

REALTY INCOME CORP
Form 10-Q
July 25, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended June 30, 2013, or

Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 1-13374

REALTY INCOME CORPORATION

(Exact name of registrant as specified in its charter)

Maryland

33-0580106

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(State or Other Jurisdiction of
Incorporation or Organization)

(IRS Employer Identification
Number)

600 La Terraza Boulevard, Escondido, California 92025-3873

(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(760) 741-2111**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were 196,168,085 shares of common stock outstanding as of July 17, 2013.

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Form 10-Q

June 30, 2013

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REALTY INCOME CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

June 30, 2013 and December 31, 2012

(dollars in thousands, except per share data)

	2013 (unaudited)	2012
ASSETS		
Real estate, at cost:		
Land	\$ 2,539,628	\$ 1,999,820
Buildings and improvements	6,672,354	3,920,865
Total real estate, at cost	9,211,982	5,920,685
Less accumulated depreciation and amortization	(998,079)	(897,767)
Net real estate held for investment	8,213,903	5,022,918
Real estate held for sale, net	16,808	19,219
Net real estate	8,230,711	5,042,137
Cash and cash equivalents	22,575	5,248
Accounts receivable, net	27,507	21,659
Acquired lease intangible assets, net	972,049	242,125
Goodwill	15,834	16,945
Other assets, net	146,857	115,249
Total assets	\$ 9,415,533	\$ 5,443,363
LIABILITIES AND EQUITY		
Distributions payable	\$ 39,280	\$ 23,745
Accounts payable and accrued expenses	77,411	70,426
Acquired lease intangible liabilities, net	116,381	26,471
Other liabilities	29,266	26,059
Lines of credit payable	701,000	158,000
Mortgages payable, net	827,109	175,868
Term loan	70,000	-
Notes payable	2,450,000	2,550,000
Total liabilities	4,310,447	3,030,569
Commitments and contingencies		
Stockholders' equity:		
Preferred stock and paid in capital, par value \$0.01 per share, 69,900,000 shares authorized and 25,150,000 shares issued and outstanding as of June 30, 2013 and December 31, 2012	609,363	609,363
Common stock and paid in capital, par value \$0.01 per share, 370,100,000 shares authorized, 196,265,884 shares issued and outstanding as of June 30, 2013 and 133,452,411 shares issued and outstanding at December 31, 2012	5,329,715	2,572,092
Distributions in excess of net income	(870,199)	(768,661)
Total stockholders' equity	5,068,879	2,412,794
Noncontrolling interests	36,207	-
Total equity	5,105,086	2,412,794

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Total liabilities and equity	\$	9,415,533	\$	5,443,363
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The accompanying notes to consolidated financial statements are an integral part of these statements.

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REALTY INCOME CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

For the three and six months ended June 30, 2013 and 2012

(dollars in thousands, except per share data)(unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
REVENUE				
Rental	\$ 182,354	\$ 112,528	\$ 352,104	\$ 224,020
Other	1,965	605	3,356	858
Total revenue	184,319	113,133	355,460	224,878
EXPENSES				