

CAPABILITIES

*equity
advisory
services*

YOUR SINGLE POINT OF CONTACT
FOR THE ENTIRE CAPITAL STACK


NORTH MARQ
CAPITAL

Better relationships. Better results.

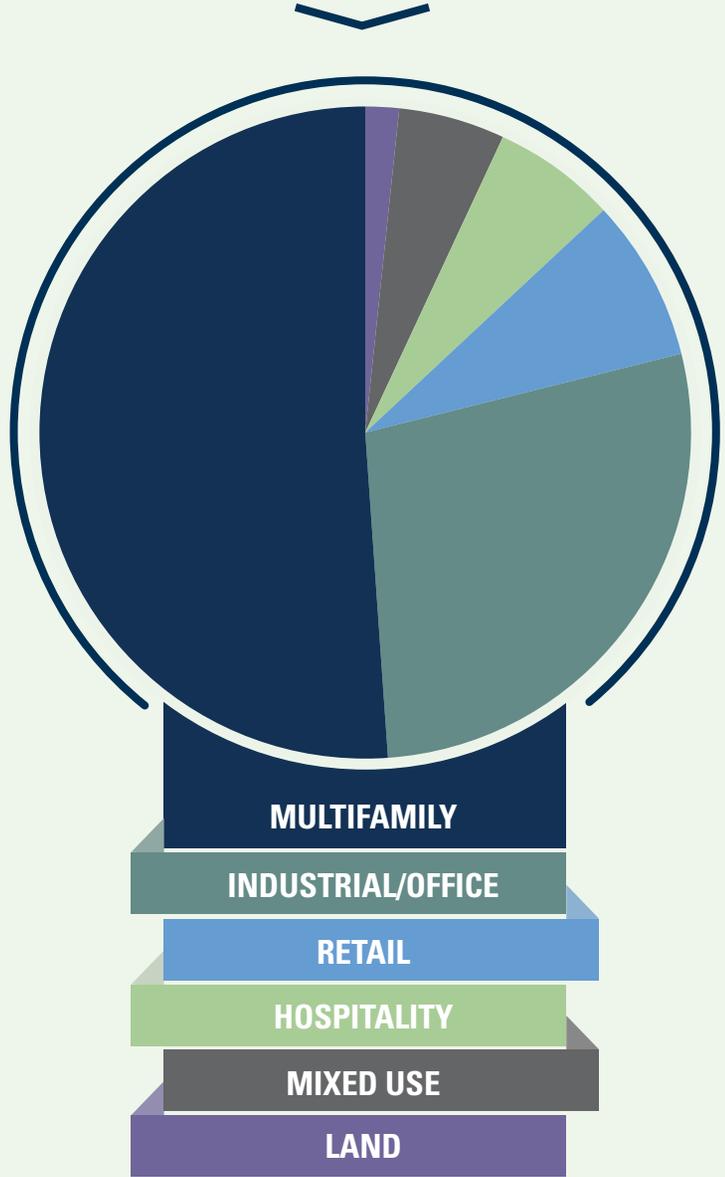
Our close relationships with debt providers are just the beginning of how our long-term relationships create better results for clients. With our local offices across the U.S. partnering with our Equity Advisors Group, we specialize in matching the most compatible investor with the right opportunity for what can be the most complex part of the financing process.

Our combined knowledge of the potential investors in the domestic and international markets allows us to advise our clients on structuring an agreement that best suits the project, the timeline and the business plan. When the contracts are signed, our clients know they have a deal they can be comfortable with for the entire term of the commitment.

OUR EQUITY RELATIONSHIPS INCLUDE:

- Pension Funds
- Opportunity Funds
- REITs
- Family Offices
- Endowments
- Debt Funds
- Insurance Companies
- GSE's/Agencies
- Investment Banks
- Local, Regional, National Banks
- International Banks
- Capital Companies

EQUITY VOLUME BY PROPERTY TYPE



QUICK FACTS

~300

EQUITY
PLACEMENTS
ARRANGED



\$4.2B

EQUITY
PLACED



100+

RELATIONSHIPS WITH
DOMESTIC & FOREIGN
EQUITY SOURCES



25

AVERAGE YEARS OF
EQUITY EXPERIENCE

Experienced professionals manage your timeline and investment.

With years of experience and complicated transactions under their belts, our professionals understand the importance of timing and efficiency in getting the deal done. NorthMarq's expertise in sourcing attractive options throughout the capital stack minimizes costs and ensures that sponsors have multiple options no matter the situation.

Our regional offices can take it a step further by partnering with our Equity Advisors Group, who offer decades-long experience in completing complicated financial transactions. Collaboration across the platform ensures that each deal receives our absolute, undivided attention — and our best recommendation for how to get the deal done.

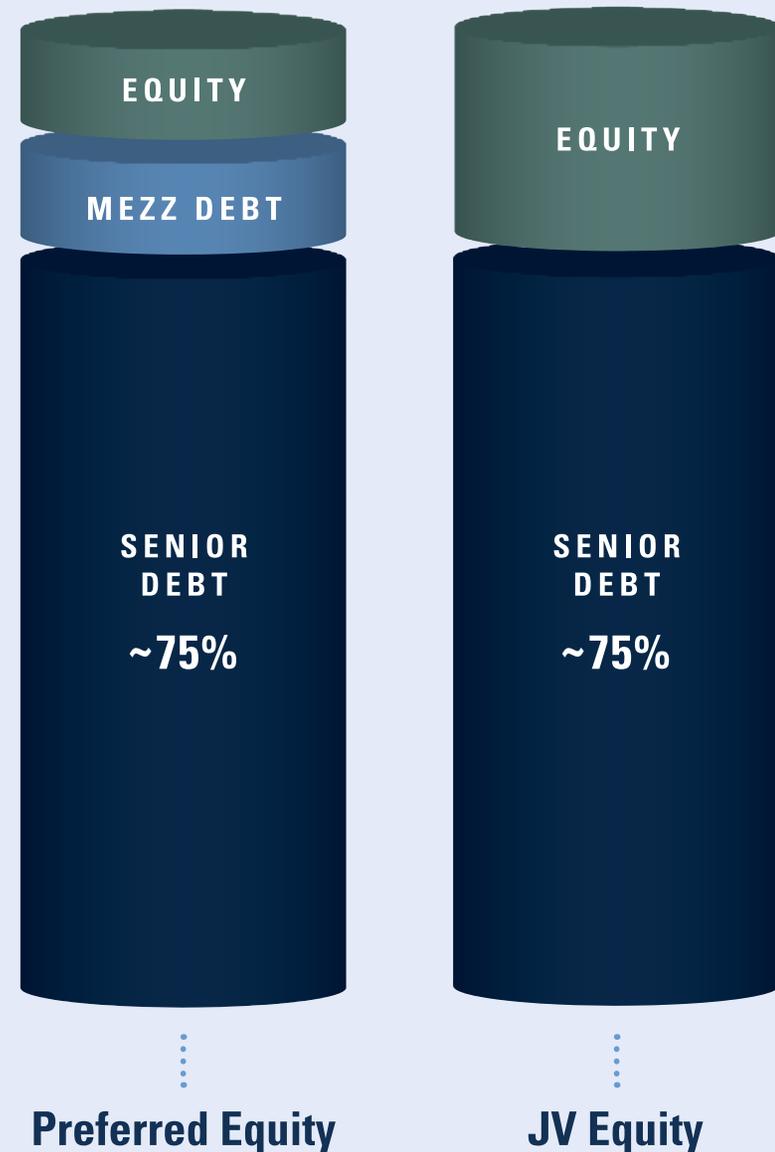
knowledge

We bring the entire capital stack to your deal.

We are able to explore various capital alternatives to find the right investment for any real estate transaction. This separates NorthMarq from your typical financial intermediary — we offer expertise at every level in the capital stack.

Our investor sources are vetted with the collective knowledge of our regional offices, which offer local expertise and insight about the most attractive investors for a particular assignment.

Our ability to navigate both the broad mix of available investors as well as the potential complexity of these transactions — everything from direct equity investments, preferred equity offerings, subordinate mezzanine debt resulting in an “A” and “B” structure — is critical to creating a successful financing structure.



access

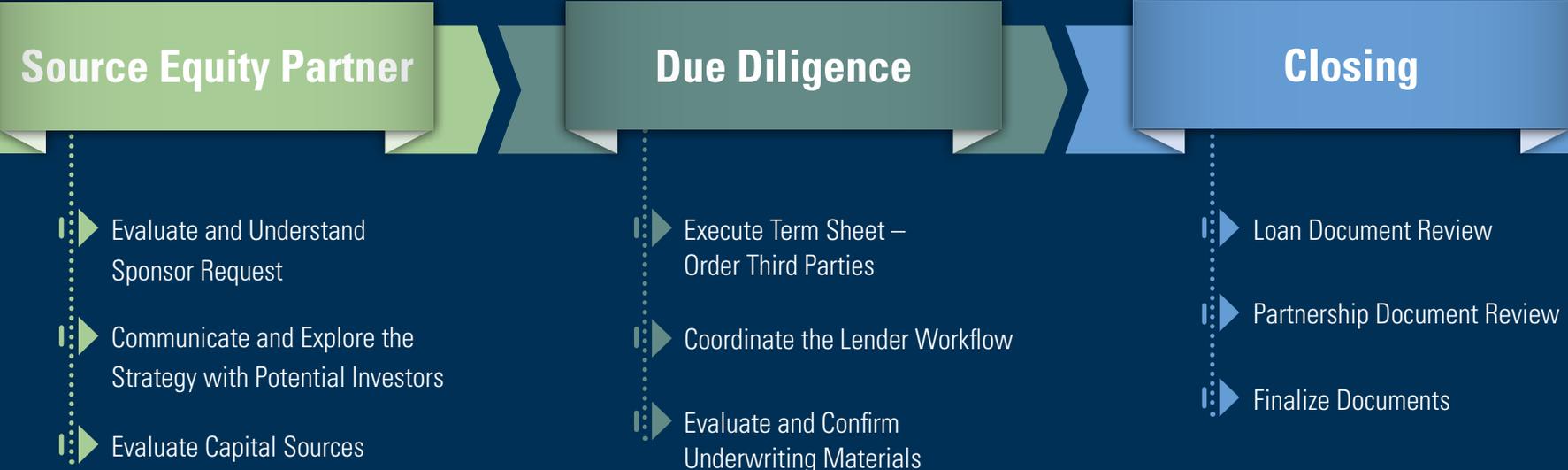
Our process is more than just sourcing capital.

Time is money for any commercial real estate transaction, and we collaborate with sponsors and investors from the beginning to meet the timeline, the project costs, and the investment targets for all partners.

In a construction project, the deadlines for subcontractors, weather, and availability of the tenant space weigh heavily on the financing.

For an acquisition without a financing plan in place, the seller moves on to the next buyer.

None of our solutions are one-size-fits-all. We evaluate all options, manage those relationships through the process, and ensure that funding is in place to successfully close a transaction.



efficiency

Expertise in the Full Spectrum of Equity Solutions

We align the capital strategy with the deal strategy, providing insight and advice for options to consider in each situation.

Joint Venture	Preferred Equity	Co-General Partner Equity	Participating Mortgages	Presales
Applicable to Most Major Property Types	Applicable to Most Major Property Types	Limits Sponsor's Investment	Short-Term and Long-Term Investment Strategies	Defined Exit Strategy
Short-Term and Long-Term Investment Strategies	Short-Term and Long-Term Investment Strategies	Financing for Partner Buyouts	95% + Loan-to-Value	Most Major Property Types
New Construction and Existing Assets	New Construction and Existing Assets	Company Capitalizations Possible	New Construction and Existing Assets	Mitigates Market Risk
Pari Passu Risk/Returns	Limited Investor Return	Expands Capacity	One-Stop Shop	Senior Debt Benefits
Investor Control Rights	Sponsor Control Rights		One Closing	
			Alternative to Sale	
			Tax Efficient	



Multifamily Case Study



The Gabriella

DALLAS, TEXAS

CONSTRUCTION LOAN AND MEZZANINE DEBT

SITUATION

An international multifamily developer partnered with a regional sponsor on the second phase of a multifamily development in Dallas and identified the need for a new equity partner and a construction loan following the successful completion and lease-up of phase one. Phase two, estimated to cost \$135,000,000, was a planned high-rise Class A apartment complex anchored by a full-service grocery store.

STRATEGY

NorthMarq was tasked to find an equity partner that allowed the regional sponsor to contribute existing land into the joint venture partnership at market value. Knowing that many institutional investors had already created partnerships in the busy Dallas market, the Dallas team targeted national and international equity groups with remaining room in their exposure to the area. Due to their active pipeline, the development partner had limited capacity with existing banking relationships so the objective was to source a construction loan with a bank that had no other exposure to the developer and had the ability to handle the loan size and timing.

RESULTS

The project was capitalized with a 60% loan-to-cost fully underwritten construction loan sourced from a less well-known regional bank and a mezzanine loan from a major life company that took the combined capitalization to over 80% LTC. The developer and sponsor contributed land at market value, deferred fees, and invested cash. The equity package came in below budget, providing cost savings, and the no-syndication risk construction loan allowed for the project to begin on time.



Multifamily Case Study



Well-Located, Value-Add Opportunity

DENVER, COLORADO

JOINT VENTURE EQUITY

SITUATION

The 380-unit, well-located multifamily property in Denver was sold with low-leverage assumable debt and no prepayment option to a long-term NorthMarq client, a proven owner/manager. The seller was a family office who was operating the asset inefficiently. The challenge was a need for more equity at acquisition while initially providing a low cash-on-cash annual return. The opportunity was the sponsor's ability to purchase the asset at a much lower than market price-per-unit while creating growth in cash flow through quality management and rent growth.

STRATEGY

NorthMarq's team reviewed regional and national equity partners but the short-term returns didn't meet typical investment targets. The team identified a new international pension fund that was challenged to find U.S. investments. NorthMarq worked with the pension fund to recognize the operational improvements the sponsor was bringing to the bottom line and thus the partnership. The pension fund agreed to make the investment and forego short-term gains to realize long-term profits.

RESULTS

The operational efficiencies and improved rent proved the sponsor was a great partner for the pension fund. The partnership invested \$21 million and returned \$60 million in a four-year hold period. This success laid the foundation for an ongoing partnership that added another \$150 million of business — with more on the horizon.



Office Case Study



Park Place 15 & 16

PHOENIX, ARIZONA

CONSTRUCTION LOAN AND MEZZ EQUITY

SITUATION

The sponsor, a 20-year client with 4.5 million square feet of spec office, flex and industrial space success, was underway with a business park development of 180 acres of vacant land. The first eight spec office buildings, with more than 600,000 square feet, were developed in phases and are 100% leased. The sponsor needed additional financing to start the next phase: two spec, Class A office buildings totaling 270,000 square feet.

During their 40-year history, the sponsor self-funded the project equity. However, the sponsor was now looking to limit their obligations while maintaining control of the opportunity.

STRATEGY

NorthMarq sourced dozens of lenders and investors to identify the right fit for the non-recourse construction loan and mezzanine equity. Many passed due to this being a large spec office project. However, NorthMarq accurately stressed the sponsor's extremely successful 20-year history of developing, leasing and owning projects in Phoenix, especially within this park.

RESULTS

NorthMarq secured the mezzanine equity from an insurance company whose investment equated to 25% of cost. A national bank provided the construction loan at 60% of cost. The sponsor's equity was composed of the land contribution accounting for 11% of cost, plus 4% in cash. Ultimately, approximately 15% of the project was pre-leased to an investment-grade tenant before construction began.



Industrial Case Study



Red Rock Business Park

MAPLE GROVE, MINNESOTA

80/20 PARI PASSU JOINT VENTURE EQUITY

SITUATION

The developer, with a 100-year history of success, was at capacity with their pipeline of projects and needed equity to start a speculative suburban industrial project. The site was a good investment for them, but they needed an equity partner to get the project underway.

STRATEGY

NorthMarq studied the market and identified an insurance company that was comfortable with the speculative nature of the office development. Our team was able to help them understand the strengths of the market, the developer, and the opportunity.

RESULTS

An 80/20 Pari Passu equity structure was agreed upon: the partnership used a 65% construction loan from a local bank to develop and lease the project, resulting in complete lease-up. Then the sponsor completed a \$12 million refinance with a life company for the 319,000-square-foot industrial property located in Maple Grove, Minnesota.

results

Tap into our track record of success.

With offices coast-to-coast, there's a local NorthMarq Capital equity expert waiting to provide the knowledge, access and efficiency your project or business requires.

ALBUQUERQUE, NM

ATLANTA, GA

BALTIMORE, MD

BOSTON, MA

CHARLOTTE, NC

CHICAGO, IL

CINCINNATI, OH

DALLAS, TX

DENVER, CO

HOUSTON, TX

JACKSONVILLE, FL

KANSAS CITY, KS

LAS VEGAS, NV

LONG ISLAND, NY

LOS ANGELES, CA

LOUISVILLE, KY

MIAMI, FL

MINNEAPOLIS, MN

MORRISTOWN, NJ

NEW YORK, NY

OMAHA, NE

ORLANDO, FL

PHILADELPHIA, PA

PHOENIX, AZ

RALEIGH, NC

RICHMOND, VA

ROCHESTER, NY

SALT LAKE CITY, UT

SAN ANTONIO, TX

SAN DIEGO, CA

SAN FRANCISCO, CA

SEATTLE, WA

ST. LOUIS, MO

TAMPA, FL

WASHINGTON, DC

WESTCHESTER, NY



Connect with your local expert
@ northmarq.com/offices



**NORTHMARQ
CAPITAL**

HEADQUARTERS

3500 AMERICAN BLVD W, SUITE 500
MINNEAPOLIS, MN 55431

NORTHMARQ.COM