

SILICON VALLEY OWNER EXPERIENCES THE *VALUE OF REPRESENTATION*

Before...

- 12 months of unsuccessful activity

After...

- A few weeks of vigorous marketing
- Six offers including one offer at list
- Record-setting price/sq. ft. and CAP rate

For 12 months the owner of this 82-unit apartment property in one of the strongest markets in the country, hinted he might consider selling the asset. He hoped the momentum in the market would preclude the need for a broker and save a commission. For 12 months he received less-than-satisfactory results: minimal market activity, no representation, unqualified buyers, low-ball offers and a weak negotiating position.

Finally, the owner agreed to be represented by an apartment specialist from our Palo Alto office. After a careful evaluation of the property and its immediate sub-market, the property was listed at a price of \$12,650,000. This represented one of the lowest capitalization rates and highest prices-per-square-foot ever achieved in the market.

The property was registered in our computerized database and was immediately available to the firm's 250 apartment specialists, including agents throughout Northern California. In addition, the marketing material included detailed market research and a persuasive description of the investment opportunity.

The results were dramatic and immediate. Within a few weeks, our Northern California agents produced six offers, including one offer at the listed price. Due to the strong negotiating position that was created for the owner, the buyer quickly removed contingencies and closed at the full list price.

As part of a well-conceived and executed marketing plan, a commission is an investment in creating value for the owner. There is value in effective representation.

Linwood C. Thompson, National Director
National Multi Housing Group
(602) 952-9669
lthompson@marcusmillichap.com

Market Makers for the Nation's Multi Housing Industry