

Edgar Filing: Education Realty Trust, Inc. - Form 10-Q

Education Realty Trust, Inc.
Form 10-Q
November 06, 2012
Table of Contents

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 September 30, 2012

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: 001-32417

Education Realty Trust, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Maryland

(State or Other Jurisdiction of Incorporation or Organization)

20-1352180

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

999 South Shady Grove Road, Suite 600, Memphis,

Tennessee

(Address of Principal Executive Offices)

38120

(Zip Code)

Registrant's Telephone Number, Including Area Code: (901) 259-2500

Not Applicable

(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 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

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As of November 2, 2012, the latest practicable date, the Registrant had outstanding 113,020,825 shares of common stock, \$0.01 par value per share.

Table of Contents

EDUCATION REALTY TRUST, INC.
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 2012
TABLE OF CONTENTS

	Page
PART I — FINANCIAL INFORMATION	
<u>Item 1. Financial Statements (unaudited).</u>	
<u>Condensed Consolidated Balance Sheets of Education Realty Trust, Inc. and Subsidiaries as of September 30, 2012 and December 31, 2011</u>	<u>2</u>
<u>Condensed Consolidated Statements of Operations of Education Realty Trust, Inc. and Subsidiaries for the nine months ended September 30, 2012 and 2011</u>	<u>3</u>
<u>Condensed Consolidated Statements of Operations of Education Realty Trust, Inc. and Subsidiaries for the three months ended September 30, 2012 and 2011</u>	<u>4</u>
<u>Condensed Consolidated Statements of Changes in Equity of Education Realty Trust, Inc. and Subsidiaries for the nine months ended September 30, 2012 and 2011</u>	<u>5</u>
<u>Condensed Consolidated Statements of Cash Flows of Education Realty Trust, Inc. and Subsidiaries for the nine months ended September 30, 2012 and 2011</u>	<u>6</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>8</u>
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.</u>	<u>26</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk.</u>	<u>46</u>
<u>Item 4. Controls and Procedures.</u>	<u>47</u>
PART II — OTHER INFORMATION	
<u>Item 1. Legal Proceedings.</u>	<u>47</u>
<u>Item 1A. Risk Factors.</u>	<u>48</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.</u>	<u>48</u>
<u>Item 3. Defaults Upon Senior Securities.</u>	<u>48</u>
<u>Item 4. Mine Safety Disclosures.</u>	<u>48</u>
<u>Item 5. Other Information.</u>	<u>48</u>
<u>Item 6. Exhibits.</u>	<u>48</u>
<u>Signatures</u>	<u>49</u>

Table of Contents

Part I — Financial Information

Item 1. Financial Statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

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

(Unaudited)

	September 30, 2012	December 31, 2011
ASSETS		
Assets:		
Collegiate housing properties, net	\$797,427	\$803,519
Assets under development	181,391	56,648
Corporate office furniture, net	2,838	574
Cash and cash equivalents	127,623	75,813
Restricted cash	5,995	4,826
Student contracts receivable, net	497	347
Receivable from managed third parties	696	933
Notes receivable	21,000	18,000
Goodwill and other intangibles, net	3,063	3,965
Other assets	29,421	13,184
Total assets	\$1,169,951	\$977,809
LIABILITIES AND EQUITY		
Liabilities:		
Mortgage and construction loans, net of unamortized premium/discount	\$322,549	\$358,504
Accounts payable	2,523	3,933
Accrued expenses	47,295	27,833
Deferred revenue	18,980	14,409
Total liabilities	391,347	404,679
Commitments and contingencies (see Note 6)	—	—
Redeemable noncontrolling interests	9,066	9,776
Equity:		
Common stock, \$0.01 par value per share, 200,000,000 shares authorized, 112,863,970 and 91,800,688 shares issued and outstanding as of September 30, 2012, and December 31, 2011, respectively	1,129	918
Preferred stock, \$0.01 par value per share, 50,000,000 shares authorized, no shares issued and outstanding	—	—
Additional paid-in capital	861,389	662,657
Accumulated deficit	(98,075)	(101,708)
Total Education Realty Trust, Inc. stockholders' equity	764,443	561,867
Noncontrolling interests	5,095	1,487
Total equity	769,538	563,354
Total liabilities and equity	\$1,169,951	\$977,809

See accompanying notes to the condensed consolidated financial statements.

Table of Contents

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in thousands, except per share data)

(Unaudited)

	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Revenues:		
Collegiate housing leasing revenue	\$94,285	\$72,363
Third-party development consulting services	490	3,481
Third-party management services	2,451	2,425
Operating expense reimbursements	7,414	6,376
Total revenues	104,640	84,645
Operating expenses:		
Collegiate housing leasing operations	48,770	38,720
Development and management services	4,756	4,132
General and administrative	5,901	4,659
Depreciation and amortization	25,268	19,220
Ground lease expense	4,716	4,097
Reimbursable operating expenses	7,414	6,376
Total operating expenses	96,825	77,204
Operating income	7,815	7,441
Nonoperating expenses:		
Interest expense	10,941	13,036
Amortization of deferred financing costs	911	900
Interest income	(152)	(129)
Loss on extinguishment of debt	—	351
Total nonoperating expenses	11,700	14,158
Loss before equity in earnings (losses) of unconsolidated entities, income taxes and discontinued operations	(3,885)	(6,717)
Equity in earnings (losses) of unconsolidated entities	(340)	(408)
Loss before income taxes and discontinued operations	(4,225)	(7,125)
Income tax benefit	(1,117)	(278)
Loss from continuing operations	(3,108)	(6,847)
Income from discontinued operations	6,767	1,672
Net income (loss)	3,659	