

KIMCO REALTY CORP
Form 10-Q
May 07, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 March 31, 2010

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 1-10899

Kimco Realty Corporation

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of
incorporation or organization)

13-2744380

(I.R.S. Employer Identification No.)

3333 New Hyde Park Road, New Hyde Park, NY 11042

(Address of principal executive offices - zip code)

(516) 869-9000

(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 (sec. 232.405 of this chapter) during the preceding 12 months (or for 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 12-b of the Exchange Act.

Large Accelerated filer Accelerated filer

Non-accelerated filer Smaller Reporting Company

(Do not check if a smaller reporting company)

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

As of April 29, 2010, the registrant had 405,619,595 shares of common stock.

PART I FINANCIAL INFORMATION

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KIMCO REALTY CORPORATION AND SUBSIDIARIES**CONDENSED CONSOLIDATED BALANCE SHEETS****(Unaudited)****(in thousands, except share information)**

	March 31, 2010	December 31, 2009
Assets:		
Operating real estate, net of accumulated depreciation of \$1,401,438 and \$1,343,148, respectively	\$ 7,131,401	\$ 7,073,408
Investments and advances in real estate joint ventures	1,117,376	1,103,625
Real estate under development	458,980	465,785
Other real estate investments	550,951	553,244
Mortgages and other financing receivables	132,426	131,332
Cash and cash equivalents	137,437	122,058
Marketable securities	214,785	209,593
Accounts and notes receivable	114,397	113,610
Other assets	404,710	389,550
Total assets	\$ 10,262,463	\$ 10,162,205
Liabilities:		
Notes payable	\$ 3,053,342	\$ 3,000,303
Mortgages payable	1,453,654	1,388,259
Construction loans payable	17,470	45,821
Dividends payable	76,731	76,707
Other liabilities	452,219	432,833
Total liabilities	5,053,416	4,943,923
Redeemable noncontrolling interests	99,276	100,304
Stockholders' equity:		
Preferred stock, \$1.00 par value, authorized 3,232,000 shares		
Class F Preferred Stock, \$1.00 par value, authorized 700,000 shares		
Issued and outstanding 700,000 shares		
Aggregate liquidation preference \$175,000	700	700
Class G Preferred Stock, \$1.00 par value, authorized 184,000 shares		
Issued and outstanding 184,000 shares		
Aggregate liquidation preference \$460,000	184	184
Common stock, \$.01 par value, authorized 750,000,000		
Issued and outstanding 405,684,970 and 405,532,566 shares, respectively	4,057	4,055
Paid-in capital	5,280,633	5,283,204
Cumulative distributions in excess of net income	(364,633)	(338,738)
	4,920,941	4,949,405
Accumulated other comprehensive income	(89,394)	(96,432)
Total stockholders' equity	4,831,547	4,852,973
Noncontrolling interests	278,224	265,005

Total equity	5,109,771	5,117,978
Total liabilities and equity	\$ 10,262,463	\$ 10,162,205

The accompanying notes are an integral part of these condensed consolidated financial statements.

KIMCO REALTY CORPORATION AND SUBSIDIARIES**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

For the Three Months Ended March 31, 2010 and 2009

(Unaudited)

(in thousands, except per share data)

	Three Months Ended	
	March 31,	
	2010	2009
Revenues from rental property	\$ 227,004	\$ 193,626
Rental property expenses:		
Rent	(3,698)	(3,286)
Real estate taxes	(30,183)	(24,261)
Operating and maintenance	(33,991)	(31,073)
Mortgage and other financing income	2,670	4,125
Management and other fee income	9,844	9,925
Depreciation and amortization	(61,577)	(56,694)
General and administrative expenses	(28,184)	(29,354)
Interest, dividends and other investment income	6,096	7,921
Other expense, net	(3,374)	(4,215)
Interest expense	(58,737)	(46,516)
Income from other real estate investments	8,972	8,386
Gain on sale of development properties	1,793	2,428
Impairments:		
Investments in other real estate investments	(3,882)	-
Marketable securities and other investments	(506)	-
Income from continuing operations before income taxes and equity in income of joint ventures	32,247	31,012
Benefit for income taxes	1,915	682
Equity in income of joint ventures, net	21,001	9,642
Income from continuing operations	55,163	41,336
Discontinued operations:		
Income from discontinued operating properties, net of tax	37	83
Impairment/loss on operating properties held for sale/sold, net of tax	(482)	(56)
Gain on disposition of operating properties, net of tax	-	403
(Loss)/income from discontinued operations	(445)	430
Gain on transfer of operating properties	-	26
Loss on sale of operating properties	(8)	-
Total net (loss)/gain on transfer or sale of operating properties	(8)	26
Net income	54,710	41,792
Net income attributable to noncontrolling interests	(3,874)	(3,368)
Net income attributable to the Company	50,836	38,424
Preferred stock dividends	(11,822)	(11,822)
Net income available to the Company's common shareholders	\$ 39,014	\$ 26,602
Per common share:		
Income from continuing operations:		
-Basic	\$ 0.10	\$ 0.10

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-Diluted	\$	0.10	\$	0.10
Net income:				
-Basic	\$	0.10	\$	0.10
-Diluted	\$	0.10	\$	0.10
Weighted average shares:				
-Basic		405,564		271,083
-Diluted		405,713		271,158
Amounts attributable to the Company's common shareholders:				
Income from continuing operations, net of tax	\$	39,459	\$	26,172
(Loss)/income from discontinued operations		(445)		430
Net income	\$	39,014	\$	26,602

The accompanying notes are an integral part of these condensed consolidated financial statements.

KIMCO REALTY CORPORATION AND SUBSIDIARIES**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME****For the Three Months Ended March 31, 2010 and 2009****(Unaudited)****(in thousands)**

	Three Months Ended	
	March 31,	
	2010	2009
Net income	\$ 54,710	\$ 41,792
Other comprehensive income:		
Change in unrealized gain on marketable securities	8,665	1,093
Change in unrealized loss on interest rate swaps	(227)	(431)
Change in foreign currency translation adjustment, net	12,306	(41,513)
Other comprehensive income/(loss)	20,744	(40,851)
Comprehensive income	75,454	941
Comprehensive (income)/loss attributable to noncontrolling interests	(17,579)	6,361
Comprehensive income attributable to the Company	\$ 57,875	\$ 7,302

The accompanying notes are an integral part of these condensed consolidated financial statements.

KIMCO REALTY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Three Months Ended March 31, 2010 and 2009
(Unaudited)
(in thousands)

	Cumulative	Accumulated					Total		
	distributions	Other			Stockholders'			Noncontrolling	Total
	in excess	Comprehensive	Preferred	Common	Paid-in	Equity	Interests	Equity	Co
	of net	Income	Stock	Stock	Capital	Equity	Interests	Equity	
	income								
09	\$ (58,162)	\$ (179,541)	\$ 884	\$ 2,711	\$ 4,217,806	\$ 3,983,698	\$ 221,035	\$ 4,204,733	
	-	-	-	-	-	-	12,678	12,678	
	38,424	-	-	-	-	38,424	3,368	41,792	\$
	-	1,093	-	-	-	1,093	-	1,093	
	-	(431)	-	-	-	(431)	-	(431)	
	-	(31,784)	-	-	-	(31,784)	(9,729)	(41,513)	
	-	-	-	-	-	-	(1,804)	(1,804)	
id	(131,098)	-	-	-	-	(131,098)	-	(131,098)	

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\$	(150,836)	\$	(210,663)	\$	884	\$	2,711	\$	4,219,923	\$	3,862,019	\$	223,997	\$	4,086,016
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\$	(338,738)	\$	(96,432)	\$	884	\$	4,055	\$	5,283,204	\$	4,852,973	\$	265,005	\$	5,117,978
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