

ACADIA REALTY TRUST
Form 10-Q
November 02, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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 September 30, 2011

or
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-12002

ACADIA REALTY TRUST

(Exact name of registrant in its charter)

MARYLAND

(State or other jurisdiction of
incorporation or organization)

23-2715194

(I.R.S. Employer
Identification No.)

1311 MAMARONECK AVENUE, SUITE 260, WHITE
PLAINS, NY

(Address of principal executive offices)

(914) 288-8100

(Registrant's telephone number, including area code)

10605

(Zip Code)

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

Edgar Filing: ACADIA REALTY TRUST - Form 10-Q

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 checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes No
As of November 2, 2011 there were 40,334,476 common shares of beneficial interest, par value \$.001 per share, outstanding.

ACADIA REALTY TRUST AND SUBSIDIARIES

FORM 10-Q

INDEX

	Page
Part I: Financial Information	
<u>Item 1. Financial Statements</u>	
<u>Consolidated Balance Sheets as of September 30, 2011 (unaudited) and December 31, 2010</u>	1
<u>Consolidated Statements of Income for the three and nine months ended September 30, 2011 and 2010 (unaudited)</u>	2
<u>Consolidated Statements of Shareholders' Equity and Comprehensive Income for the nine months ended September 30, 2011 and 2010 (unaudited)</u>	3
<u>Consolidated Statements of Cash Flows for the nine months ended September 30, 2011 and 2010 (unaudited)</u>	5
<u>Notes to Consolidated Financial Statements</u>	7
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	24
<u>Item 3. Quantitative and Qualitative Disclosure About Market Risk</u>	37
<u>Item 4. Controls and Procedures</u>	37
Part II: Other Information	
<u>Item 1. Legal Proceedings</u>	38
<u>Item 1A. Risk Factors</u>	38
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	38
<u>Item 3. Defaults Upon Senior Securities</u>	38
<u>Item 4. (Removed and Reserved)</u>	38
<u>Item 5. Other Information</u>	38
<u>Item 6. Exhibits</u>	38
<u>Signatures</u>	38

Part I. Financial Information

Item 1. Financial Statements.

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(dollars in thousands)	September 30, 2011	December 31, 2010
(unaudited)		
ASSETS		
Operating real estate		
Land	\$268,077	\$219,981
Building and improvements	958,549	867,773
Construction in progress	3,983	4,236
	1,230,609	1,091,990
Less: accumulated depreciation	200,840	184,014
Net operating real estate	1,029,769	907,976
Real estate under development	229,223	243,892
Notes receivable, net	41,304	89,202
Investments in and advances to unconsolidated affiliates	78,420	31,036
Cash and cash equivalents	98,027	120,592
Cash in escrow	27,553	28,610
Rents receivable, net	23,179	17,360
Deferred charges, net	25,696	23,714
Acquired lease intangibles, net	22,975	18,622
Prepaid expenses and other assets	27,637	22,328
Assets of discontinued operations	2,684	21,474
Total assets	\$1,606,467	\$1,524,806
LIABILITIES		
Mortgage notes payable	\$846,399	\$806,212
Convertible notes payable, net of unamortized discount of \$109 and \$1,063, respectively	24,824	48,712
Distributions in excess of income from, and investments in, unconsolidated affiliates	21,401	20,884
Accounts payable and accrued expenses	31,992	27,458
Dividends and distributions payable	7,507	7,427
Acquired lease and other intangibles, net	5,592	5,737
Other liabilities	18,914	20,459
Liabilities of discontinued operations	289	395
Total liabilities	956,918	937,284
EQUITY		
Shareholders' Equity		
Common shares, \$.001 par value, authorized 100,000,000 shares; issued and outstanding 40,333,233 and 40,254,525 shares, respectively	40	40
Additional paid-in capital	303,783	303,823
Accumulated other comprehensive loss	(4,231) (2,857
Retained earnings	39,098	17,206
Total shareholders' equity	338,690	318,212
Noncontrolling interests	310,859	269,310
Total equity	649,549	587,522

Total liabilities and equity	\$1,606,467	\$1,524,806
See accompanying notes		

1

ACADIA REALTY TRUST AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(unaudited)

(dollars in thousands, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenues				
Rental income	\$29,483	\$26,688	\$85,564	\$75,733
Interest income	1,585	5,206	9,493	15,437
Expense reimbursements	5,407	4,636	16,213	14,721
Management fee income	252	346	1,169	1,182
Other	666	712	1,849	1,786
Total revenues	37,393			