

Armada Hoffler Properties, Inc.  
Form 10-Q  
August 02, 2017

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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: 001-35908

ARMADA HOFFLER PROPERTIES, INC.  
(Exact Name of Registrant as Specified in its Charter)

Maryland 46-1214914  
(State of Organization) (IRS Employer Identification No.)

222 Central Park Avenue, Suite 2100 23462  
Virginia Beach, Virginia  
(Address of Principal Executive Offices) (Zip Code)

(757) 366-4000  
(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 Website, 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, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated

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filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer (Do not check if a smaller reporting company) Smaller Reporting Company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

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As of August 1, 2017, the Registrant had 44,932,241 shares of common stock outstanding.

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ARMADA HOFFLER PROPERTIES, INC.

QUARTERLY REPORT ON FORM 10-Q  
FOR THE QUARTER ENDED JUNE 30, 2017

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## PART I. Financial Information

## Item 1. Financial Statements

## ARMADA HOFFLER PROPERTIES, INC.

## Condensed Consolidated Balance Sheets

(In thousands, except par value and share data)

	June 30, 2017 (Unaudited)	December 31, 2016
<b>ASSETS</b>		
Real estate investments:		
Income producing property	\$900,782	\$ 894,078
Held for development	680	680
Construction in progress	39,361	13,529
	940,823	908,287
Accumulated depreciation	(152,438 )	(139,553 )
Net real estate investments	788,385	768,734
Cash and cash equivalents	18,587	21,942
Restricted cash	3,139	3,251
Accounts receivable, net	15,027	15,052
Notes receivable	73,382	59,546
Construction receivables, including retentions	45,820	39,433
Construction contract costs and estimated earnings in excess of billings	53	110
Equity method investments	10,950	10,235
Other assets	58,995	64,165
Total Assets	\$1,014,338	\$ 982,468
<b>LIABILITIES AND EQUITY</b>		
Indebtedness, net	\$465,291	\$ 522,180
Accounts payable and accrued liabilities	9,311	10,804
Construction payables, including retentions	58,546	51,130
Billings in excess of construction contract costs and estimated earnings	6,780	10,167
Other liabilities	39,889	39,209
Total Liabilities	\$579,817	\$ 633,490
Redeemable noncontrolling interest	2,000	—
Stockholders' equity:		
Preferred stock, \$0.01 par value, 100,000,000 shares authorized, none issued and outstanding as of June 30, 2017 and December 31, 2016	—	—
Common stock, \$0.01 par value, 500,000,000 shares authorized, 44,932,241 and 37,490,361 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively	449	374
Additional paid-in capital	288,162	197,114
Distributions in excess of earnings	(55,709 )	(49,345 )
Total stockholders' equity	232,902	148,143
Noncontrolling interests	199,619	200,835
Total Equity	432,521	348,978

Total Liabilities and Equity	\$1,014,338	\$ 982,468
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See Notes to Condensed Consolidated Financial Statements.

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ARMADA HOFFLER PROPERTIES, INC.  
Condensed Consolidated Statements of Income

(In thousands, except per share data)  
(Unaudited)

	Three Months Ended June 30, 2017		Six Months Ended June 30, 2016	
	2017	2016	2017	2016
Revenues				
Rental revenues	\$26,755	\$24,251	\$53,987	\$47,534
General contracting and real estate services revenues	56,671	33,200	120,190	70,003
Total revenues	83,426	57,451	174,177	117,537
Expenses				
Rental expenses	6,171			