

CBL & ASSOCIATES PROPERTIES INC  
Form 10-Q  
November 09, 2009

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 SEPTEMBER 30, 2009

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 NO. 1-12494

\_\_\_\_\_  
CBL & ASSOCIATES PROPERTIES, INC.  
(Exact name of registrant as specified in its charter)  
\_\_\_\_\_

DELAWARE

62-1545718

(State or other jurisdiction of incorporation or organization)  
Identification Number)

(I.R.S. Employer

2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN 37421-6000

(Address of principal executive office, including zip code)

423.855.0001

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, 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 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 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 November 2, 2009, there were 137,877,757 shares of common stock, par value \$0.01 per share, outstanding.

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CBL & Associates Properties, Inc.

Table of Contents

|  |    |
|--|----|
| PART I FINANCIAL INFORMATION   | 3  |
| Item 1. Condensed Consolidated Financial Statements (Unaudited)  | 3  |
| Condensed Consolidated Balance Sheets as of September 30, 2009 and December 31, 2008                                   | 3  |
| Condensed Consolidated Statements of Operations for the Three and Nine Month Periods Ended September 30, 2009 and 2008 | 4  |
| Condensed Consolidated Statements of Equity for the Nine Months Ended September 30, 2009 and 2008                      | 6  |
| Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2009 and 2008                  | 8  |
| Notes to Unaudited Condensed Consolidated Financial Statements   | 10 |
| Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations                          | 31 |
| Item 3. Quantitative and Qualitative Disclosures About Market Risk   | 54 |
| Item 4. Controls and Procedures  | 54 |
| PART II OTHER INFORMATION  | 55 |
| Item 1. Legal Proceedings  | 55 |
| Item 1A. Risk Factors  | 55 |
| Item 2. Unregistered Sales of Equity Securities and Use of Proceeds  | 70 |
| Item 3. Defaults Upon Senior Securities  | 70 |
| Item 4. Submission of Matters to a Vote of Security Holders  | 70 |
| Item 5. Other Information  | 70 |
| Item 6. Exhibits   | 70 |

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71



## PART I – FINANCIAL INFORMATION

## ITEM 1. Financial Statements

CBL & Associates Properties, Inc.  
Condensed Consolidated Balance Sheets  
(In thousands, except share data)  
(Unaudited)

|   | September<br>30,<br>2009 | December<br>31, 2008 |
|---|--------------------------|----------------------|
| <b>ASSETS</b>   |                          |                      |
| Real estate assets:   |                          |                      |
| Land  | \$936,617                | \$902,504            |
| Buildings and improvements  | 7,584,632                | 7,503,334            |
|   | 8,521,249                | 8,405,838            |
| Accumulated depreciation  | (1,499,619)              | (1,310,173)          |
|   | 7,021,630                | 7,095,665            |
| Developments in progress  | 246,191                  | 225,815              |
| Net investment in real estate assets  | 7,267,821                | 7,321,480            |
| Cash and cash equivalents   | 63,502                   | 51,227               |
| Cash held in escrow   | -                        | 2,700                |
| Receivables:  |                          |                      |
| Tenant, net of allowance for doubtful accounts of<br>\$2,373 in 2009 and \$1,910 in 2008              | 73,833                   | 74,402               |
| Other   | 11,088                   | 12,145               |
| Mortgage and other notes receivable   | 41,962                   | 58,961               |
| Investments in unconsolidated affiliates  | 193,655                  | 207,618              |
| Intangible lease assets and other assets  | 281,823                  | 305,802              |
|   | \$7,933,684              | \$8,034,335          |
| <b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY</b>                                    |                          |                      |
| Mortgage and other notes payable  | \$5,678,561              | \$6,095,676          |
| Accounts payable and accrued liabilities  | 288,206                  | 329,991              |
| Total liabilities   | 5,966,767                | 6,425,667            |
| Commitments and contingencies (Notes 3, 5, 10 and 14)   |                          |                      |
| Redeemable noncontrolling interests:  |                          |                      |
| Redeemable noncontrolling partnership interests   | 96,120                   | 18,393               |
| Redeemable noncontrolling preferred joint venture interest  | 421,514                  | 421,279              |
| Total redeemable noncontrolling interests   | 517,634                  | 439,672              |
| Shareholders' equity:   |                          |                      |
| Preferred stock, \$.01 par value, 15,000,000 shares authorized:                                       |                          |                      |
| 7.75% Series C cumulative redeemable preferred stock,<br>460,000 shares outstanding in 2009 and 2008  | 5                        | 5                    |
| 7.375% Series D cumulative redeemable preferred stock,<br>700,000 shares outstanding in 2009 and 2008 | 7                        | 7                    |
| Common Stock, \$.01 par value, 180,000,000 shares   | 1,379                    | 664                  |

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authorized, 137,876,744 and 66,394,844 issued and outstanding  
in 2009 and 2008, respectively

|                                      |             |             |
|--------------------------------------|-------------|-------------|
| Additional paid-in capital           | 1,409,580   | 993,941     |
| Accumulated other comprehensive loss | (2,386 )    | (12,786 )   |
| Accumulated deficit                  | (218,954 )  | (193,307 )  |
| Total shareholders' equity           | 1,189,631   | 788,524     |
| Noncontrolling interests             | 259,652     | 380,472     |
| Total equity                         | 1,449,283   | 1,168,996   |
|                                      | \$7,933,684 | \$8,034,335 |

The accompanying notes are an integral part of these balance sheets.

CBL & Associates Properties, Inc.  
 Condensed Consolidated Statements of Operations  
 (In thousands, except per share data)  
 (Unaudited)

|                  | Three Months Ended |           | Nine Months Ended |           |
|------------------|--------------------|-----------|-------------------|-----------|
|                  | September 30,      |           | September 30,     |           |
|                  | 2009               | 2008      | 2009              | 2008      |
| <b>REVENUES:</b> |                    |           |                   |           |
| Minimum rents    | \$168,765          | \$175,796 | \$511,193         | \$528,270 |
| Percentage rents | 2,851              | 3,260     |                   |           |