

Habit Restaurants, Inc.
Form 424B3
December 01, 2016
Prospectus Supplement

Filed Pursuant to Rule 424(b)(3)

To Prospectus Dated December 28, 2015

Registration No. 333-208576

The Habit Restaurants, Inc.

Up to 14,501,236 Shares of Class A Common Stock

This prospectus supplement supplements the prospectus dated December 28, 2015, of The Habit Restaurants, Inc., which is part of a registration statement on Form S-3 (File No. 333-208576) (the Prospectus) filed with the Securities and Exchange Commission relating to the public offering and sale of securities by the selling stockholders as described therein. This prospectus supplement should be read in conjunction with the Prospectus, as supplemented to date, and this prospectus supplement is qualified by reference to the Prospectus, as supplemented to date, except to the extent that the information provided by this prospectus supplement supersedes the information contained in the Prospectus.

This prospectus supplement is provided solely to update the selling stockholder table included in the Prospectus with respect to the number of shares of Class A and Class B common stock, as well as the number of LLC Units beneficially owned by (i) investment funds affiliated with KarpReilly, LLC, (ii) PEG U.S. Direct Corporate Finance Institutional Investors III LLC, (iii) 522 Fifth Avenue Fund, L.P., (iv) PEG U.S. Pooled Corporate Finance Institutional Investors III LLC and (v) investment funds affiliated with BlackRock, Inc., along with other selling stockholders.

This prospectus supplement is not complete without, and may not be delivered or utilized except in connection with, the Prospectus dated December 28, 2015, with respect to the securities described above, including any amendments or supplements thereto.

Investing in our securities involves risks. You should carefully consider the risk factors beginning on page 4 of the Prospectus and set forth in the documents incorporated by reference therein before making any decision to invest in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is December 1, 2016.

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is being filed to amend, supplement and correct the information that appears under the caption **Selling Stockholders** in the Prospectus. Capitalized terms that are not defined in this prospectus supplement are defined in the Prospectus.

SELLING STOCKHOLDERS

The selling stockholders named below may offer from time to time in the future up to an aggregate of 7,448,493 shares of our Class A common stock, as of November 23, 2016. As of November 23, 2016, the selling stockholders collectively hold 6,821,262 LLC Units in The Habit Restaurants, LLC and 627,231 restricted shares of Class A common stock. Pursuant to the terms of the LLC Agreement, each LLC Unit of The Habit Restaurants, LLC held by the selling stockholders is exchangeable for, generally, at the option of The Habit Restaurants, Inc. (such determination to be made by the disinterested members of our board of directors), (i) shares of our Class A common stock on a one-for-one basis, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications or (ii) cash consideration (generally calculated based on the volume-weighted average price of the Class A common stock of The Habit Restaurants, Inc., as displayed under the heading Bloomberg VWAP on the Bloomberg page designated for the Class A common stock of The Habit Restaurants, Inc. for the 15 trading days immediately prior to the delivery date of a notice of exchange). At any time that an effective registration statement is on file with the SEC with respect to the shares of Class A Common Stock to be issued upon an exchange, The Habit Restaurants, Inc. may not provide cash consideration upon an exchange to a Continuing LLC Owner without the Continuing LLC Owner's prior consent.

The following table sets forth the selling stockholders' beneficial ownership of our Class A common stock as of November 23, 2016. Each selling stockholder has the right to exchange any (but no less than 1,000 LLC Units, except with our consent) or all of such selling stockholder's LLC Units in accordance with the LLC Agreement. The number and percentage of shares beneficially owned after this offering for each selling stockholder assumes the exchange by the selling stockholders of all LLC Units owned by them for the equivalent number of our shares of Class A common stock and sale of all such shares offered by the selling stockholders and that each selling stockholder does not acquire any additional shares or units. Information in the table below with respect to beneficial ownership has been furnished by each of the selling stockholders. Beneficial ownership is determined in accordance with the rules and regulations of the SEC.

The selling stockholders listed in the table below may have sold, transferred, otherwise disposed of or purchased, or may sell, transfer, otherwise dispose of or purchase, at any time and from time to time, LLC Units or shares of our Class A common stock in transactions exempt from the registration requirements of the Securities Act or in the open market after the date on which they provided the information set forth in the table below. The maximum number of shares of Class A common stock offered hereby assumes the selling stockholders exchange all of their LLC Units held on the date on which they provided the information set forth in the table below and we elect to satisfy all exchange requests by issuing only shares of Class A common stock. Assuming we do issue shares of our Class A common stock to a holder of LLC Units upon an exchange, such holder may offer for sale all, some or none of such shares of Class A common stock. Therefore, it is difficult to estimate with any degree of certainty the aggregate number of shares that the selling stockholders will ultimately offer pursuant to this prospectus or that the selling stockholders will ultimately own upon completion of the offering to which this prospectus relates. The following table does not take into effect any restrictions on ownership or transfer as described in Description of Capital Stock.

Information about additional selling stockholders, if any, including their identities and the Class A common stock to be registered on their behalf, may be set forth in a prospectus supplement, in a post-effective amendment or in filings that we make with the SEC under the Exchange Act, which are incorporated by reference in this prospectus. Information concerning the selling stockholders may change from time to time. Any changes to the information provided below will be set forth in a supplement to this prospectus, in a post-effective amendment or in filings we make with the SEC under the Exchange Act, which are incorporated by reference into this prospectus if and when necessary.

The selling stockholders named below and their permitted transferees, pledgees, orderes or other successors may from time to time offer the shares of our Class A common stock offered by this prospectus:

Name of beneficial owner (4)	LLC Units (and an equivalent number of shares of Class B common stock) owned prior to the date of this prospectus supplement		Number of LLC Units to be exchanged (and an equivalent number of shares of Class B common stock to be cancelled) in this offering(+)(1)		LLC Units (and an equivalent number of shares of Class B common stock) owned following this offering (+)		Shares of Class A common stock owned prior to the date of this prospectus supplement (x)		Shares of Class A common stock that may be sold in this offering(^)(2)		Shares of Class A common stock owned following this offering (x)
	No.	%	No.	%	No.	% (5)	No.	% (6)	No.	% (5)	No.
Baird	45,603	*	45,603	*	*	*	116	*	45,603	*	116
Elliot	4,506	*	4,506	*	*	*			4,506	*	
Family Trust, dated 27, 2004	718,958	2.8	718,958	2.8	*	*	2,166	*	718,958	2.8	2,166
Lin Ivie	3,293	*	3,293	*	*	*			3,293	*	
Reichard and Associates(7):											
Reichard	288,490	1.1	288,490	1.1	*	*			288,490	1.1	
Founders, LLC	448	*	448	*	*	*			448	*	
rd Bros. Enterprises,	473,965	1.8	473,965	1.8	*	*			473,965	1.8	
opher Corners	1,717	*	1,717	*	*	*			1,717	*	
opher Schlueter	7,380	*	7,380	*	*	*			7,380	*	
opher Wadleigh	3,090	*	3,090	*	*	*			3,090	*	
Herbst Family Trust,	30,502	*	30,502	*	*	*			30,502	*	
moni	7,590	*	7,590	*	*	*			7,590	*	
co Silva	4,557	*	4,557	*	*	*			4,557	*	
Concepts, LLC	200,000	*	200,000	*	*	*			200,000	*	
Ron Elody	13,335	*	13,335	*	*	*	155	*	13,335	*	155
o Jaimez	5,913	*	5,913	*	*	*			5,913	*	
anssen	3,310	*	3,310	*	*	*			3,310	*	
	263,553	1.0	263,553	1.0	*	*	1,547	*	263,553	1.0	1,547
Ramos	6,056	*	6,056	*	*	*			6,056	*	
n Soto	6,390	*	6,390	*	*	*			6,390	*	
homas	9,608	*	9,608	*	*	*			9,608	*	
Ceja	6,058	*	6,058	*	*	*			6,058	*	

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Saldez	5,913	*	5,913	*	*			5,913	*
Samarena	8,257	*	8,257	*	*			8,257	*
Lopez	5,557	*	5,557	*	*	2,700	*	8,257	*
Seilly and Affiliates ⁽⁸⁾ : Restaurant Co-Invest,									
					*	4,520	*	4,520	*
Seilly HB Co-Invest, LLC	7,438	*	7,438	*	*			7,438	*
Seilly Investments, LLC	1,977,129	7.6	1,977,129	7.6	*			1,977,129	7.6
Seilly GP, LLC	570,114	2.2	570,114	2.2	*	225,523	1.2	795,637	3.1
U.S. Direct Corporate Institutional Investors C ⁽⁹⁾	382,727	1.5	382,727	1.5	*			382,727	1.5
U.S. Pooled Corporate Institutional Investors C ⁽¹⁰⁾	306,182	1.2	306,182	1.2	*			306,182	1.2
10th Avenue Fund, L.P. ⁽⁹⁾	6,958	*	6,958	*	*			6,958	*
Block, Inc. ⁽¹¹⁾	301,380	1.2	301,380	1.2	*	2,177,499	11.4	695,868	2.7
14th Mazarei	8,257	*	8,257	*	*			8,257	*
15th Cousins	26,468	*	26,468	*	*			26,468	*
16th Marquez	6,072	*	6,072	*	*			6,072	*
17th Croff	6,656	*	6,656	*	*			6,656	*
18th Morales	1,822	*	1,822	*	*			1,822	*
19th La Gutierrez	6,656	*	6,656	*	*			6,656	*
20th Hood	66,829	*	66,829	*	*	3,155	*	66,829	*
21st Mirkil	48,479	*	48,479	*	*			48,479	*
22nd Repetti	34,505	*	34,505	*	*			34,505	*
23rd Lange	5,715	*	5,715	*	*	100	*	5,715	*
24th Veronimo	5,715	*	5,715	*	*			5,715	*
25th Salgado	13,275	*	13,275	*	*	155	*	13,275	*
26th Whitwell	59,931	*	59,931	*	*	387	*	59,931	*
27th and Nopper	51,497	*	51,497	*	*	348	*	51,497	*
28th Ploughe	12,011	*	12,011	*	*	155	*	12,011	*
29th Wach	10,632	*	10,632	*	*			10,632	*
30th Obando	7,590	*	7,590	*	*			7,590	*
31st o Hernandez	4,985	*	4,985	*	*			4,985	*
32nd Friend Family Trust	66,088	*	66,088	*	*	309	*	66,088	*
33rd Amra	6,656	*	6,656	*	*			6,656	*
34th La Family Trust	277,876	1.1	277,876	1.1	*	851	*	277,876	1.1
35th Standlea	3,494	*	3,494	*	*			3,494	*
36th Corners	21,647	*	21,647	*	*	116	*	21,647	*
37th DeHart	1,062	*	1,062	*	*			1,062	*
38th VH Family Trust Dated 3/13/2011	10,000	*	10,000	*	*			10,000	*
39th David C. Nordahl Living Trust dated November 22, 2011	324,193	1.2	324,193	1.2	*			324,193	1.2
40th Phillips Family Trust	42,373	*	42,373	*	*			42,373	*
41st Warren	7,594	*	7,594	*	*			7,594	*
42nd n Alvarez	7,207	*	7,207	*	*			7,207	*

* Represents beneficial ownership of less than 1%

- (+) Subject to the terms of the LLC Agreement, Continuing LLC Owners will exchange, on a one-for-one basis, their LLC Units for newly-issued shares of Class A common stock, to the extent they offer or sell shares of Class A common pursuant to this prospectus (and an equivalent number of shares of Class B common stock held by such selling stockholders will be cancelled in connection with each such LLC Unit exchange). See Certain Relationships and Related Transactions, and Director Independence The Habit Restaurants, LLC Limited Liability Company Agreement in our Annual Report.
- (×) Includes (i) 3,000 shares of Class A common stock acquired under the Company's Directed Share Program, which are not included in this registration statement, (ii) 6,560 shares of Class A stock that have been granted as underlying restricted stock units pursuant to the Company's 2014 Omnibus Incentive Plan and have vested which are not included in this registration statement, (iii) 230,043 restricted shares of Class A common stock previously issued to affiliates of certain Continuing LLC Owners and (iv) 2,700 shares of Class A common stock held by certain Continuing LLC Owners that have exchanged their LLC Units (and cancelled a corresponding number of shares of Class B common stock) for such shares of Class A common stock.
- (^) Includes the shares of Class A common stock to be offered or sold by the Continuing LLC Owners after giving effect to the exchange of their respective LLC Units.
- (1) Assumes all LLC Units are exchanged (and all shares of Class B common stock are cancelled) for shares of Class A common stock.
- (2) None of the shares of Class A common stock (a) acquired under the Company's Directed Share Program or (B) received as underlying grants of restricted stock units will be sold in the offering.
- (3) Assumes the sale by the selling stockholders of all shares of Class A common stock registered pursuant to this prospectus.
- (4) Unless otherwise noted, the address for each beneficial owner listed on the table is c/o The Habit Restaurants, Inc., 17320 Red Hill Avenue, Suite 140, Irvine, CA 92614.
- (5) Percentage of ownership calculated after adding the total number of shares of Class A common stock issued upon exchange of all outstanding LLC Units held by the Continuing LLC Owners to the existing number of shares of Class A common stock outstanding as of November 23, 2016.
- (6) Percentage of ownership calculated against the total number of shares of Class A common stock outstanding as of November 23, 2016.

- (7) Prior to the date of this prospectus supplement, Reichard Bros. Enterprises, Inc. (RBE) beneficially owned 473,965 LLC Units directly, as well as a corresponding amount of our Class B common stock. Additionally, Mr. Reichard, as president of RBE, may be deemed the beneficial owner of the 473,965 LLC Units beneficially owned by RBE in The Habit Restaurants, LLC directly, as well as a corresponding amount of our Class B common stock. Mr. Reichard further beneficially owns 288,490 LLC Units directly, as well as a corresponding amount of our Class B common stock. Additionally, as sole manager of Habit Founders, LLC, a California limited liability company, Mr. Reichard may be deemed to beneficially own the 448 LLC Units held by Habit Founders, LLC, as well as a corresponding amount of our Class B common stock. All such LLC Units may be exchanged, pursuant to exchange procedures detailed in the LLC Agreement, for cash or shares of Class A common stock of The Habit Restaurants, Inc., at the Issuer's election. The principal business address of RBE and Mr. Reichard is 3892 State Street, Suite 120, Santa Barbara, CA 93105.
- (8) Before giving effect to this offering, as of the date of this prospectus supplement (a) KarpReilly Investments, LLC (KR Investments) held 1,977,129 LLC Units and 1,977,129 shares of Class B common stock; (b) KarpReilly HB Co-Invest LLC (KarpReilly HB) held 7,438 LLC Units and 7,438 shares of Class B common stock; (c) Habit Restaurant Co-Invest LLC (Co-Invest LLC) held 4,520 shares of Class A common stock in The Habit Restaurants, Inc. and no LLC Units, and (d) KarpReilly GP, LLC (KarpReilly GP) held 225,523 shares of Class A common stock in The Habit Restaurants, Inc., 570,114 LLC Units and 570,114 shares of Class B common stock. After giving effect to this offering as of the date of this prospectus supplement (a) KR Investments will hold no LLC Units and no shares of Class B common stock; (b) KarpReilly HB will hold no LLC Units and no shares of Class B common stock; (c) Co-Invest LLC will hold no shares of Class A common stock and no LLC Units, and (d) KarpReilly GP will hold no shares of Class A common stock, no LLC Units and no shares of Class B common stock. Christopher Reilly and Allan Karp may be deemed the beneficial owners of all the securities held by the entities affiliated with KarpReilly, LLC, as hereinafter described. Messrs. Reilly and Karp, as the sole managers of KarpReilly GP, which is the managing member of KarpReilly HB and Co-Invest LLC, have sole voting and dispositive power over and may be deemed the beneficial owners of all of the securities of KarpReilly HB. Additionally, Messrs. Reilly and Karp, as the sole managers of KR Investments, have sole voting and dispositive power over and may be deemed the beneficial owners of all of the securities of KR Investments. Each of Messrs. Reilly and Karp disclaim ownership of such shares except to the extent of their respective pecuniary interests therein. The principal business address of KR Investments, KarpReilly HB, and Co-Invest LLC is c/o KarpReilly, LLC, 104 Field Point Road, Greenwich, CT 06830.
- (9) J.P. Morgan Investment Management Inc. (JPMIM) serves as the investment adviser to each of PEG U.S. Direct Corporate Finance Institutional Investors III LLC (PEG Direct) and 522 Fifth Avenue Fund, L.P. (522 Fifth) and possesses voting and investment power over the reported securities. JPMIM is a registered investment adviser and exercises its voting and investment power through an investment committee of over 30 individuals in its Private Equity Group, each with an equal vote. The address for JPMIM, PEG Direct and 522 Fifth is 320 Park Avenue, New York, New York 10022.
- (10) JPMorgan Chase Bank, N.A. (JPMCB) serves as the investment adviser to PEG U.S. Pooled Corporate Finance Institutional Investors III LLC (PEG Pooled) and possesses voting and investment power over the reported securities. JPMCB is a national bank and exercises its voting and investment power through an investment committee of over 30 individuals in its Private Equity Group, each with an equal vote. The address for JPMCB and PEG Pooled is 320 Park Avenue, New York, New York 10022.
- (11) The registered holders of the referenced shares and units are: (a) 53,263 shares of Class A common stock in the Company held by Vesey Street Fund III (Erisa), L.P., (b) 252,894 shares of Class A common stock in the Company held by DivPEP Holdings III (A-L) L.P., (c) 88,331 shares of Class A common stock in the Company held by Passage Portfolio III, L.P., (d) 29,440 shares of Class B common stock in the Company and 29,440 common units in The Habit Restaurants, LLC held by Vesey Street Employee Fund III, L.P., (e) 37,040 shares of Class B common stock in the Company and 37,040 common units in The Habit Restaurants, LLC held by Vesey Street Employee Fund III(B), L.P. and (f) 234,900 shares of Class B common stock in the Company and 234,900 common units in The Habit Restaurants, LLC held by BlackRock Private Equity Holdings III, LLC. In addition, the shares of Class A common stock included in the table as owned prior to the date of this prospectus by

BlackRock, Inc. include 1,481,631 shares held by other investment funds affiliated with BlackRock, Inc., as reported by BlackRock, Inc. to the Company on December 1, 2016. As a result, the shares being registered for resale do not include all shares that may be deemed to be beneficially owned by BlackRock, Inc. Each of the foregoing registered holders is a fund or account managed by investment adviser subsidiaries of BlackRock, Inc. BlackRock, Inc. is the ultimate parent holding company of such investment adviser entities. On behalf of such investment adviser entities, Jay Park, as a managing director of such entities, has voting and investment power over the shares held by the foregoing funds and accounts which are the registered holders of the referenced shares and units. Jay Park expressly disclaims beneficial ownership of all shares and units held by such funds and accounts. The address of such funds and accounts, such investment adviser subsidiaries and Jay Park is 1 University Square Drive, Princeton, NJ 08540.