

BBX CAPITAL CORP
Form 10-Q
August 08, 2014

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, 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 files number 001-13133

BBX CAPITAL CORPORATION

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction of

incorporation or organization)

65-0507804

(I.R.S. Employer

Identification No.)
33301

Edgar Filing: BBX CAPITAL CORP - Form 10-Q

401 East Las Olas Boulevard Suite 800 (Zip Code)

Fort Lauderdale, Florida

(Address of principal executive offices)

(954) 940-4000

(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, 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 (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 or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Small 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.

| Title of Each Class | Outstanding at August 4, 2014 |
|--|-------------------------------|
| Class A Common Stock, par value \$0.01 per share | 17,088,390 |

Edgar Filing: BBX CAPITAL CORP - Form 10-Q

Class B Common Stock, par value \$0.01 per share 195,045



TABLE OF CONTENTS

| | Page |
|--|-------|
| Part I. FINANCIAL INFORMATION | |
| Reference | |
| Item 1. Financial Statements | 3-41 |
| Consolidated Statements of Financial Condition - June 30, 2014 and December 31, 2013 - Unaudited | 3 |
| Consolidated Statements of Operations - For the Three and Six Months Ended June 30, 2014 and 2013 - Unaudited | 4 |
| Consolidated Statements of Comprehensive Income (Loss) - For the Three and Six Months Ended June 30, 2014 and 2013 - Unaudited | 5 |
| Consolidated Statements of Total Equity - For the Six Months Ended June 30, 2014 and 2013 - Unaudited | 6 |
| Consolidated Statements of Cash Flows - For the Six Months Ended June 30, 2014 and 2013 - Unaudited | 7 |
| Notes to Consolidated Financial Statements - Unaudited | 8-41 |
| Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations | 42-59 |
| Item 3. Quantitative and Qualitative Disclosures about Market Risk | 59 |
| Item 4. Controls and Procedures | 59 |
| Part II. OTHER INFORMATION | |

| | | |
|----------|--------------|----|
| Item 1A. | Risk Factors | 60 |
| Item 6. | Exhibits | 60 |
| | Signatures | 61 |

BBX CAPITAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION-UNAUDITED

| (In thousands, except share data) | June 30, 2014 | December 31, 2013 |
|---|------------------|-------------------------|
| ASSETS | | |
| Cash and interest bearing deposits in banks (\$2,777 and \$8,686 in Variable Interest Entities ("VIE")) | \$ 47,881 | 43,138 |
| Loans held for sale (\$46,641 and \$53,846 in VIE) | 46,641 | 53,846 |
| Loans receivable, net of allowance for loan losses of \$1,881 and \$2,713 (\$27,818 and \$56,170, net of allowance of \$1,881 and \$1,759 in VIE) | 39,530 | 72,226 |
| Real estate held for investment (\$23,692 and \$15,836 in VIE) | 93,032 | 107,336 |
| Real estate held for sale (\$15,183 and \$23,664 in VIE) | 38,021 | 33,971 |
| Investment in unconsolidated real estate joint ventures | 7,437 | 1,354 |
| Investment in Woodbridge Holdings, LLC | 78,057 | 78,573 |
| Properties and equipment, net (\$7,730 and \$7,899 in VIE) | 14,688 | 14,824 |
| Inventories | 10,899 | 9,155 |
| Goodwill and other intangible assets | 4,377 | 2,686 |
| Other assets (\$1,332 and \$2,413 in VIE) | 18,732 | 14,038 |
| Total assets | \$ 399,295 | 431,147 |
| LIABILITIES AND EQUITY | | |
| Liabilities: | | |
| BB&T preferred interest in FAR, LLC (\$26,986 and \$68,517 in VIE) | \$ 26,986 | 68,517 |
| Notes payable to related parties | 11,750 | 21,662 |
| Notes payable | 16,871 | 9,034 |
| Other liabilities (\$12,785 and \$12,355 in VIE) | 29,539 | 28,368 |
| Total liabilities | 85,146 | 127,581 |
| Commitments and contingencies (Note 12) | | |
| Equity: | | |
| Preferred stock, \$.01 par value, 10,000,000 shares authorized; none issued and outstanding | - | - |
| Class A common stock, \$.01 par value, authorized 25,000,000 shares; issued and outstanding 15,810,588 and 15,778,088 shares | 158 | 158 |
| Class B common stock, \$.01 par value, authorized 1,800,000 shares; issued and outstanding 195,045 and 195,045 shares | 2 | 2 |
| Additional paid-in capital | 346,976 | 345,300 |
| Accumulated deficit | (34,442) | (43,091) |
| Accumulated other comprehensive income | 47 | 13 |
| Total BBX Capital Corporation shareholders' equity | 312,741 | 302,382 |

Edgar Filing: BBX CAPITAL CORP - Form 10-Q

| | | |
|------------------------------|------------|---------|
| Noncontrolling interest | 1,408 | 1,184 |
| Total equity | 314,149 | 303,566 |
| Total liabilities and equity | \$ 399,295 | 431,147 |