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Four Corners Property Trust, Inc.

Form 10-Q

August 08, 2017

UNITED STATES

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, 2017

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 1-37538

Four Corners Property Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland 47-4456296
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

591 Redwood Highway, Suite 1150 94941
Mill Valley, California
(Address of principal executive offices) (Zip Code)
(415) 965-8030
(Registrant's telephone number, including area code)
Not applicable
(Former name or former address, 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, 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 (do not check if a smaller reporting
Smaller reporting company Emerging growth company company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
 Yes No

Number of shares of common stock outstanding as of August 8, 2017: 61,193,753

FOUR CORNERS PROPERTY TRUST, INC.
 FORM 10 - Q
 THREE AND SIX MONTHS ENDED JUNE 30, 2017
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

FOUR CORNERS PROPERTY TRUST, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

| | June 30, 2017 (Unaudited) | December 31, 2016 |
|---|---------------------------------|----------------------|
| ASSETS | | |
| Real estate investments: | | |
| Land | \$441,035 | \$421,941 |
| Buildings, equipment and improvements | 1,098,306 | 1,055,624 |
| Total real estate investments | 1,539,341 | 1,477,565 |
| Less: Accumulated depreciation | (589,913) | (583,307) |
| Total real estate investments, net | 949,428 | 894,258 |
| Real estate held for sale | 1,691 | — |
| Cash and cash equivalents | 81,328 | 26,643 |
| Deferred rent | 16,389 | 11,594 |
| Derivative assets | 1,630 | 837 |
| Other assets | 3,827 | 3,819 |
| Total Assets | \$1,054,293 | \$937,151 |
| LIABILITIES AND EQUITY | | |
| Liabilities: | | |
| Notes payable, net of deferred financing costs | \$518,018 | \$438,895 |
| Dividends payable | 14,820 | 14,519 |
| Deferred rental revenue | 8,228 | 7,974 |
| Deferred tax liabilities | 157 | 196 |
| Other liabilities | 4,932 | 5,450 |
| Total liabilities | 546,155 | 467,034 |
| Equity: | | |
| Preferred stock, par value \$0.0001 per share, 25,000,000 authorized, zero shares issued and outstanding | — | — |
| Common stock, par value \$0.0001 per share; 500,000,000 shares authorized, 61,193,753 and 59,923,557 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively | 6 | 6 |
| Additional paid-in capital | 468,933 | 438,864 |
| Retained earnings | 30,423 | 25,943 |
| Accumulated other comprehensive income | 1,059 | 207 |
| Noncontrolling interest | 7,717 | 5,097 |
| Total equity | 508,138 | 470,117 |
| Total Liabilities and Equity | \$1,054,293 | \$937,151 |

The accompanying notes are an integral part of this financial statement.

FOUR CORNERS PROPERTY TRUST, INC.
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except for share and per share data)
(Unaudited)

| | Three Months | | Six Months | |
|-------------------------------|----------------|----------|----------------|----------|
| | Ended June 30, | | Ended June 30, | |
| | 2017 | 2016 | 2017 | 2016 |
| Revenues: | | | | |
| Rental income | \$28,327 | \$26,192 | \$56,091 | \$52,385 |
| Restaurant revenues | 4,826 | 4,701 | 9,766 | 9,560 |
| Total revenues | 33,153 | 30,893 | 65,857 | 61,945 |
| Operating expenses: | | | | |
| General and administrative | 3,459 | 2,508 | 6,316 | 5,826 |
| Depreciation and amortization | 5,426 | 5,101 | 10,829 | 10,288 |
| Restaurant expenses | 4,583 | 4,593 | 9,251 | 9,291 |
| Interest expense | 4,508 | 3,858 | 8,604 | 8,039 |
| Total expenses | 17,976 | 16,060 | 35,000 | 33,444 |
| Other income | 34 | 18 | 39 | 78 |
| Realized gain on sale, net | | | | |