

DCT Industrial Trust Inc.
Form 10-Q
August 05, 2011
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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 June 30, 2011

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 001-33201

DCT INDUSTRIAL TRUST INC.

(Exact name of registrant as specified in its charter)

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Maryland
(State or other jurisdiction of
incorporation or organization)

518 Seventeenth Street, Suite 800

Denver, Colorado
(Address of principal executive offices)

82-0538520
(I.R.S. Employer
Identification No.)

80202
(Zip Code)

(303) 597-2400
(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 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, 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 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

As of July 28, 2011, 246,173,090 shares of common stock of DCT Industrial Trust Inc., par value \$0.01 per share, were outstanding.

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DCT INDUSTRIAL TRUST INC. AND SUBSIDIARIES

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	June 30, 2011	December 31, 2010
	(unaudited)	
ASSETS		
Land	\$ 594,070	\$ 567,152
Buildings and improvements	2,412,161	2,343,835
Intangible lease assets	90,963	93,497
Construction in progress	28,088	32,952
Total investment in properties	3,125,282	3,037,436
Less accumulated depreciation and amortization	(584,716)	(528,705)
Net investment in properties	2,540,566	2,508,731
Investments in and advances to unconsolidated joint ventures	137,287	138,455
Net investment in real estate	2,677,853	2,647,186
Cash and cash equivalents	8,080	17,330
Notes receivable	1,138	1,222
Deferred loan costs, net	8,048	5,883
Straight-line rent and other receivables, net of allowance for doubtful accounts of \$2,449 and \$2,088, respectively	39,383	33,278
Other assets, net	14,039	14,990
Total assets	\$ 2,748,541	\$ 2,719,889
LIABILITIES AND EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 33,117	\$ 38,354
Distributions payable	19,021	17,458
Tenant prepaids and security deposits	21,398	20,759
Other liabilities	14,907	12,373
Intangible lease liability, net	18,163	18,748
Line of credit	96,000	51,000
Senior unsecured notes	710,000	735,000
Mortgage notes	376,664	425,359
Total liabilities	1,289,270	1,319,051
Equity:		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, none outstanding		
Shares-in-trust, \$0.01 par value, 100,000,000 shares authorized, none outstanding		
Common stock, \$0.01 par value, 350,000,000 shares authorized 245,551,842 and 222,946,676 shares issued and outstanding as of June 30, 2011 and December 31, 2010, respectively	2,455	2,229
Additional paid-in capital	2,015,127	1,898,289
Distributions in excess of earnings	(740,548)	(689,127)
Accumulated other comprehensive loss	(17,752)	(15,289)

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Total stockholders equity	1,259,282	1,196,102
Noncontrolling interests	199,989	204,736
Total equity	1,459,271	1,400,838
Total liabilities and equity	\$ 2,748,541	\$ 2,719,889

The accompanying notes are an integral part of these Consolidated Financial Statements.

Table of Contents**DCT INDUSTRIAL TRUST INC. AND SUBSIDIARIES****Consolidated Statements of Operations****(unaudited, in thousands, except per share information)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
REVENUES:				
Rental revenues	\$ 63,264	\$ 58,366	\$ 125,598	\$ 116,148
Institutional capital management and other fees	1,129	1,038	2,148	2,005
Total revenues	64,393	59,404	127,746	118,153
OPERATING EXPENSES:				
Rental expenses	8,887	8,007	17,582	16,595
Real estate taxes	9,068	9,218	18,507	18,349
Real estate related depreciation and amortization	32,298	28,948	63,441	57,228
General and administrative	7,063	6,362	14,119	12,394
Impairment losses		4,556		4,556
Casualty gains	(1,244)		(1,244)	
Total operating expenses	56,072	57,091	112,405	109,122
Operating income	8,321	2,313	15,341	9,031
OTHER INCOME AND EXPENSE:				
Equity in loss of unconsolidated joint ventures, net	(1,126)	(349)	(2,483)	(907)
Impairment losses on investments in unconsolidated joint ventures	(1,934)		(1,934)	
Loss on business combinations				(395)
Interest expense	(14,768)	(13,225)	(30,279)	(25,988)
Interest and other income (expense)	14	353	99	(115)
Income tax expense and other taxes	(121)	(582)	(161)	(820)
Loss from continuing operations	(9,614)	(11,490)	(19,417)	(19,194)
Income (loss) from discontinued operations	79	(628)	37	(1,160)
Loss before gain on dispositions of real estate interests	(9,535)	(12,118)	(19,380)	(20,354)
Gain on dispositions of real estate interests				16
Consolidated net loss of DCT Industrial Trust Inc.	(9,535)	(12,118)	(19,380)	(20,338)
Net loss attributable to noncontrolling interests	1,060	1,387	2,369	2,383
Net loss attributable to common stockholders	\$ (8,475)	\$ (10,731)	\$ (17,011)	\$ (17,955)
EARNINGS PER COMMON SHARE BASIC AND DILUTED:				
Loss from continuing operations	\$ (0.04)	\$ (0.05)	\$ (0.07)	\$ (0.08)
Income (loss) from discontinued operations	0.00	0.00	0.00	(0.01)
Net loss attributable to common stockholders	\$ (0.04)	\$ (0.05)	\$ (0.07)	\$ (0.09)

WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:

Basic and diluted	245,413	210,841	239,261	209,602
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