

AMERIVEST PROPERTIES INC

Form 10-Q

May 10, 2006

## **SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**



**FORM 10-Q**

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**QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934.**

**For the quarterly period ended March 31, 2006.**

**OR**

**o**

**TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from                      to

Commission file number 1-14462

## AMERIVEST PROPERTIES INC.

(Exact name of registrant as specified in its charter)

**Maryland**

(State or other jurisdiction of  
incorporation or organization)

**84-1240264**

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

**1780 South Bellaire Street  
Suite 100, Denver, Colorado**

(Address of principal executive offices)

**80222**

(Zip Code)

**(303) 297-1800**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) 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 or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act (check one)

Large accelerated filer  Accelerated filer  Non-accelerated filer

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

The number of shares of the registrant's common stock outstanding as of April 30, 2006 was 24,128,206.

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**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****AMERIVEST PROPERTIES INC.****Condensed Consolidated Balance Sheets**

	<b>March 31, 2006 (unaudited)</b>	<b>December 31, 2005</b>
<b><u>ASSETS</u></b>		
Investment in real estate:		
Land	\$ 48,059,765	\$ 48,059,765
Buildings and improvements	166,983,570	166,431,824
Furniture, fixtures and equipment	1,303,405	1,304,879
Tenant improvements	14,567,608	14,245,047
Tenant leasing commissions	4,023,206	3,479,965
Intangible assets	13,342,198	13,371,477
Real estate assets held-for-sale, net		46,930,658
Less: accumulated depreciation and amortization	(26,890,948)	(24,220,447)
Net investment in real estate	221,388,804	269,603,168
Cash and cash equivalents	2,397,403	988,420
Escrow deposits	4,021,609	4,920,968
Accounts receivable, net	743,376	1,310,627
Deferred rents receivable	3,728,854	4,511,512
Deferred financing costs, net	1,199,848	1,421,375
Prepaid expenses and other assets	717,374	923,928
Other assets held-for-sale		229,792
Total assets	\$ 234,197,268	\$ 283,909,790
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
Liabilities:		
Secured mortgage loans and notes payable	\$ 127,068,220	\$ 127,673,784
Unsecured line of credit		29,897,129
Secured mortgage loans held-for-sale		28,232,661
Accounts payable and accrued expenses	4,905,071	6,917,224
Accrued real estate taxes	2,405,038	4,195,875
Prepaid rents, deferred revenue and security deposits	2,828,305	3,273,861
Dividends payable		302,208
Total liabilities	137,206,634	200,492,742
Stockholders' equity:		
Preferred stock, \$0.001 par value Authorized: 5,000,000 shares Issued and outstanding: none		
Common stock, \$0.001 par value Authorized: 75,000,000 shares Issued and outstanding: 24,128,206 and 24,121,306 shares, respectively	24,128	24,121
Capital in excess of par value	133,262,065	133,231,147
Other comprehensive income	9,290	
Distributions in excess of accumulated earnings	(36,304,849)	(49,838,220)
Total stockholders' equity	96,990,634	83,417,048
Total liabilities and stockholders' equity	\$ 234,197,268	\$ 283,909,790

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



AMERIVEST PROPERTIES INC.

Condensed Consolidated Statements of Operations

(unaudited)

	Three Months Ended March 31,	
	2006	2005
Real Estate Operating Revenue:		
Rental revenues	\$ 8,892,599	\$ 8,722,072
Real Estate Operating Expenses:		
Property operating expenses -		
Operating expenses	2,508,683	2,185,835
Real estate taxes	1,193,880	1,270,456
General and administrative expenses	1,336,248	1,246,442
Interest expense	2,174,836	2,842,027
Depreciation and amortization expense	3,161,176	3,194,483
Strategic alternative expenses	126,969	69,371
Total operating expense	10,501,792	10,808,614