

MARCUS & MILLICHAP SOURCES 1031 EXCHANGE BUYER FOR LARGE SINGLE-TENANT OFFICE BUILDING



Marcus & Millichap demonstrated its superior marketing ability by recently closing its second major office transaction in the Dallas MSA in the second quarter: a 93,000-square foot office building 100 percent leased to Greyhound Corporation. The property, which was built in 1983, sold for \$11,950,000, the equivalent of \$128 per square foot with an 8.57 percent capitalization rate.

Marcus & Millichap obtained the listing from the New Mexico-based owner and was immediately faced with a bevy of issues. The parent company, Laidlaw Corporation, had recently emerged from Chapter 11, causing anxiety to potential buyers. The property was also encumbered by an assumable loan at an above-market rate that was also full recourse. Finally, the price per square foot was higher than the market average and more than most local buyers had interest in paying.

Through Marcus & Millichap's national network of more than 800 brokerage specialists, the property yielded six offers from local and national investors

within the first four weeks of marketing. One such investor, secured by a Marcus & Millichap agent based in Newport Beach, Calif., was nearing the end of its 1031 exchange period and exiting from another product type. The buyer needed to fill its exchange and was willing to pay the list price to secure the property. The listing agents, however, were successful in sourcing other investors, including one also willing to pay full price. This individual in the exchange agreed to waive all contingencies in 14 days to ensure that he would be able to purchase the property. The seller was confident in this buyer's ability to close and the transaction was completed on the 180th day of the buyer's exchange period.

Only Marcus & Millichap has the ability to create a national marketplace for each and every property. Marcus & Millichap sources capital from around the nation, creates a competitive marketplace for each and every transaction, and provides sellers with strong prices and tight time frames. This is not the exception, but a normal day of business at Marcus & Millichap.

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