

## Rocket Companies seeks to raise \$3.8 billion in IPO

By Jordyn Grzelewski  
(excerpt)

Billionaire businessman Dan Gilbert's Rocket Companies Inc. looks to raise \$3.8 billion in an initial public offering, according to updated federal regulatory paperwork made public Tuesday.

The Detroit-based company plans to sell 150 million shares to the public, with another 22.5 million shares available for the deal's underwriters to purchase. At a proposed price per share of \$22, Rocket looks to net \$3.795 billion.

The date of the proposed IPO has not yet been announced, and the company has not commented beyond what is outlined in regulatory filings since initial paperwork was filed earlier this month. But the company said that it will begin the "roadshow" portion of the IPO process, during which it will pitch potential investors ahead of the IPO. ...

... And, given market conditions, the timing may be opportune.



David Kudla, CEO Mainstay Capital Management (Photo: Mainstay Capital Management)

"The housing market is on fire. Interest rates are continuing to set new record lows. Mortgage rates are continuing to come down," said David Kudla, founder, CEO and chief investment strategist at Grand Blanc-based Mainstay Capital Management LLC. "You've got a leader in the industry,

in an industry that's booming, in a pretty good environment for IPOs. ... I think it'll be quite a successful IPO."

Under a multi-tiered stock system, Gilbert would maintain a significant controlling stake — 79% — in the company, giving him final say over major decisions such as the election of board directors, proposed mergers, or sale of the company's assets.

The company noted Tuesday that the price per share has not yet been finalized, but it expects it to fall between \$20 and \$22. The price will not be set until the evening before Rocket opens on the market.

"The offering is subject to market conditions, and there can be no assurance as to whether, or when, the offering may be completed or as to the actual size or terms of the offering," the company said in a statement.

Rocket Companies is a holding company consisting of personal finance and consumer service brands, including Rocket Mortgage, Rocket Homes, Rocket Loans, Rocket Auto, Rock Central, Amrock, Core Digital Media, Rock Connections, Lendesk and Edison Financial.

\*Please contact Mainstay at 866-444-6246 to request a copy of the full article.