

URSTADT BIDDLE PROPERTIES INC
Form 10-Q
March 10, 2016
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 January 31, 2016

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 1-12803

Urstadt Biddle Properties Inc.
(Exact Name of Registrant in its Charter)

Maryland 04-2458042
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

321 Railroad Avenue, Greenwich, CT 06830
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (203) 863-8200

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 website, 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

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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 March 4, 2016 (latest date practicable), the number of shares of the Registrant's classes of Common Stock and Class A Common Stock outstanding was: 9,504,378 Common Shares, par value \$.01 per share, and 26,465,544 Class A Common Shares, par value \$.01 per share.

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Urstadt Biddle Properties Inc.

Part I. Financial Information

Item 1. Financial Statements (Unaudited)

Consolidated Balance Sheets – January 31, 2016 (Unaudited) and October 31, 2015.

Consolidated Statements of Income (Unaudited) – Three months ended January 31, 2016 and 2015.

Consolidated Statements of Comprehensive Income (Unaudited) – Three months ended January 31, 2016 and 2015.

Consolidated Statements of Cash Flows (Unaudited) – Three months ended January 31, 2016 and 2015.

Consolidated Statement of Stockholders' Equity (Unaudited) – Three months ended January 31, 2016.

Notes to Consolidated Financial Statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Item 4. Controls and Procedures.

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URSTADT BIDDLE PROPERTIES INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	January 31, 2016 (Unaudited)	October 31, 2015
ASSETS		
Real Estate Investments:		
Real Estate– at cost	\$ 945,665	\$941,690
Less: Accumulated depreciation	(170,583)	(165,660)
	775,082	776,030
Investments in and advances to unconsolidated joint ventures	38,974	39,305
	814,056	815,335
Cash and cash equivalents	3,173	6,623
Restricted cash	2,322	2,191
Tenant receivables	22,838	22,353
Prepaid expenses and other assets	13,984	9,334
Deferred charges, net of accumulated amortization	6,410	5,239
Total Assets	\$ 862,783	\$861,075
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Revolving credit line	\$ 29,750	\$22,750
Mortgage notes payable and other loans	259,000	260,457
Accounts payable and accrued expenses	6,672	3,438
Deferred compensation – officers	110	155
Other liabilities	15,991	17,542
Total Liabilities	311,523	304,342
Redeemable Noncontrolling Interests	16,881	15,955
Commitments and Contingencies		
Stockholders' Equity:		
7.125% Series F Cumulative Preferred Stock (liquidation preference of \$25 per share); 5,175,000 shares issued and outstanding	129,375	129,375
6.75% Series G Cumulative Preferred Stock (liquidation preference of \$25 per share); 3,000,000 shares issued and outstanding	75,000	75,000
Excess Stock, par value \$0.01 per share; 20,000,000 shares authorized; none issued and outstanding	-	-
Common Stock, par value \$0.01 per share; 30,000,000 shares authorized; 9,504,378 and 9,350,885 shares issued and outstanding	96	94
Class A Common Stock, par value \$0.01 per share; 100,000,000 shares authorized; 26,465,544 and 26,370,216 shares issued and outstanding	265	264
Additional paid in capital	432,583	431,411
Cumulative distributions in excess of net income	(101,251)	(94,136)
Accumulated other comprehensive (loss)	(1,689)	(1,230)

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Total Stockholders' Equity	534,379	540,778
Total Liabilities and Stockholders' Equity	\$ 862,783	\$861,075

The accompanying notes to consolidated financial statements are an integral part of these statements.

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CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(In thousands, except per share data)

	Three Months Ended January 31,	
	2016	2015
Revenues		
Base rents	\$20,072	\$21,011
Recoveries from tenants	6,372	7,146
Lease termination income	42	44
Other income	965	305
Total Revenues	27,451	28,506
Expenses		
Property operating	4,767	5,086
Property taxes	4,623	4,462
Depreciation and amortization	5,688	5,526
General and administrative	2,462	2,268
Provision for tenant credit losses	239	343
Acquisition costs	80	1,768
Directors' fees and expenses	83	114
Total Operating Expenses	17,942	19,567
Operating Income	9,509	8,939
Non-Operating Income (Expense):		
Interest expense	(3,271)	(3,264)
Equity in net income from unconsolidated joint ventures	383	474
Interest, dividends and other investment income	51	15
Net Income	6,672	6,164
Noncontrolling interests:		
Net income attributable to noncontrolling interests	(225)	(153)
Net income attributable to Urstadt Biddle Properties Inc.	6,447	6,011
Preferred stock dividends	(3,570)	(3,894)
Net Income Applicable to Common and Class A Common Stockholders	\$2,877	\$2,117
Basic Earnings Per Share:		
Per Common Share:	\$0.08	\$0.06
Per Class A Common Share:	\$0.09	\$0.06
Diluted Earnings Per Share:		
Per Common Share:	\$0.08	\$0.06
Per Class A Common Share:	\$0.08	\$0.06
Dividends Per Share:		

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Common	\$0.2300	\$0.2250
Class A Common	\$0.2600	\$0.2550

The accompanying notes to consolidated financial statements are an integral part of these statements.

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URSTADT BIDDLE PROPERTIES INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In thousands)

	Three Months Ended January 31,	
	2016	2015
Net Income	\$6,672	\$6,164
Other comprehensive (loss):		
Change in unrealized loss on interest rate swaps	(459)	(1,714)
Total comprehensive income	6,213	4,450
Comprehensive income attributable to noncontrolling interests	(225)	(153)
Total Comprehensive income attributable to Urstadt Biddle Properties Inc.	5,988	4,297
Preferred stock dividends	(3,570)	(3,894)
Total comprehensive income applicable to Common and Class A Common Stockholders	\$2,418	\$403

The accompanying notes to consolidated financial statements are an integral part of these statements.

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URSTADT BIDDLE PROPERTIES INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)

	Three Months Ended January 31,	
	2016	2015
Cash Flows from Operating Activities:		
Net income	\$6,672	\$6,164
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,688	5,526
Straight-line rent adjustment	(211)	359
Provision for tenant credit losses	239	343
Restricted stock compensation expense and other adjustments	1,117	1,074
Deferred compensation arrangement	(45)	(17)
Equity in net (income) of unconsolidated joint ventures	(383)	(474)
Changes in operating assets and liabilities:		
Tenant receivables	(514)	(3,799)
Accounts payable and accrued expenses	2,776	2,910
Other assets and other liabilities, net	(6,312)	(4,554)
Restricted Cash	(131)	(91)
Net Cash Flow Provided by Operating Activities	8,896	7,441
Cash Flows from Investing Activities:		
Acquisitions of real estate investments	-	(122,441)
Investments in and advances to unconsolidated joint ventures	-	(17)
Deposits on acquisition of real estate investment	(479)	-
Return of deposits on acquisition of real estate investments	640	627
Improvements to properties and deferred charges	(5,927)	(4,062)
Distributions to noncontrolling interests	(225)	(1,195)
Distributions from unconsolidated joint ventures	681	397
Net Cash Flow (Used in) Investing Activities	(5,310)	(126,691)
Cash Flows from Financing Activities:		
Dividends paid -- Common and Class A Common Stock	(9,066)	(8,881)
Dividends paid -- Preferred Stock	(3,570)	(3,894)
Principal repayments on mortgage notes payable	(1,457)	(3,986)
Proceeds from mortgage financings	-	67,680
Redemption of preferred stock	-	(61,250)
Repayment of revolving credit line borrowings	(3,000)	(77,550)
Proceeds from revolving credit line borrowings	10,000	74,500
Net proceeds from the issuance of preferred stock	-	4,650
Sales of additional shares of Common and Class A Common Stock	57	59,846
Net Cash Flow Provided by (Used In) Financing Activities	(7,036)	51,115
Net (Decrease) In Cash and Cash Equivalents	(3,450)	(68,135)
Cash and Cash Equivalents at Beginning of Period	6,623	73,029
Cash and Cash Equivalents at End of Period	\$3,173	\$4,894

Supplemental Cash Flow Disclosures:

Interest Paid	\$3,253	\$3,221
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URSTADT BIDDLE PROPERTIES INC.
 CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)
 (In thousands, except shares and per share data)

	7.125% Series F Preferred Stock Issued	7.125% Series F Preferred Stock A mount	6.75% Series G Preferred Stock Issued	6.75% Series G Preferred Stock Amount	Common Stock Issued	Common Stock Amount	Class A Common Stock Issued	Class A Common Stock Amount	Additional Paid in Capital	Cumulative Distributions In Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balances - October 31, 2015	5,175,000	\$ 129,375	3,000,000	\$ 75,000	9,350,885	\$ 94					