CommonWealth REIT Raises $570 million In An Equity Offering, Says iNVEZZ.com

Friday 8 March, 2013

iNVEZZ.com, an investor-focused online portal, today published a news item on the latest developments in the REIT scene. The article is entitled “REIT Deals Watch: CommonWealth Ignores Beefed Up Acquisition Bid” and focuses primarily on the recent equity offering by CommonWealth REIT, put up in the face of an amended takeover offer from activist investors Keith Meister and Jeff Blau. Other REITs included in the news item were InnVest REIT and Campus Crest Communities.

iNVEZZ.com, the investor’s portal, in its daily REIT coverage today reported that CommonWealth REIT had raised $570 million, selling 30 million shares on Wednesday at a price of $19 per share. According to the portal, the selling price represented a 20 percent discount on Wednesday’s closing price. iNVEZZ.com said that the REIT proceeded with the planned equity offering despite receiving an unwelcome takeover bid of $27 per share.

The offer came jointly from Corvex Management, a hedge fund controlled by Keith Meister, and real estate developer Related Cos and was an improvement of $2 on the $25 a share they had previously offered. But the REIT ignored the sweetener and pressed ahead with the share placement. Analysts observed that CommonWealth’s external advisor,REIT Management & Research,had had a major influence on the decision to reject the buyout bid.

CommonWealth’s stock fell 7.75 percent in Wednesday’s regular trading and extended its fall by another 6.18 percent to $21.12 after hours, iNVEZZ reported.

The news item also reports on the announcement by American real estate trust Campus Crest Communities of plans to buy a 48 percent stakein Copper Beech Townhome Communities for $262 million, with anoption to acquire the balance until mid-2016.

The REIT also said that it will issue 22.2 million new shares, with an overallotment option of a further 3.3 million, iNVEZZ reports. According to the portal, the trust plans to use the subscriptions (an estimated $312 million) to help fund its acquisition plans.

The full article can be found at

iNVEZZ.com is a newly launched investment-focused web portal offering news and analysis on a broad range of markets and investment classes such as forex, equities, commodities, real estate and energy. The website provides accurate and timely information with up-to-the-minute newson the latest developments in the global markets.

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