

Section 1: 10-Q (10-Q)

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, 2015**
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: **001-36523**

URBAN EDGE PROPERTIES

(Exact name of Registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation or organization)

47-6311266

(I.R.S. Employer Identification Number)

888 Seventh Avenue, New York, New York

(Address of Principal Executive Offices)

10019

(Zip Code)

Registrant's telephone number including area code:

(212) 956-2556

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Common Shares, \$.01 par value per share

Name of Each Exchange on Which Registered

New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

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 website, 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

Smaller Reporting Company

(Do not check if 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 October 30, 2015, the registrant had 99,291,161 common shares outstanding.

URBAN EDGE PROPERTIES
QUARTERLY REPORT ON FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 2015

TABLE OF CONTENTS

PART I

<u>Item 1.</u>	<u>Consolidated and Combined Financial Statements (Unaudited)</u>	
	<u>Consolidated and Combined Balance Sheets as of September 30, 2015 and December 31, 2014</u>	<u>3</u>
	<u>Consolidated and Combined Statements of Income for the Three and Nine Months Ended September 30, 2015 and 2014</u>	<u>4</u>
	<u>Consolidated and Combined Statement of Changes in Equity for the Nine Months Ended September 30, 2015</u>	<u>5</u>
	<u>Consolidated and Combined Statements of Cash Flows for the Nine Months Ended September 30, 2015 and 2014</u>	<u>6</u>
	<u>Notes to Consolidated and Combined Financial Statements</u>	<u>7</u>
<u>Item 2.</u>	<u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>22</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>33</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>	<u>34</u>

PART II

<u>Item 1.</u>	<u>Legal Proceedings</u>	<u>35</u>
<u>Item 1A.</u>	<u>Risk Factors</u>	<u>35</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>35</u>
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>	<u>35</u>
<u>Item 4.</u>	<u>Mine Safety Disclosures</u>	<u>35</u>
<u>Item 5.</u>	<u>Other Information</u>	<u>35</u>
<u>Item 6.</u>	<u>Exhibits</u>	<u>36</u>
	<u>Signatures</u>	<u>37</u>

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

URBAN EDGE PROPERTIES
CONSOLIDATED AND COMBINED BALANCE SHEETS
(Unaudited, amounts in thousands, except share and per share amounts)

	September 30, 2015	December 31, 2014
ASSETS		
Real estate, at cost:		
Land	\$ 374,543	\$ 378,096
Buildings and improvements	1,616,769	1,632,228
Construction in progress	53,209	8,545
Furniture, fixtures and equipment	3,879	3,935
Total	2,048,400	2,022,804
Accumulated depreciation and amortization	(500,654)	(467,503)
Real estate, net	1,547,746	1,555,301
Cash and cash equivalents	197,338	2,600
Cash held in escrow and restricted cash	9,832	9,967
Tenant and other receivables, net of allowance for doubtful accounts of \$2,106 and \$2,432, respectively	9,741	11,424
Receivable arising from the straight-lining of rents, net of allowance for doubtful accounts of \$149 and \$0, respectively	88,888	89,199
Identified intangible assets, net of accumulated amortization of \$21,660 and \$20,672, respectively	32,793	34,775
Deferred leasing costs, net of accumulated amortization of \$13,057 and \$12,121, respectively	17,674	17,653
Deferred financing costs, net of accumulated amortization of \$7,394 and \$6,813, respectively	11,702	10,353
Prepaid expenses and other assets	12,007	10,257
Total assets	\$ 1,927,721	\$ 1,741,529
LIABILITIES AND EQUITY		
Liabilities:		
Mortgages payable	\$ 1,246,155	\$ 1,288,535
Identified intangible liabilities, net of accumulated amortization of \$63,373 and \$62,395, respectively	154,507	160,667
Accounts payable and accrued expenses	38,008	26,924
Other liabilities	10,134	6,540
Total liabilities	1,448,804	1,482,666
Commitments and contingencies		
Shareholders' equity:		
Common shares: \$0.01 par value; 500,000,000 shares authorized and 99,291,161 shares issued and outstanding	993	—
Additional paid-in capital	478,314	—
Accumulated earnings (deficit)	(33,852)	—
Noncontrolling interests:		
Redeemable noncontrolling interests	33,104	—
Noncontrolling interest in consolidated subsidiaries	358	341
Vornado equity	—	258,522
Total equity	478,917	258,863
Total liabilities and equity	\$ 1,927,721	\$ 1,741,529

See notes to consolidated and combined financial statements (unaudited).

URBAN EDGE PROPERTIES
CONSOLIDATED AND COMBINED STATEMENTS OF INCOME
(Unaudited, in thousands, except per share data)

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
REVENUE				
Property rentals	\$ 58,111	\$ 58,125	\$ 173,077	\$ 173,175
Tenant expense reimbursements	19,188	18,052	63,942	61,751
Management and development fees	551	133	1,779	398
Other income	1,975	106	3,525	544
Total revenue	79,825			