

Edgar Filing: Education Realty Trust, Inc. - Form 10-Q

Education Realty Trust, Inc.
Form 10-Q
November 07, 2014
Table of Contents

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, 2014

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 001-32417

Education Realty Trust, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Maryland

20-1352180

(State or Other Jurisdiction of

(IRS Employer

Incorporation or Organization)

Identification No.)

999 South Shady Grove Road, Suite 600

38120

Memphis, Tennessee

(Address of Principal Executive Offices)

(Zip Code)

Registrant's Telephone Number, Including Area Code: (901) 259-2500

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 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 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

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 Act). Yes No

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As of November 6, 2014, the Registrant had 142,495,459 shares of common stock outstanding, \$0.01 par value per share.

Table of Contents

EDUCATION REALTY TRUST, INC.
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 2014
TABLE OF CONTENTS

	Page
PART I — FINANCIAL INFORMATION	
<u>Item 1. Financial Statements (unaudited).</u>	
Condensed Consolidated Balance Sheets of Education Realty Trust, Inc. and Subsidiaries as of September 30, 2014 and December 31, 2013	<u>1</u>
Condensed Consolidated Statements of Comprehensive Income of Education Realty Trust, Inc. and Subsidiaries for the nine months ended September 30, 2014 and 2013	<u>2</u>
Condensed Consolidated Statements of Comprehensive Income of Education Realty Trust, Inc. and Subsidiaries for the three months ended September 30, 2014 and 2013	<u>4</u>
<u>Condensed Consolidated Statements of Changes in Equity of Education Realty Trust, Inc. and Subsidiaries for the nine months ended September 30, 2014 and 2013</u>	<u>6</u>
<u>Condensed Consolidated Statements of Cash Flows of Education Realty Trust, Inc. and Subsidiaries for the nine months ended September 30, 2014 and 2013</u>	<u>7</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>9</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.</u>	<u>30</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk.</u>	<u>52</u>
<u>Item 4. Controls and Procedures.</u>	<u>52</u>
PART II — OTHER INFORMATION	
<u>Item 1. Legal Proceedings.</u>	<u>53</u>
<u>Item 1A. Risk Factors.</u>	<u>53</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.</u>	<u>53</u>
<u>Item 3. Defaults Upon Senior Securities.</u>	<u>54</u>
<u>Item 4. Mine Safety Disclosures.</u>	<u>54</u>
<u>Item 5. Other Information.</u>	<u>54</u>
<u>Item 6. Exhibits.</u>	<u>54</u>
<u>Signatures</u>	<u>55</u>

Table of Contents

Part I - Financial Information

Item 1. Financial Statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except share and per share data)

(Unaudited)

	September 30, 2014	December 31, 2013
Assets:		
Collegiate housing properties, net	\$1,619,531	\$1,388,885
Collegiate housing properties - held for sale, net	27,834	—
Assets under development	69,635	116,787
Corporate office furniture, net	3,382	3,249
Cash and cash equivalents	18,422	22,073
Restricted cash	13,482	12,253
Student contracts receivable, net	2,058	807
Receivable from managed third parties	16	361
Notes receivable	375	18,125
Goodwill and other intangibles, net	3,712	3,822
Other assets	54,457	44,203
Total assets	\$1,812,904	\$1,610,565
Liabilities:		
Mortgage and construction debt, net of unamortized premium	\$336,114	\$422,681
Unsecured revolving credit facility	210,000	356,900
Unsecured term loans	187,500	—
Accounts payable	5,252	2,289
Accrued expenses	64,881	65,357
Deferred revenue	25,517	23,498
Total liabilities	829,264	870,725
Commitments and contingencies (see Note 6)		
Redeemable noncontrolling interests	12,052	9,871
Equity:		
Common stock, \$0.01 par value per share, 200,000,000 shares authorized, 142,402,758 and 114,740,155 shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	1,424	1,148
Preferred shares, \$0.01 par value, 50,000,000 shares authorized, no shares issued and outstanding	—	—
Additional paid-in capital	1,033,860	813,540
Accumulated deficit	(64,306) (88,964
Accumulated other comprehensive loss	(2,414) —
Total Education Realty Trust, Inc. stockholders' equity	968,564	725,724
Noncontrolling interests	3,024	4,245
Total equity	971,588	729,969
Total liabilities and equity	\$1,812,904	\$1,610,565

See accompanying notes to the condensed consolidated financial statements.

1

Table of Contents

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in thousands, except per share data)

(Unaudited)

	Nine months ended September 30,	
	2014	2013
Revenues:		
Collegiate housing leasing revenue	\$ 144,677	\$ 116,338
Third-party development consulting services	5,264	1,989
Third-party management services	2,856	2,710
Operating expense reimbursements	6,492	8,141
Total revenues	159,289	129,178
Operating expenses:		
Collegiate housing leasing operations	70,062	59,430
Development and management services	6,964	5,224
General and administrative	7,520	5,693
Depreciation and amortization	42,928	33,548
Ground lease expense	6,162	5,631
Loss on impairment of collegiate housing properties	12,734	—
Reimbursable operating expenses	6,492	8,141
Total operating expenses	152,862	117,667
Operating income	6,427	11,511
Nonoperating (income) expenses:		
Interest expense	15,076	12,478
Amortization of deferred financing costs	1,533	1,268
Interest and other nonoperating income	(9,638) (372
Gain on insurance settlement	(8,133) —
Loss on extinguishment of debt	892	—
Total nonoperating (income) expens		