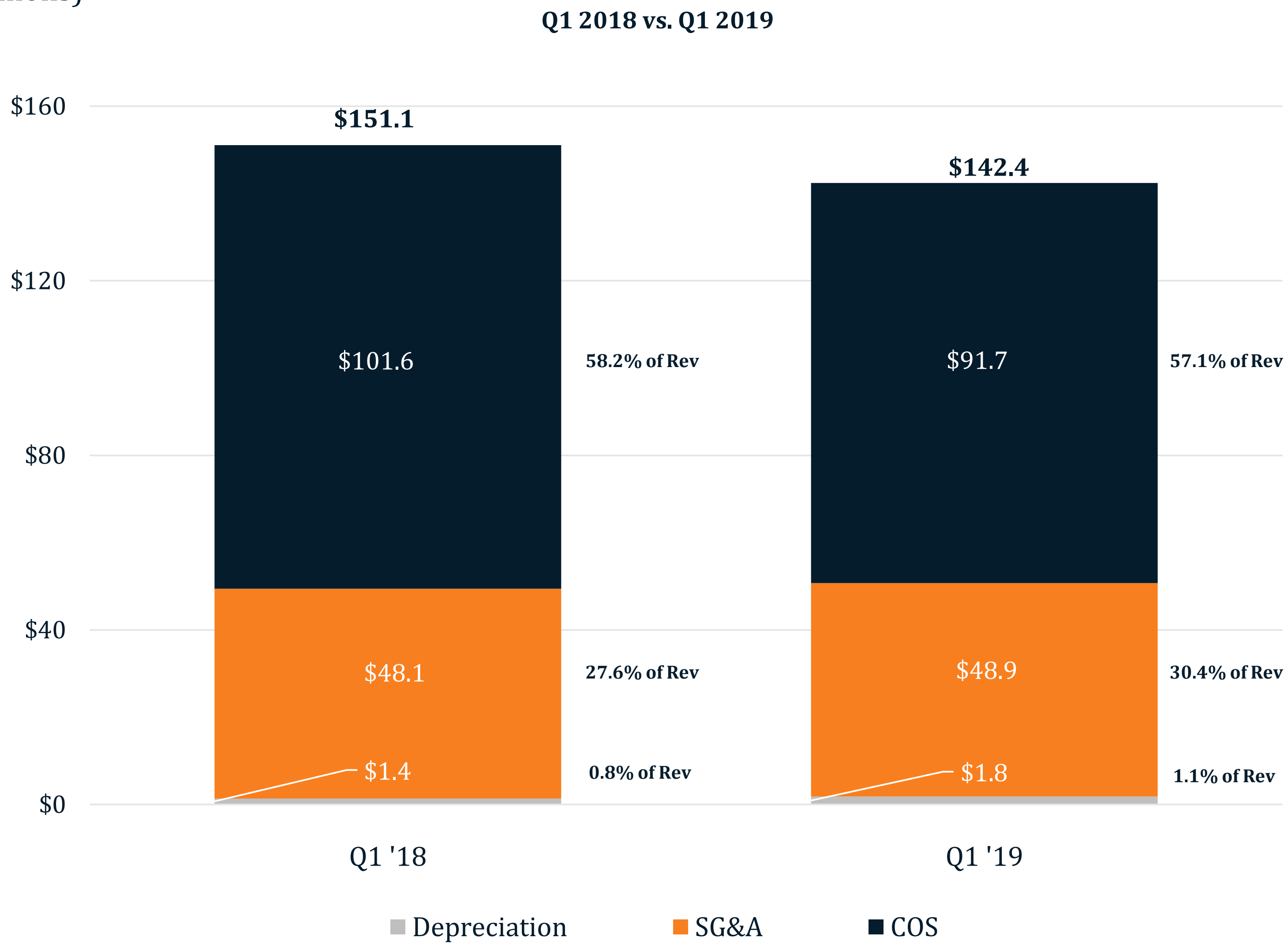






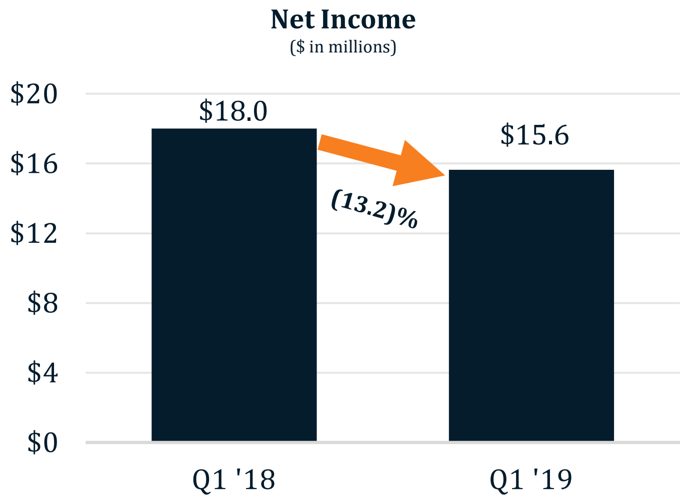
OPERATING EXPENSES

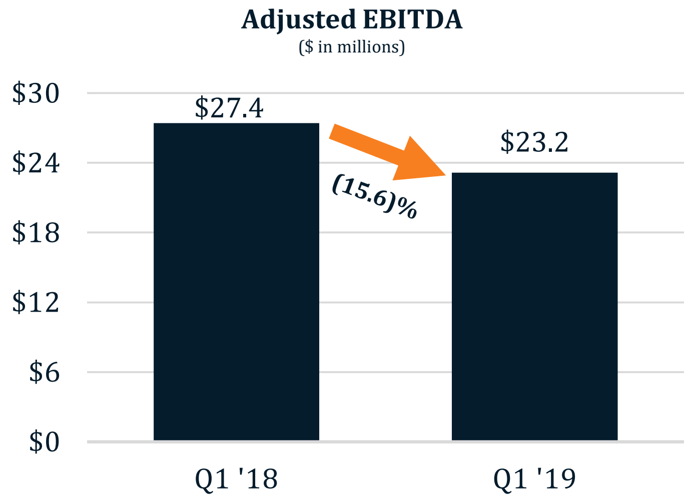
($ in millions)



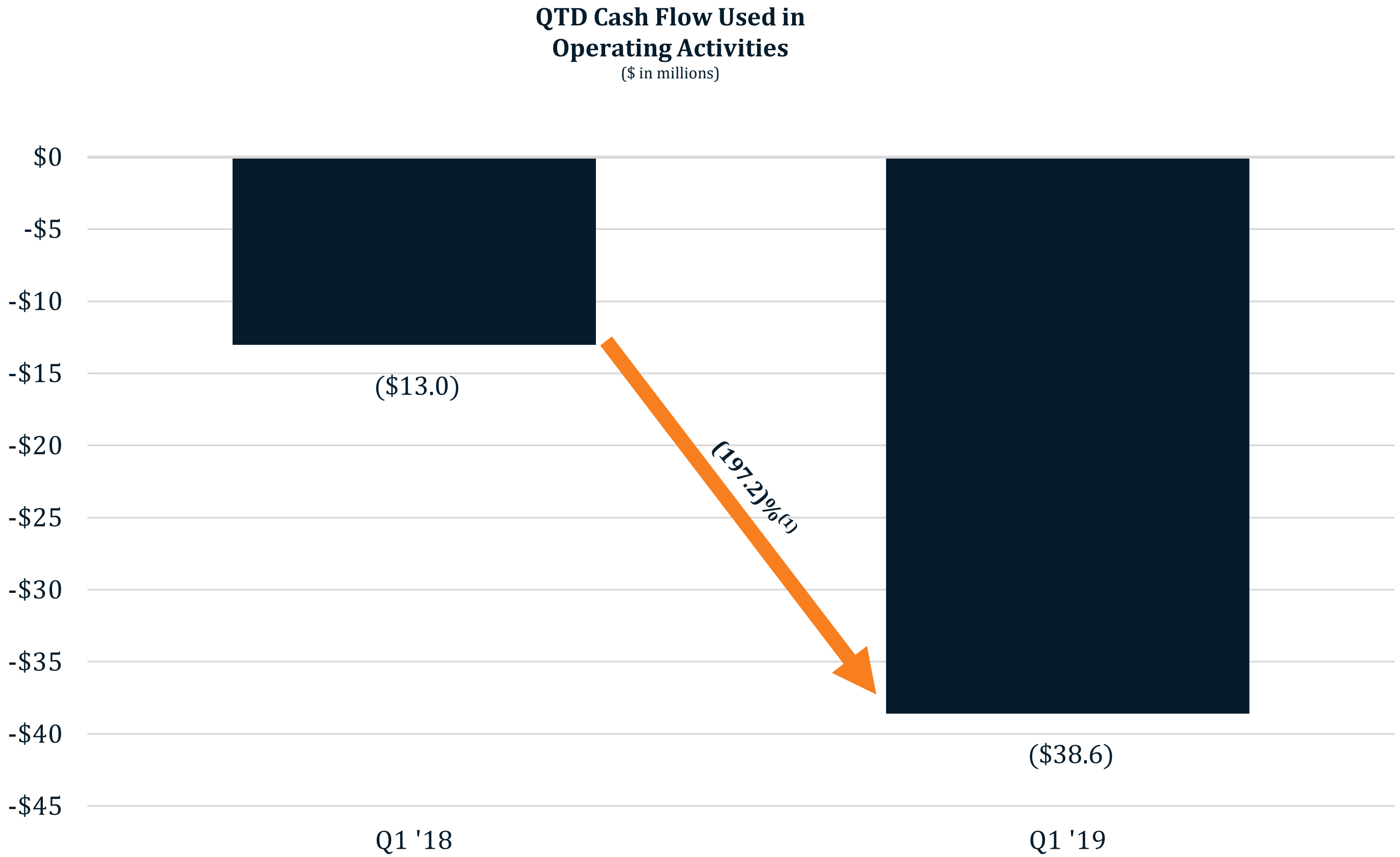
NET INCOME AND ADJUSTED EBITDA PERFORMANCE

Q1 2019



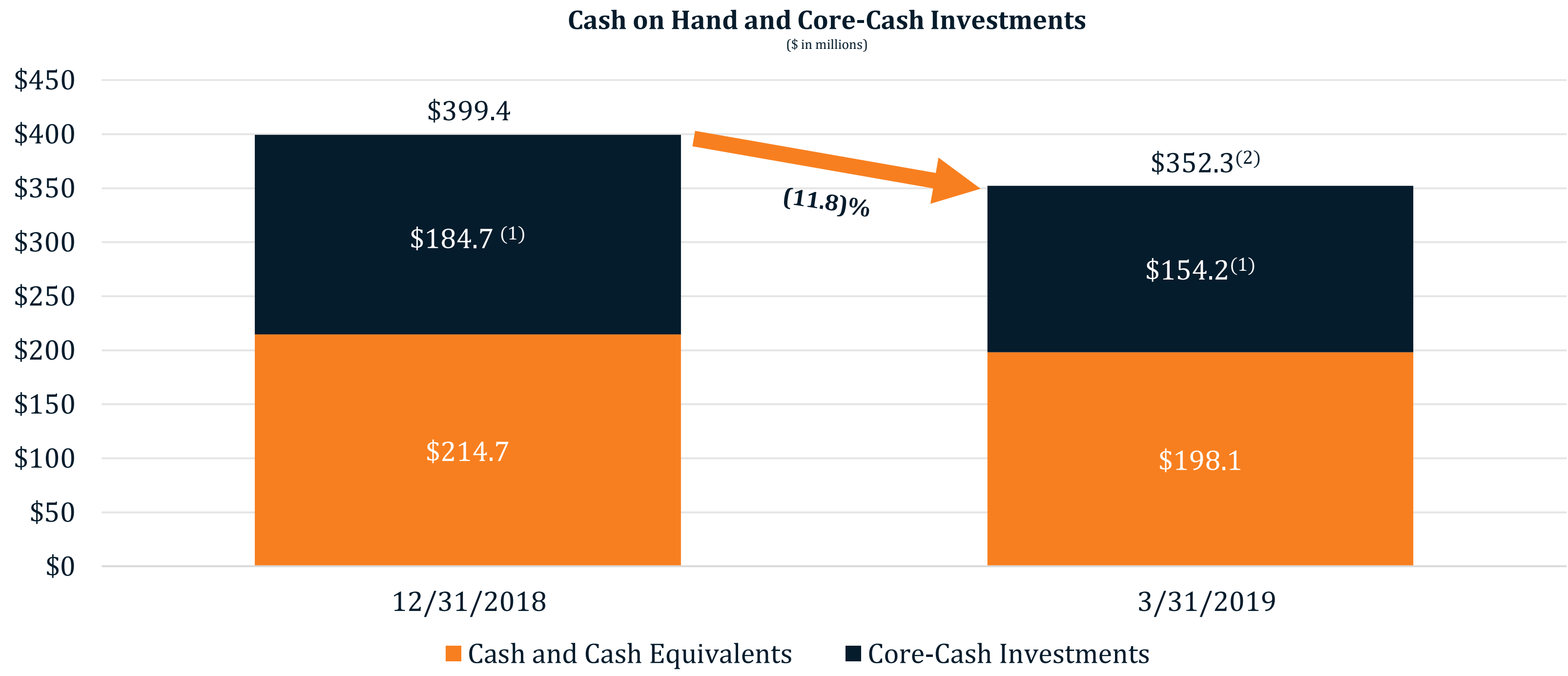


CASH FLOW USED IN OPERATING ACTIVITIES



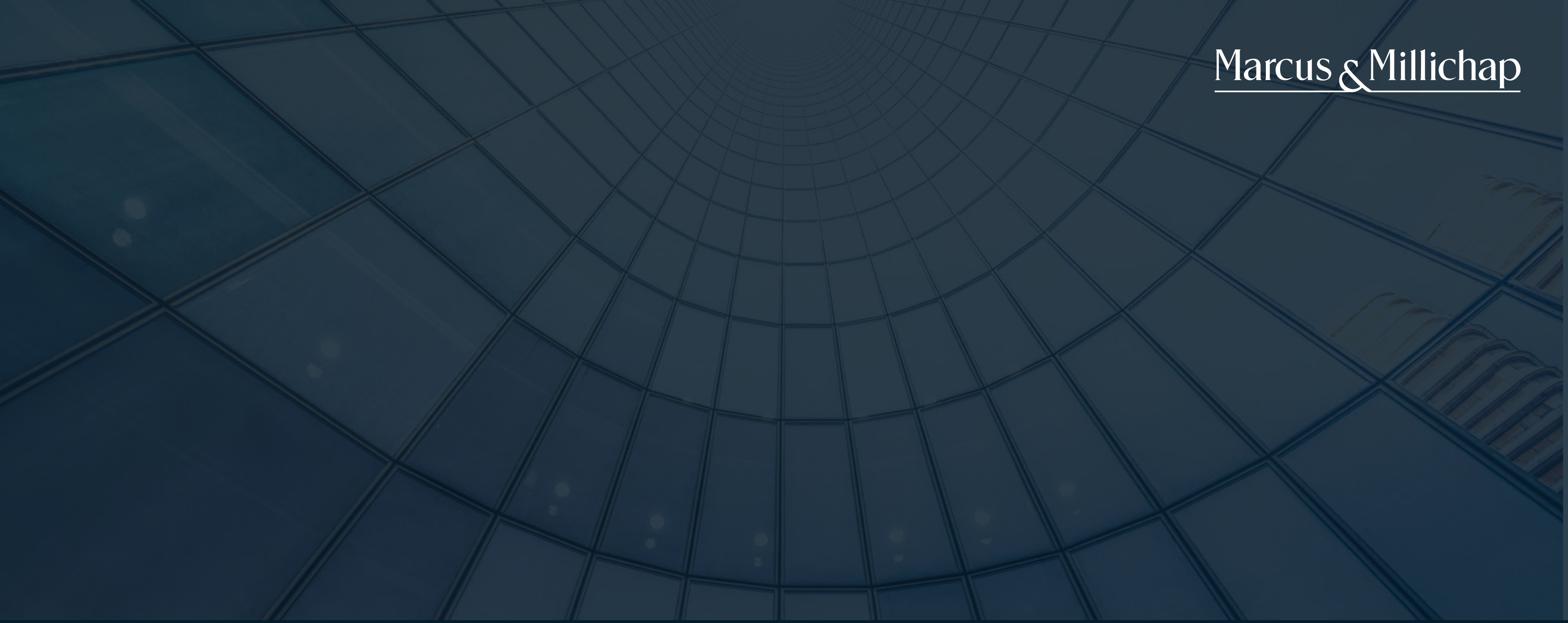
(1) Net cash provided by operating activities is driven by our net income adjusted for non-cash items and changes in operating assets and liabilities. The $25.6 million increased usage in operating cash flows for the three months ended March 31, 2019 compared to the same period in 2018 was primarily due to a decrease in our real estate brokerage revenue and a higher proportion of operating expenses compared to total revenues, differences in timing of certain payments and receipts, an increase in advances to our investment sales and financing professionals, a reduction in bonus accruals and a reduction in the deferral of certain discretionary commissions. We traditionally experience net cash used in operating activities during the three-month periods ended March 31, since bonuses and certain deferred commissions related to the prior year(s) are typically paid during the first quarter of the new year.

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 0.69 years and 0.81 years for the periods ended 3/31/19 and 12/31/18, respectively.

(2) Cash on hand & core-cash investments decreased for the period ended 3/31/19 primarily due to the payment of bonuses during the first quarter and the deployment of excess current cash to investments with maturities less than 90 days.



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 (v) stock-based compensation and (vi) non-cash MSR activity. 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 March 31	
	2019	**2018**
Net Income	$15,638	$18,011
Adjustments:		
Interest income and other[(1)]	(2,541)	(1,228)
Interest expense	349	360
Provision for income taxes	5,657	6,302
Depreciation and amortization	1,832	1,375
Stock-based compensation	2,341	2,613
Non-cash MSRs Activity[(2)]	(117)	–
Adjusted EBITDA[(3)]	**$23,159**	**$27,433**

(1) Other for the three months ended March 31, 2019 and 2018 includes net realized gains (losses) on marketable securities, available-for-sale.
(2) Non-cash MSRs activity includes the assumption of servicing obligations.
(3) The decrease in Adjusted EBITDA in 2019 compared to 2018 is primarily due to lower total revenues.

COMPANY OVERVIEW

NATIONAL PLATFORM FOCUSED ON INVESTMENT BROKERAGE

- 48-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

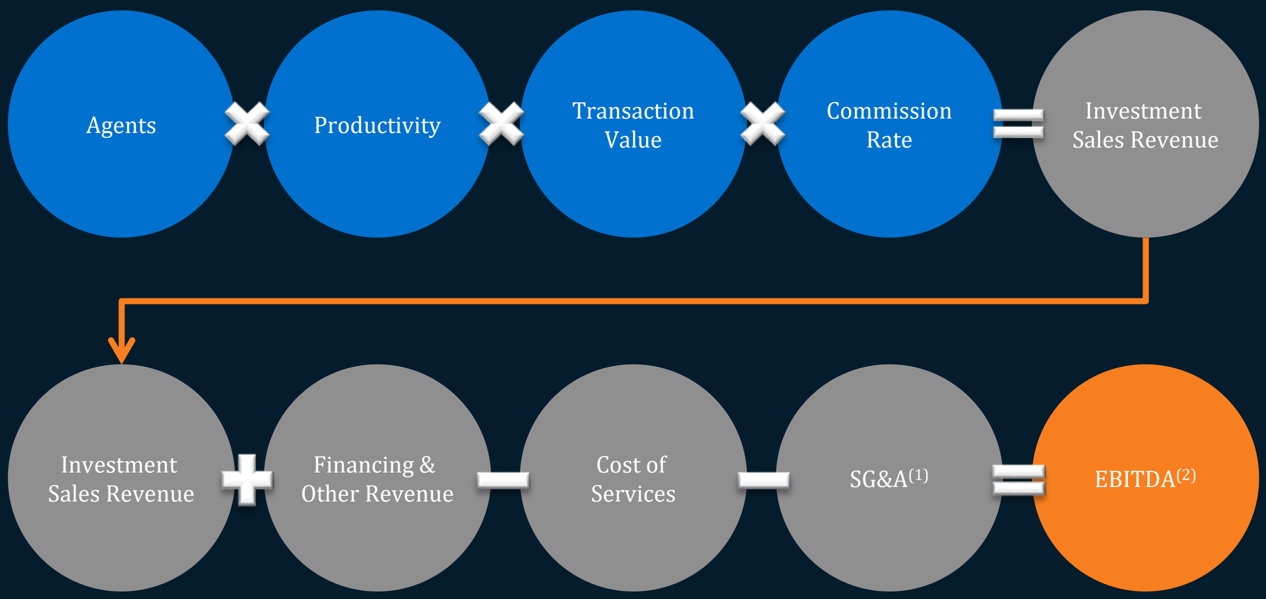
MANAGEMENT WITH SIGNIFICANT INVESTMENT BROKERAGE EXPERIENCE

- 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