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Base Equities Preferred Equity

Base Equities is a provider of **small balance** (\$1-5M) preferred equity investments to established sponsors in **value-add** real estate in the U.S.

The Small-Balance Preferred Equity program is intended to provide reliable capital for sponsors looking to move beyond traditional friends and family capital raises, so they can focus on closing and operations. The program is geared towards short term transactions, where sponsors will benefit from keeping a larger share of the profit participation compared to a capital structure that is all common equity.

All brokers are protected.

Program Details

Investment Amounts: \$1 million to \$5 million.
Maximum 90% LTV (up to 95% in special circumstances).

Investment Horizon: 2-3 years. Up to 5 years in certain circumstances.

Investment Term: Flexible
0-10% current pay
Yield to a 8-15% preferred return
0-50% profit share

Fees: 1% of equity placed at closing

Investment Type: New acquisition
Capital improvements
Partnership recapitalizations
Rescue capital

Target Asset Types: Value-add multifamily
Value-add industrial
Non-performing loans

Prepayment: Flexible

Redemption: Pay off through a refinance and retain 100% of the equity

Recent Transaction



The Molino Apartments

\$3 Million Preferred Equity Investment
\$15 Million Transaction Size
Phoenix, AZ
Hotel Conversion