

MacKenzie Realty Capital Registers Second Follow-On Offering

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September 09, 2019



MacKenzie Realty Capital Inc., a non-traded business development company, has filed a registration statement for its second follow-on offering for up to 15 million shares of common stock for up to \$153.8 million in shares. The company plans to terminate the offering, which is not yet effective, in December 2022.

MacKenzie focuses on investing in illiquid or non-traded debt and equity securities issued by U.S. companies that primarily own commercial real estate, including non-traded REITs, small-capitalization publicly-traded REITs, public and private real estate limited partnerships, limited liability companies, and tenancies-in-common.

The company launched its initial public offering in August 2013 and raised approximately \$42.5 million in investor equity before it closed in October 2016. The company's second offering was declared effective in December 2016 and has raised \$52.01 million as of the first quarter of 2019 and is expected to close on October 28, 2019.



MacKenzie's investments will generally range in size from \$10,000 to \$5 million. The company purchases most of its securities directly from existing security holders through tender offers, through established securities markets, and directly from issuers, in the case of unregistered privately offered securities.

Shares are expected to be priced at \$10.25 each, and the minimum initial investment is \$5,000. Brokers will receive a 7.0 percent sales commission and a 1.1 percent marketing support fee to help cover marketing costs. Arete Wealth Management LLC will receive a dealer manager fee of up to 1.9 percent.

If shares are purchased through investment advisers, the company will only pay the dealer manager fee to Arete and no commissions or marketing support fee will be paid.

[MacKenzie Realty Capital](#) is advised by MCM Advisers LP, while [MacKenzie Capital Management LP](#) provides non-investment management services and administrative services.

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