

LEXINGTON REALTY TRUST  
Form 10-Q  
August 05, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 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, 2015.

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 1-12386

LEXINGTON REALTY TRUST  
(Exact name of registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation or organization)	13-3717318 (I.R.S. Employer Identification No.)
One Penn Plaza – Suite 4015 New York, NY (Address of principal executive offices)	10119 (Zip Code)
(212) 692-7200 (Registrant's telephone number, including area 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

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 (Do not check if a smaller reporting company)   
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

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Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: 236,329,031 common shares of beneficial interest, par value \$0.0001 per share, as of August 3, 2015.

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TABLE OF CONTENTS

PART I. — FINANCIAL INFORMATION

<u>ITEM 1. Financial Statements</u>	<u>3</u>
<u>ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>23</u>
<u>ITEM 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>31</u>
<u>ITEM 4. Controls and Procedures</u>	<u>31</u>

PART II — OTHER INFORMATION

<u>ITEM 1. Legal Proceedings</u>	<u>32</u>
<u>ITEM 1A. Risk Factors</u>	<u>32</u>
<u>ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>32</u>
<u>ITEM 3. Defaults Upon Senior Securities</u>	<u>32</u>
<u>ITEM 4. Mine Safety Disclosures</u>	<u>32</u>
<u>ITEM 5. Other Information</u>	<u>32</u>
<u>ITEM 6. Exhibits</u>	<u>33</u>
<u>SIGNATURES</u>	<u>35</u>

WHERE YOU CAN FIND MORE INFORMATION:

We file and furnish annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, which we refer to as the SEC. You may read and copy any materials that we file or furnish with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. We file and furnish information electronically with the SEC. The SEC maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers that file or furnish electronically with the SEC. The address of the SEC's Internet site is <http://www.sec.gov>. We also maintain a web site at <http://www.lxp.com> through which you can obtain copies of documents that we file or furnish with the SEC. The contents of that web site are not incorporated by reference in or otherwise a part of this Quarterly Report on Form 10-Q or any other document that we file or furnish with the SEC.

Table of Contents

## PART I. - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## LEXINGTON REALTY TRUST AND CONSOLIDATED SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited and in thousands, except share and per share data)

	June 30, 2015	December 31, 2014
Assets:		
Real estate, at cost	\$3,734,513	\$3,671,560
Real estate - intangible assets	721,571	705,566
Investments in real estate under construction	147,047	106,238
	4,603,131	4,483,364
Less: accumulated depreciation and amortization	1,220,203	1,196,114
Real estate, net	3,382,928	3,287,250
Assets held for sale	33,364	3,379
Cash and cash equivalents	64,382	191,077
Restricted cash	12,844	17,379
Investment in and advances to non-consolidated entities	28,241	19,402
Deferred expenses, net	63,780	65,860
Loans receivable, net	108,309	105,635
Rent receivable – current	8,523	6,311
Rent receivable – deferred	79,513	61,372
Other assets	26,113	20,229
Total assets	\$3,807,997	\$3,777,894
Liabilities and Equity:		
Liabilities:		
Mortgages and notes payable	\$865,860	\$945,216
Credit facility borrowings	93,000	—
Term loans payable	505,000	505,000
Senior notes payable	497,811	497,675
Convertible notes payable	12,464	15,664
Trust preferred securities	129,120	129,120
Dividends payable	43,628	42,864
Liabilities held for sale	20,801	2,843
Accounts payable and other liabilities	43,070	37,740
Accrued interest payable	9,235	8,301
Deferred revenue - including below market leases, net	44,328	68,215
Prepaid rent	16,589	16,336
Total liabilities	2,280,906	2,268,974
Commitments and contingencies		
Equity:		
Preferred shares, par value \$0.0001 per share; authorized 100,000,000 shares: Series C Cumulative Convertible Preferred, liquidation preference \$96,770; 1,935,400 shares issued and outstanding	94,016	94,016
Common shares, par value \$0.0001 per share; authorized 400,000,000 shares, 235,940,610 and 233,278,037 shares issued and outstanding in 2015 and 2014,	24	23

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respectively

Additional paid-in-capital	2,784,423	2,763,374
Accumulated distributions in excess of net income	(1,372,170	) (1,372,051 )
Accumulated other comprehensive income (loss)	(2,226	) 404
Total shareholders' equity	1,504,067	1,485,766
Noncontrolling interests	23,024	23,154
Total equity	1,527,091	1,508,920
Total liabilities and equity	\$3,807,997	\$3,777,894

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

3

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Table of ContentsLEXINGTON REALTY TRUST AND CONSOLIDATED SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited and in thousands, except share and per share data)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Gross revenues:				
Rental	\$ 102,440	\$ 97,564	\$ 202,456	\$ 193,929
Tenant reimbursements	7,893	7,883	16,319	15,534
Total gross revenues	110,333	105,447	218,775	209,463
Expense applicable to revenues:				
Depreciation and amortization	(41,808	) (37,763	) (82,083	) (75,710
Property operating	(15,534	) (15,449	) (32,116	) (31,130
General and administrative	(7,971	) (6,631	) (15,792	) (14,609
Non-operating income	3,084	3,079	5,698	6,152
Interest and amortization expense	(23,339			