

## BROKER'S FOCUS ON FUTURE VALUE CREATES SUCCESS FOR OWNER

### Before...

- Six months of limited activity
- One unsuccessful letter of intent

### After...

- Aggressive marketing
- Four institutional offers
- Three private offers
- Closed sale at 99% of seller's targeted price

The Texas-based developer of this new 252-unit apartment complex in Colorado Springs attempted to market the property for six months. Institutional investors were initially attracted to the project because of its size and age. However, the property had some construction issues and the buyers demanded an offset to market pricing because current operations were not stabilized.

Eventually, the owner agreed to have two of our Denver-based apartment specialists prepare an opinion of value and marketing plan. Their strategy included a national marketing campaign to both institutional and private investors as well as marketing materials that supported the

pro forma potential of the property.

Their strategy worked. The marketing campaign generated seven offers, including four from institutional investors and three from private investors.

The ultimate buyer was motivated to complete a tax-deferred exchange and to upgrade to a newer and larger property. The construction features viewed as concerns by the institutions were acceptable to this investor who saw the property for what it offered rather than what it lacked. He also focused more on the property's future potential than its initial operating history during lease-up.

The result was a quick closing within 99 percent of the seller's targeted price.

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