

Seritage Growth Properties
Form SC 13D/A
March 29, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 7)

Seritage Growth Properties
(Name of Issuer)

Class A common shares of beneficial interest, par value \$0.01 per share

(Title of Class of Securities)

81752R100

(CUSIP Number)

Janice V. Sharry, Esq.

Haynes and Boone, LLP

2323 Victory Avenue, Suite 700

Dallas, Texas 75219

(214) 651-5000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

March 28, 2019

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 81752R100

1. Names of Reporting Persons.

ESL Partners, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

WC

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

737,329 (1)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

737,329 (1)

With

10. Shared Dispositive Power

1,534,399 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,271,728 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

6.1% (3)

14. Type of Reporting Person (See Instructions)

PN

(1) Includes 396,219 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.

- (2) Includes 926,146 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.
- (3) Based upon 35,667,521 Class A Shares and 1,322,365 Class B Shares outstanding as of February 22, 2019, as disclosed in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, that was filed by the Issuer with the SEC on March 1, 2019.

CUSIP No. 81752R100

1. Names of Reporting Persons.

RBS Partners, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

737,329 (1)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

737,329 (1)

With

10. Shared Dispositive Power

1,534,399 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,271,728 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

6.1% (3)

14. Type of Reporting Person (See Instructions)

PN

(1) Includes 396,219 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.

- (2) Includes 926,146 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.
- (3) Based upon 35,667,521 Class A Shares and 1,322,365 Class B Shares outstanding as of February 22, 2019, as disclosed in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, that was filed by the Issuer with the SEC on March 1, 2019.

CUSIP No. 81752R100

1. Names of Reporting Persons.

ESL Investments, Inc.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

737,329 (1)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

737,329 (1)

With

10. Shared Dispositive Power

1,534,399 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,271,728 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

6.1% (3)

14. Type of Reporting Person (See Instructions)

CO

- (1) Includes 396,219 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.
- (2) Includes 926,146 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.
- (3) Based upon 35,667,521 Class A Shares and 1,322,365 Class B Shares outstanding as of February 22, 2019, as disclosed in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, that was filed by the Issuer with the SEC on March 1, 2019.

CUSIP No. 81752R100

1. Names of Reporting Persons.

Edward S. Lampert

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

PF

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

United States

7. Sole Voting Power

Number of

Shares

2,271,728 (1)(2)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

737,329 (1)

With

10. Shared Dispositive Power

1,534,399 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,271,728 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

6.1% (3)

14. Type of Reporting Person (See Instructions)

IN

(1) Includes 396,219 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.

- (2) Includes 926,146 Class B Shares, which are non-economic voting shares that are not entitled to any dividends or distributions, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.
- (3) Based upon 35,667,521 Class A Shares and 1,322,365 Class B Shares outstanding as of February 22, 2019, as disclosed in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, that was filed by the Issuer with the SEC on March 1, 2019.

This Amendment No. 7 to Schedule 13D (this Amendment) relates to Class A common shares of beneficial interest, par value \$0.01 per share (Class A Shares), of Seritage Growth Properties, a Maryland real estate investment trust (the Issuer). This Amendment amends the Schedule 13D, as previously amended, filed with the Securities and Exchange Commission (the SEC) by ESL Partners, L.P., a Delaware limited partnership (Partners), RBS Partners, L.P., a Delaware limited partnership (RBS), ESL Investments, Inc., a Delaware corporation (ESL), and Edward S. Lampert, a United States citizen, by furnishing the information set forth below. Except as otherwise specified in this Amendment, all previous Items are unchanged. Capitalized terms used herein which are not defined herein have the meaning given to them in the Schedule 13D, as previously amended, filed with the SEC.

Item 2. Identity and Background.

Item 2(a) is hereby amended and restated in its entirety as follows:

(a) This Schedule 13D is being filed by Partners, RBS, ESL, and Mr. Lampert by furnishing the information set forth below. Partners, RBS, ESL and Mr. Lampert are collectively defined as the Reporting Persons.

Attached as Annex A hereto and incorporated herein by reference is a list containing the (a) name, (b) citizenship, (c) present principal occupation or employment and (d) the name, principal business address of any corporation or other organization in which such employment is conducted, of each director and executive officer of ESL (the ESL Directors and Officers). Other than the ESL Directors and Officers, there are no persons or corporations controlling or ultimately in control of ESL.

Item 2(c) is hereby amended and restated in its entirety as follows:

(c) The principal business of each of the Reporting Persons is purchasing, holding and selling securities for investment purposes. RBS is the general partner of Partners. ESL is the general partner of RBS. Mr. Lampert is the Chairman, Chief Executive Officer and Director of ESL. Mr. Lampert is also a Trustee of the Issuer. Each of the Reporting Persons may also serve as general partner or managing member of certain other entities engaged in the purchasing, holding and selling of securities for investment purposes.

Item 4. Purpose of Transaction

Item 4 is hereby amended and supplemented as follows:

On March 28, 2019, Partners entered into a Rule 10b5-1(c) Plan (the 10b5-1 Plan) pursuant to which Partners agreed to distribute both (i) 69,876 Class A Shares and (ii) 1,234,818 OP Units, which are currently held by Partners, *pro rata* to its redeeming limited partners following the satisfaction of certain conditions outside the control or influence of any of the Reporting Persons, as described in the 10b5-1 Plan, pursuant to the requirements of Rule 10b5-1(c) under the Act. There is the potential that no Class A Shares or OP Units will be distributed under the 10b5-1 Plan in the event the conditions on such distributions are not satisfied during the term of the 10b5-1 Plan.

The 10b5-1 Plan is filed as Exhibit 99.9 to this Amendment and is incorporated by reference herein. The 10b5-1 Plan is intended to comply with the requirements of Rule 10b5-1(c) promulgated under the Act. The foregoing, including any description of the 10b5-1 Plan, is qualified in its entirety by reference to Exhibit 99.9 hereto.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated in its entirety as follows:

Edgar Filing: Seritage Growth Properties - Form SC 13D/A

(a)-(b) Each Reporting Person declares that neither the filing of this Schedule 13D nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, the beneficial owner of any securities covered by this Schedule 13D.

Each Reporting Person may be deemed to be a member of a group with respect to the Issuer or securities of the Issuer for the purposes of Section 13(d) or 13(g) of the Act. Each Reporting Person declares that neither the filing of this Schedule 13D nor anything herein shall be construed as an admission that such person is, for the purposes of

Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act) with any other person as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of the Issuer or otherwise with respect to the Issuer or any securities of the Issuer or (ii) a member of any syndicate or group with respect to the Issuer or any securities of the Issuer.

As of March 28, 2019, the Reporting Persons may be deemed to beneficially own the Common Shares of the Issuer set forth in the table below.

| REPORTING PERSON | NUMBER OF SHARES BENEFICIALLY OWNED | PERCENTAGE OF OUTSTANDING SHARES | SOLE VOTING POWER | SHARED VOTING POWER | SOLE DISPOSITIVE POWER | SHARED DISPOSITIVE POWER |
|-----------------------|-------------------------------------|----------------------------------|-------------------|---------------------|------------------------|--------------------------|
| ESL Partners, L.P. | 2,271,728 (1)(2) | 6.1% (3) | 737,329 (1) | 0 | 737,329 (1) | 1,534,399 (2) |
| RBS Partners, L.P. | 2,271,728 (2)(4) | 6.1% (3) | 737,329 (4) | 0 | 737,329 (4) | 1,534,399 (2) |
| ESL Investments, Inc. | 2,271,728 (2)(5) | 6.1% (3) | 737,329 (5) | 0 | 737,329 (5) | 1,534,399 (2) |
| Edward S. Lampert | 2,271,728 (2)(6) | 6.1% (3) | 2,271,728 (2)(6) | 0 | 737,329 (6) | 1,534,399 (2) |

- (1) This number includes 341,110 Class A Shares and 396,219 Class B common shares of beneficial interest of the Issuer, par value \$0.01 per share (Class B Shares), held by Partners, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units of the Operating Partnership. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed.
- (2) This number includes 608,253 Class A Shares and 926,146 Class B Shares held by Mr. Lampert, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed. Partners has entered into the Lock-Up Agreement with Mr. Lampert that restricts the purchase and sale of securities owned by Mr. Lampert. Pursuant to the Lock-Up Agreement, Partners may be deemed to have shared dispositive power over, and to indirectly beneficially own, securities beneficially owned by Mr. Lampert. RBS, ESL and Mr. Lampert may also be deemed to have shared dispositive power over, and to indirectly beneficially own, such securities.
- (3) This is based upon 35,667,521 Class A Shares and 1,322,365 Class B Shares outstanding as of February 22, 2019, as disclosed in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, that was filed by the Issuer with the SEC on March 1, 2019.
- (4) This number includes 341,110 Class A Shares and 396,219 Class B Shares held by Partners, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed. RBS is the general partner of, and may be deemed to indirectly beneficially own securities beneficially owned by, Partners.
- (5)

Edgar Filing: Seritage Growth Properties - Form SC 13D/A

This number includes 341,110 Class A Shares and 396,219 Class B Shares held by Partners, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed. ESL is the general partner of, and may be deemed to indirectly beneficially own securities beneficially owned by, RBS.

- (6) This number includes 341,110 Class A Shares and 396,219 Class B Shares held by Partners, but does not include the number of Class A Shares that may be issued to certain of the Reporting Persons upon redemption of OP

Units. Pursuant to the OP Agreement, the OP Units may be redeemed, at the request of the holder of such OP Units, for a determinable amount in cash or, at the option of the Issuer, Class A Shares at the rate of one Class A Share for each OP Unit redeemed. Mr. Lampert is the Chairman, Chief Executive Officer and Director of, and may be deemed to indirectly beneficially own securities beneficially owned by, ESL.

(c) There have been no transactions in the class of securities reported on that were effected by the Reporting Persons during the past sixty days or since the most recent filing of Schedule 13D, whichever is less.

(d) Not applicable.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Item 6 is hereby amended and supplemented as follows:

The information set forth in Item 4 of this Amendment is incorporated by reference into this Item 6.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended and restated in its entirety as follows:

The following exhibits are filed as exhibits hereto:

| Exhibit | Description of Exhibit |
|----------------|---|
| 99.1 | Joint Filing Agreement (incorporated herein by reference to Exhibit 99.1 to the Schedule 13D filed on July 17, 2016). |
| 99.2 | Letter Agreement, dated June 2, 2010, by and between ESL Partners, L.P. and Edward S. Lampert (incorporated herein by reference to Exhibit 99.2 to the Schedule 13D filed on July 17, 2016). |
| 99.3 | Agreement of Limited Partnership of Seritage Growth Properties, L.P., dated July 7, 2015, by and among Seritage Growth Properties, ESL Partners, L.P. and Edward S. Lampert (incorporated herein by reference to Exhibit 10.2 to the Issuer's Current Report on Form 8-K filed on July 10, 2015). |
| 99.4 | Registration Rights Agreement, dated as of July 7, 2015, by and among Seritage Growth Properties, ESL Partners, L.P., Edward S. Lampert and solely for purposes of Section 7.1, Seritage Growth Properties, L.P. (incorporated herein by reference to Exhibit 4.1 to the Issuer's Current Report on Form 8-K filed on July 10, 2015). |
| 99.5 | Articles of Amendment and Restatement of Seritage Growth Properties (incorporated herein by reference to Exhibit 3.1 to the Issuer's Current Report on Form 8-K filed on July 10, 2015). |
| 99.6 | Exchange Agreement, dated as of June 26, 2015, by and among Seritage Growth Properties, Seritage Growth Properties, L.P., ESL Partners, L.P. and Edward S. Lampert (incorporated herein by reference to Exhibit 10.1 to the Issuer's Current Report on Form 8-K filed on July 2, 2015). |
| 99.7 | Senior Unsecured Term Loan Agreement, dated as of February 23, 2017, among Seritage Growth Properties, L.P., Seritage Growth Properties, JPP, LLC, and JPP II, LLC, and JPP, LLC, as administrative agent (incorporated herein by reference to Exhibit 10.1 to the Issuer's Current Report on Form 8-K filed on February 24, 2017). |

Edgar Filing: Seritage Growth Properties - Form SC 13D/A

- 99.8 Senior Unsecured Term Loan Agreement, dated as of December 27, 2017, among Seritage Growth Properties, L.P., Seritage Growth Properties, JPP, LLC, JPP II, LLC and Empyrean Investments, LLC, as lenders, and JPP, LLC, as administrative agent (incorporated herein by reference to Exhibit 10.1 to the Issuer's Current Report on Form 8-K filed on December 28, 2017).
- 99.9 Rule 10b5-1(c) Plan, dated March 28, 2019, by ESL Partners, L.P. (filed herewith).

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: March 28, 2019

ESL PARTNERS, L.P.

By: RBS Partners, L.P., as its general partner

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

RBS PARTNERS, L.P.

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

ESL INVESTMENTS, INC.

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

EDWARD S. LAMPERT

By: /s/ Edward S. Lampert

ANNEX A

The names, business addresses, present principal occupations, and citizenship of the directors and executive officers of ESL Investments, Inc. are set forth below. If no address is given, the director's or executive officer's principal business address is 1170 Kane Concourse, Suite 200, Bay Harbor Islands, Florida 33154.

| Name and Business Address | Principal Occupation | Citizenship |
|----------------------------------|---|--------------------|
| Edward S. Lampert | Director, Chairman and Chief Executive Officer of ESL Investments, Inc. | United States |
| | Trustee of Seritage Growth Properties | |
| Robert Breyer | Chief Compliance Officer of ESL Investments, Inc. | United States |
| Harold Talisman | Chief Financial Officer of ESL Investments, Inc. | United States |
| Kunal Kamlani | President of ESL Investments, Inc. | United States |