

REGENCY CENTERS CORP
Form 10-Q
May 08, 2009
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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 March 31, 2009

-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)

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

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(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 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.

(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

As of May 1, 2009, there were 80,021,203 shares outstanding of the Registrant's common stock.

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Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****REGENCY CENTERS CORPORATION****Consolidated Balance Sheets****March 31, 2009 and December 31, 2008****(in thousands, except share data)**

	2009	2008
	(unaudited)	
<u>Assets</u>		
Real estate investments at cost:		
Land	\$ 974,244	923,062
Buildings and improvements	2,038,474	1,974,093
	3,012,718	2,897,155
Less: accumulated depreciation	577,737	554,595
	2,434,981	2,342,560
Properties in development	1,077,984	1,078,885
Operating properties held for sale, net	56,913	66,447
Investments in real estate partnerships	368,313	383,408
Net real estate investments	3,938,191	3,871,300
Cash and cash equivalents	24,669	21,533
Notes receivable	36,928	31,438
Tenant receivables, net of allowance for uncollectible accounts of \$1,627 and \$1,593 at March 31, 2009 and December 31, 2008, respectively	76,529	84,096
Other receivables	19,700	19,700
Deferred costs, less accumulated amortization of \$54,424 and \$51,549 at March 31, 2009 and December 31, 2008, respectively	55,419	57,477
Acquired lease intangible assets, less accumulated amortization of \$10,515 and \$11,204 at March 31, 2009 and December 31, 2008, respectively	12,111	12,903
Other assets	44,927	43,928
Total assets	\$ 4,208,474	4,142,375
<u>Liabilities and Equity</u>		
Liabilities:		
Notes payable	\$ 1,892,679	1,837,904
Unsecured credit facilities	367,667	297,667
Accounts payable and other liabilities	113,607	141,395
Derivative instruments, at fair value	61,481	83,691
Acquired lease intangible liabilities, less accumulated accretion of \$8,523 and \$8,829 at March 31, 2009 and December 31, 2008, respectively	7,358	7,865
Tenants' security and escrow deposits	11,324	11,571
Total liabilities	2,454,116	2,380,093

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Commitments and contingencies		
Equity:		
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 March 31, 2009 and December 31, 2008 with liquidation preferences of \$25 per share	275,000	275,000
Common stock \$.01 par value per share, 150,000,000 shares authorized; 75,682,133 and 75,634,881 shares issued at March 31, 2009 and December 31, 2008, respectively	756	756
Treasury stock at cost, 5,661,520 and 5,598,211 shares held at March 31, 2009 and December 31, 2008, respectively	(111,414)	(111,414)
Additional paid in capital	1,779,039	1,778,265
Accumulated other comprehensive loss	(68,585)	(90,975)
Distributions in excess of net income	(186,227)	(155,057)
Total stockholders' equity	1,688,569	1,696,575
Noncontrolling interests:		
Preferred units, aggregate redemption value of \$50,000 at March 31, 2009 and December 31, 2008	49,158	49,158
Exchangeable operating partnership units, aggregate redemption value of \$12,440 and \$21,865 at March 31, 2009 and December 31, 2008, respectively	8,556	8,569
Limited partners' interest in consolidated partnerships	8,075	7,980
Total noncontrolling interests	65,789	65,707
Total equity	1,754,358	1,762,282
Total liabilities and equity	\$ 4,208,474	4,142,375

See accompanying notes to consolidated financial statements.

Table of Contents**REGENCY CENTERS CORPORATION****Consolidated Statements of Operations****For the three months ended March 31, 2009 and 2008****(in thousands, except per share data)****(unaudited)**

	2009	2008
Revenues:		
Minimum rent	\$ 86,011	82,361
Percentage rent	700	800
Recoveries from tenants and other income	25,191	23,897
Management, acquisition, and other fees	7,756	8,447
Total revenues	119,658	115,505
Operating expenses:		
Depreciation and amortization	28,083	24,546
Operating and maintenance	15,920	14,730
General and administrative	15,884	14,123
Real estate taxes	14,114	12,227
Other expenses	288	796
Total operating expenses	74,289	66,422
Other expense (income):		
Interest expense, net of interest income of \$906 and \$880 in 2009 and 2008, respectively	26,518	22,538
Gain on sale of operating properties and properties in development		(2,934)
Provision for impairment		716
Total other expense (income)	26,518	20,320
Income before equity in income of investments in real estate partnerships	18,851	28,763
Equity in income of investments in real estate partnerships	1,902	2,635
Income from continuing operations	20,753	31,398
Discontinued operations, net:		
Operating income from discontinued operations	1,074	1,641
Gain on sale of operating properties and properties in development	3,886	
Income from discontinued operations	4,960	1,641
Net income	25,713	33,039
Noncontrolling interests:		
Preferred units	(931)	(931)
Exchangeable operating partnership units	(164)	(213)
Limited partners' interest in consolidated partnerships	(136)	(257)
Net income attributable to noncontrolling interests	(1,231)	(1,401)

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Net income attributable to controlling interests	24,482	31,638
Preferred stock dividends	(4,919)	(4,919)
Net income attributable to common stockholders	\$ 19,563	26,719
Income per common share - basic:		
Continuing operations	\$ 0.21	0.36
Discontinued operations	0.07	0.02
Net income attributable to common stockholders per share	\$ 0.28	0.38
Income per common share - diluted:		
Continuing operations	\$ 0.21	0.36
Discontinued operations	0.07	0.02
Net income attributable to common stockholders per share	\$ 0.28	0.38

See accompanying notes to consolidated financial statements.

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REGENCY CENTERS CORPORATION

Consolidated Statement of Equity and Comprehensive Income (Loss)

For the three months ended March 31, 2009

(in thousands, except per share data)

(unaudited)

	Preferred Stock	Common Stock	Treasury Stock	Additional Paid In Capital	Accumulated Other Comprehensive Loss	Distributions in Excess of Net Income	Total Stockholders Equity	Preferred Units	Exchangeable Operating Partnership Units	Noncontrolling Interests Limited Partners Interest in Consolidated Partnerships	Total Noncontrolling Interests	Total Equity
Balance at December 31, 2008	\$ 275,000	756	(111,414)	1,778,265	(90,975)	(155,057)	1,696,575	49,158	8,569	7,980	65,707	1,762,282
Comprehensive income:						24,482	24,482	931	164	136	1,231	25,714
Amortization of intangible assets						327	327					327
Change in fair value of intangible assets					22,063		22,063		147		147	22,210
Other comprehensive income							46,872				1,378	48,250
Restricted stock sold, net of tax				1,445			1,445					1,445
Common stock repurchased for treasury stock; withheld stock based compensation,				(2,325)			(2,325)					(2,325)
Common stock repurchased for treasury stock				1,100			1,100					1,100