

ONE LIBERTY PROPERTIES INC

Form 10-Q

May 07, 2018

[Table of Contents](#)

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM 10-Q**

**x      Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the quarterly period ended March 31, 2018**

**OR**

**o      Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Commission File Number 001-09279**

**ONE LIBERTY PROPERTIES, INC.**

(Exact name of registrant as specified in its charter)

**MARYLAND**

(State or other jurisdiction of  
incorporation or organization)

**13-3147497**

(I.R.S. employer  
identification number)

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**60 Cutter Mill Road, Great Neck, New York**  
(Address of principal executive offices)

**11021**  
(Zip code)

**(516) 466-3100**

(Registrant's telephone number, including area code)

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 website, 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, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☒

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Yes ☐ No ☐

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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.

As of May 1, 2018, the registrant had 19,133,185 shares of common stock outstanding.

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Table of Contents

One Liberty Properties, Inc. and Subsidiaries

Table of Contents

	<b>Page No.</b>
<u>Part I Financial Information</u>	
<u>Item 1. Unaudited Consolidated Financial Statements</u>	
Consolidated Balance Sheets March 31, 2018 and December 31, 2017	1
Consolidated Statements of Income Three months ended March 31, 2018 and 2017	2
Consolidated Statements of Comprehensive Income Three months ended March 31, 2018 and 2017	3
Consolidated Statements of Changes in Equity Three months ended March 31, 2018 and 2017	4
Consolidated Statements of Cash Flows Three months ended March 31, 2018 and 2017	5
Notes to Consolidated Financial Statements	6
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	25
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	35
<u>Item 4. Controls and Procedures</u>	35
<u>Part II Other Information</u>	
<u>Item 6. Exhibits</u>	36

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Table of Contents

## Part I FINANCIAL INFORMATION

Item 1. Financial Statements

## ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

(Amounts in Thousands, Except Par Value)

	March 31, 2018 (Unaudited)	December 31, 2017
<b>ASSETS</b>		
Real estate investments, at cost		
Land	\$ 207,979	\$ 209,320
Buildings and improvements	578,250	566,007
Total real estate investments, at cost	786,229	775,327
Less accumulated depreciation	112,312	108,953
Real estate investments, net	673,917	666,374
Investment in unconsolidated joint ventures	10,921	10,723
Cash and cash equivalents	13,445	13,766
Restricted cash	429	443
Unbilled rent receivable	14,367	14,125
Unamortized intangible lease assets, net	29,147	30,525
Escrow, deposits and other assets and receivables	8,132	6,630
Total assets(1)	\$ 750,358	\$ 742,586
<b>LIABILITIES AND EQUITY</b>		
Liabilities:		
Mortgages payable, net of \$3,803 and \$3,789 of deferred financing costs, respectively	\$ 389,282	\$ 393,157
Line of credit, net of \$546 and \$624 of deferred financing costs, respectively	20,354	8,776
Dividends payable	8,581	8,493
Accrued expenses and other liabilities	14,835	16,107
Unamortized intangible lease liabilities, net	17,057	17,551
Total liabilities (1)	450,109	444,084
Commitments and contingencies		
Equity:		
One Liberty Properties, Inc. stockholders' equity:		
Preferred stock, \$1 par value; 12,500 shares authorized; none issued		
Common stock, \$1 par value; 25,000 shares authorized; 18,417 and 18,261 shares issued and outstanding	18,417	18,261
Paid-in capital	276,938	275,087
Accumulated other comprehensive income	2,899	155
Accumulated undistributed net income	527	3,257
Total One Liberty Properties, Inc. stockholders' equity	298,781	296,760

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Non-controlling interests in consolidated joint ventures (1)	1,468	1,742
Total equity	300,249	298,502
Total liabilities and equity	\$ 750,358	\$ 742,586

(1) The Company's consolidated balance sheets include assets and liabilities of consolidated variable interest entities ( VIEs ). See Note 6. The consolidated balance sheets include the following amounts related to the Company's consolidated VIEs: \$14,722 and \$17,844 of land, \$28,369 and \$31,789 of building and improvements, net of \$3,363 and \$3,811 of accumulated depreciation, \$4,003 and \$4,345 of other assets included in other line items, \$27,640 and \$32,252 of real estate debt, net, \$2,745 and \$2,885 of other liabilities included in other line items and \$1,468 and \$1,742 of non-controlling interests as of March 31, 2018 and December 31, 2017, respectively.

See accompanying notes to consolidated financial statements.

Table of Contents

ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands, Except Per Share Data)

(Unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2018</b>	<b>2017</b>
Revenues:		
Rental income, net	\$ 17,590	\$ 16,833
Tenant reimbursements	1,944	1,639
Total revenues	19,534	18,472
Operating expenses:		
Depreciation and amortization	5,182	5,553
General and administrative (see Note 10 for related party information)	2,959	2,815
Real estate expenses (see Note 10 for related party information)	2,667	2,704
Federal excise and state taxes	73	88
Leasehold rent	77	77
Total operating expenses	10,958	11,237