

PERSISTENCE UNDER PRESSURE RESCUES BUYER DECLINED BY THREE LENDERS

Challenges:

- Buyer unable to prove personal liquidity and income
- Three lenders had rejected the buyer
- Buyer was in a 1031 exchange with 29 days to close
- Seller losing patience, 16 days until end-of-contract
- Buyer required a loan with a 1:1.00 debt coverage ratio

Results:

- MMCC loan officer sources a lender to underwrite the full loan at market rents with a break-even DCR
- Select lender did not require income documentation from the buyer
- Worked closely with the seller to secure the necessary information to close on time
- Closed in 14 days from start to finish

Persistence under pressure combined with thorough lender knowledge enabled the Marcus & Millichap Capital Corporation team of Roseville, CA to rescue a 24-unit apartment transaction.

The buyer required a \$1,525,000 3-year-fixed loan on a purchase price of \$2.3 million, but had been denied three times by lenders due to an inability to prove personal liquidity and income. The loan would also require underwriting at a 1:1.00 debt coverage ratio at market rents. The buyer was also in a 1031 exchange, and while he had 29 days to close, only 16 days remained to stay in-contract with the seller. Frustrated,

the seller was ready to walk away from the deal.

The MMCC loan officer researched a lender who would deliver the terms without income documentation and worked with the seller to ensure all required information was delivered in time to close. Collaborating with MMCC staff, the officer managed to close escrow in 14 days, exceeding the expectations of both the buyer and the seller.

When it comes to sourcing capital for challenging, last-minute transactions, Marcus & Millichap Capital Corporation has the team and the market knowledge necessary to close on time.