

ONE LIBERTY PROPERTIES INC
Form 10-Q
May 08, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

x Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2014

OR

o Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 001-09279

ONE LIBERTY PROPERTIES, INC.

(Exact name of registrant as specified in its charter)

MARYLAND
(State or other jurisdiction of
incorporation or organization)

13-3147497
(I.R.S. employer
identification number)

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60 Cutter Mill Road, Great Neck, New York
(Address of principal executive offices)

11021
(Zip code)

(516) 466-3100

(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 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.

Large accelerated filer

Accelerated filer

Non-accelerated filer

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.

As of May 2, 2014, the registrant had 15,978,064 shares of common stock outstanding.

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One Liberty Properties, Inc. and Subsidiaries

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Part I FINANCIAL INFORMATION

Item 1. Financial Statements

ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Amounts in Thousands, Except Par Value)

	March 31, 2014 (Unaudited)	December 31, 2013
Assets		
Real estate investments, at cost		
Land	\$ 155,499	\$ 153,529
Buildings and improvements	416,995	413,829
Total real estate investments, at cost	572,494	567,358
Less accumulated depreciation	74,165	71,171
Real estate investments, net	498,329	496,187
Properties held-for-sale		5,177
Investment in unconsolidated joint ventures	4,916	4,906
Cash and cash equivalents	16,168	16,631
Unbilled rent receivable	14,079	13,743
Unamortized intangible lease assets	25,771	26,035
Escrow, deposits and other assets and receivables	4,509	5,690
Investment in BRT Realty Trust at market (related party)	264	262
Unamortized deferred financing costs	3,344	3,267
Total assets	\$ 567,380	\$ 571,898
Liabilities and Equity		
Liabilities:		
Mortgages payable	\$ 284,903	\$ 278,045
Line of credit	12,850	23,250
Dividends payable	5,872	5,806
Accrued expenses and other liabilities	7,512	7,790
Unamortized intangible lease liabilities	7,106	6,917
Total liabilities	318,243	321,808
Commitments and contingencies		
Equity:		
One Liberty Properties, Inc. stockholders' equity:		
Preferred stock, \$1 par value; 12,500 shares authorized; none issued		
Common stock, \$1 par value; 25,000 shares authorized; 15,422 and 15,221 shares issued and outstanding	15,422	15,221

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Paid-in capital	212,533	210,324
Accumulated other comprehensive loss	(1,196)	(490)
Accumulated undistributed net income	21,278	23,877
Total One Liberty Properties, Inc. stockholders' equity	248,037	248,932
Non-controlling interests in joint ventures	1,100	1,158
Total equity	249,137	250,090
Total liabilities and equity	\$ 567,380	\$ 571,898

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands, Except Per Share Data)

(Unaudited)

	Three Months Ended March 31,	
	2014	2013
Revenues:		
Rental income, net	\$ 14,402	\$ 11,862
Operating expenses:		
Depreciation and amortization	3,577	2,634
General and administrative (including \$609 and \$572, respectively, to related party)	2,211	1,960
Federal excise and state taxes	62	42
Real estate expenses (including \$213 and \$150, respectively, to related party)	1,098	772
Leasehold rent	77	77
Real estate acquisition costs	40	151
Total operating expenses	7,065	5,636
Operating income	7,337	6,226
Other income and expenses:		
Equity in earnings of unconsolidated joint ventures	133	334
Other income	8	69
Interest:		
Expense	(3,953)	(3,103)
Amortization of deferred financing costs	(238)	(213)
Income from continuing operations	3,287	3,313
Income from discontinued operations	13	136
Net income	3,300	3,449
Less net (income) loss attributable to non-controlling interests	(27)	1
Net income attributable to One Liberty Properties, Inc.	\$ 3,273	\$ 3,450
Weighted average number of common shares outstanding:		
Basic	15,356	14,672
Diluted	15,456	14,772
Per common share attributable to common stockholders basic:		
Income from continuing operations	\$.20	\$.21
Income from discontinued operations		.01
	\$.20	\$.22
Per common share attributable to common stockholders diluted:		
Income from continuing operations	\$.20	\$.21
Income from discontinued operations		.01
	\$.20	\$.22
Cash distributions declared per share of common stock	\$.37	\$.35

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See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands)

(Unaudited)

	Three Months Ended March 31,	
	2014	2013
Net income	\$ 3,300	\$ 3,449
Other comprehensive (loss) gain		
Net unrealized gain on available-for-sale securities	5	46
Net unrealized (loss) gain on derivative instruments	(718)	178
One Liberty Property's share of joint venture net unrealized (loss) gain on derivative instruments	(3)	10
Other comprehensive (loss) gain	(716)	234
Comprehensive income	2,584	3,683
Less: comprehensive (income) loss attributable to non-controlling interests	(27)	1
Plus: unrealized loss on derivative instruments attributable to non-controlling interests	(10)	
Comprehensive income attributable to One Liberty Properties, Inc.	\$ 2,547	\$ 3,684

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three month period ended March 31, 2014 (Unaudited)

and the year ended December 31, 2013

(Amounts in Thousands, Except Per Share Data)

	Common Stock	Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Undistributed Net Income	Non- Controlling Interests in Joint Ventures	Total
Balances, December 31, 2012	\$ 14,598	\$ 196,107	\$ (1,578)	\$ 28,001	\$ 931	\$ 238,059
Distributions - common stock Cash - \$1.42 per share				(21,999)		(21,999)
Shares issued through equity offering program net	363	8,802				9,165
Restricted stock vesting	50	(50)				
Shares issued through dividend reinvestment plan	210	4,025				4,235
Contributions from non-controlling interests					480	480
Distributions to non-controlling interests					(298)	(298)
Compensation expense - restricted stock		1,440				1,440
Net income				17,875	49	17,924
Other comprehensive income			1,088		(4)	1,084
Balances, December 31, 2013	15,221	210,324	(490)	23,877	1,158	