
TIAA buys Everbank

By Editorial Staff *Thu, Aug 11, 2016*

EverBank stockholders will receive \$19.50 per share in cash, or an approximate total of \$2.5 billion.

TIAA (formerly TIAA-CREF) has agreed to buy EverBank, a nationwide consumer and commercial bank with \$27.4 billion in assets. The acquisition, expected to close in the first half of 2017, expands TIAA's banking and lending products and complements its retirement, investment and advisory services.

EverBank stockholders will receive \$19.50 per share in cash, or an approximate total of \$2.5 billion. "The combination of TIAA's existing banking operations and EverBank will significantly bolster TIAA's banking capabilities and form a full-service banking company uniquely positioned to help both companies' customers succeed," said a TIAA release.

TIAA currently offers a variety of savings and lending products to its customers. EverBank's established banking operations will enable TIAA to provide a wider range of services to those customers. The acquisition gives TIAA an employee base and significant business operations in Jacksonville, Florida, and other key markets.

EverBank's board of directors has approved the transaction, as have the insiders who control 22% of Everbank's outstanding common stock. The deal is subject to approval from the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and EverBank's common stockholders.

The holders of the EverBank's Series A 6.75% Non-Cumulative Perpetual Preferred Stock will have the right to receive the liquidation preference of \$25,000 plus accrued and unpaid dividends on a share in cash at closing.

Lazard acted as lead financial advisor and Davis Polk & Wardwell LLP served as legal counsel to TIAA. J.P. Morgan Securities LLC also acted as financial advisor to TIAA. UBS Investment Bank advised EverBank and Sullivan & Cromwell LLP served as its legal counsel.

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