

\$32.5 Million Multifamily Bridge Loan Arranged by Marcus & Millichap's IPA Capital Markets

SAN JOSE, Calif.--(BUSINESS WIRE)-- Marcus & Millichap (NYSE: MMI) announced today its Institutional Property Advisors (IPA) Capital Markets group has arranged \$32.5 million in bridge financing for Terra Willow Glen, a 112-unit apartment property constructed in 1979 in San Jose, California. The loan-to-cost was 73 percent.

"The borrower purchased the asset in cash, six months prior to exploring value-add financing options," said Jake Roberts, a senior managing director of IPA Capital Markets. "This is an incredibly unique property that offers a resort-like setting but has few comps, which can make it more difficult to secure value-add debt given the fact that lenders don't like to stretch on proceeds if a property isn't easily comparable to other assets in the market."

Roberts, along with Anita Paryani-Rice, a first vice president of IPA Capital Markets, arranged the loan on behalf of the borrower, who is a repeat client.

"Initially the borrower planned to take a lower leverage bridge loan option at lower pricing," says Paryani-Rice. "But since our team is so active in the market we began to see bridge lenders become more aggressive and pricing compressed, so we encouraged the borrower to look at higher leverage options, which provided much more attractive leveraged returns at the end of the day."

About Marcus & Millichap (NYSE: MMI)

With over 1,700 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 nearly 9,000 transactions in 2016 with a value of approximately \$42.3 billion. The company 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 Institutional Property Advisors

With a network of senior-level investment advisors located throughout the United States, Institutional Property Advisors (IPA) is qualified to meet the needs of institutional and major private investors. IPA's combination of real estate investment and capital markets expertise, industry-leading technology, superior support services and acclaimed research offer customized solutions for the acquisition and disposition of institutional properties and portfolios. www.IPAusa.com

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