

AVALONBAY COMMUNITIES INC
Form 10-Q
August 02, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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 June 30, 2013

Commission file number 1-12672

AVALONBAY COMMUNITIES, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

77-0404318
(I.R.S. Employer
Identification No.)

Ballston Tower

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671 N. Glebe Rd, Suite 800

Arlington, Virginia 22203

(Address of principal executive offices, including zip code)

(703) 329-6300

(Registrant's telephone number, including area code)

(Former name, 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 twelve (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 ninety (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 (Section 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 Exchange 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

Non-accelerated filer (Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

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

129,402,894 shares of common stock, par value \$0.01 per share, were outstanding as of July 31, 2013

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CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except per share data)

	6-30-13 (unaudited)	12-31-12
ASSETS		
Real estate:		
Land	\$ 3,310,543	\$ 1,430,532
Buildings and improvements	11,249,812	7,112,763
Furniture, fixtures and equipment	325,288	254,378
	14,885,643	8,797,673
Less accumulated depreciation	(2,326,132)	(2,021,703)
Net operating real estate	12,559,511	6,775,970
Construction in progress, including land	1,146,805	802,857
Land held for development	409,930	316,037
Operating real estate assets held for sale, net		120,256
Total real estate, net	14,116,246	8,015,120
Cash and cash equivalents	111,147	2,733,618
Cash in escrow	94,400	50,033
Resident security deposits	27,886	24,748
Investments in unconsolidated real estate entities	365,521	129,352
Deferred financing costs, net	35,726	38,700
Deferred development costs	37,260	24,665
Prepaid expenses and other assets	183,999	143,842
Total assets	\$ 14,972,185	\$ 11,160,078
LIABILITIES AND EQUITY		
Unsecured notes, net	\$ 1,846,113	\$ 1,945,798
Variable rate unsecured credit facility	142,000	
Mortgage notes payable	3,865,206	1,905,235
Dividends payable	138,456	110,966
Payables for construction	84,984	53,677
Accrued expenses and other liabilities	224,189	223,651
Accrued interest payable	39,735	33,056
Resident security deposits	48,225	38,328
Liabilities related to real estate assets held for sale		1,547
Total liabilities	6,388,908	4,312,258
Redeemable noncontrolling interests	19,514	7,027
Equity:		
Preferred stock, \$0.01 par value; \$25 liquidation preference; 50,000,000 shares authorized at both June 30, 2013 and December 31, 2012; zero shares issued and outstanding at June 30, 2013 and December 31, 2012, respectively		
Common stock, \$0.01 par value; 280,000,000 shares authorized at June 30, 2013 and 140,000,000 shares authorized at December 31, 2012; 129,398,867 and 114,403,472 shares issued and outstanding at June 30, 2013 and December 31, 2012, respectively	1,294	1,144
Additional paid-in capital	8,972,852	7,086,407
Accumulated earnings less dividends	(308,938)	(142,329)
Accumulated other comprehensive loss	(105,042)	(108,007)

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Total equity	8,560,166	6,837,215
Noncontrolling interest	3,597	3,578
Total equity	8,563,763	6,840,793
Total liabilities and equity	\$ 14,972,185	\$ 11,160,078

See accompanying notes to Condensed Consolidated Financial Statements.

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AVALONBAY COMMUNITIES, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF
 COMPREHENSIVE INCOME

(unaudited)

(Dollars in thousands, except per share data)

	For the three months ended		For the six months ended	
	6-30-13	6-30-12	6-30-13	6-30-12
Revenue:				
Rental and other income	\$ 386,321	\$ 249,675	\$ 694,415	\$ 491,501
Management, development and other fees	2,913	2,770	5,185	5,319
Total revenue				