Marcus & Millichap

THIRD QUARTER 2021
EARNINGS CONFERENCE CALL

NOVEMBER 5, 2021

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 2021 and beyond, the potential continuing impact of the COVID-19 pandemic, and expectations for changes (or fluctuations) in 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.

Important factors that could cause such differences include, but are not limited to: (1) uncertainties relating to the continuing impact of the COVID-19 pandemic, including the potential impact of new variants and vaccination rates, the impact of the federal government’s stimulus response package, and the pace of recovery following such pandemic; (2) general uncertainty in the capital markets and a worsening of economic conditions and the rate and pace of economic recovery following an economic downturn; (3) changes in our business operations; (4) market trends in the commercial real estate market or the general economy; (5) our ability to attract and retain qualified senior executives, managers and investment sales and financing professionals; (6) the effects of increased competition on our business; (7) our ability to successfully enter new markets or increase our market share; (8) our ability to successfully expand our services and businesses and to manage any such expansions; (9) our ability to retain existing clients and develop new clients; (10) our ability to keep pace with changes in technology; (11) any business interruption or technology failure and any related impact on our reputation; (12) changes in interest rates, tax laws, including potential increases in corporate taxes by the Biden Administration, employment laws or other government regulation affecting our business; (13) our ability to successfully identify, negotiate, execute and integrate accretive acquisitions; and (14) 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, 2021.

CONFERENCE CALL PARTICIPANTS

HESSAM NADJI

President, Chief Executive Officer and Director

STEVE DEGENNARO

Chief Financial Officer

MMI FINANCIAL HIGHLIGHTS

2021 THIRD QUARTER HIGHLIGHTS

Financial Highlights		YoY	vs. '19
Revenue	$332.4 million	109.6%	67.7%
Net Income	$33.9 million	*nm* (1)	75.8%
Adjusted EBITDA	$51.0 million	*nm* (1)	83.0%

Operational Highlights		YoY	vs. '19
Sales Volume	$20.8 billion	129.1%	72.4%
Transaction Closings	3,325	55.4%	36.6%
Number of Investment Sales and Financing Professionals as of September 30, 2021	1,982	(0.9)%	1.9%

(1) *nm* – Not meaningful

YEAR-TO-DATE 2021 HIGHLIGHTS

Financial Highlights		YoY	vs. '19
Revenue	$801.3 million	71.7%	40.9%
Net Income	$80.5 million	*nm* (1)	43.2%
Adjusted EBITDA	$124.8 million	*nm* (1)	50.3%

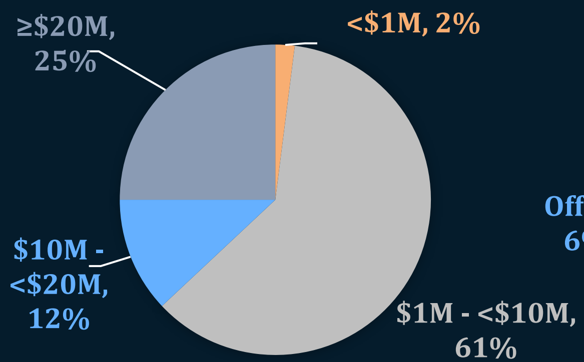
Operational Highlights		YoY	vs. '19
Sales Volume	$50.2 billion	80.7%	44.0%
Transaction Closings	8,942	49.6%	29.2%
Number of Investment Sales and Financing Professionals as of September 30, 2021	1,982	(0.9)%	1.9%

(1) *nm* – Not meaningful

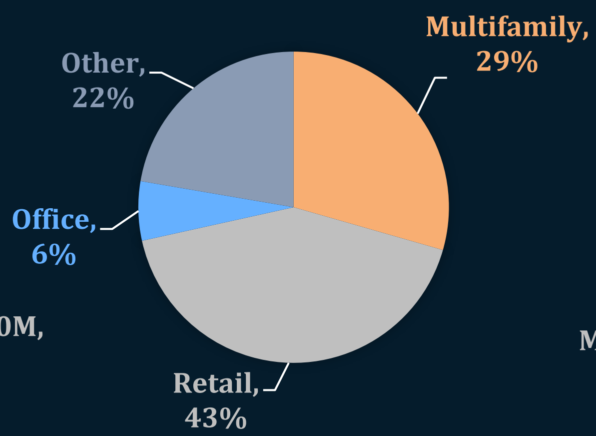
2021 THIRD QUARTER BROKERAGE HIGHLIGHTS

		YoY	vs. '19
Sales Volume	$16.5 billion	136.0%	72.5%
Transaction Closings	2,456	60.8%	40.1%
Number of Investment Sales Professionals as of September 30, 2021	1,897	(1.2)%	2.8%
Real Estate Brokerage Commissions Revenue	$299.8 million	112.8%	66.3%

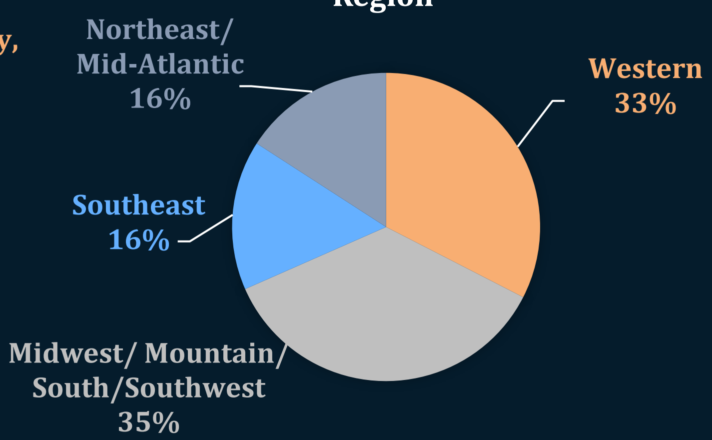
Revenue by Transaction Size



Transactions by Property Type

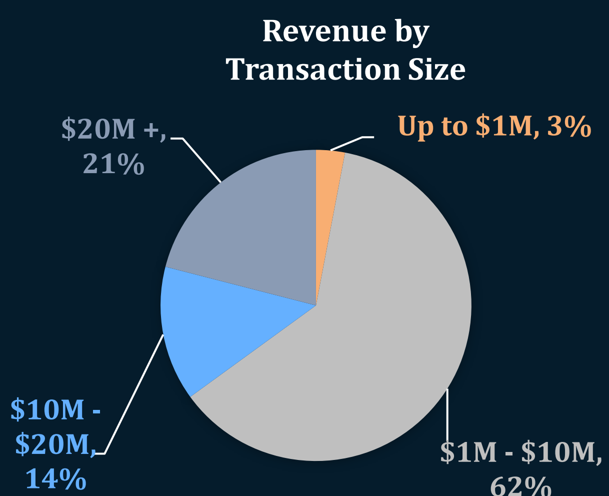


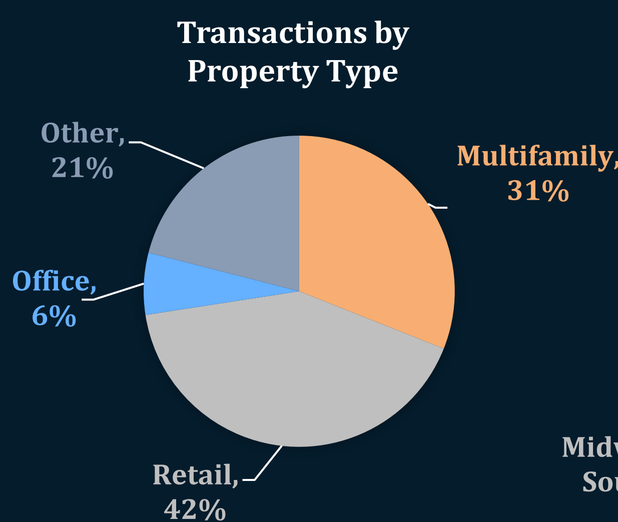
Transactions by Region

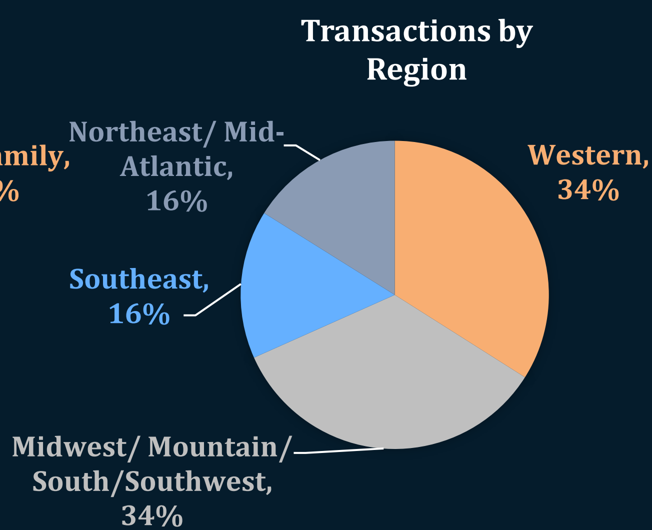


YEAR-TO-DATE 2021 BROKERAGE HIGHLIGHTS

		YoY	vs. ‘19
Sales Volume	$38.9 billion	86.6%	50.3%
Transaction Closings	6,374	51.2%	27.7%
Number of Investment Sales Professionals as of September 30, 2021	1,897	(1.2)%	2.8%
Real Estate Brokerage Commissions Revenue	$715.5 million	72.0%	39.2%

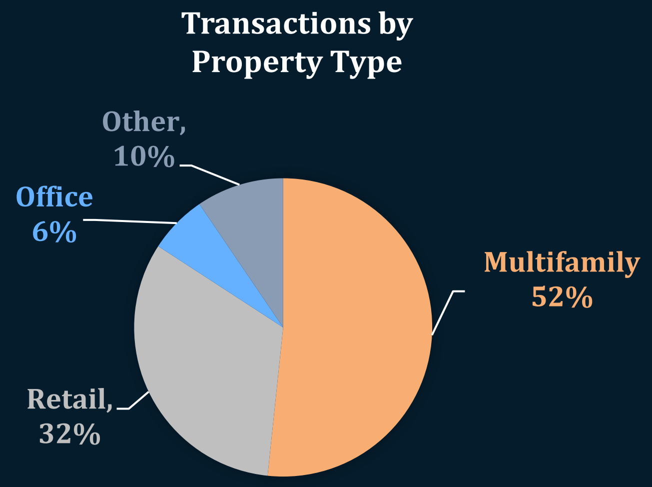


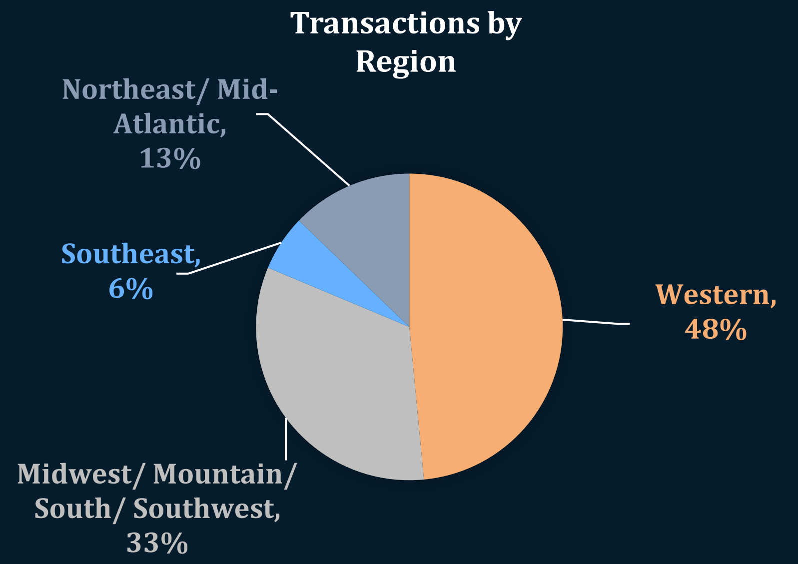




2021 THIRD QUARTER FINANCING HIGHLIGHTS

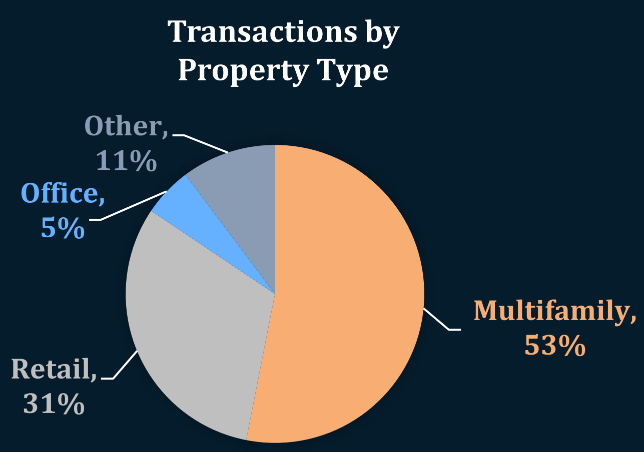
		YoY	vs. ‘19
Sales Volume	$3.3 billion	95.2%	94.3%
Transaction Closings	600	35.7%	22.2%
Number of Financing Professionals as of September 30, 2021	85	7.6%	(14.1)%
Financing Fees Revenue	$29.4 million	88.2%	83.5%

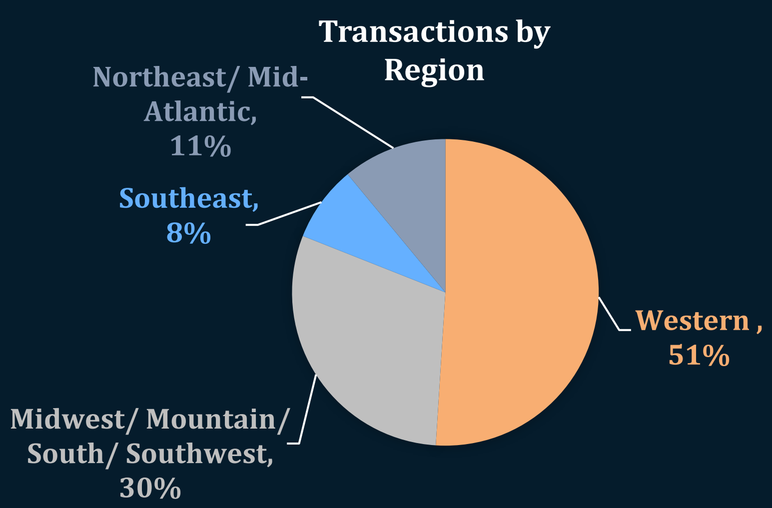


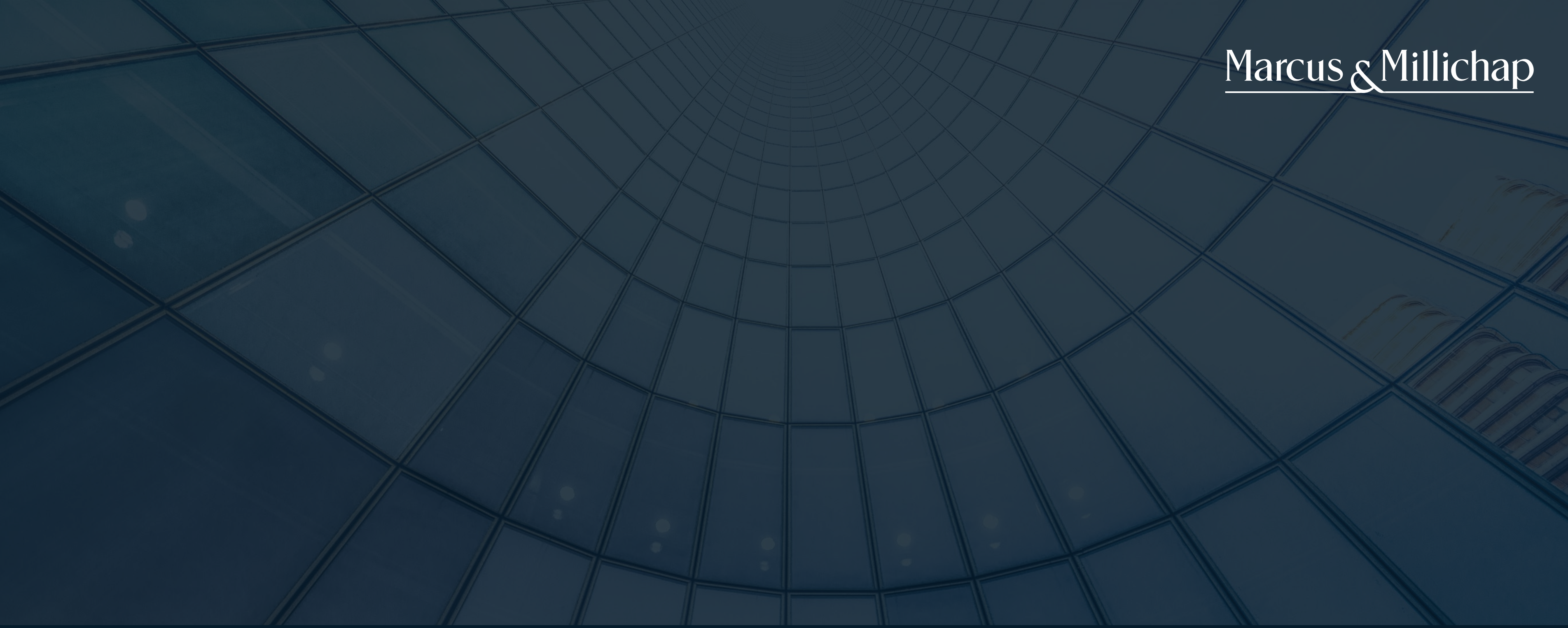


YEAR-TO-DATE 2021 FINANCING HIGHLIGHTS

		YoY	vs. '19
Sales Volume	$7.8 billion	69.8%	55.8%
Transaction Closings	1,778	36.7%	30.5%
Number of Financing Professionals as of September 30, 2021	85	7.6%	(14.1)%
Financing Fees Revenue	$75.4 million	72.8%	58.9%





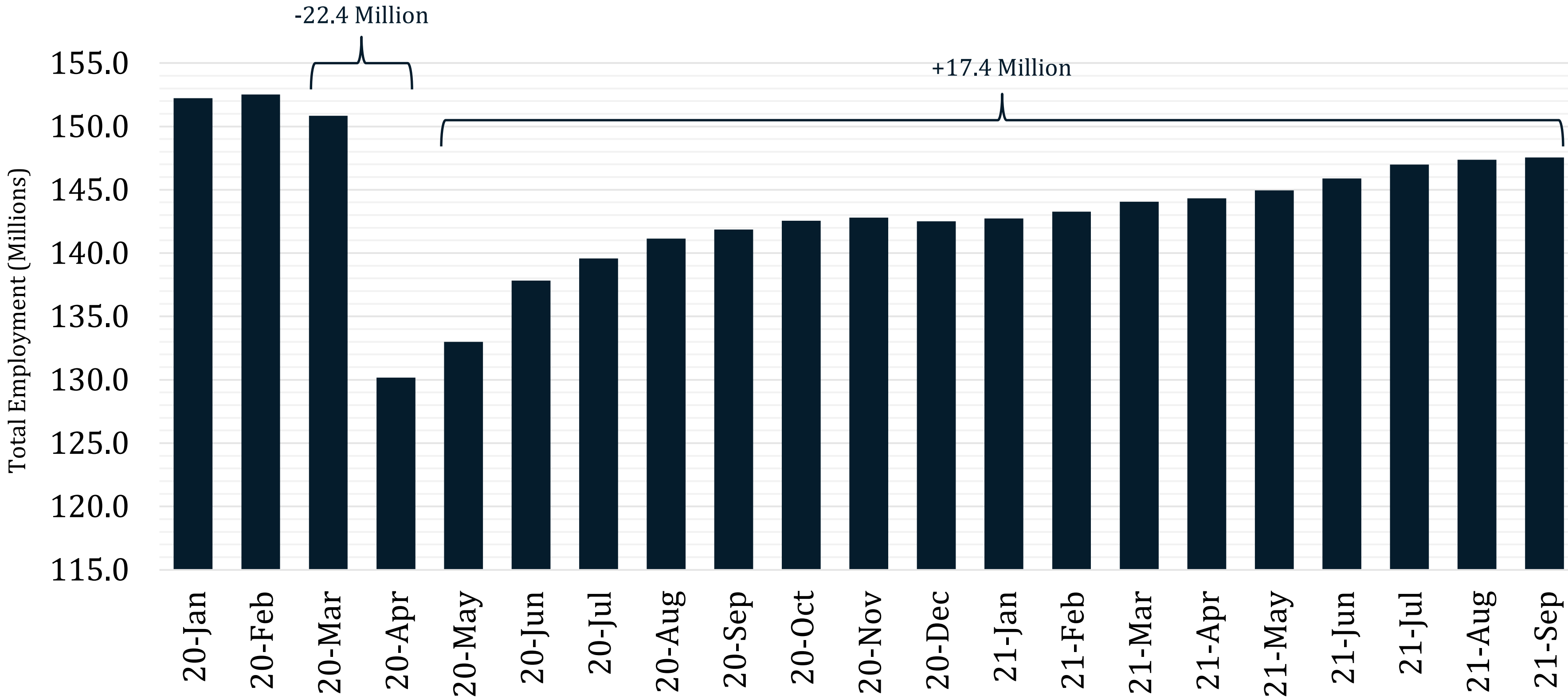


MARKET HIGHLIGHTS

2021 JOB CREATION SETS RECORD; PACE OF GAINS SLOWING

Economic Foundation Leading Up to the Pandemic Was Historically Strong. Jobs Recovery Making Gains; Stimulus, Vaccinations and Economic Reopening Positive Forces Supporting Revival.

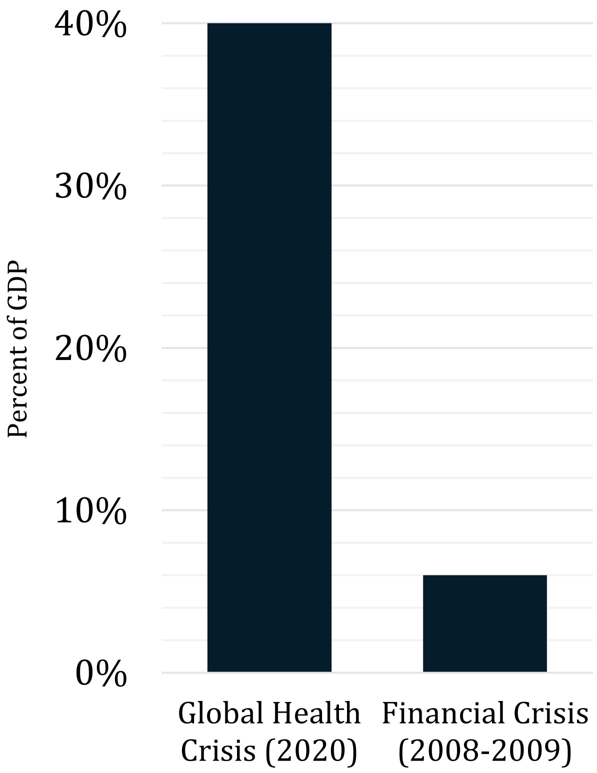
*2021 forecast to add 6.4 million jobs**



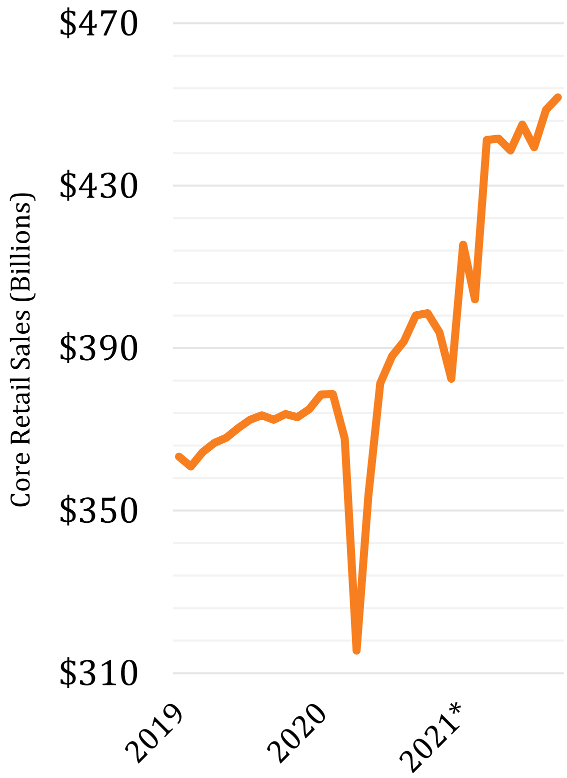
* Forecast per Economy.com
Sources: BLS, Moody's Analytics

UNPRECEDENTED GOVERNMENT SUPPORT, CONSUMPTION AND SAVINGS BODE WELL FOR FUTURE ECONOMIC GROWTH

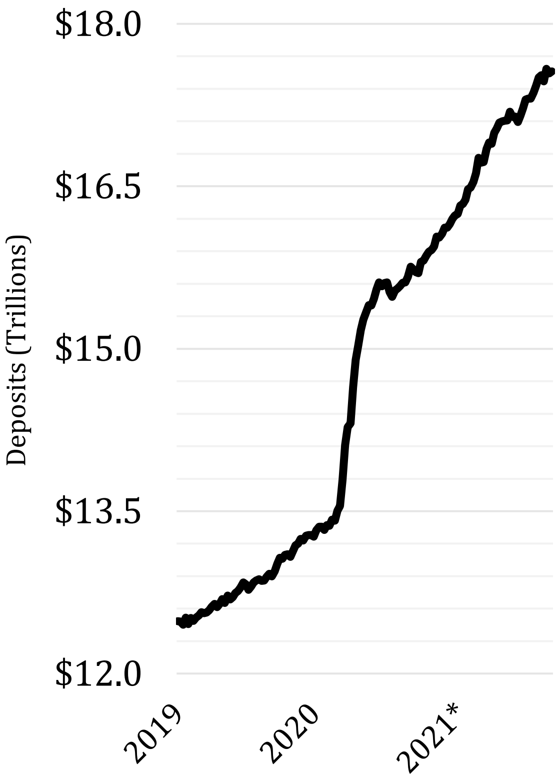
Government Stimulus Share of GDP



Core Retail Sales

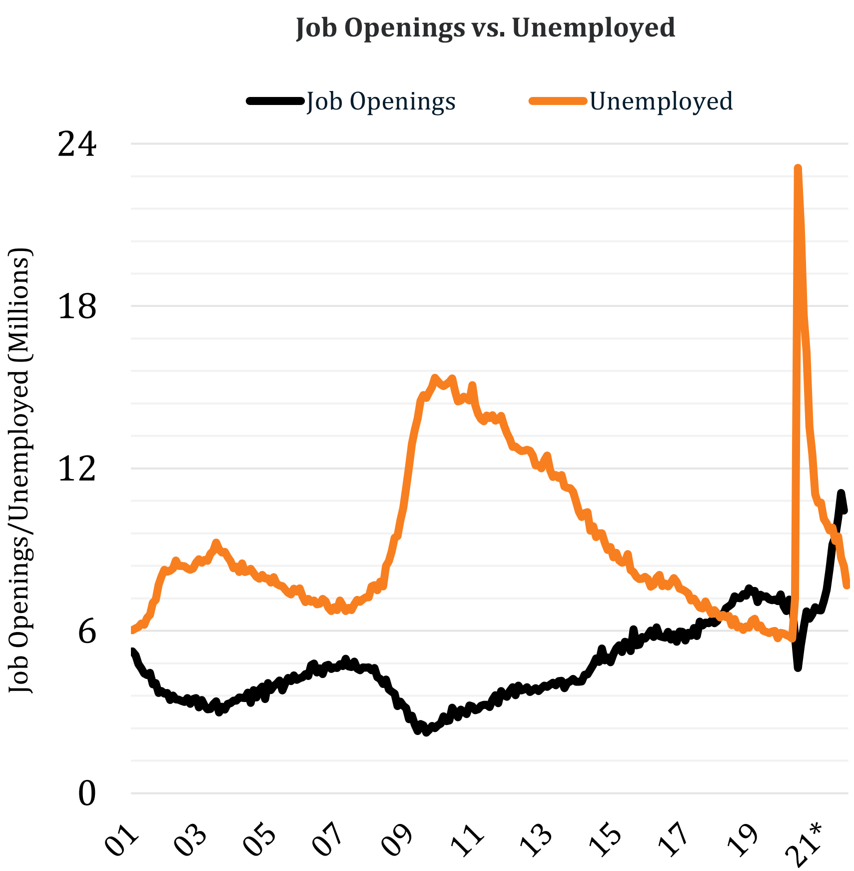


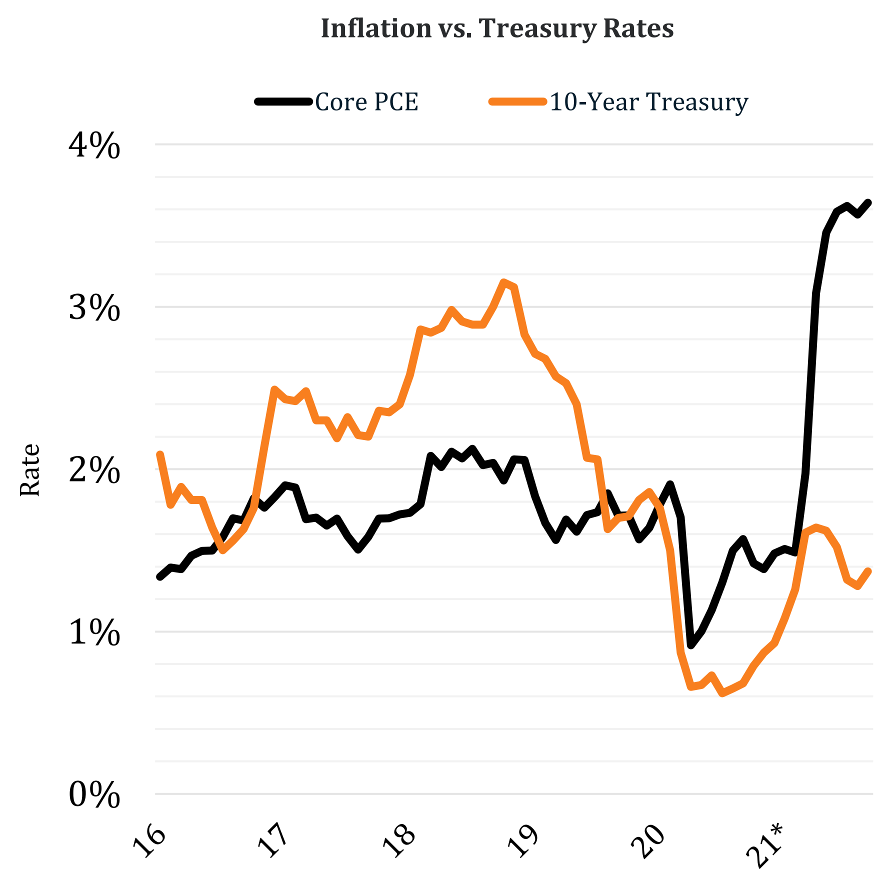
Savings Deposits



* Through September
Sources: U.S. Census Bureau, BEA, Federal Reserve

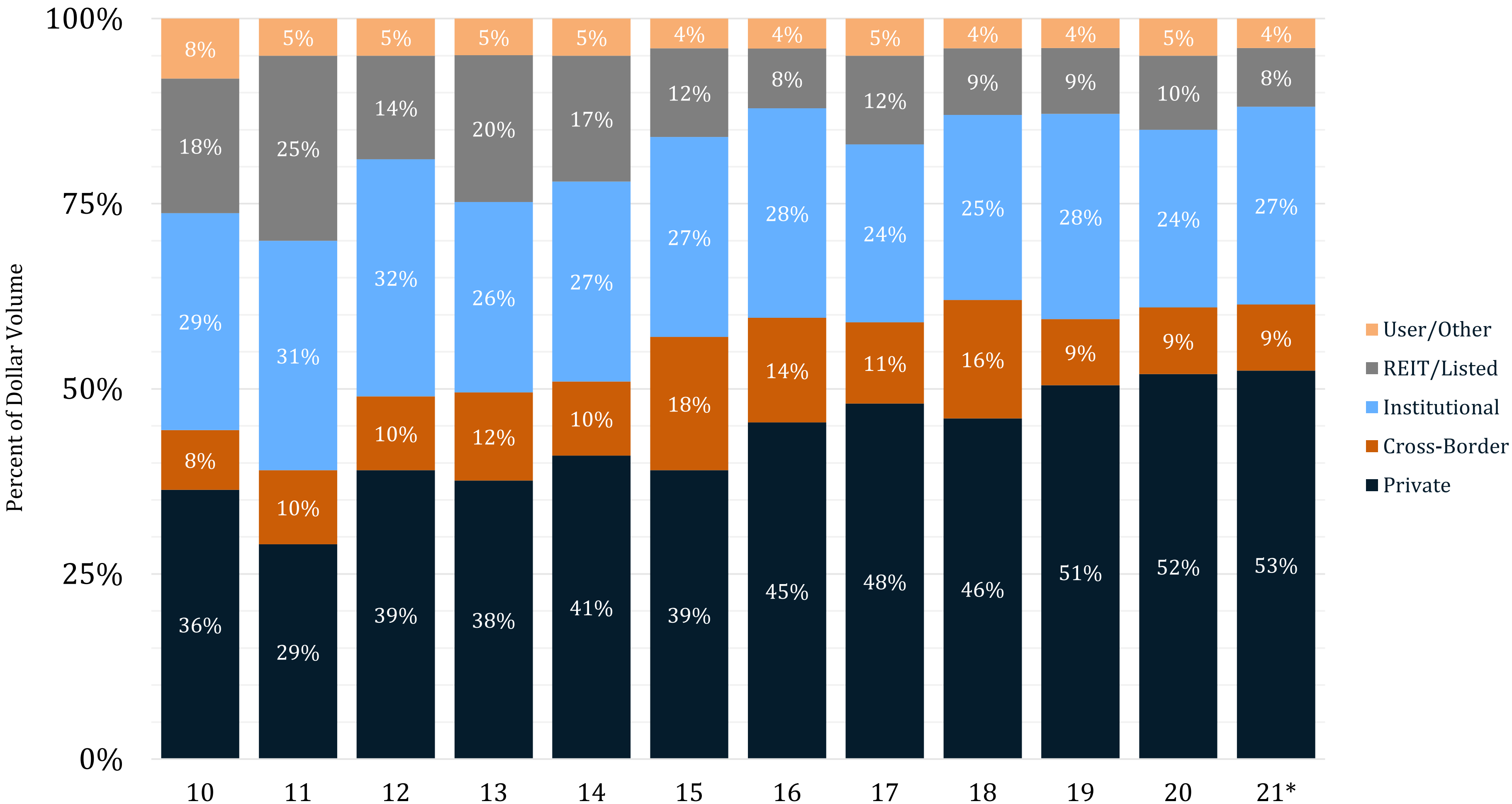
LABOR SHORTAGE BEGINNING TO WEIGH ON HIRING PACE; INFLATIONARY PRESSURE MAY INDUCE FEDERAL RESERVE TAPERING





* Through September; job openings through August
Sources: BLS, Federal Reserve, BEA

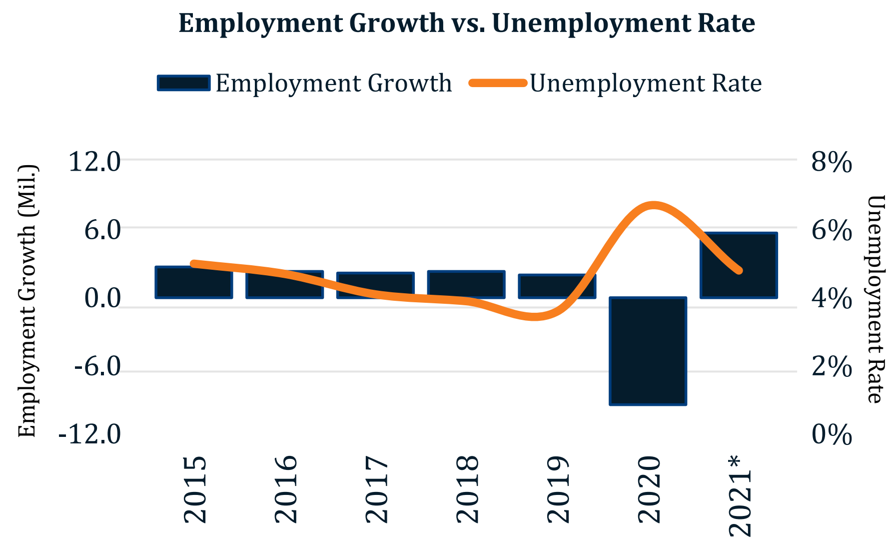
PRIVATE INVESTORS DOMINATE U.S. COMMERCIAL REAL ESTATE ACQUISITIONS

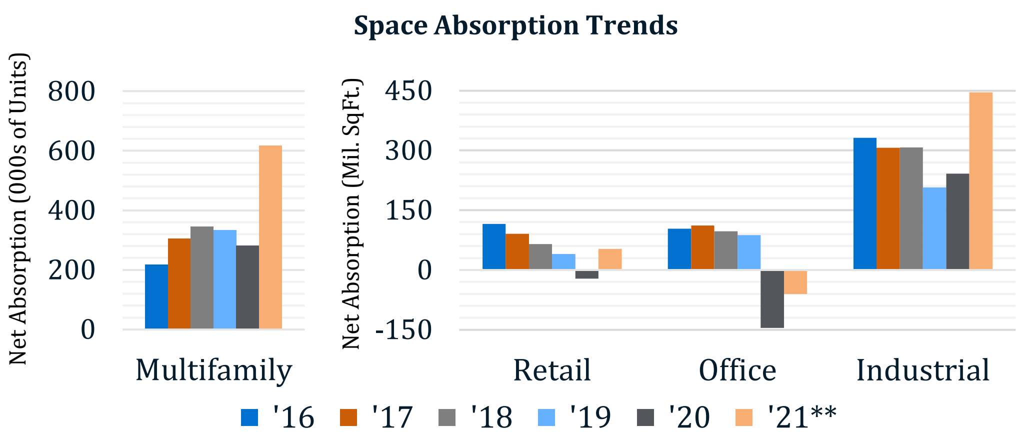


* Trailing 12-months through 3Q
Includes sales $2.5 million and greater for multifamily, retail, office, industrial, hotel, seniors housing, and land
Source: Real Capital Analytics

PRIVATE INVESTORS DOMINATE U.S. COMMERCIAL REAL ESTATE ACQUISITIONS

- Labor shortage beginning to slow pace of job creation, but record 5.1 million jobs added YTD through 3Q 2021.
- Government stimulus has bolstered retail sales and consumption, supporting space demand for most property types.
- Vaccinations supporting economic revival and releasing pent-up demand; COVID-19 variants posing regional headwinds.
- Space demand surged this year as lockdowns ended and household formation accelerated. Mutifamily and industrial space demand particularly strong in 3Q.
- Companies remain cautious about leasing office space. Their ability to pay rent varies by metro, sector and asset class. Concerns related to smaller space footprints should be offset by a strengthened economy into 2022.

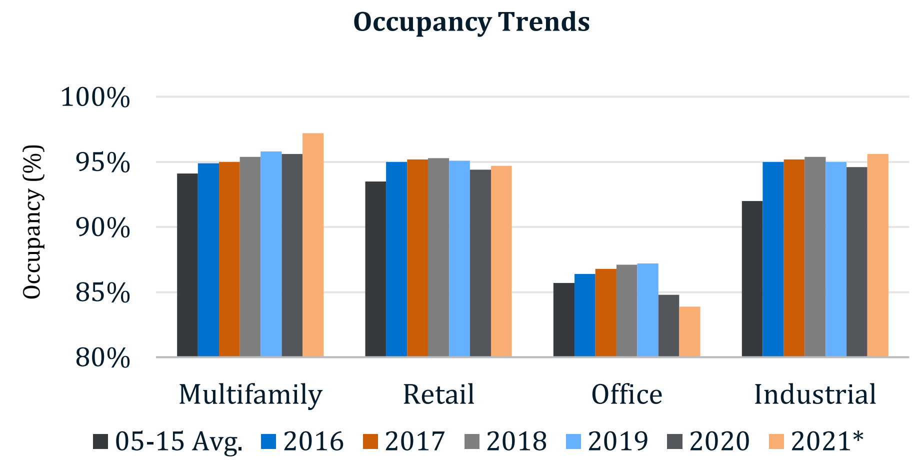


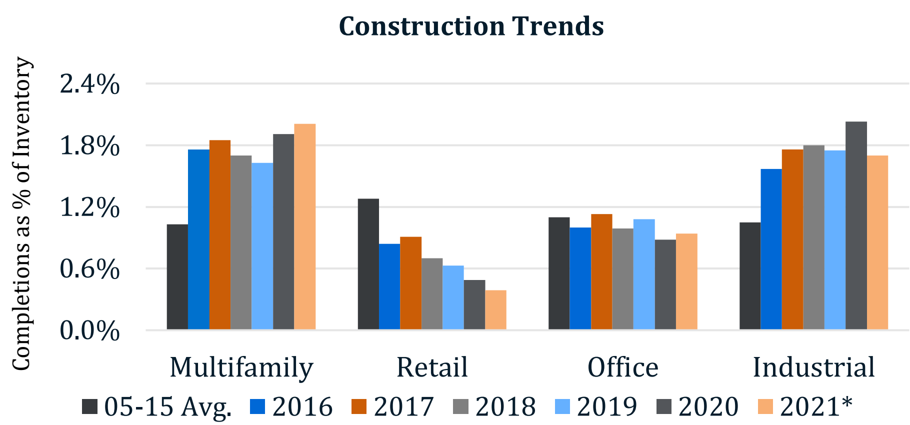


* Through 3Q; trailing 12-months through 3Q 2021 for employment growth
** Preliminary estimate for trailing 12-months through 3Q 2021
Sources: BLS, CoStar Group, Inc., RealPage, Inc.

AS ECONOMY RECOVERS, GAP BETWEEN PROPERTY TYPES SHOULD NARROW

- Property fundamentals entered economic shutdown in very strong position. Crisis impact varied by property type.
- Necessity-based retail, single-tenant retail, industrial, apartments and self-storage fared better through market disruption.
- Hospitality, shopping centers, seniors housing and select office sectors beginning to recover.
- Supply chain challenges bolstering industrial space demand as companies increase inventories.
- Retail and office new supply pipeline low by historical standards. Despite construction cost surge, apartment and industrial completions remain elevated, weighing on occupancy in some markets.



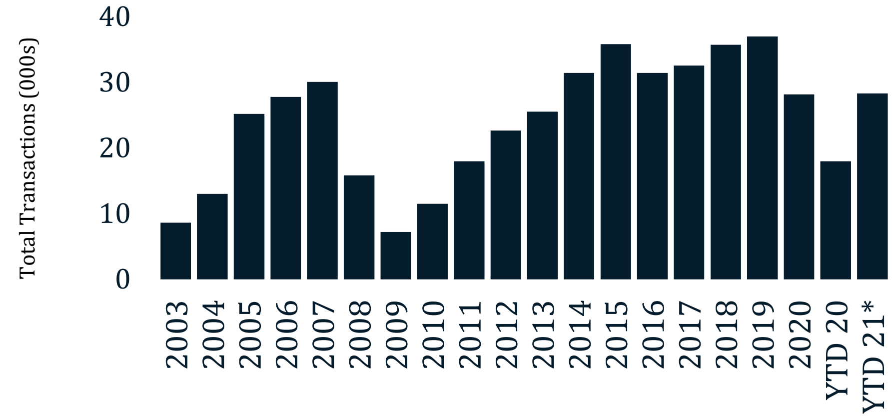


* Preliminary estimate through 3Q 2021; trailing 12-months through 3Q for construction
Sources: CoStar Group, Inc., RealPage, Inc.

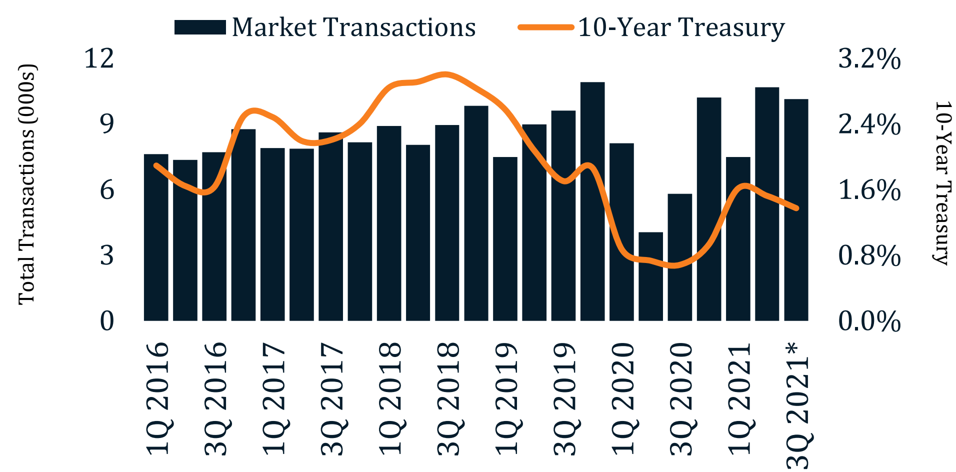
OVERALL CRE SALES ACCELERATED TO MODESTLY EXCEED PRE-COVID LEVELS IN 3Q 2021.

- Transactions hit all-time quarterly record in 3Q 2021, showing increase of 5% over 3Q 2019. Larger deals pushed dollar volume higher.
- Buyer bids becoming increasingly competitive, but market still in price discovery for more challenged property types such as shopping centers and hotels.
- COVID-19 variants posing modest regional headwinds but declining case count bolstering outlook.
- Financing available for most property types at historically low interest rates.
- Uncertainty surrounding anticipated tax law changes has had some impact on investor decisions, adding some urgency in the market.

Annual U.S. Commercial Real Estate Sales Trends[1]



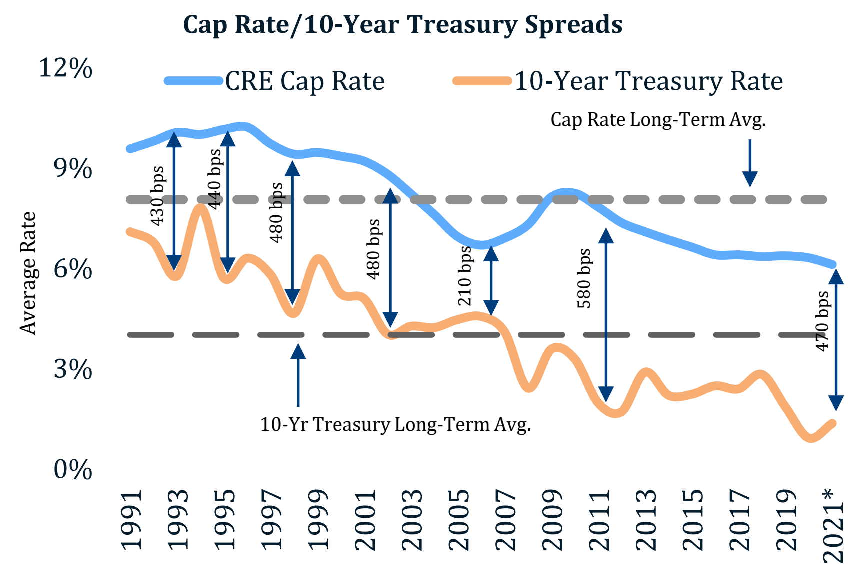
Quarterly U.S. Commercial Real Estate Sales and Interest Rates[1]

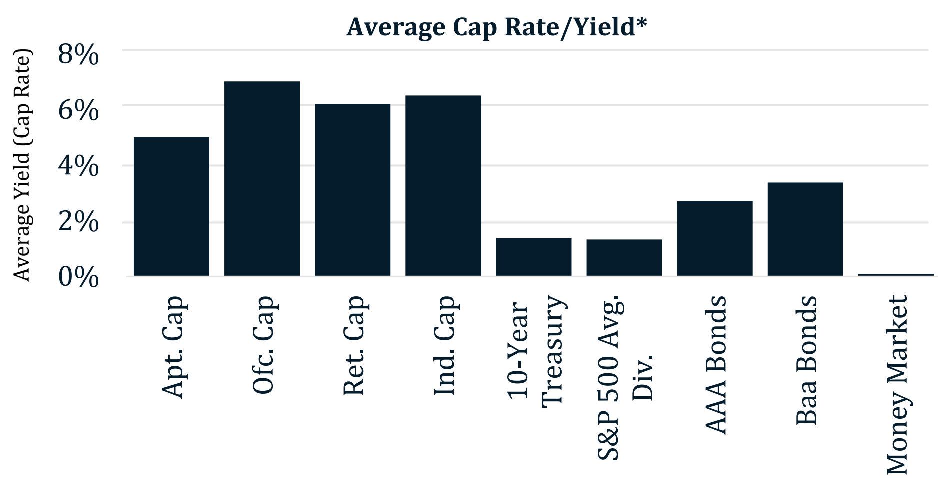


Sources: Real Capital Analytics, Federal Reserve
* Preliminary estimate for market sales
(1) Includes sales $2.5 million and greater for multifamily, retail, office, industrial, hotel, seniors housing, and land

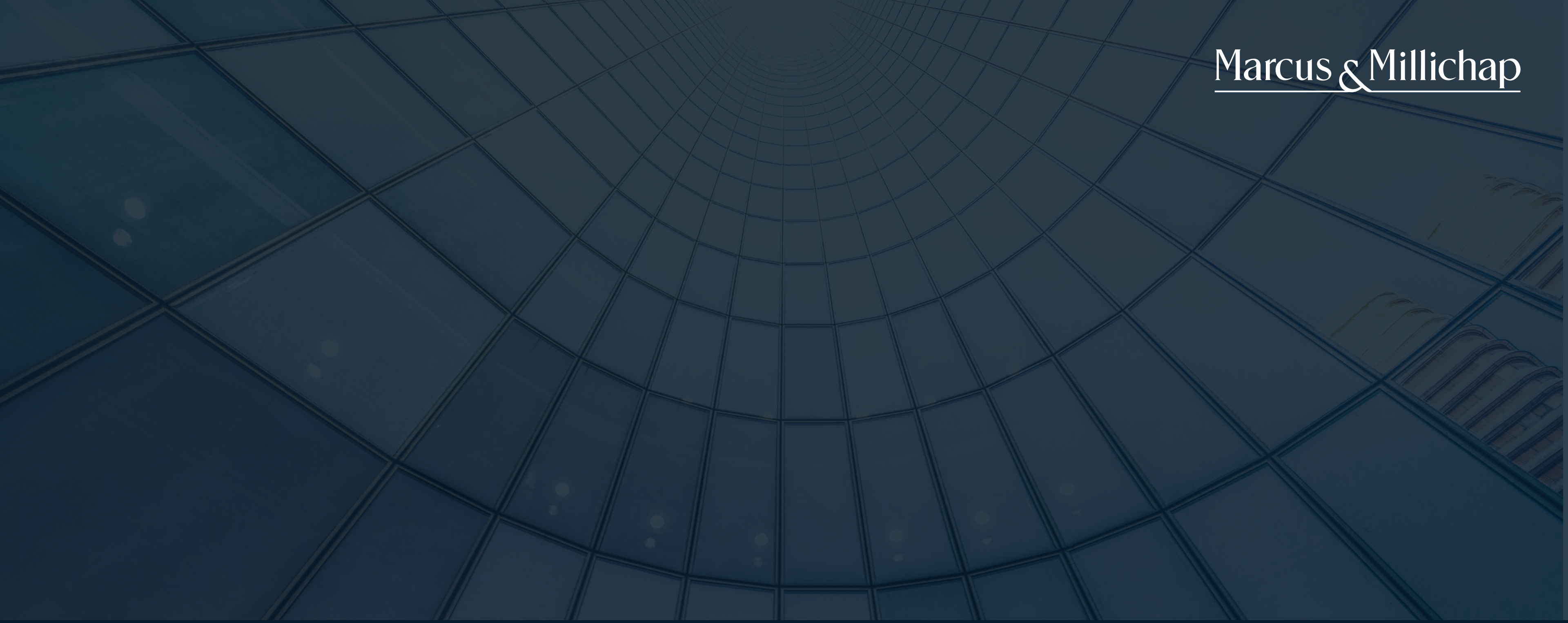
COMMERCIAL REAL ESTATE YIELDS AND INFLATION RESISTANCE COMPELLING

- CRE market benefiting from low interest rates and ample liquidity.
- Buyer demand for “safe” segments (apartments, single tenant, industrial) at record levels.
- Demand for “recovery” segments such as shopping centers and hotels built further momentum in 3Q with improving sentiment and lower expectation for distressed pricing.
- Supply chain challenges and inflation concerns pose limited risk to commercial real estate; inflation resistance of real estate a favored investment characteristic.
- Inflation risk likely to induce Federal Reserve to taper quantitative easing; could place upward pressure on interest rates.
- Commercial real estate continues to offer compelling yields compared to other investment options.





* As of 3Q 2021
Cap rates for sales $1 million and greater
Sources: CoStar Group, Inc., Real Capital Analytics, Federal Reserve, Standard & Poor’s



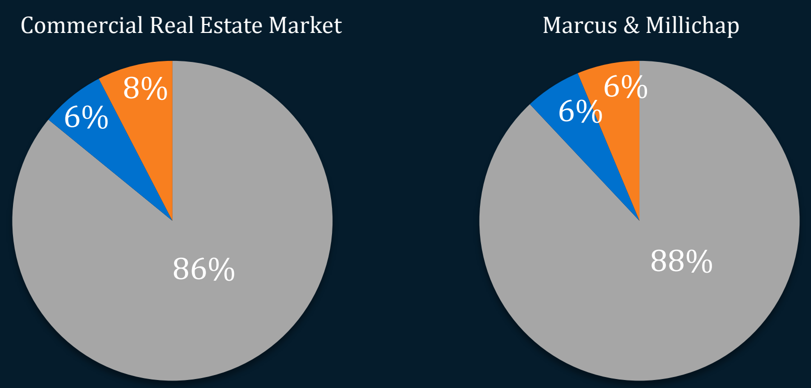
MMI MARKET POSITION

PRIVATE CLIENT MARKET SEGMENT

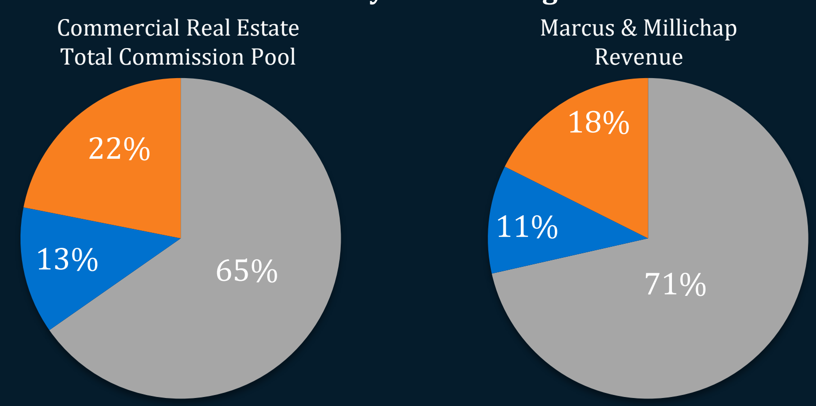
Largest Sales and Commission Pool Opportunity

- Market segment consists of sales $1 million to <$10 million.
- Largest and most active market segment, 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. Should be a major factor in increased sales activity once current market constraints begin to ease.
- Market segment features the highest commission rates.

Transactions by Investor Segment [1]

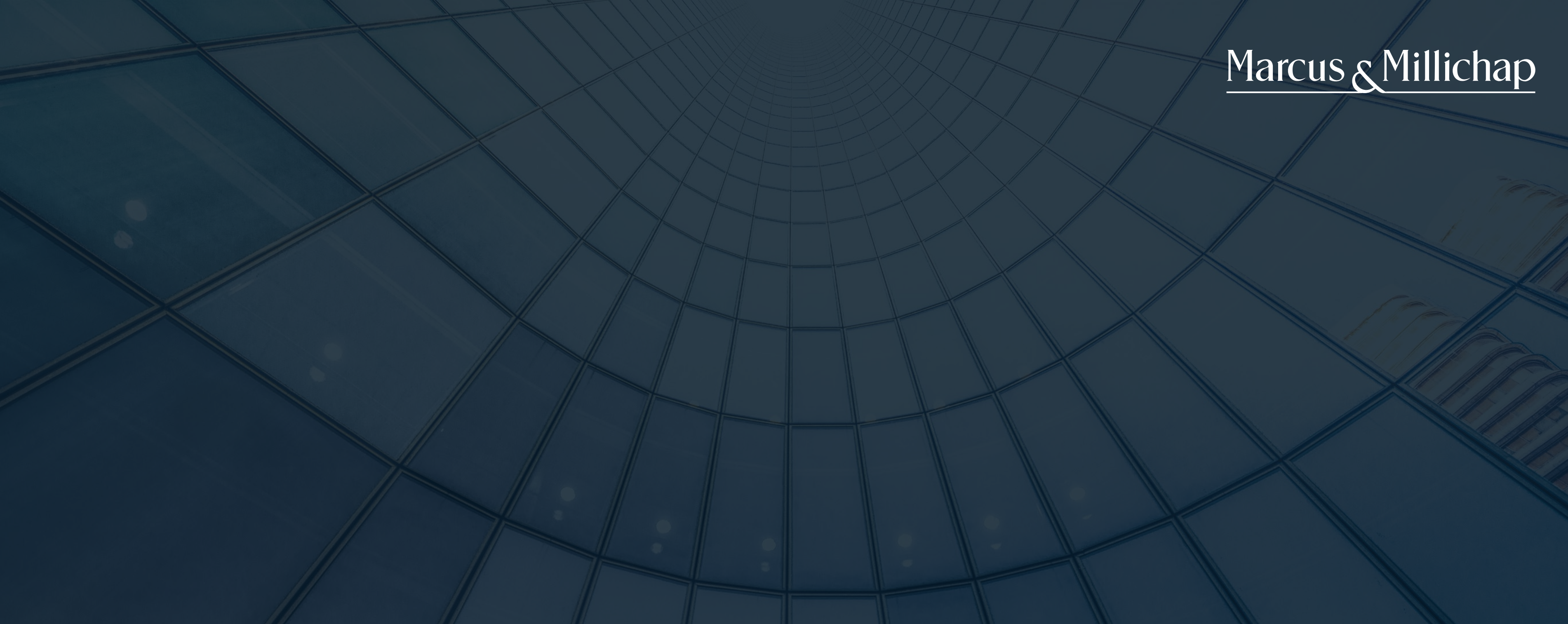


Commission Pool by Investor Segment [1] [2]



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

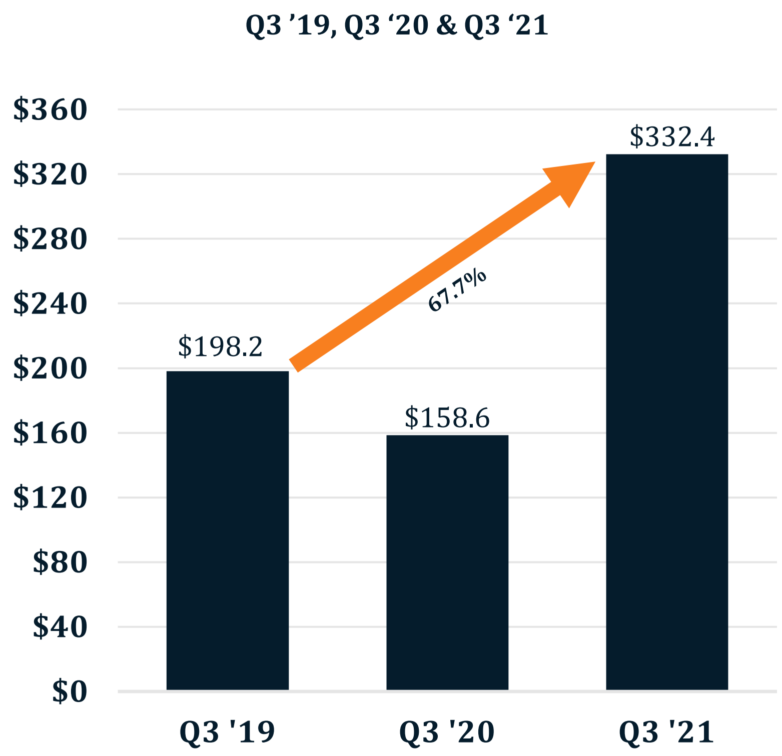
Sources: CoStar Group, Inc., Real Capital Analytics
(1) Includes apartment, retail, office, and industrial sales $1 million and and greater for the trailing 12-months through 3Q 2021; 3Q preliminary estimate for market total.
(2) Estimate based on industry averages: 3.7% commission rate for Private Client Market segment, 2.0% rate for Middle Market Segment and 0.8% for Larger Transaction Market segment.

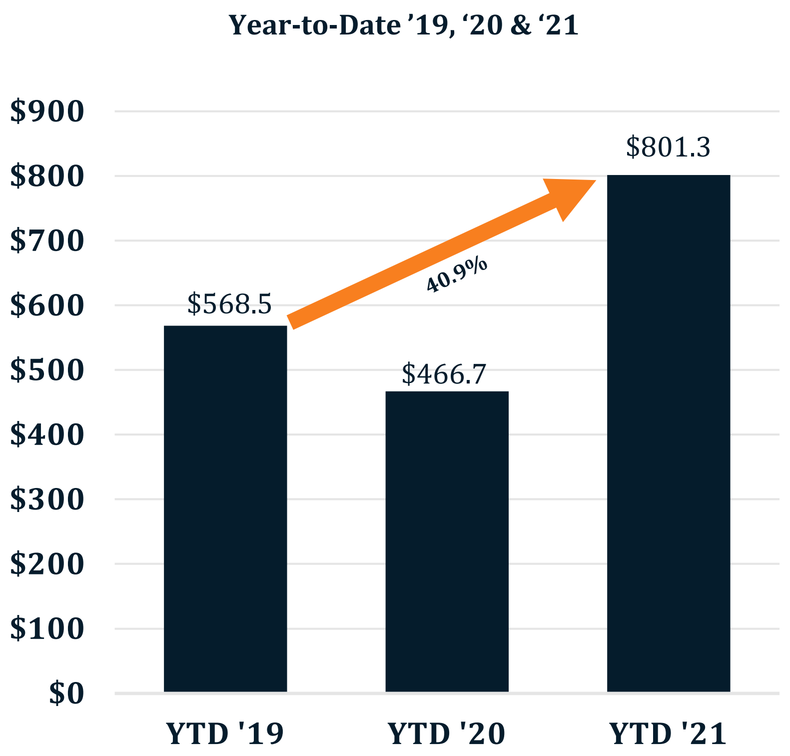


MMI FINANCIAL DETAILS

TOTAL REVENUES

($ in millions)

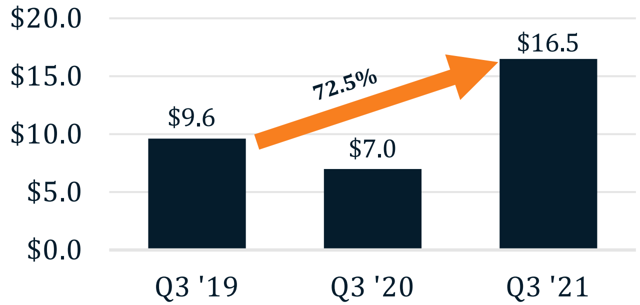




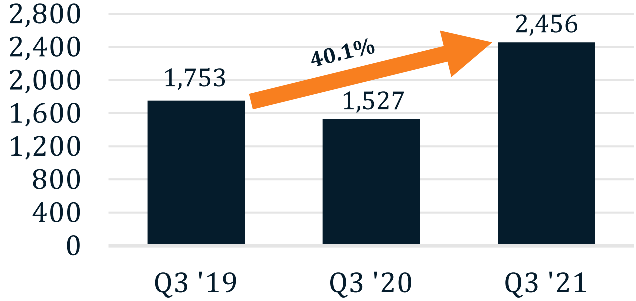
BROKERAGE OPERATING METRICS

Q3 2019, Q3 2020 & Q3 2021

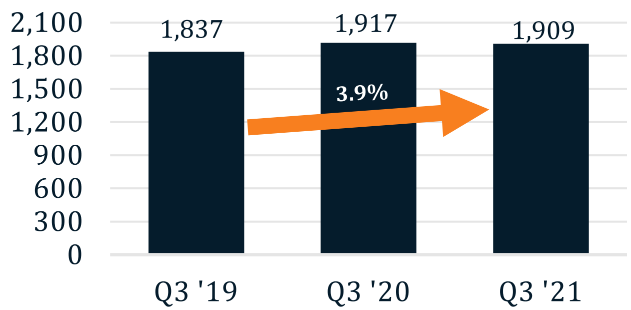
Total Sales Volume
($ in billions)



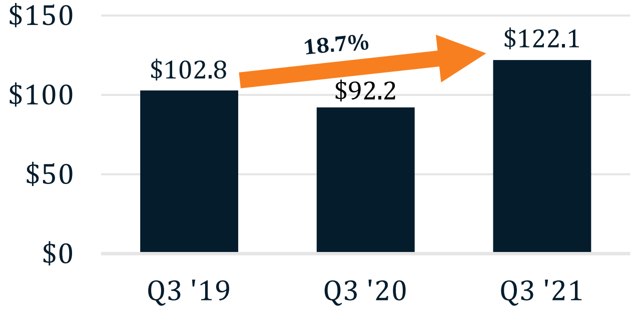
Total Number of Transactions



Average Number of Investment Sales Professionals

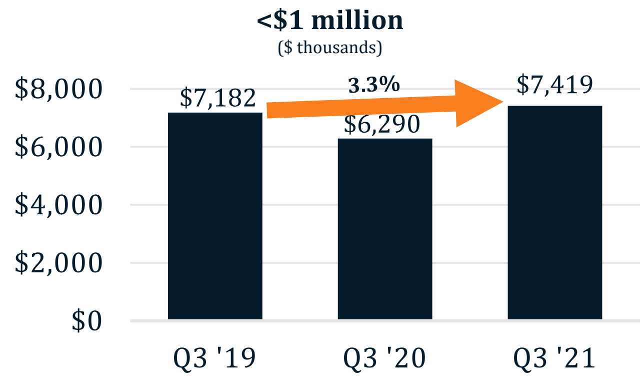


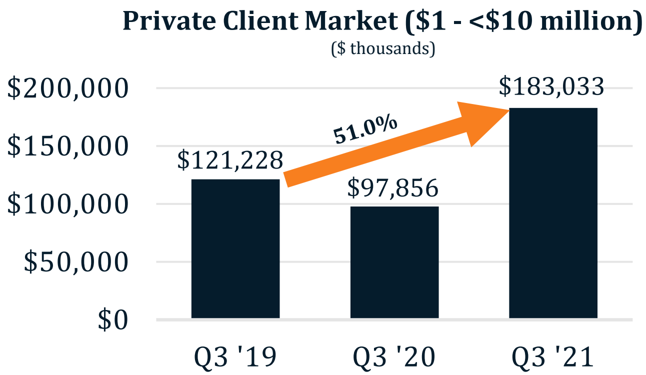
Average Commission Per Transaction
($ in thousands)

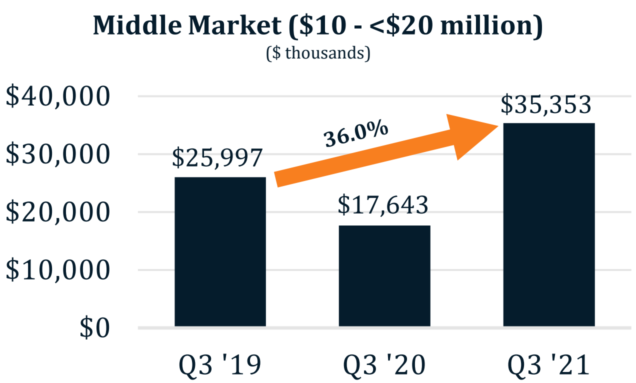


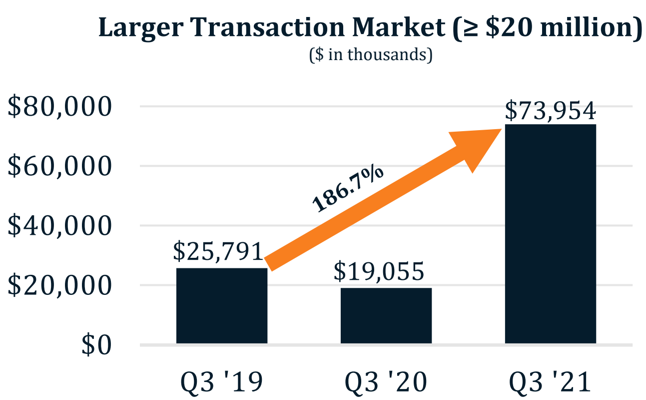
BROKERAGE REVENUE BY MARKET SEGMENT

Q3 2019, Q3 2020 & Q3 2021



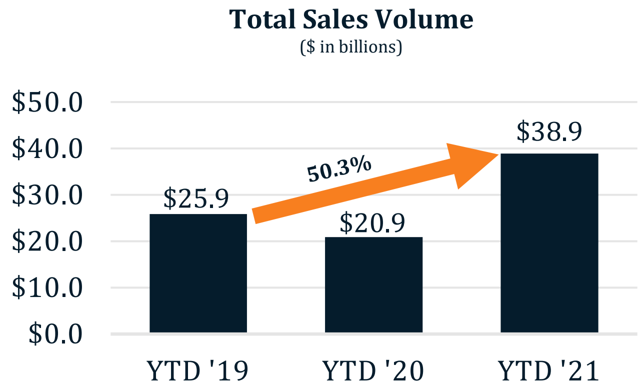


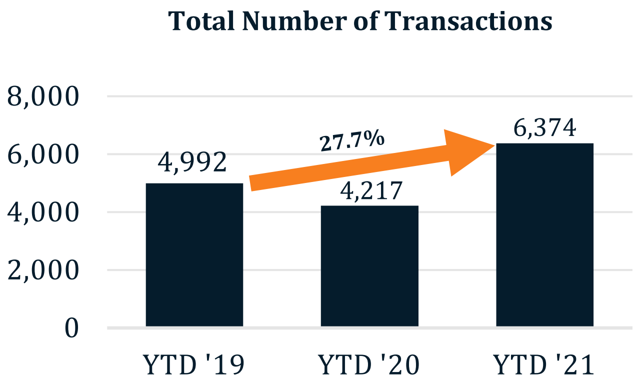


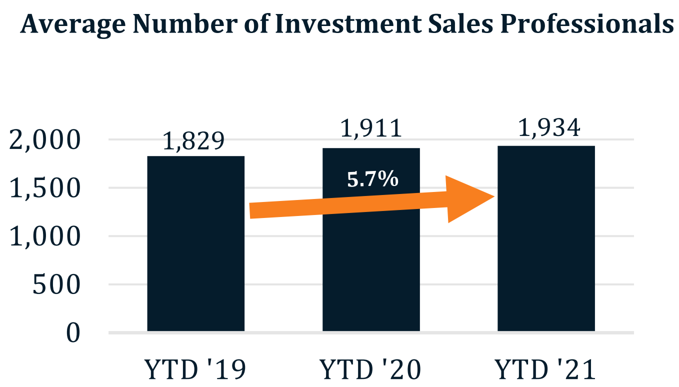


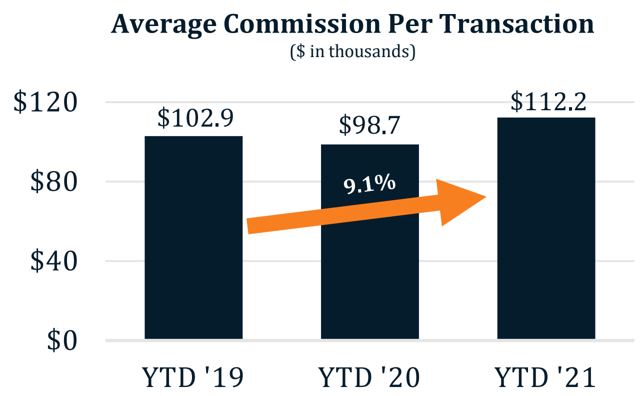
BROKERAGE OPERATING METRICS

Year-to-Date 2019, 2020 & 2021





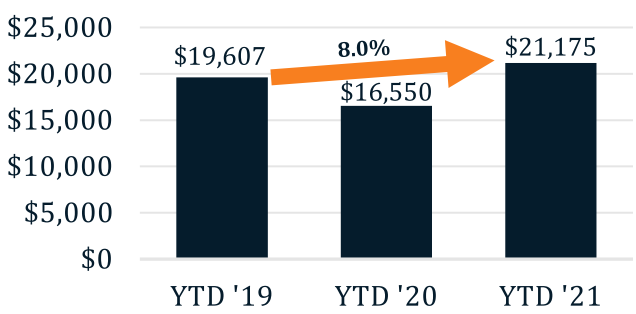




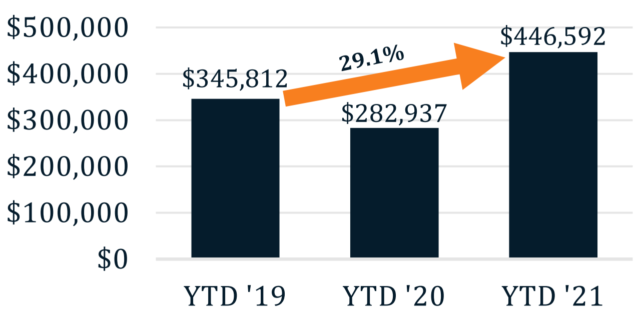
BROKERAGE REVENUE BY MARKET SEGMENT

Year-to-Date 2019, 2020 & 2021

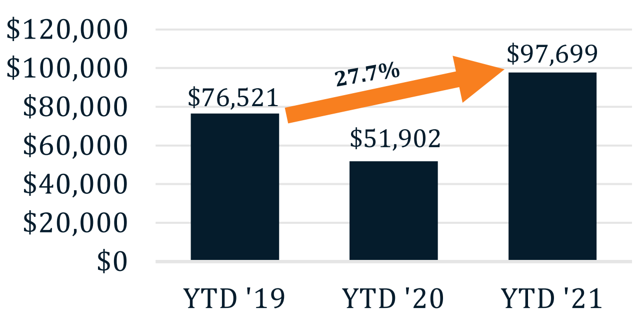
<$1 million
($ thousands)



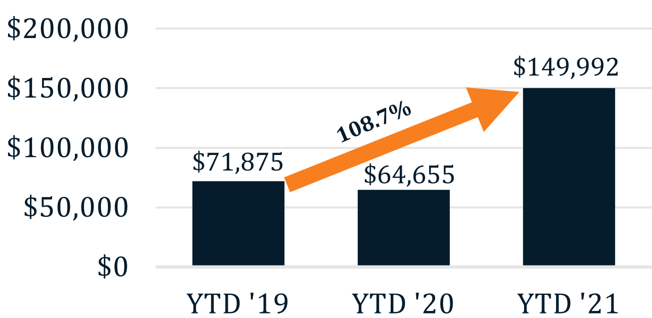
Private Client Market ($1 - <$10 million)
($ thousands)



Middle Market ($10 - <$20 million)
($ thousands)

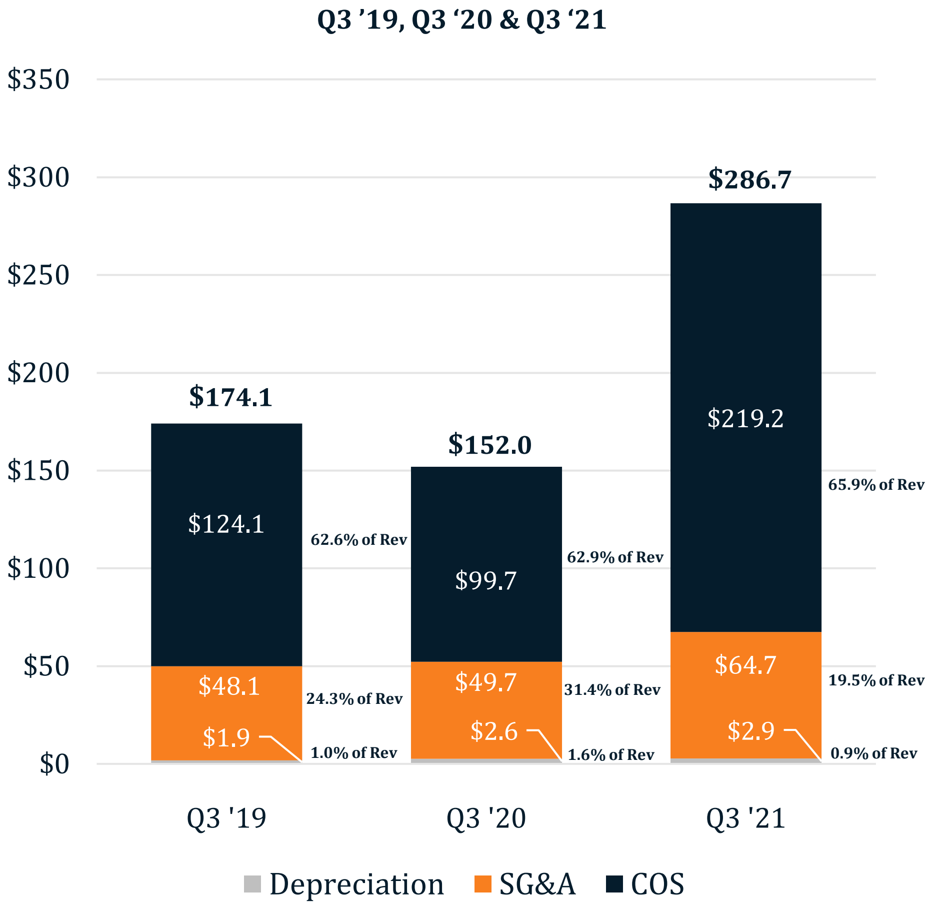


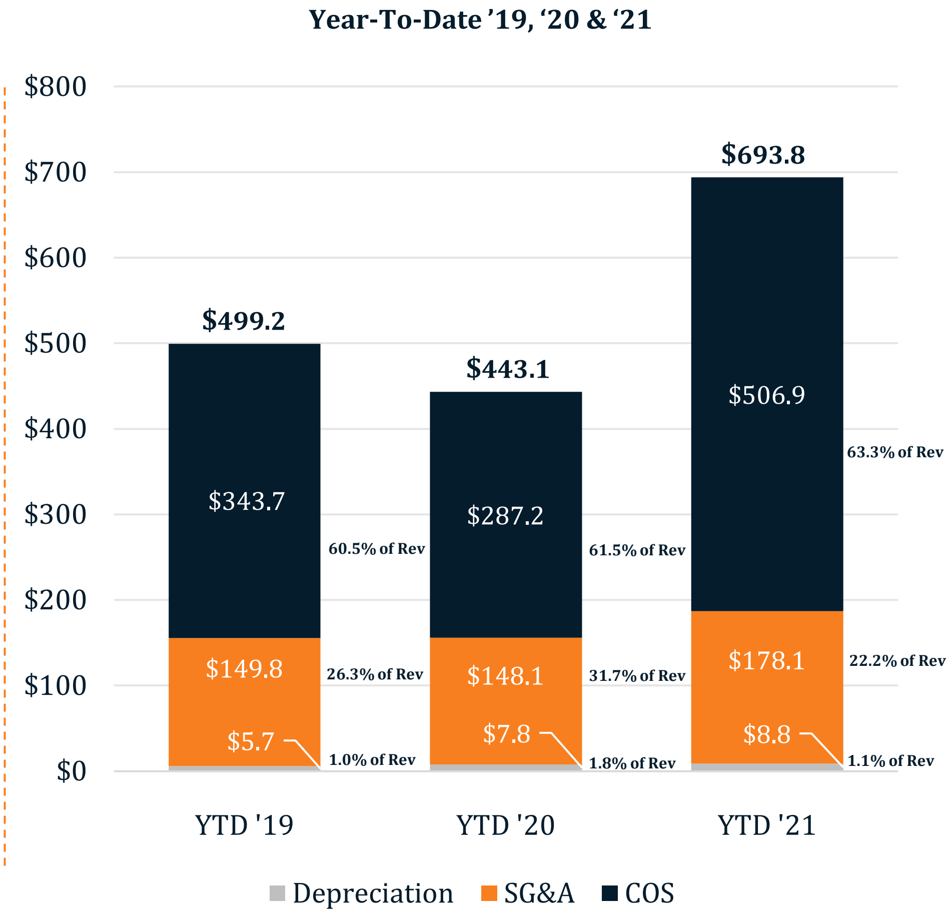
Large Transaction Market (≥ $20 million)
($ in thousands)



OPERATING EXPENSES

($ in millions)

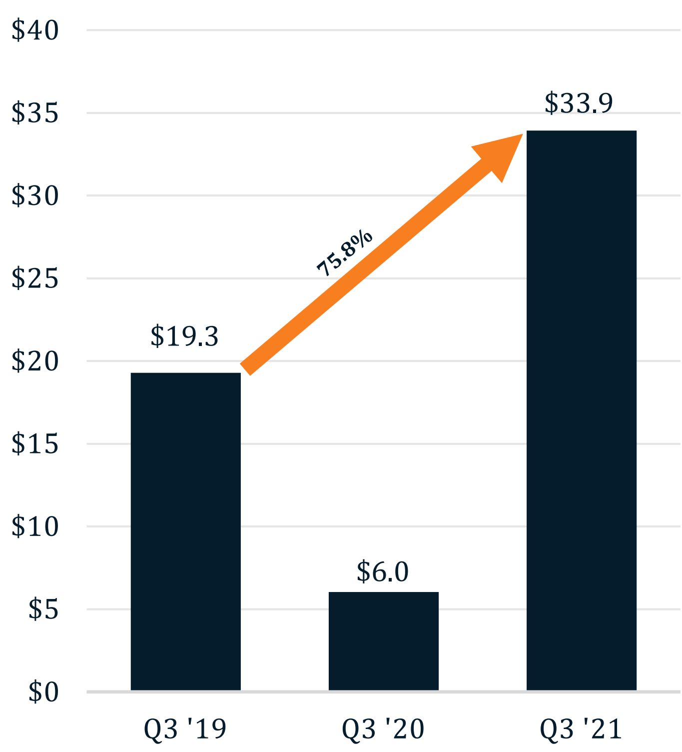




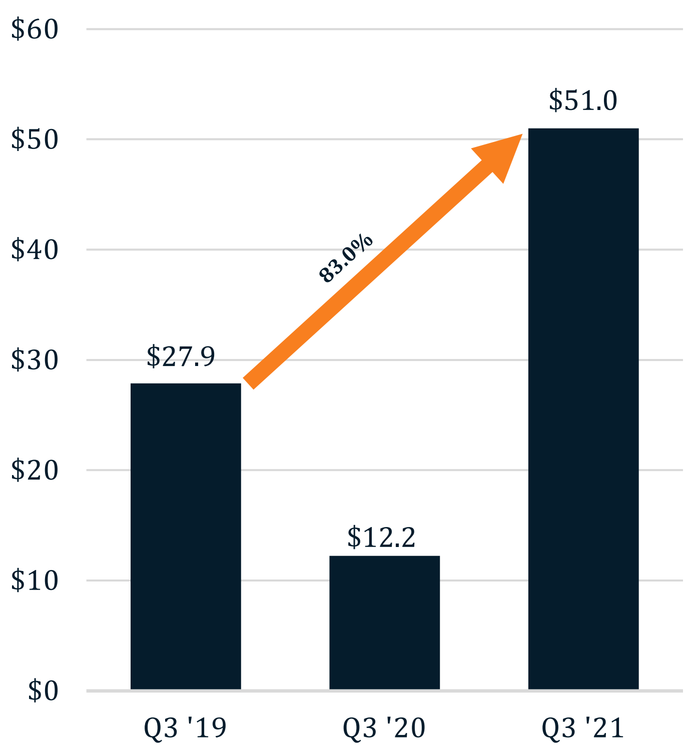
NET INCOME AND ADJUSTED EBITDA PERFORMANCE

Q3 2019, Q3 2020 & Q3 2021

Net Income
($ in millions)

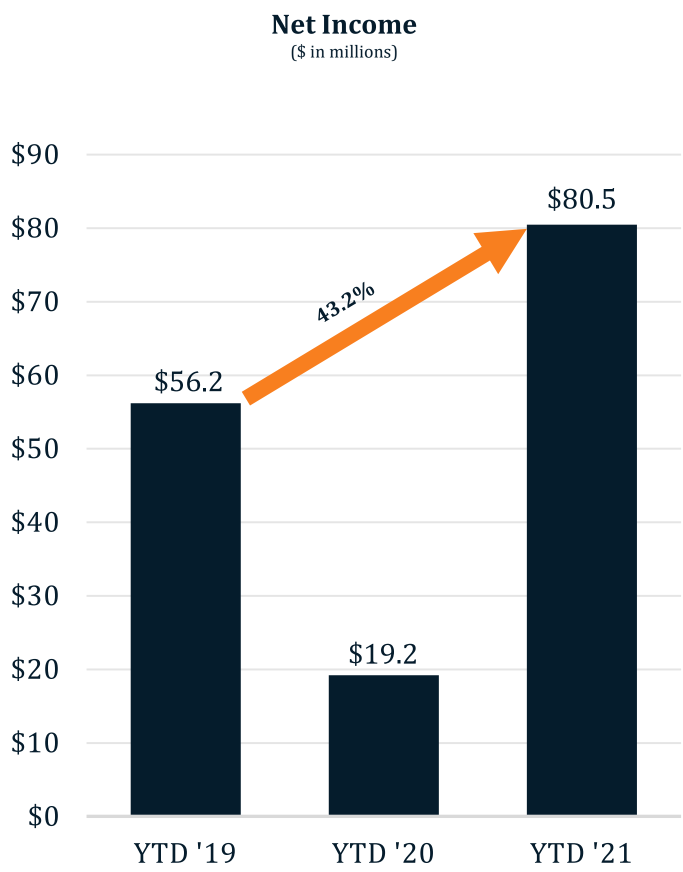


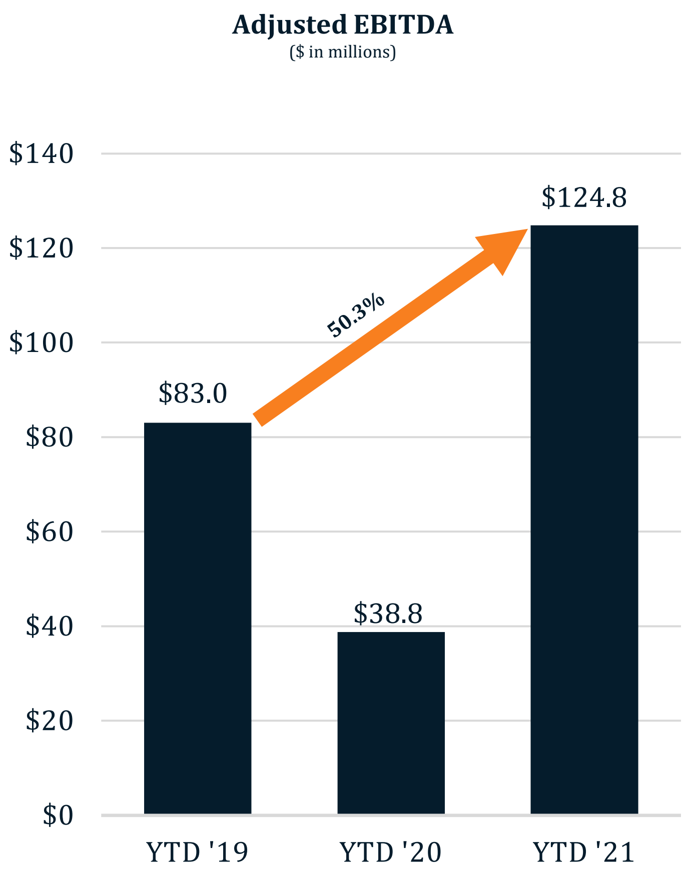
Adjusted EBITDA
($ in millions)



NET INCOME AND ADJUSTED EBITDA PERFORMANCE

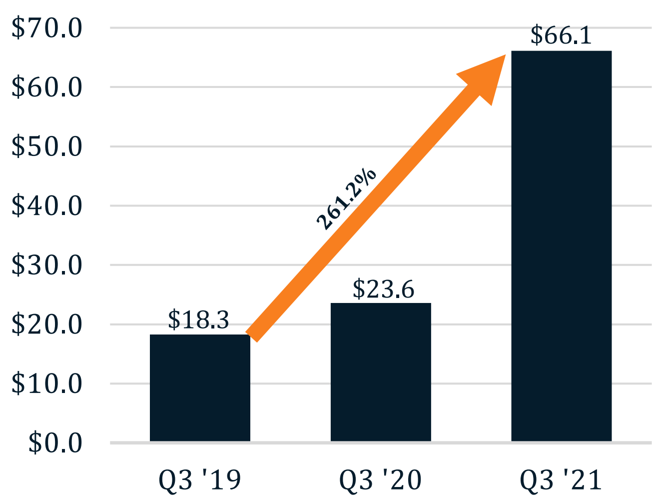
YTD 2019, 2020 & 2021



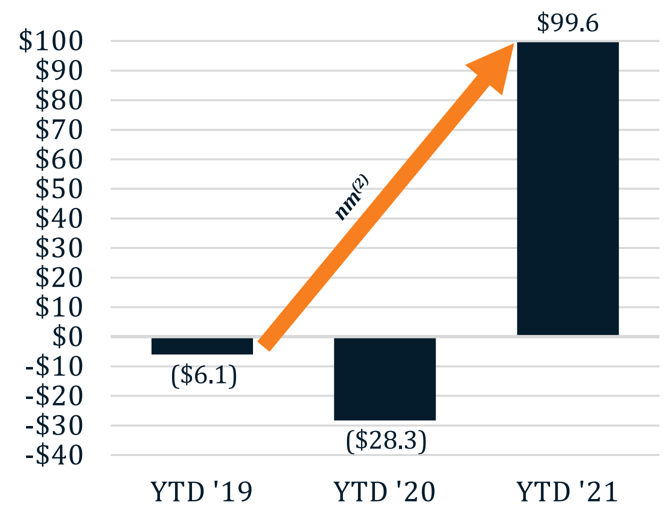


CASH FLOW PROVIDED BY (USED IN) OPERATING ACTIVITIES

QTD Cash Flow Provided By Operating Activities (1)
($ in millions)



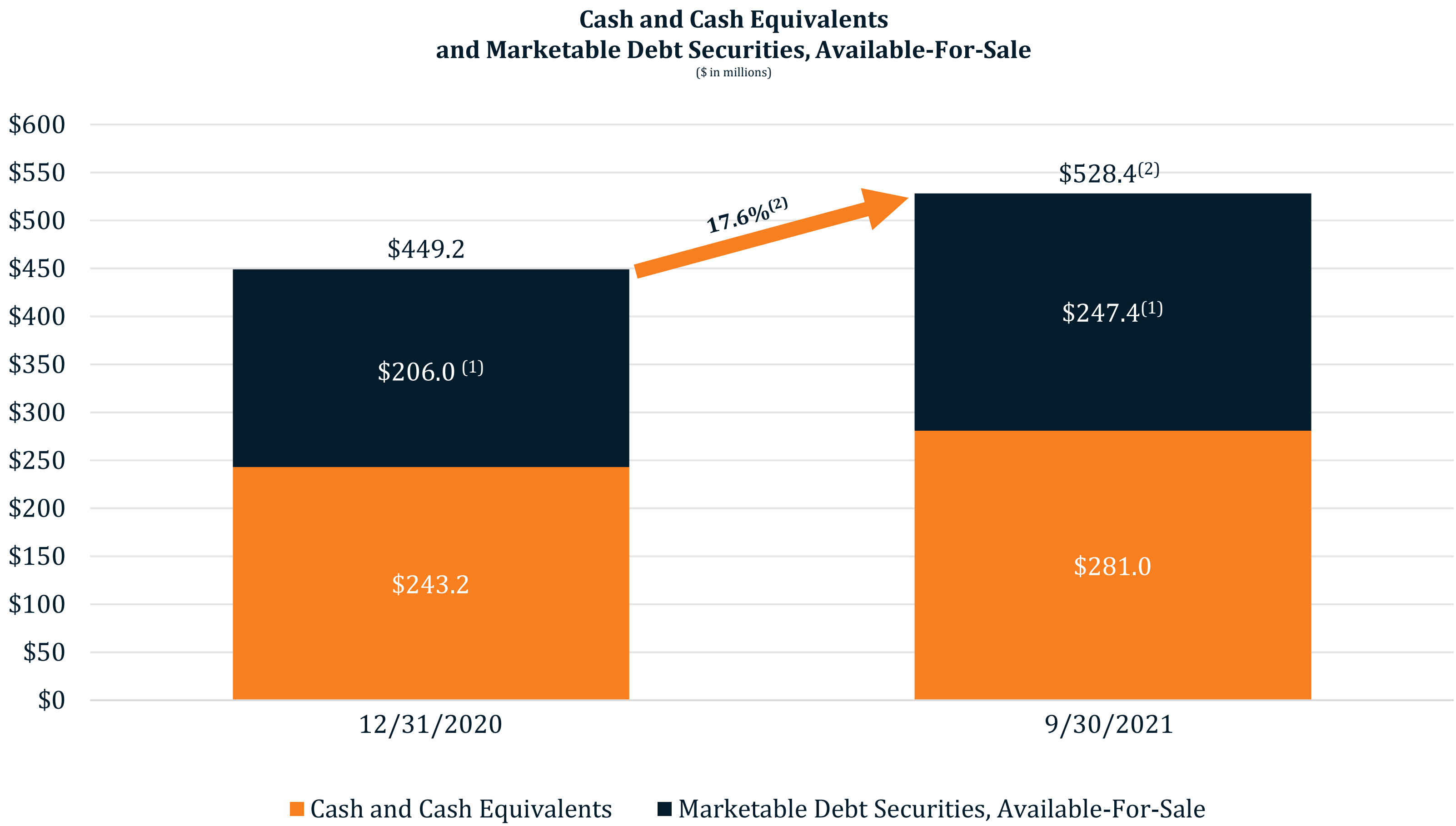
YTD Cash Flow Provided By (Used In) Operating Activities (1)
($ in millions)



(1) Net cash provided by (used in) operating activities is driven by our net income adjusted for non-cash items and changes in operating assets and liabilities. The $42.5 million and $127.9 million improvement in operating cash flows for the three and nine months ended September 30, 2021, respectively compared to the same period in 2020 was primarily due to higher total revenues and a lower proportion of operating expenses compared to total revenues, differences in timing of certain payments and receipts, a reduction in advances to our investment sales and financing professionals and lower bonus payments paid during the first quarter of 2021 compared to the same period in 2020 due to the significant decline in operating results for the year ended December 31, 2020. The improvement in operating cash flows was partially offset by a reduction in the deferral of certain discretionary commissions.

(2) *nm* – Not meaningful

STRONG LIQUID CAPITAL POSITION



(1) Relates to investments designated by the company as marketable debt securities, available-for-sale in accordance with our investment policy approved by the Board of Directors with weighted average contractual maturity of 1.9 years and 1.6 years for the periods ended 9/30/21 and 12/31/20, respectively.

(2) Cash and Cash Equivalents and Marketable Debt Securities, Available for Sale increased for the period ended 9/30/21 primarily due to a higher total revenues and lower proportion of operating expenses compared to total revenues.

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 debt 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 mortgage servicing rights ("MSRs") 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 a supplemental metric 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 to be a useful management metric to assist in evaluating performance, because Adjusted EBITDA eliminates items related to capital structure, taxes and non-cash items. 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 calculated 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 September 30		Nine Months Ended September 30	
	2021	**2020**	**2021**	**2020**
Net Income	$33,924	$6,040	$80,468	$19,216
Adjustments:				
Interest income and other[(1)]	(503)	(889)	(1,470)	(4,090)
Interest expense	144	199	436	695
Provision for income taxes	11,921	1,916	29,304	7,875
Depreciation and amortization	2,850	2,606	8,806	7,822
Stock-based compensation	2,703	2,383	7,653	7,551
Non-cash MSR activity[(2)]	(54)	(26)	(407)	(312)
Adjusted EBITDA[(3)]	**$50,985**	**$12,229**	**$124,790**	**$38,757**

(1) Other includes net realized gains (losses) on marketable debt securities available-for-sale.
(2) Non-cash MSR activity includes the assumption of servicing obligations.
(3) The increase in Adjusted EBITDA for the three and nine months ended September 30, 2021 compared to the same period in 2020 is primarily due to an increase in total revenues and a lower proportion of operating expenses compared to total revenues.

COMPANY OVERVIEW

NATIONAL PLATFORM FOCUSED ON REAL ESTATE INVESTMENT BROKERAGE

- 50-year old platform dedicated to perfecting real estate investment brokerage
- Designed to maximize real estate value, facilitate investment options by geography and property type and create liquidity for investors

MARKET LEADER IN THE PRIVATE CLIENT MARKET SEGMENT

- Only national brokerage firm predominantly focused on servicing the Private Client Market segment which consistently accounts for 80%+ of CRE transactions in the U.S.
- Private client business has been supplemented with penetration in larger transactions and institutional clients over the past 10 years

PLATFORM COMBINES BROKERAGE EXPERTISE AND VALUE-ADDED SERVICES

- 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

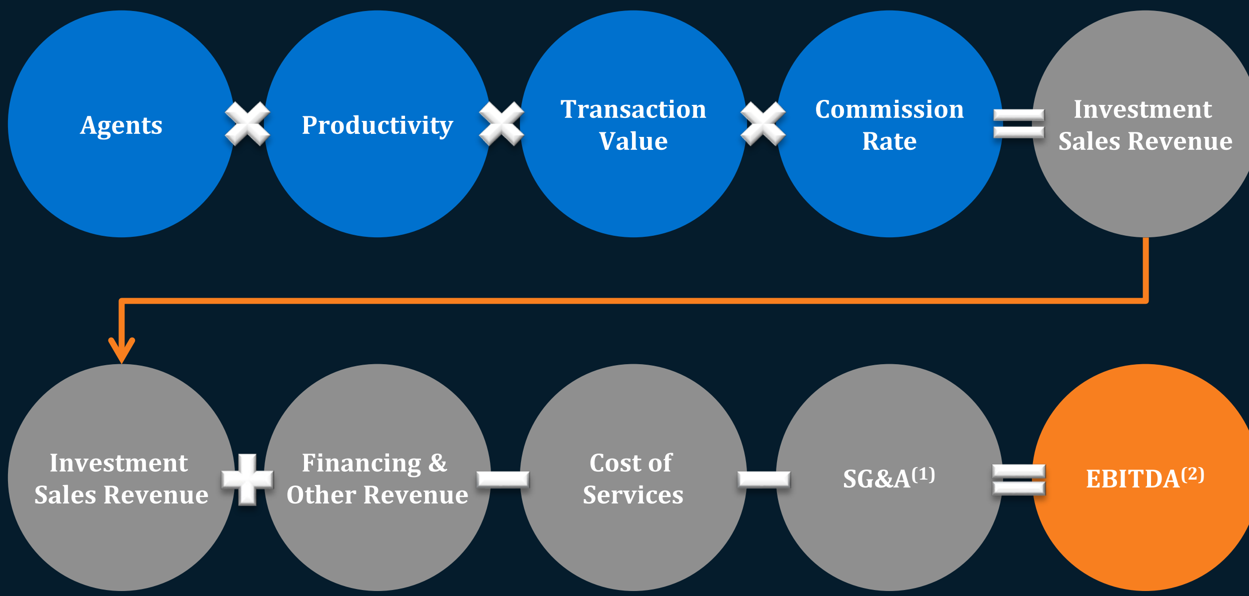
MANAGEMENT WITH SIGNIFICANT INVESTMENT BROKERAGE EXPERIENCE

- Non-competitive management with extensive investment brokerage experience, committed to training, coaching and supporting investment sales professionals
- Culture 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
- Strong balance sheet with no debt provides financial flexibility to pursue strategic acquisitions

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.