

Manulife US Reit's preferential offer 47% oversubscribed; new units to list on Oct 18

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MANULIFE US Reit's preferential offering to raise US\$62.7 million was about 47 per cent oversubscribed, with the new units to list on Oct 18, the pure-play US office Reit said in a bourse filing on Tuesday.

There were excess applications for about 46.1 million new units. About 11.9 million new units which were not validly accepted will be allotted to satisfy applications for excess new units, said Manulife US Reit. It offered 52 new units for every 1,000 existing units at an issue price of US\$0.86 per new unit.

Insurance businesses Manulife (International) and Manufacturers Life Reinsurance and Reit manager Manulife US Real Estate Management have, under their provisional allotments, taken up a total of about 6.5 million new preferential offering units, worth about US\$5.6 million.

After the new units are listed, the three parties will own a combined 8.3 per cent of the total number of Manulife US Reits in issue.

The mainboard-listed Reit in September announced a private placement alongside the preferential offering, netting gross proceeds of about US\$142.7 million after both priced in at the top end of their issue price range.

About US\$80 million was raised from the private placement at an issue price of US\$0.876 per unit.

About US\$135.4 million or 94.9 per cent of the total proceeds will be used to partly finance Manulife US Reit's US\$198.8 million acquisition of a Class A office building in Sacramento, California.

Manulife US Reit closed down US\$0.005 or 0.5 per cent at US\$0.91 on Monday.

<https://www.businesstimes.com.sg/companies-markets/manulife-us-reits-preferential-offer-47-oversubscribed-new-units-to-list-on-oct-18>