

REGENCY CENTERS CORP
Form 10-Q
August 06, 2008
Table of Contents

United States
SECURITIES AND EXCHANGE COMMISSION
Washington DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2008

-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 1-12298

REGENCY CENTERS CORPORATION

(Exact name of registrant as specified in its charter)

Edgar Filing: REGENCY CENTERS CORP - Form 10-Q

Florida
(State or other jurisdiction of
incorporation or organization)

59-3191743
(IRS Employer
Identification No.)

One Independent Drive, Suite 114

Jacksonville, Florida 32202

(Address of principal executive offices) (Zip Code)

(904) 598-7000

(Registrant's telephone number, including area code)

Unchanged

(Former name, former address and former fiscal year, if changed since last report)

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 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.

(Check One): Large accelerated filer Accelerated filer Non-accelerated filer
Smaller reporting company (Do not check if a 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

(Applicable only to Corporate Registrants)

As of August 6, 2008, there were 69,970,069 shares outstanding of the Registrant's common stock.

Table of Contents**TABLE OF CONTENTS****Form 10-Q
Report Page****PART I FINANCIAL INFORMATION**

Item 1.	<u>Financial Statements</u>	
	<u>Consolidated Balance Sheets as of June 30, 2008 and December 31, 2007</u>	1
	<u>Consolidated Statements of Operations for the three months ended June 30, 2008 and 2007</u>	2
	<u>Consolidated Statements of Operations for the six months ended June 30, 2008 and 2007</u>	3
	<u>Consolidated Statement of Stockholders' Equity and Comprehensive Income (Loss) for the six months ended June 30, 2008</u>	4
	<u>Consolidated Statements of Cash Flows for the six months ended June 30, 2008 and 2007</u>	5
	<u>Notes to Consolidated Financial Statements</u>	7
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	36
Item 3.	<u>Quantitative and Qualitative Disclosures about Market Risk</u>	59
Item 4.	<u>Controls and Procedures</u>	60

PART II OTHER INFORMATION

Item 1.	<u>Legal Proceedings</u>	61
Item 1A.	<u>Risk Factors</u>	61
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	61
Item 3.	<u>Defaults Upon Senior Securities</u>	61
Item 4.	<u>Submission of Matters to a Vote of Security Holders</u>	61
Item 5.	<u>Other Information</u>	63
Item 6.	<u>Exhibits</u>	63
	<u>SIGNATURE</u>	64

Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****REGENCY CENTERS CORPORATION****Consolidated Balance Sheets****June 30, 2008 and December 31, 2007****(in thousands, except share data)**

	2008	2007
	(unaudited)	
<u>Assets</u>		
Real estate investments at cost:		
Land	\$ 995,976	968,859
Buildings and improvements	2,114,443	2,090,497
	3,110,419	3,059,356
Less: accumulated depreciation	538,779	497,498
	2,571,640	2,561,858
Properties in development	1,008,235	905,929
Operating properties held for sale, net	26,164	
Investments in real estate partnerships	423,138	432,910
Net real estate investments	4,029,177	3,900,697
Cash and cash equivalents	41,604	18,668
Notes receivable	20,298	44,543
Tenant receivables, net of allowance for uncollectible accounts of \$2,077 and \$2,482 at June 30, 2008 and December 31, 2007, respectively	71,663	75,441
Deferred costs, less accumulated amortization of \$48,614 and \$43,470 at June 30, 2008 and December 31, 2007, respectively	58,062	52,784
Acquired lease intangible assets, less accumulated amortization of \$9,594 and \$7,362 at June 30, 2008 and December 31, 2007, respectively	14,995	17,228
Other assets	40,470	33,651
Total assets	\$ 4,276,269	4,143,012
<u>Liabilities and Stockholders' Equity</u>		
Liabilities:		
Notes payable	\$ 1,859,995	1,799,975
Unsecured credit facilities	334,667	208,000
Accounts payable and other liabilities	155,561	164,479
Acquired lease intangible liabilities, less accumulated accretion of \$7,760 and \$6,371 at June 30, 2008 and December 31, 2007, respectively	8,965	10,354
Tenants' security and escrow deposits	11,927	11,436
Total liabilities	2,371,115	2,194,244
Preferred units	49,158	49,158

Edgar Filing: REGENCY CENTERS CORP - Form 10-Q

Exchangeable operating partnership units, aggregate redemption value of \$27,681 and \$30,543 at June 30, 2008 and December 31, 2007, respectively	10,455	10,832
Limited partners interest in consolidated partnerships	8,124	18,392
 Total minority interest	 67,737	 78,382
 Commitments and contingencies		
Stockholders equity:		
Preferred stock, \$.01 par value per share, 30,000,000 shares authorized; 11,000,000 Series 3-5 shares issued and outstanding at June 30, 2008 with liquidation preferences of \$25 per share and 800,000 Series 3 and 4 shares and 3,000,000 Series 5 shares issued and outstanding at December 31, 2007 with liquidation preferences of \$250 and \$25 per share, respectively	275,000	275,000
Common stock \$.01 par value per share, 150,000,000 shares authorized; 75,567,808 and 75,168,662 shares issued at June 30, 2008 and December 31, 2007, respectively	756	752
Treasury stock at cost, 5,598,211 and 5,530,025 shares held at June 30, 2008 and December 31, 2007, respectively	(111,414)	(111,414)
Additional paid in capital	1,775,722	1,766,280
Accumulated other comprehensive income (loss)	(18,762)	(18,916)
Distributions in excess of net income	(83,885)	(41,316)
 Total stockholders equity	 1,837,417	 1,870,386
	 \$ 4,276,269	 4,143,012

See accompanying notes to consolidated financial statements.

Table of Contents**REGENCY CENTERS CORPORATION****Consolidated Statements of Operations****For the three months ended June 30, 2008 and 2007****(in thousands, except per share data)****(unaudited)**

	2008	2007
Revenues:		
Minimum rent	\$ 86,913	77,238
Percentage rent	281	342
Recoveries from tenants	24,221	22,763
Management, acquisition, and other fees	11,966	7,496
Total revenues	123,381	107,839
Operating expenses:		
Depreciation and amortization	26,929	21,795
Operating and maintenance	15,107	13,281
General and administrative	13,153	12,907
Real estate taxes	12,429	11,441
Other expenses	669	1,261
Total operating expenses	68,287	60,685
Other expense (income):		
Interest expense, net of interest income of \$657 and \$811 in 2008 and 2007, respectively	23,453	20,311
Gain on sale of operating properties and properties in development		(3,449)
Total other expense (income)	23,453	16,862
Income before minority interests and equity in income (loss) of investments in real estate partnerships	31,641	30,292
Minority interest of preferred units	(931)	(931)
Minority interest of exchangeable operating partnership units	(210)	(252)
Minority interest of limited partners	(225)	(238)
Equity in income of investments in real estate partnerships	1,122	780
Income from continuing operations	31,397	29,651
Discontinued operations, net:		
Operating income from discontinued operations	596	924
Gain on sale of operating properties and properties in development	4,792	18,709
Income from discontinued operations	5,388	19,633
Net income	36,785	49,284
Preferred stock dividends	(4,919)	(4,919)
Net income for common stockholders	\$ 31,866	44,365

Edgar Filing: REGENCY CENTERS CORP - Form 10-Q

Income per common share - basic:		
Continuing operations	\$ 0.38	0.35
Discontinued operations	0.07	0.29
Net income for common stockholders per share	\$ 0.45	0.64
Income per common share - diluted:		
Continuing operations	\$ 0.38	0.35
Discontinued operations	0.07	0.29
Net income for common stockholders per share	\$ 0.45	0.64

See accompanying notes to consolidated financial statements.

Table of Contents**REGENCY CENTERS CORPORATION****Consolidated Statements of Operations****For the six months ended June 30, 2008 and 2007****(in thousands, except per share data)****(unaudited)**

	2008	2007
Revenues:		
Minimum rent	\$ 171,900	153,912
Percentage rent	1,081	1,076
Recoveries from tenants	48,946	44,762
Management, acquisition, and other fees	20,413	13,877
Total revenues	242,340	213,627
Operating expenses:		
Depreciation and amortization	52,271	43,068
Operating and maintenance	30,533	26,212
General and administrative	27,276	25,204
Real estate taxes	25,281	22,787
Other expenses	1,466	1,721
Total operating expenses	136,827	118,992
Other expense (income):		
Interest expense, net of interest income of \$1,537 and \$1,530 in 2008 and 2007, respectively	45,990	39,701
Gain on sale of operating properties and properties in development	(2,934)	(29,094)
Provision for loss on real estate investments	716	
Total other expense (income)	43,772	10,607
Income before minority interests and equity in income (loss) of investments in real estate partnerships	61,741	84,028
Minority interest of preferred units	(1,862)	(1,862)
Minority interest of exchangeable operating partnership units	(421)	(787)
Minority interest of limited partners	(482)	(516)
Equity in income of investments in real estate partnerships	3,757	4,569
Income from continuing operations	62,733	85,432
Discontinued operations, net:		
Operating income from discontinued operations	898	2,131
Gain on sale of operating properties and properties in development	4,792	18,709
Income from discontinued operations	5,690	20,840
Net income	68,423	106,272
Preferred stock dividends	(9,838)	(9,838)
Net income for common stockholders	\$ 58,585	96,434

Edgar Filing: REGENCY CENTERS CORP - Form 10-Q

Income per common share - basic:

Continuing operations	\$ 0.75	1.09
Discontinued operations	0.08	0.30

Net income for common stockholders per share	\$ 0.83	1.39
--	---------	------

Income per common share - diluted:

Continuing operations	\$ 0.75	1.09
Discontinued operations	0.08	0.30

Net income for common stockholders per share	\$ 0.83	1.39
--	---------	------

See accompanying notes to consolidated financial statements.

Table of Contents

REGENCY CENTERS CORPORATION

Consolidated Statement of Stockholders Equity and Comprehensive Income (Loss)

For the six months ended June 30, 2008

(in thousands, except per share data)

(unaudited)

Preferred Stock	Common Stock	Treasury Stock	Additional Paid In Capital	Accumulated Other Comprehensive Income (Loss)	Distributions in Excess of Net Income	Total Stockholders Equity
--------------------	-----------------	-------------------	----------------------------------	--	---	---------------------------------

Pursuant to Rule 13d-1(k) under the Act, the Reporting Persons have entered into an agreement with respect to the joint filing of this Schedule 13D and any amendments thereto, a copy of which is attached hereto as an exhibit and is incorporated herein by reference.

The information set forth in Item 4 above is incorporated herein by reference.

Item 7. Materials to be Filed as Exhibits

1 Joint Filing Agreement, dated October 2, 2018, between the Investor,

Marchmont and
Yousriya Nassif
Loza.

2

Subscription
Agreement,
dated August 1,
2018, between
Golden Star
Resources LTD.
and the Investor
(incorporated by
reference to
exhibit 99.2 to
the Issuer's
Report of
Foreign Private
Issuer on
Form 6-K filed
with the SEC on
August 10,
2018).

3 Investor

Rights
Agreement,
dated August 1,
2018 between
Golden Star
Resources LTD.
and the Investor
(incorporated by
reference to
exhibit 99.3 to
the Issuer's
Report of
Foreign Private
Issuer on
Form 6-K filed
with the SEC on
August 10,
2018).

4 Form of

Loan
Agreement*.

* Confidential treatment has been requested for portions of this document. The omitted portions of this document have been filed with the Commission as required by Rule 24b-2 under the Securities Exchange Act of 1934, as amended.

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

Dated: October 2,
2018

**La Mancha
Holding S.à
r.l.**

By: /s/
Fabio
Ceccarelli
Name: Fabio
Ceccarelli
Title: Manager

**Marchmont
Limited**

By: /s/
Wafaa
Sayed
Latif
Mobarak
Name: Wafaa
Sayed
Latif
Mobarak
Title: Director

**Yousriya
Nassif Loza**

By: /s/
Yousriya
Nassif
Loza
Name: Yousriya
Nassif
Loza

