RECKSON ASSOCIATES REALTY CORP Form 10-Q November 09, 2005

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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 September 30, 2005

Commission file number: 1-13762

## RECKSON ASSOCIATES REALTY CORP.

(Exact name of registrant as specified in its charter)

11-3233650

Maryland

(State or other jurisdiction of	(IRS Employer
incorporation or organization)	Identification Number)
225 Broadhollow Road, Melville, NY	11747
(Address of principal executive office) (Registrant's telephone nu	(zip code) mber including area code) <b>(631) 694-6900</b>
Exchange Act of 1934 during the preceding 12 months (or	d all reports required to be filed by Section 13 or 15(d) of the Securities for such shorter period that the registrant was required to file such filing requirements for the past 90 days. Yes No .
Indicate by check mark whether the registrant is an accele	erated filer (as defined in Rule 12b-2 of the Exchange Act).
Yes	No .
Indicate by check mark whether the registrant is a shell co	ompany (as defined in Rule 12b-2 of the Exchange Act).
Yes	No .
The Company has one class of common stock, par value to	\$.01 per share, with 82,558,773 shares outstanding as of November 1,
2005.	, - , - , - , - , - , - , - , - , - , -

#### RECKSON ASSOCIATES REALTY CORP.

#### QUARTERLY REPORT FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2005

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#### **PART I - FINANCIAL INFORMATION**

#### **ITEM 1 - FINANCIAL STATEMENTS**

#### RECKSON ASSOCIATES REALTY CORP.

#### **CONSOLIDATED BALANCE SHEETS**

(Dollars in thousands, except for share amounts)

		September 30, 2005		December 31, 2004
		(unaudited)		
ASSETS:		(unuuuntuu)		
Commercial real estate properties, at cost:				
Land	\$	385,457	\$	362,826
Building and improvements		2,452,509		2,332,562
Developments in progress:		101 071		00.070
Land  Development costs		101,371		90,976
Development costs Furniture, fixtures and equipment		81,981 12,391		42,169 11,611
Furniture, lixtures and equipment		12,391		11,011
		3,033,709		2,840,144
Less accumulated depreciation		(516,399)		(445,411)
·				
Investments in real estate, net of accumulated deprecation		2,517,310		2,394,733
Properties and related assets held for sale, net of accumulated depreciation		669,596		345,392
Investment in real estate joint ventures		12,946		6,657
Investment in notes receivable		166,219		85,855
Investments in affiliate loans and joint ventures		57,642		60,951
Cash and cash equivalents		32,799		25,137
Tenant receivables		11,157		9,558
Deferred rents receivable		135,399		109,890
Prepaid expenses and other assets		179,884		59,467
Contract and land deposits and pre-acquisition costs		2,898		121
Deferred leasing and loan costs		77,282		69,847
TOTAL ASSETS	\$	3,863,132	\$	3,167,608
	_		_	
LIABILITIES:				
Mortgage notes payable	\$	531,527	\$	576,719
Unsecured credit facility		231,000		235,500
Senior unsecured notes		979,970		697,974
Liabilities associated with properties held for sale		407,841		38,890
Accrued expenses and other liabilities		77,245		67,758
Deferred revenues and tenant lease security deposits  Dividends and distributions payable		75,296 36,232		50,373 35,924
Dividends and distributions payable		30,232		35,924
TOTAL LIABILITIES		2,339,111		1,703,138
Minority partners interests in consolidated partnerships		214,608		211,178
Preferred unit interest in the operating partnership		1,200		1,200
Limited partners minority interest in the operating partnership		33,719		53,231
TOTAL MINORITY INTERESTS		249,527		265,609

Commitments and contingencies		
STOCKHOLDERS EQUITY: Preferred stock, \$.01 par value, 25,000,000 shares authorized Common stock, \$.01 par value, 200,000,000 shares authorized 82,556,273 and 80,618,339		
shares issued and outstanding, respectively	826	806
Additional paid in capital	1,342,637	1,266,547
Accumulated other comprehensive loss	(477)	
Treasury stock, 3,318,600 shares	(68,492)	(68,492)
TOTAL STOCKHOLDERS EQUITY	1,274,494	1,198,861
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 3,863,132	\$ 3,167,608
(see accompanying notes to financial statements)		
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#### RECKSON ASSOCIATES REALTY CORP.

#### CONSOLIDATED STATEMENTS OF INCOME

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

		nths Ended mber 30,	Nine Months Ended September 30,			
	2005	2004	2005	2004		
PROPERTY OPERATING REVENUES:						
Base Rents Tenant escalations and reimbursements	\$ 124,130 21,163	\$ 106,605 18,865	\$ 358,181 56,370	\$ 318,877 53,105		
Total property operating revenues	145,293	125,470	414,551	371,982		
OPERATING EXPENSES:						
Property operating expenses	59,038	52,328	164,450	149,963		
Marketing, general and administrative	8,224	7,503	24,597	21,586		
Depreciation and amortization	35,486	28,697	96,546	83,477		
Total operating expenses	102,748	88,528	285,593	255,026		
Operating income	42,545	36,942	128,958	116,956		
NON-OPERATING INCOME AND EXPENSES:						
Gains on sales of real estate	85,512	_	- 85,512	_		
Interest income on notes receivable (including \$49, \$479,						
\$1,318 and \$1,608, respectively, from related parties)	3,833	1,963	9,613	5,455		
Investment income and other	6,509	5,279	7,647	10,671		
Interest:	(04.005)	(04.100)	(00.010)	(74.000)		
Expense	(31,985)	(24,120)	(82,810)	(74,388)		
Amortization of deferred financing costs	(1,118)	(1,005)	(3,177)	(2,831)		
Total non-operating income and expenses	62,751	(17,883)	16,785	(61,093)		
Income before minority interests, preferred dividends and						
distributions, equity in earnings of real estate joint ventures						
and discontinued operations	105,296	19,059	145,743	55,863		
Minority partners interests in consolidated partnerships	(3,740)	(4,135)	(11,368)	(14,738)		
Limited partners minority interest in the operating partnership	(3,297)	(235)	(4,646)	(1,182)		
Distributions to preferred unit holders	_	- (41)	_	(541)		
Equity in earnings of real estate joint ventures	248	112	482	520		
Income before discontinued operations and dividends to						
preferred shareholders	98,507	14,760	130,211	39,922		
Discontinued operations (net of minority interests):	1 100	0.000	4074	E 440		
Income from discontinued operations	1,433	2,006	4,671	5,443		
Gains on sales of real estate	13,615	2,228	13,790	11,069		
Net income	113,555	18,994	148,672	56,434		
Dividends to preferred shareholders		- (3,437)		(11,868)		
Redemption charges on Series A preferred stock	_	- (6,717)		(6,717)		

Net income allocable to common shareholders	\$	113,555	\$	8,840	\$	148,672	\$	37,849
Basic net income per weighted average common share: Common Discontinued operations	\$	1.20 .18	\$	.07	\$	1.59 .23	\$	.32 .25
Basic net income per common share	\$	1.38	\$	.13	\$	1.82	\$	.57
Basic weighted average common shares outstanding	8	2,544,645	70	),236,721	8	1,847,595	6	6,178,835
Diluted net income per weighted average common share	\$	1.37	\$	.13	\$	1.81	\$	.57
Diluted weighted average common shares outstanding (see accompanying		3,026,184 to financial		),510,301 nents)	8	32,284,475	6	6,533,225
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#### RECKSON ASSOCIATES REALTY CORP.

#### **CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Unaudited and in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:         1 148,672         \$ 56,434           Acijustments to reconcile net income to net cash provided by operating activities:         1 0,0093         86,496           Depreciation and amoritzation (including discontinued operations)         1 0,0093         86,496           Minority partners interests in consolidated partnerships         1 1,368         1 1,272           Limited partners minority interest in consolidated partnerships         5,296         2,097           Gains on sales of real estate         (99,764)         (13,724)           Equity in earnings of real estate joint ventures         (26,794)         (13,863)           Changes in operating assets and liabilities         (26,794)         (13,863)           Prepaid expenses and other assets         (495)         (19,366)           Accrued expenses and other liabilities         15,578         (1,456)           Tenant receivable         (58,98)         450           Accrued expenses and other liabilities         15,578         (1,456)           Tenant receivable         (58,08)         (496)         (1,936)           Accrued expenses and other liabilities         15,138         130,322           Vet cash provided by operating activities         (58,165)         (20,454)           Net cash provided by operating activities		Nine Months Ended September 30,		
NET INCOME         \$ 148,672         \$ 56,434           Adjustments to reconcile net income to net cash provided by operating activities:         100,093         86,496           Depreciation and amortization (including discontinued operations)         100,093         86,496           Minority partners interests in consolidated partnerships         11,368         17,271           Limited partners minority interest in consolidated partnerships         5,296         2,090           Gains on sales of real estate joint ventures         (482)         (520)           Changes in operating assets and liabilities:         266,794         (13,863)           Prepaid expenses and other assets         (495)         450           Prepaid expenses and other liabilities         (589)         450           Cectual expenses and other liabilities         (589)         450           Tenant receivables         (589)         450           Accrued expenses and other liabilities         (15,578)         (13,583)           Tenant lease security deposits         (15,578)         (13,693)           Net cash provided by operating activities         (624,073)         (138,894)           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454) <th></th> <th>2005</th> <th>2004</th>		2005	2004	
Depreciation and amortization (including discontinued operations)         100,093         86.496           Minority partners interests in consolidated partnerships         11,368         17,271           Limited partners minority interest in consolidated partnerships         5,296         2,090           Gains on sales of real estate         (99,764)         (13,724)           Equity in earnings of real estate joint ventures         (482)         (520)           Changes in operating assets and liabilities         (26,794)         (13,863)           Prepaid expenses and other assets         (495)         (1,936)           Accrued expenses and other liabilities         15,578         (1,556)           Tenant lease security deposits         (15,456)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         7,658           Repayments of notes receivable         (78,659)         (15,619)           Additions to notes receivable         (78,591)         (55,125)	NET INCOME	\$ 148,672	\$ 56,434	
Minority partners interests in consolidated partnerships         11,368         17,271           Limited partners minority interest in consolidated partnerships         5,269         2,090           Gains on sales of real estate         (99,764)         (13,724)           Equity in earnings of real estate joint ventures         (482)         (520)           Changes in operating assets and liabilities:         (26,794)         (13,863)           Prepaid expenses and other sasets         (495)         (1,936)           Prepaid expenses and other liabilities         (589)         450           Accrued expenses and other liabilities         15,578         (1,456)           Tenant lease security deposits         (589)         450           Accrued expenses and other liabilities         15,1338         130,329           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:         8         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         (78,659)         (15,659)           Additions to contract and land deposits and pre-acquisition costs         (55,125)				
Limited partners minority interest in consolidated partnerships         5,296         2,090           Gains on sales of real estate         (99,764)         (13,724)           Equity in earnings of real estate joint ventures         (482)         (520)           Changes in operating assets and liabilities:         (26,794)         (13,863)           Prepaid expenses and other assets         (495)         (1,936)           Accrued expenses and other liabilities         15,578         (1,656)           Tenant receivables         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:         Verbases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         (3,607)         (15,658)           Additions to nomercial real estate properties         (55,125)         (28,014)           Additions to commercial real estate properties         (55,125)         (28,014)           Portice del leasing costs         (15,590)         (15,569)           Additions to invalure, fixtures and equipment	•			
Gains on sales of real estate         (13,724)           Equity in earnings of real estate joint ventures         (482)         (520)           Changes in operating assets and liabilities:         (26,794)         (13,863)           Prepaid expenses and other assets         (495)         (1,936)           Tenant receivables         (589)         450           Accrued expenses and other liabilities         15,578         (1,565)           Tenant lease security deposits         (15,578)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:         Function of the very security of the properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         3,402         17,658           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint venture         (6,221)         —           Contrib	·	•		
Equity in earnings of real estate joint ventures         (482)         (520)           Changes in operating assets and liabilities:         (26,794)         (13,863)           Prepaid expenses and other assets         (495)         (1,936)           Tenant receivables         (589)         450           Accrued expenses and other liabilities         15,578         (1,456)           Tenant lease security deposits         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,599)         (13,951)           Additions to real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         (6,221)         —           Contributions to furniture, fixtures and equipment				
Changes in operating assets and liabilities:         Cef. 794         (13,863)           Deferred rents receivable         (26,794)         (13,863)           Prepaid expenses and other assets         (589)         450           Accrued expenses and other liabilities         15,578         (1,456)           Tenant lease security deposits         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         (38,804)         —           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,09)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to urniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         (797,997		,		
Deferred rents receivable         (26,794)         (13,863)           Prepaid expenses and other assets         (495)         (1,936)           Tenant receivables         (589)         450           Accrued expenses and other liabilities         15,578         (1,545)           Tenant lease security deposits         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Additions to notract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         (34,02)         17,658           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         (615)         (528)           Proceeds from sales of real estate         (3,361)         64,337		(482)	(520)	
Prepaid expenses and other assets         (495)         (1,936)           Tenant receivables         (589)         450           Accrued expenses and other liabilities         15,578         (1,456)           Tenant lease security deposits         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         3,402         17,658           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         (6,221)         —           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         (37,601)				
Tenant receivables         (589)         450           Accrued expenses and other liabilities         15,578         (1,466)           Tenant lease security deposits         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:         ***         ***           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —**           Repayments of notes receivable         (78,659)         (15,619)           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         —         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         (797,997)         (135,615)           Net cash (used in) investing activities         (797,997)         (135,615)           Proceeds from		(26,794)	(13,863)	
Accrued expenses and other liabilities         15,578         (1,456)           Tenant lease security deposits         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         3,402         17,658           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           Principal payments on secured borrowings	Prepaid expenses and other assets	(495)	(1,936)	
Tenant lease security deposits         (1,545)         (913)           Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         3,402         17,658           Additions to commercial real estate properties         (55,125)         (28,014)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,599)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:         The commercial payments on secured borrowings         562,601         —           Principal payments on secured borrowings         (56,733)         (255,715)	Tenant receivables	(589)	450	
Net cash provided by operating activities         151,338         130,329           CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         (615)         (528)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:           Proceeds from secured borrowings         562,601         —           Principal payments on secured borrowings         (56,733)         (255,715)           Proceeds from issuance of senior unsecured notes, net of	Accrued expenses and other liabilities	15,578	(1,456)	
CASH FLOWS FROM INVESTMENT ACTIVITIES:           Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         3,402         17,658           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:         Principal payments on secured borrowings         562,601         —           Principal payments on secured borrowings         (56,733)         (255,715)           Proceeds from issuance of senior unsecured notes, net of issuance costs         281,750	Tenant lease security deposits	(1,545)	(913)	
Purchases of commercial real estate properties         (624,073)         (138,894)           Additions to developments in progress         (35,967)         (20,454)           Increase in contract and land deposits and pre-acquisition costs         (8,830)         —           Repayments of notes receivable         3,402         17,658           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:         The company of the company o	Net cash provided by operating activities	151,338	130,329	
Additions to developments in progress       (35,967)       (20,454)         Increase in contract and land deposits and pre-acquisition costs       (8,830)       —         Repayments of notes receivable       3,402       17,658         Additions to notes receivable       (78,659)       (15,619)         Additions to commercial real estate properties       (55,125)       (28,014)         Payment of deferred leasing costs       (15,590)       (13,951)         Investments in real estate joint ventures       (6,221)       —         Contributions to a real estate joint venture       —       (150)         Additions to furniture, fixtures and equipment       (615)       (528)         Proceeds from sales of real estate       23,681       64,337         Net cash (used in) investing activities       (797,997)       (135,615)         CASH FLOWS FROM FINANCING ACTIVITIES:       ***         Proceeds from secured borrowings       562,601       —         Principal payments on secured borrowings       (56,733)       (255,715)         Proceeds from issuance of senior unsecured notes, net of issuance costs       281,750       296,417         Repayment of loan and equity issuance costs       (10,000)         Payment of loan and equity issuance costs       (15,559)       (4,232) <td< td=""><td>CASH FLOWS FROM INVESTMENT ACTIVITIES:</td><td></td><td></td></td<>	CASH FLOWS FROM INVESTMENT ACTIVITIES:			
Increase in contract and land deposits and pre-acquisition costs   (8,830)   — Repayments of notes receivable   3,402   17,658   Additions to notes receivable   (78,659)   (15,619)   Additions to commercial real estate properties   (55,125)   (28,014)   Payment of deferred leasing costs   (15,590)   (13,951)   Investments in real estate joint ventures   (6,221)   — Contributions to a real estate joint venture   (150)   Additions to furniture, fixtures and equipment   (615)   (528)   Proceeds from sales of real estate   23,681   64,337	Purchases of commercial real estate properties	(624,073)	(138,894)	
Repayments of notes receivable         3,402         17,658           Additions to notes receivable         (78,659)         (15,619)           Additions to commercial real estate properties         (55,125)         (28,014)           Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:         —           Proceeds from secured borrowings         562,601         —           Principal payments on secured borrowings         (56,733)         (255,715)           Proceeds from issuance of senior unsecured notes, net of issuance costs         281,750         296,417           Repayment of senior unsecured notes         —         (100,000)           Payment of loan and equity issuance costs         (15,559)         (4,232)           Proceeds from unsecured credit facility         337,000         312,498	Additions to developments in progress	(35,967)	(20,454)	
Additions to notes receivable       (78,659)       (15,619)         Additions to commercial real estate properties       (55,125)       (28,014)         Payment of deferred leasing costs       (15,590)       (13,951)         Investments in real estate joint ventures       (6,221)       —         Contributions to a real estate joint venture       —       (150)         Additions to furniture, fixtures and equipment       (615)       (528)         Proceeds from sales of real estate       23,681       64,337         Net cash (used in) investing activities       (797,997)       (135,615)         CASH FLOWS FROM FINANCING ACTIVITIES:       ***  Proceeds from secured borrowings**       562,601       —         Principal payments on secured borrowings       (56,733)       (255,715)         Proceeds from issuance of senior unsecured notes, net of issuance costs       281,750       296,417         Repayment of senior unsecured notes       —       (100,000)         Payment of loan and equity issuance costs       (15,559)       (4,232)         Proceeds from unsecured credit facility       337,000       312,498	Increase in contract and land deposits and pre-acquisition costs	(8,830)	_	
Additions to commercial real estate properties       (55,125)       (28,014)         Payment of deferred leasing costs       (15,590)       (13,951)         Investments in real estate joint ventures       (6,221)       —         Contributions to a real estate joint venture       —       (150)         Additions to furniture, fixtures and equipment       (615)       (528)         Proceeds from sales of real estate       23,681       64,337         Net cash (used in) investing activities       (797,997)       (135,615)         CASH FLOWS FROM FINANCING ACTIVITIES:       ***         Proceeds from secured borrowings       562,601       —         Principal payments on secured borrowings       (56,733)       (255,715)         Proceeds from issuance of senior unsecured notes, net of issuance costs       281,750       296,417         Repayment of senior unsecured notes       —       (100,000)         Payment of loan and equity issuance costs       (15,559)       (4,232)         Proceeds from unsecured credit facility       337,000       312,498	Repayments of notes receivable	3,402	17,658	
Payment of deferred leasing costs         (15,590)         (13,951)           Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:         Value of the control of	Additions to notes receivable	(78,659)	(15,619)	
Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:         Value of the company of t	Additions to commercial real estate properties	(55,125)	(28,014)	
Investments in real estate joint ventures         (6,221)         —           Contributions to a real estate joint venture         —         (150)           Additions to furniture, fixtures and equipment         (615)         (528)           Proceeds from sales of real estate         23,681         64,337           Net cash (used in) investing activities         (797,997)         (135,615)           CASH FLOWS FROM FINANCING ACTIVITIES:         Value of the company of t	Payment of deferred leasing costs	(15,590)	(13,951)	
Additions to furniture, fixtures and equipment Proceeds from sales of real estate  23,681 64,337  Net cash (used in) investing activities  (797,997) (135,615)  CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from secured borrowings 562,601 — Principal payments on secured borrowings (56,733) (255,715) Proceeds from issuance of senior unsecured notes, net of issuance costs 281,750 296,417 Repayment of senior unsecured notes Payment of loan and equity issuance costs (15,559) (4,232) Proceeds from unsecured credit facility	Investments in real estate joint ventures	(6,221)	· —	
Additions to furniture, fixtures and equipment Proceeds from sales of real estate  23,681 64,337  Net cash (used in) investing activities  (797,997) (135,615)  CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from secured borrowings 562,601 — Principal payments on secured borrowings (56,733) (255,715) Proceeds from issuance of senior unsecured notes, net of issuance costs 281,750 296,417 Repayment of senior unsecured notes Payment of loan and equity issuance costs (15,559) (4,232) Proceeds from unsecured credit facility	Contributions to a real estate joint venture	_	(150)	
Proceeds from sales of real estate 23,681 64,337  Net cash (used in) investing activities (797,997) (135,615)  CASH FLOWS FROM FINANCING ACTIVITIES:  Proceeds from secured borrowings 562,601 —  Principal payments on secured borrowings (56,733) (255,715)  Proceeds from issuance of senior unsecured notes, net of issuance costs 281,750 296,417  Repayment of senior unsecured notes — (100,000)  Payment of loan and equity issuance costs (15,559) (4,232)  Proceeds from unsecured credit facility 337,000 312,498	•	(615)		
CASH FLOWS FROM FINANCING ACTIVITIES:  Proceeds from secured borrowings 562,601 —  Principal payments on secured borrowings (56,733) (255,715)  Proceeds from issuance of senior unsecured notes, net of issuance costs 281,750 296,417  Repayment of senior unsecured notes — (100,000)  Payment of loan and equity issuance costs (15,559) (4,232)  Proceeds from unsecured credit facility 337,000 312,498	• •	` ,	` '	
Proceeds from secured borrowings562,601—Principal payments on secured borrowings(56,733)(255,715)Proceeds from issuance of senior unsecured notes, net of issuance costs281,750296,417Repayment of senior unsecured notes—(100,000)Payment of loan and equity issuance costs(15,559)(4,232)Proceeds from unsecured credit facility337,000312,498	Net cash (used in) investing activities	(797,997)	(135,615)	
Principal payments on secured borrowings (56,733) (255,715)  Proceeds from issuance of senior unsecured notes, net of issuance costs 281,750 296,417  Repayment of senior unsecured notes — (100,000)  Payment of loan and equity issuance costs (15,559) (4,232)  Proceeds from unsecured credit facility 337,000 312,498	CASH FLOWS FROM FINANCING ACTIVITIES:	_	_	
Proceeds from issuance of senior unsecured notes, net of issuance costs  Repayment of senior unsecured notes  Payment of loan and equity issuance costs  Proceeds from unsecured credit facility  281,750  (100,000)  (15,559)  (4,232)  296,417  (100,000)  337,000  312,498	Proceeds from secured borrowings	562,601	_	
Repayment of senior unsecured notes—(100,000)Payment of loan and equity issuance costs(15,559)(4,232)Proceeds from unsecured credit facility337,000312,498	Principal payments on secured borrowings	(56,733)	(255,715)	
Repayment of senior unsecured notes—(100,000)Payment of loan and equity issuance costs(15,559)(4,232)Proceeds from unsecured credit facility337,000312,498	Proceeds from issuance of senior unsecured notes, net of issuance costs	281,750	296,417	
Proceeds from unsecured credit facility 337,000 312,498		_	(100,000)	
Proceeds from unsecured credit facility 337,000 312,498	Payment of loan and equity issuance costs	(15,559)	(4,232)	
·		337,000		
	Principal payments on unsecured credit facility	(341,500)		

Proceeds from unsecured bridge facility	470,000	_
Principal payments on unsecured bridge facility	(470,000)	_
Proceeds from issuance of common stock, net of issuance costs, and exercise of stock options	3,837	344,786
Redemption of Series A preferred stock	_	(47,580