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## **ArborCrowd offers investors equity interests in Cove West Hartford**

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West Hartford, CT ArborCrowd (the company), one of the only online platforms that enables individuals to make equity investments in institutional-quality commercial real estate, has presented the opportunity for investors to acquire equity interests in Cove West Hartford, a 200-unit apartment community. The six-building complex is located 2.5 miles from downtown.

The property was acquired in an off-market transaction by affiliates of ArborCrowd, CS Acquisition Group, LLC (the sponsor), a real estate owner and operator with a large portfolio in the Hartford area, and AMAC—a real estate private equity firm that is part of the Arbor family of companies. ArborCrowd is seeking to raise \$3.55 million from investors for this opportunity. The total capitalization of the transaction is \$26.3 million, and the sponsor and AMAC will continue to own more than 50% of the total equity in this transaction.

The investment opportunity has a projected 14% to 17% Internal Rate of Return (IRR) and a targeted hold period of three to five years. The value-add repositioning program includes a budgeted \$3.6 million to fully gut and renovate all units and overhaul the property's common areas and multi-purpose clubhouse. The sponsor has extensive experience creating value and operating properties in the Hartford multifamily market and anticipates this repositioning program will generate an average rental premium of over \$330 per unit per month.

“We’re highly selective about the deals we present to our investors. Each sponsor and project is thoroughly vetted to ensure the deal and projected business plan match up with market fundamentals and demand,” said Adam Kaufman, co-founder and managing director of ArborCrowd. “Like all of our deals, this investment was sourced through our relationship with the Arbor family of companies, which provides us access to a proprietary network of successful sponsors.”

Cove West Hartford is well-located, offering ease of access to major retail centers, universities and transportation arteries linking Connecticut to New York and Massachusetts. Approximately 170,000 residents are located within a three-mile radius of the Property and their average annual household income is roughly \$73,000. Given the limited supply of quality multifamily workforce housing options in the market, the Sponsor anticipates that the Property will appeal to the Hartford area's working-class residents.

Kaufman said, “Cove West Hartford was a particularly attractive investment opportunity for several reasons, including its outstanding location near downtown Hartford and local employment centers, a

lack of comparable supply in the market, and strong demand for quality apartments at an affordable price. We're excited to partner with CS Acquisition Group, an experienced local owner and operator, and are confident that they will execute on the value-add strategy, which could yield a substantial return on investment."

The Cove West Hartford equity offering marks the seventh institutional-quality multifamily deal that ArborCrowd has presented to its crowd investors since its founding in 2016. Most recently, ArborCrowd's Tower on Ryan Park deal in Mobile, Ala., raised more than \$2 million in under two weeks, reflecting the high investor demand for its offerings. In total, ArborCrowd has raised more than \$18 million of equity for assets valued at roughly \$200 million.

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