

Sunstone Hotel Investors, Inc.  
Form 10-Q  
November 03, 2015  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 10-Q

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

For the quarterly period ended September 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 001-32319

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Sunstone Hotel Investors, Inc.

(Exact Name of Registrant as Specified in Its Charter)

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Maryland (State or Other Jurisdiction of Incorporation or Organization)	20-1296886 (I.R.S. Employer Identification Number)
120 Vantis, Suite 350 Aliso Viejo, California (Address of Principal Executive Offices)	92656 (Zip Code)

Registrant's telephone number, including area code: (949) 330-4000

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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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

208,590,736 shares of Common Stock, \$0.01 par value, as of October 30, 2015

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SUNSTONE HOTEL INVESTORS, INC.

QUARTERLY REPORT ON

FORM 10-Q

For the Quarterly Period Ended September 30, 2015

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## PART I—FINANCIAL INFORMATION

## Item 1. Financial Statements

## SUNSTONE HOTEL INVESTORS, INC.

## CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	September 30, 2015 (unaudited)	December 31, 2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 176,190	\$ 222,096
Restricted cash	91,541	82,074
Accounts receivable, net	47,818	34,227
Inventories	1,363	1,439
Prepaid expenses	11,877	14,909
Total current assets	328,789	354,745
Investment in hotel properties, net	3,523,290	3,538,129
Deferred financing fees, net	10,637	8,201
Goodwill	990	9,405
Other assets, net	8,077	14,485
Total assets	\$ 3,871,783	\$ 3,924,965
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 33,401	\$ 32,577
Accrued payroll and employee benefits	30,495	31,919
Dividends payable	12,730	76,694
Other current liabilities	50,341	36,466
Current portion of notes payable	206,822	121,328
Total current liabilities	333,789	298,984
Notes payable, less current portion	1,106,341	1,307,964
Capital lease obligations, less current portion	15,575	15,576