

Rich Uncles REITs Shareholders Approve Merger

Shareholders of RW Holdings NNN REIT Inc., a publicly registered non-traded real estate investment trust also known as Rich Uncles NNN REIT Inc., and an affiliated non-traded REIT, Rich Uncles Real Estate Investment Trust I, have approved the previously announced merger where NNN REIT would acquire Rich Uncles REIT I. The transactions are expected to close at the end December 2019 or early January 2020.

As previously reported, NNN REIT also entered into a contribution agreement with BrixInvest LLC, the external manager and sponsor of both REITs, where BrixInvest would contribute substantially all of its assets to NNN REIT's operating partnership.

The companies claim that the two all-stock transactions will create the largest real estate crowdfunded equity REIT with more than \$450 million in real estate assets under management and the first fintech real estate crowdfunding platform to be wholly owned by its own investors. The combined company will oversee a 2.2 million-square-foot portfolio comprised of 45 properties that are 100 percent occupied.

At the NNN REIT special meeting held on December 17th, 10.4 million shares voted in favor of the merger, nearly 385,000 voted against, and 480,300 abstained.

At the Rich Uncles Real Estate Investment Trust I special meeting, 5.5 million shares voted in favor of the merger, nearly 510,000 voted against, and 318,600 abstained.

In exchange for each share of Rich Uncles REIT I common stock, Rich Uncles REIT I stockholders will receive 1.000 share of NNN REIT common stock, which is equivalent to \$10.16 per Rich Uncles REIT I share based on NNN REIT's most recent estimated

net asset value per share of \$10.16.

In exchange for each BrixInvest unit, BrixInvest unitholders will receive 1.000 Class M unit in NNN OP, which are ultimately convertible into a minimum of 5.000 shares and, contingent upon the successful achievement of specific milestones, a maximum of 9.000 shares of NNN REIT common stock following the fourth anniversary of the transaction close.

Following the fourth year, the converted units will be entitled to dividend distributions and voting rights. Based on NNN REIT's most recent estimated net asset value per share of \$10.16, the minimum conversion ratio of 5.000 shares of NNN REIT common stock is equivalent to \$50.80 per BrixInvest unit.

Following the closing of the transactions, NNN REIT, Rich Uncles REIT I, and BrixInvest stockholders are expected to own approximately 58 percent, 29 percent, and 13 percent of the combined company, respectively.

Recently, [BrixInvest reached a settlement](#) with the Securities and Exchange Commission's previously disclosed fact-finding investigation into the advertising and sale of securities and compliance with broker-dealer regulations. As part of the settlement, the SEC accepted the offer that allows RW Holdings NNN REIT to continue its offering through a FINRA registered broker-dealer.

Rich Uncles Real Estate Investment Trust I owns a real estate portfolio comprised of 20 properties, including 10 retail, six industrial, and four office properties with approximately 607,000 square feet of leasable space.

RW Holdings NNN REIT owns 24 operating properties, a 72.7 percent tenant-in-common interest in an office property, and one parcel of land, including 10 office, nine retail, and five industrial properties with approximately 1.5 million square feet of leasable space. Through August 31, 2019, the company had raised \$176.6 million in investor equity.

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