

## Real estate investing simplified

[equitymultiple.com](#) New York, NY

Technology

B2C

Real Estate

## Featured Investors

**Christian Mundigo** ✓

Syndicate Lead

Invested in [EquityMultiple](#)

Follow

4 followers

Equity Multiple allows me to diversify my real estate portfolio in a deliberate fashion. I'd been the lead investor/financial partner in a series of projects whose combined construction cost was over \$175mm. EM's 'funnel' is wide: they review dozens of deals for each one that they present to their clients. Equity Multiple then actively remains involved with those projects until they pay out - thus both the investor and EM are aligned to the project outcomes. EM's investor management is robust, each deal is tracked, documented and the investor is kept in the loop on the project's progress.

Given today market uncertainties, EM's process provides safe harbor to invest in Commercial Real Estate. Amongst the deals EM presents, I choose those that fit my investment objectives best: sometimes mixed use, other times a secured loan, a storage facility, residential re-positioning, all with sponsor's whose track records are visible. This let me build a portfolio that is robust and aligned to my needs.

The EM team are dedicated professionals who actively manage all their deals. EM presents projects to investors in a professional manner. They are committed, dedicated, thoughtful and responsive. Equity Multiple is driven to become the best platform that it can be to address investor (and real estate sponsor) needs.

In result, I pursued investing directly in Equity Multiple - because EM's team and founders are building a company that will professionally manage assets for their investor clients, provide capital for their Sponsor clients and build a leading platform in the process.

Invested \$5,000 this round &  
\$500,000 previously

## Highlights

- 1 60% revenue CAGR 2018 to 2022
- 2 Over \$170M in transaction volume in 2022
- 3 \$10M in LTM Revenue (November 2023)
- 4 1st-in-the-industry corporate partnership & investment with Marcus & Millichap (\$1.5B+ Market cap)
- 5 Backed by Founder of Knight Trading (\$5B+ market cap)

- 6 \$18M+ previously raised, including \$1.4M from Wefunder in Q1 2023
- 7 50% growth in total amount invested per customer over 3 years
- 8 Inc. listed our company in their 5000 Fastest-Growing Private Companies in America 2021 and 2022

## Our Team



**Charles Clinton** CEO

Former Simpson Thacher real estate attorney representing Blackstone, KKR and Carlyle on \$10B+ of transactions

Commercial real estate investing has long been the domain of institutional investors and wealthy families. EquityMultiple was founded on the premise that everyone should have access to high quality commercial real estate investments to help reach their financial goals



**Marius Sjulsen** Chief Investment Officer

Over 20 years experience in real estate, acquisitions, and private equity, building out several CRE investing platforms.



**Peter Shankar** Chief Technology Officer

Previously led the buildout of the online loan action platform at Mission Capital (now a part of Marcus&Millichap)



**Soren Godbersen** Chief Growth Officer

Previously an owner of multimillion dollar performance marketing budgets for national brands like Nordstrom and Office Depot.



**Dan Melaugh** EVP, Real Estate

Previously an investment and asset management professional at iStar (NYSE: STAR) and Safehold (NYSE: SAFE) in structured finance, development, net lease and ground lease businesses.



**Henry Kwong** Managing Director, Asset Management

20+ years in real estate and asset management at Clarion Partners, Cerberus Capital, ING and Deutsche Bank.



**Michael Stern** CFO

15+ years in corporate finance, including investment banking at Credit Suisse, hedge funds Narrative Capital and DWD Partners, and heading finance and operations at Habitat Logistics and FIRST.

## Pitch



**EquityMultiple** is a leading investment management and technology firm whose mission is to provide unique real estate private equity and private credit opportunities to accredited investors.

## The Time is Now

## Democratized Investing is Expanding

Information Technology has massively accelerated the democratization of investing



### More first-time investors

FINRA self-directed investor survey found that ~38% of respondents were new non-retirement account investors in 2020



### More accounts

Individual investors opened more than 10M new brokerage accounts in 2020, with an additional 7.8M new clients entering the market just in Jan and Feb 2021



46%

### More usage

Real estate crowdfunding market projected to grow at a CAGR of 46% from 2022 to 2030

SOURCE: THE WALL STREET JOURNAL, 2020, JPMORGAN

SOURCE: FORRESTER RESEARCH, 2020

## ... But access to alternatives remains limited

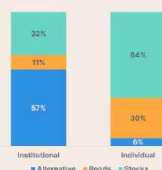
Alternative Investments are growing rapidly...

... but "mass affluent" investors remain under allocated

### Alternative AUM



- Opportunities to tap into alpha
- Less correlation to public markets
- Better risk-adjusted returns during periods of market volatility



- Lack of information
- Lack of access
- Historically high minimum check size

## Today's Turbulent Market Creates a Unique Opportunity for Growth



### Equity Market Volatility Drives Investors to Alternatives

- Public equities and bonds experienced significant losses and volatility in 2022
- Volatility drives need for retail access to non-correlated investments



### Raising Interest Rates Help Expand Product Offerings

- Flexibility in product offerings allows investors to target bespoke investments to diversify portfolio risks
- New lending products, which provide timely expansion opportunities



### Rising Inflation Can Benefit Property Owners

- Inflation is driving rental rate growth, benefiting property cash flow
- Strong cyclical move to real assets coming in 2023/24

## EquityMultiple is the Solution

## About EquityMultiple

Market Leading Online Real Estate Investment Platform

- **Founded in 2015** to democratize real estate investing for mass affluent investors
- **Fully automated platform** to easily invest in professionally managed commercial real estate assets
- Provides **accredited investors** access to proprietary real estate investments sourced through **113+ established sponsor relationships** with a **35% repeat rate**
- Focus on mid-market real estate transactions: **71% of deals under \$30 million**
- **Single access point** for clients' alternative asset allocation needs

## Our Track Record\*



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## Our platform simplifies real estate investing

## Intuitive Online Platform

Investors can invest and monitor their portfolio anytime, anywhere.

Fully digital experience across onboarding, investment review and selection, payments and reporting, supported by world-class customer service

## Pre-Vetted Investments

Less than 10% of investments reviewed are accepted, streamlining the decision process for customers with curated, high-quality deals

Investments are actively tracked from closing to exit by our in-house asset management team

## Diverse Investment Products

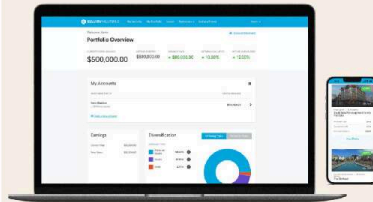
Customers seek to diversify their traditional portfolio by investing in real estate through different asset classes, strategies and products.

We offer both direct investments and managed funds for all types of investor appetites

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## Intuitive Digital Investor Experience

Investors can invest and monitor their portfolio anytime, anywhere



- **Easy-to-use investor interface**
- **Digital onboarding** - Compliance and regulatory requirements are streamlined and automated
- **Easy to get started** - Investors can begin their journey with a low-commitment, low-risk offering
- **Browse and invest** - Select between funds and direct investments with terms and risk/return levels for all investor appetites, all vetted and structured by EM
- **Monitor portfolio** - our asset management and investor relations teams provide ongoing investment updates, payments and tax documents digitally

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## Investors Customize Portfolios to Meet Their Goals

Diverse products let investors build custom portfolios



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## Real Estate Portfolio Investments

Examples of Current Investments Offered

Examples of Current Investments Offered			
Keep	Earn		Grow
<p><b>US - 90-Day Alpha Note Series 0023 - Nine Months</b></p> <p>Investment Type: Short-Term Note</p> <p>Rate: 10.0%</p> <p>Investment Minimum: \$5,000</p>	<p><b>Ascent Income Fund</b></p> <p>Investment Type: Debt</p> <p>Target Return: 10.0%</p> <p>Investment Minimum: \$5,000</p>	<p><b>Express Car Wash</b></p> <p>Investment Type: Debt</p> <p>Rate: 9.0%</p> <p>Investment Minimum: \$10,000</p>	<p><b>Ultra Tech Hops</b></p> <p>Investment Type: Equity</p> <p>Target Return: 15%</p> <p>Investment Minimum: \$10,000</p>

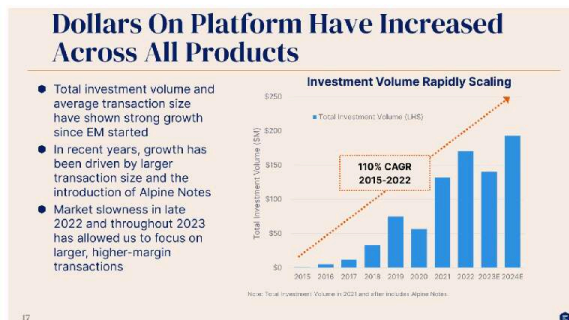
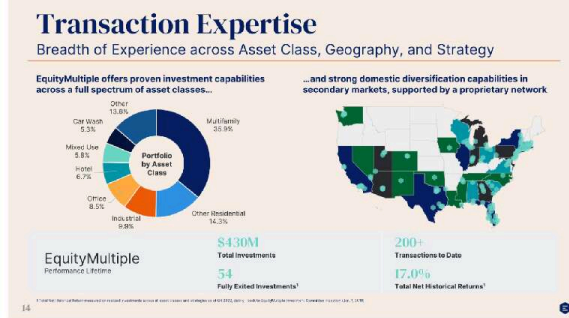
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## Our Investors

EquityMultiple Clients are Young, Fast-Growing Accredited Investors

Our investors are generally **mid-career professionals** with liquid investible assets but who have previously lacked access to invest in direct, private real estate investments







## Strong Revenue Growth

Across Multiple Sources of Income

### Diversified Revenue Streams

By providing services across the lifetime of each investment, we earn revenue at all stages of investment:

- **Upfront Fees** – from closing deals on our platform
- **Ongoing Fees** – from asset management and servicing investments throughout the term
- **Incentive Fees** – from share of profits earned for successful exits

This aligns the incentives between us and our investors and allows us to weather market cycles better than our competitors

### Gross Revenue Since 2018



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## EQUITYMULTIPLE + Marcus & Millichap

### Strategic Update

On October 31, 2023, EquityMultiple entered into a strategic partnership and received an investment from Marcus & Millichap (NYSE: MMI), the leading commercial real estate investment brokerage and capital markets services firm in North America.

This is the **first of its kind investment and partnership in our industry** brings institutional validation to EquityMultiple's unique approach to real estate investing.

- **About MMI:**
  - As of December 31, 2022, the company had 1,904 investment sales and financing professionals in 81 offices who provide investment brokerage and financing services to sellers and buyers of commercial real estate
  - Closed 12,272 transactions in 2022, with sales volume of approximately \$38.3 billion
- **About the Strategic Partnership:**
  - Marcus & Millichap is one of the preeminent research institutions in the CRE space. MMI research & data incorporated into EquityMultiple's origination and underwriting methodologies.
  - Access to database of 90K potential investors
  - MMI national reach gives EquityMultiple access to exponentially more potential investment opportunities and Sponsor relationships.

MMI: EQUITYMULTIPLE - 10/31/2023 11:11

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## Key goals for 2023 and beyond



#### 4X Investor Community

- Utilize regulation 506(c) to advertise investments more broadly
- Expand marketing channels and partnerships
- International distribution channels
- Grow sales and investor support teams



#### Profitable by 2025

- Increase average transaction size 4X by 2024
- Invest in programmatic partnerships with strong Sponsors and brokers
- Grow originations and investments teams



#### Launch New Products

- Debt Fund launched Q2'23
- Launch GP Equity Fund in 2024
- Expand diversified products
- Offer first non-accredited investor product
- Introduce auto investing and tools to make it even easier to invest

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## Be a part of our next stage of growth

**\$8.0M+ raised in this round since 2022**

**Including \$1.4M raised in last Wefunder round (ended April 2023)**

**Why do we ♥ Wefunder?**

We believe in the democratization of investing. Private markets like real estate and venture capital should be available to the public. Together, we can reshape how individuals invest and build wealth.

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## Our Team

Senior Leadership with Extensive Capital Markets and Private Equity Real Estate Experience

<p><b>Charles Clinton</b> Chief Executive Officer Co-Founder</p>	<p><b>Markus Spillen</b> Chief Investment Officer Co-Founder</p>	<p><b>Michael Stern</b> Chief Financial Officer</p>	<p><b>Soren Swenson</b> Chief Growth Officer</p>
<p><b>Dan McLaugh</b> EVP, Credit Investments</p>	<p><b>Henry Kwong</b> MD, Asset Management</p>	<p><b>Milan Parekh</b> MD, Equity Investments</p>	<p><b>Peter Shankar</b> Chief Product Officer</p>

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**Our Vision is to make alternative investments a part of every investor's portfolio**

Real estate is just the beginning...

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**Join us in making alternative  
investing as simple and accessible  
as the stock market**

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