



June 10, 2026



Buyer: **FIGURE**

Figure to Acquire Kiavi for \$717M

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Transaction Overview

On June 10th, Figure Technology Solutions (Nasdaq: FIGR) announced a definitive agreement to acquire Kiavi, an AI-powered lending platform for residential real estate investors, in a transaction valued at \$717 million. Under the structure, Figure acquires Kiavi's technology and operating platform, while a joint venture between Figure and global investment firm Sixth Street acquires the loan assets held on Kiavi's balance sheet.

Target: Kiavi

Founded in 2013 as LendingHome by Matt Humphrey and James Herbert and rebranded to Kiavi in November 2021, Kiavi is a Pittsburgh-based, AI-powered lending platform serving residential real estate investors. It ranks as the number one Residential Transition Loan lender in the United States and is one of the nation's largest non-bank lenders to real estate investors.

Kiavi's products span short-term Residential Transition Loans (RTL), used for fix-and-flip and bridge financing, and longer-duration Debt Service Coverage Ratio (DSCR) loans for rental properties, alongside new construction and jumbo offerings. The platform pairs proprietary AI decisioning, including a post-renovation home value engine and automated document review, with a deep origination data set to underwrite and fund investor loans at speed and scale.

The company has funded more than \$30 billion across over 100,000 loans since inception and lends in 49 states plus Washington, D.C. In its most recent year, Kiavi reported more than \$250 million in revenue and more than \$100 million in EBITDA, a high-margin profile that is uncommon among specialty lenders. Chief Executive Officer Arvind Mohan will join Figure's executive team as Chief Business Officer following the close.

According to Pitchbook, Kiavi has raised \$557 million of disclosed venture equity across multiple rounds. Its latest disclosed valuation round was its \$75 million Series E in December 2020 at a \$405 million post valuation. Other sources of funding include several hundred million dollars in warehouse facilities and securitization funding. Backers include Foundation Capital, Ribbit Capital, Renren (now Moatable), First Round Capital, and Benefit Street Partners.

Competitors include other non-bank lenders to residential real estate investors such as Lima One Capital, RCN Capital, Anchor Loans, Roc Capital, LYNK Capital, and Groundfloor, alongside regional banks and private credit funds that finance fix-and-flip and rental investors.

Buyer: Figure

Figure Technology Solutions (Nasdaq: FIGR) is a blockchain-native capital marketplace for the origination, funding, sale, and trading of tokenized assets. Founded in 2018 by Mike Cagney and June Ou and built on Provenance Blockchain, Figure is the largest non-bank provider of home equity financing, with more than \$25 billion originated to date and over 380 partners using its loan origination system and capital marketplace. Figure estimates it accounts for roughly 75% of all real-world asset tokenization activity.

Figure's ecosystem centers on Figure Connect, its consumer credit marketplace, and Democratized Prime, an on-chain warehouse marketplace that matches lenders with investors seeking institutional-grade returns. Supporting infrastructure includes DART, its digital asset registry for custody and lien perfection; \$YLDS, an SEC-registered yield-bearing stablecoin; and Adaptor, a newly launched AI product that enables agent-to-agent onboarding of disparate originator data across asset classes. Figure has secured AAA ratings from S&P and Moody's on multiple blockchain-based loan securitizations, a first for the asset class.

Figure completed its IPO in September 2025 at \$25 per share, raising roughly \$788 million in its offering at an initial valuation near \$5.3 billion. Today Figure trades around \$6.3 billion with an LTM revenue of \$516M and an adjusted EBITDA of \$303M. Worth noting, the Kiavi transaction, announced roughly nine months after the listing, is Figure's first major acquisition as a public company and a deliberate push into first-lien origination and agentic AI.



Transaction Parameters

The transaction carries a headline total purchase price of \$717 million across two related legs: Figure's acquisition of Kiavi's technology and operating platform, and the acquisition of Kiavi's balance-sheet loan assets by a Figure / Sixth Street joint venture. Reported financing details indicate approximately \$538 million of contribution from Figure and approximately \$179 million from Sixth Street, suggesting that the majority of the difference between Figure's base platform purchase price and the headline transaction value relates to the JV / balance-sheet asset component, though the final bridge may also reflect customary adjustments and other closing mechanics.

Based on Kiavi's reported revenue of more than \$250 million and EBITDA of more than \$100 million, Figure's reported \$538 million contribution implies approximately 2.2x revenue and 5.4x EBITDA for the platform component, while the \$717 million headline transaction value implies approximately 2.9x revenue and 7.2x EBITDA on a blended basis. The latter includes the balance-sheet asset purchase by the Figure / Sixth Street joint venture and is therefore not a clean operating-business multiple.

Figure expects the deal to be accretive to earnings per share, to deliver an unlevered cash payback in under four years, and to support its 60% medium-term EBITDA margin target, adding more than \$7 billion in annual first-lien volume to Figure Connect and over \$100 million monthly to Democratized Prime.

Comparable fintech and lending platform transactions, though larger and imperfect given this deal's blockchain dimension, include: Rocket | Mr. Cooper (\$9.4B equity value), Rocket | Redfin (\$1.75B), SoFi | Galileo (\$1.2B), and SoFi | Technisys (\$1.1B).

Strategic Rationale

The acquisition routes a profitable, scaled origination engine onto blockchain rails. Figure's core thesis is that capital markets are migrating on-chain, and Kiavi supplies high-quality, recurring first-lien origination volume that feeds directly into Figure Connect and Democratized Prime. Management expects the platform to add more than \$7 billion in annual volume immediately, against what the companies frame as a \$200 billion annual addressable origination opportunity in residential investor lending.

The deal diversifies Figure beyond its home equity base into first-lien credit. Figure's franchise was built on HELOCs and other second-lien products; Kiavi's RTL and DSCR loans are first-lien, a market the company describes as roughly 25 times larger than second-lien. Figure's first-lien

volume grew about 2.5 times year over year in 2025, and with Kiavi, management projects first-lien will exceed 40% of consumer loan marketplace volume for full-year 2027, materially reducing concentration in any single product.

The transaction also advances Figure's agentic AI roadmap while preserving its capital-light model. Kiavi's AI decisioning, including its post-renovation valuation and document review engines, complements Figure's blockchain data layer, and Kiavi's asset class will serve as the first use case for Adaptor, Figure's agent-to-agent onboarding product. By placing the balance sheet loans into the Sixth Street joint venture rather than onto its own books, Figure captures the origination flow and platform economics without absorbing the funding burden.

Architect Partners' Observations

The partnership structure is central to the strategic logic of the transaction. By acquiring Kiavi's technology and operating platform while placing the balance sheet loans into a Figure and Sixth Street joint venture, Figure captures the full origination funnel while preserving its high-margin, capital-light profile. Sixth Street supplies the balance sheet capacity and private credit expertise, allowing Figure to expand into a scaled first-lien lending vertical without absorbing the full funding burden of the loan book. This is indicative of the growing convergence of traditional finance and blockchain infrastructure.

What makes Figure particularly particularly exciting is that it's leading the effort to unify blockchain and TradFi. Rather than waiting for legacy lenders to adopt blockchain rails, Figure is acquiring traditional asset origination and bringing that volume onto its own platform. In doing so, the company is positioning itself not just as a technology provider, but as a scaled marketplace for tokenized credit. Bringing residential investor credit on-chain is a concrete proof point that whole lending categories, not just home equity, can migrate toward blockchain-based settlement and distribution. Every additional asset class Figure can tokenize increases the relevance of its marketplace and infrastructure, while expanding the opportunity set for institutional capital to access credit through on-chain rails.

Sources

[PitchBook](#), [Press Release](#), [Figure](#), [Kiavi](#), [Sixth Street](#)