



The King Street retail corridor in Charleston, S.C.

## Crowdfunding Tops Off \$13.3M Financing Package for D.C. Investor's Charleston Portfolio

**Friedman Capital**, a family-run Washington, D.C.-based investment firm, received a \$13.25 million financing package—

**EXCLUSIVE**

which included a \$12.75 million loan and \$500,000 in equity from crowdfunding

—for four mixed-used buildings located on King Street in Charleston, S.C., Commercial Observer Finance can first report.

**Mission Capital** arranged the debt from **Thorfare Capital**, and the broker's sister company **EquityMultiple** raised the equity from individual investors through its online crowdfunding platform. The funds will be used to recapitalize the properties, which include 36 apartments and six ground-floor retail spaces totaling 41,545 square feet. The assets are located at 363, 364, 367 and 369 King Street.

"This is a great example of Mission Capital's unique capability to provide financing solutions across the capital stack," **Jordan Ray** of Mission Capital, who worked on the deal, said in prepared remarks. "We were able to arrange 80 percent loan-to-cost non-recourse financing at a very competitive interest rate, while EquityMultiple utilized the power of its

online investment platform and tapped into the crowd to raise a portion of the equity."

Ray worked on the transaction with colleagues **Ari Hirt**, **Steven Buchwald** and **David Behmoaras**.

Friedman Capital, which primarily invests in distribution and health care services, will use the proceeds of the financing toward renovations on both the residential and commercial components of the properties, which are leased "well below market rates," according to the brokers. The submarket in which the assets are located has a vacancy rate of 1.8 percent.

"This portfolio is in a great location, and its proximity to the College of Charleston guarantees perpetual full occupancy," Behmoaras said. "We received multiple offers from mortgage real estate-investment trusts, banks and debt funds eager to invest in this attractive deal."

"The property enjoys extremely high demand from both students and retailers, owing to its excellent location on a booming retail corridor within blocks of the college," added **Charles Clinton**, the chief executive officer of EquityMultiple. "The experienced sponsors

and cash flow stability, combined with the deal's value-add potential, make this exactly the sort of compelling investment opportunity we aim to offer individual investors through the EquityMultiple platform."

Representatives from Thorfare and Friedman Capital were not available for comment.—D.B.