

BROKERS ADD \$600,000 OF VALUE TO MIDWEST INDUSTRIAL BUILDING

Before ...

- Owner gives listing to large international real estate company where he had once worked
- Large international firm fails to generate any offers above \$5.1 million
- Owner believes he can not get higher than \$5.1 million and thus decides to hold the property

After ...

- Marcus & Millichap agents utilize previous relationship with owner to secure the listing
- Agents expose property to entire Marcus & Millichap sales force through internal marketing system and product-specific sales calls
- Agents collect seven offers, including five in the first week
- Buyer, accessed through Marcus & Millichap's Buyers Needs internal program, purchases the property for \$5.7 million

The closing of a single-tenant net-leased industrial property demonstrates the ability of Marcus & Millichap to add value to any property anywhere in the United States. The property, which is occupied by a licensed bottler of Dr. Pepper, 7-Up and Schweppes, sold at a price of \$5.7 million or \$16.50 a square foot. The property was co-listed by two agents in the firm's Chicago office, while the buyer was represented by an agent in the Detroit office.

The owner of the property had been employed by a major international real estate company and decided to give them the listing assignment. The highest offer the brokers were able to obtain was \$5.1 million, about \$400,000 less than the owner desired. The owner felt that this was the best the market had to offer and was content to hold the property. However, the Marcus & Millichap agents, who had an existing relationship with the owner, proposed that they bring the property to market utilizing the complete power of Marcus & Millichap. After obtaining the listing agreement, the agents quickly produced a thorough marketing package in order to expose the property to all Marcus & Millichap agents as soon as possible. This aggressive approach, utilizing Marcus & Millichap's internal marketing system, produced five offers on the property

within the first full week of its listing. The offers originated from across the country, including offers from buyers on both coasts. All the offers were made by private entities, including several investors looking to place 1031 exchange money. Although there were two offers above the list price, the seller chose a lower offer with stronger terms and a higher probability of closing.

Ultimately, the buyer was sourced from an agent in the firm's Detroit office, who had first met the buyer at an NAIOP conference in Chicago. The agent had carefully analyzed the buyer's investment criteria and placed it into Marcus & Millichap's Buyers Needs program, which automatically searches for properties that match the inputted criteria. The agent received an e-mail from the system alerting him of this new listing, and he quickly forwarded the information to his client. The property matched the buyer's criteria perfectly. A letter of intent was quickly submitted. The property went under contract and closed in a very timely fashion for \$5.7 million, \$600,000 more than the highest offer the other brokerage firm was able to secure.

Through its internal marketing system that provides up-to-the-minute property information to all agents and helps maximize the exposure of each listing, Marcus & Millichap has the ability to add value to every property.

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