

MACK CALI REALTY CORP

Form 10-Q

October 25, 2012

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, 2012

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 1-13274
Number:

Mack-Cali Realty Corporation
(Exact name of registrant as specified in its charter)

Maryland 22-3305147
(State or other jurisdiction of incorporation or (I.R.S. Employer Identification
organization) No.)

343 Thornall Street, Edison, New Jersey 08837-2206
(Address of principal executive offices) (Zip Code)

(732) 590-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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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 ninety (90) days. YES X 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 X 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.

Large accelerated
filer x

Accelerated filer “

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

As of October 23, 2012, there were 87,437,247 shares of the registrant’s Common Stock, par value \$0.01 per share, outstanding.

MACK-CALI REALTY CORPORATION

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MACK-CALI REALTY CORPORATION

Part I – Financial Information

Item 1. Financial Statements

The accompanying unaudited consolidated balance sheets, statements of operations, of changes in equity, and of cash flows and related notes thereto, have been prepared in accordance with generally accepted accounting principles (“GAAP”) for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission (“SEC”). Accordingly, they do not include all of the disclosures required by GAAP for complete financial statements. The financial statements reflect all adjustments consisting only of normal, recurring adjustments, which are, in the opinion of management, necessary for a fair presentation for the interim periods.

The aforementioned financial statements should be read in conjunction with the notes to the aforementioned financial statements and Management’s Discussion and Analysis of Financial Condition and Results of Operations and the financial statements and notes thereto included in Mack-Cali Realty Corporation’s Annual Report on Form 10-K for the fiscal year ended December 31, 2011.

The results of operations for the three and nine month periods ended September 30, 2012 are not necessarily indicative of the results to be expected for the entire fiscal year or any other period.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (in thousands, except per share amounts) (unaudited)

	September 30, 2012	December 31, 2011
ASSETS		
Rental property		
Land and leasehold interests	\$ 765,742	\$ 773,026
Buildings and improvements	3,995,933	4,001,943
Tenant improvements	483,955	500,336
Furniture, fixtures and equipment	2,994	4,465
	5,248,624	5,279,770
Less – accumulated depreciation and amortization	(1,455,420)	(1,409,163)
	3,793,204	3,870,607
Rental property held for sale, net	18,404	-
Net investment in rental property	3,811,608	3,870,607
Cash and cash equivalents	21,543	20,496
Investments in unconsolidated joint ventures	65,559	32,015
Unbilled rents receivable, net	136,689	134,301
Deferred charges and other assets, net	206,434	210,470
Restricted cash	19,717	20,716
Accounts receivable, net of allowance for doubtful accounts		
of \$2,948 and \$2,697	8,023	7,154
Total assets	\$ 4,269,573	\$ 4,295,759
LIABILITIES AND EQUITY		
Senior unsecured notes	\$ 1,198,314	\$ 1,119,267
Revolving credit facility	67,000	55,500
Mortgages, loans payable and other obligations	704,940	739,448
Dividends and distributions payable	45,000	44,999
Accounts payable, accrued expenses and other liabilities	106,377	100,480
Rents received in advance and security deposits	50,546	53,019
Accrued interest payable	19,168	29,046
Total liabilities	2,191,345	2,141,759
Commitments and contingencies		
Equity:		
Mack-Cali Realty Corporation stockholders' equity:		
Common stock, \$0.01 par value, 190,000,000 shares authorized,		
87,821,885 and 87,799,479 shares outstanding	878	878
Additional paid-in capital	2,538,729	2,536,184
Dividends in excess of net earnings	(715,903)	(647,498)
Total Mack-Cali Realty Corporation stockholders' equity	1,823,704	1,889,564

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Noncontrolling interests in subsidiaries:

Operating Partnership	252,869	262,499
Consolidated joint ventures	1,655	1,937
Total noncontrolling interests in subsidiaries	254,524	264,436

Total equity	2,078,228	2,154,000
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Total liabilities and equity	\$ 4,269,573	\$ 4,295,759
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The accompanying notes are an integral part of these consolidated financial statements.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS (in thousands, except per share amounts) (unaudited)

	Three Months Ended September 30, 2012	Nine Months Ended September 30,
REVENUES		