



## **Blackwells, L&B target Monmouth**

Activist Insight

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Monmouth Real Estate Investment has revealed that Blackwells Capital and Land & Buildings Investment Management each intends to seek four board seats at the next annual meeting.

Blackwells is expected to nominate four directors and make six non-binding stockholder proposals at Monmouth's 2021 annual meeting, which has not yet been scheduled, the company said in a December 31 press release.

The REIT added that Land & Buildings is also considering a proxy contest, having sent it a notice regarding four board candidates and one non-binding proposal.

The company, one of the oldest public equity REITs in the world with a market capitalization of about \$1.7 billion, noted that the board campaigns come amid a takeover approach from Blackwells.

Blackwells, already one of the largest shareholders in Monmouth, launched an offensive at the REIT in December. On December 18, the activist made an \$18 per share all-cash offer for Blackwells, a transaction valued at about \$3.8 billion including debt.

Blackwells' \$18 per share bid represents a 6% premium to Monmouth's unaffected share price. It also sits 22% above the target's stock price as of December 1 when Blackwells made a \$16.75 per-share proposal, which was rebuffed.

Monmouth said it will examine the notices from both activist investors as well as Blackwells' takeover offer. At the same time, the company defended its board, saying directors are "highly experienced and actively engaged."

The company claimed that it has "meaningfully strengthened the independence and diversity" of the board over the past three years by adding three new independent directors "who bring fresh perspectives and relevant backgrounds in REITs, risk management, global commerce, security matters and real estate finance and investment."

Monmouth touted the performance of its board management team and deemed itself "the single best performing" industrial REIT by total shareholder return in 2019.

Shares in Monmouth lost 0.3% on Thursday, trimming 2020 gains to 19.6%.