

KITE REALTY GROUP TRUST
Form 10-Q
November 09, 2010

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, 2010

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: 001-32268

Kite Realty Group Trust
(Exact Name of Registrant as Specified in its Charter)

Maryland
(State or other jurisdiction of incorporation
or organization)

11-3715772
(IRS Employer Identification Number)

30 S. Meridian Street, Suite 1100
Indianapolis, Indiana
(Address of principal executive offices)

46204
(Zip code)

Telephone: (317) 577-5600
(Registrant's telephone number, including area code)

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

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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 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

(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

The number of Common Shares outstanding as of November 2, 2010 was 63,339,755 (\$.01 par value)

KITE REALTY GROUP TRUST

QUARTERLY REPORT ON FORM 10-Q

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2010

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Part I. FINANCIAL INFORMATION

Item 1.

Kite Realty Group Trust
Condensed Consolidated Balance Sheets
(Unaudited)

	September 30, 2010	December 31, 2009
Assets:		
Investment properties, at cost:		
Land	\$ 229,078,232	\$ 226,506,781
Land held for development	27,358,808	27,546,315
Buildings and improvements	764,638,869	736,027,845
Furniture, equipment and other	5,144,470	5,060,233
Construction in progress	167,414,630	176,689,227
	1,193,635,009	1,171,830,401
Less: accumulated depreciation	(145,266,371)	(127,031,144)
	1,048,368,638	1,044,799,257
Cash and cash equivalents	12,724,095	19,958,376
Tenant receivables, including accrued straight-line rent of \$8,982,455 and \$8,570,069, respectively, net of allowance for uncollectible accounts	17,822,311	18,537,031
Other receivables	6,543,165	9,326,475
Investments in unconsolidated entities, at equity	10,854,037	10,799,782
Escrow deposits	10,801,443	11,377,408
Deferred costs, net	21,830,481	21,509,070
Prepaid and other assets	4,274,989	4,378,045
Total Assets	\$ 1,133,219,159	\$ 1,140,685,444
Liabilities and Equity:		
Mortgage and other indebtedness	\$ 669,003,276	\$ 658,294,513
Accounts payable and accrued expenses	38,573,656	32,799,351
Deferred revenue and other liabilities	15,850,978	19,835,438
Total Liabilities	723,427,910	710,929,302
Commitments and contingencies		
Redeemable noncontrolling interests in Operating Partnership	44,489,803	47,307,115
Equity:		
Kite Realty Group Trust Shareholders' Equity:		
Preferred Shares, \$.01 par value, 40,000,000 shares authorized, no shares issued and outstanding	—	—
Common Shares, \$.01 par value, 200,000,000 shares authorized, 63,332,646 shares and 63,062,083 shares issued and outstanding at September 30, 2010 and December 31, 2009, respectively	633,326	630,621
Additional paid in capital and other	451,045,438	449,863,390
Accumulated other comprehensive loss	(4,866,031)	(5,802,406)
Accumulated deficit	(88,484,324)	(69,613,763)
Total Kite Realty Group Trust Shareholders' Equity	358,328,409	375,077,842
Noncontrolling Interests	6,973,037	7,371,185

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Total Equity	365,301,446	382,449,027
Total Liabilities and Equity	\$ 1,133,219,159	\$ 1,140,685,444

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Kite Realty Group Trust

Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Revenue:				
Minimum rent	\$ 18,292,136	\$ 17,777,146	\$ 53,768,732	\$ 53,611,820
Tenant reimbursements				