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Trinity Place Holdings Inc.
Form 10-Q
May 10, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2018

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 001-08546

TRINITY PLACE HOLDINGS INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

22-2465228

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

340 Madison Avenue, New York, New York 10173

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: **(212) 235-2190**

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 (Section 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated 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
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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed

by a court. Yes x No "

As of May 9, 2018, there were 31,627,819 shares of the registrant's common stock, par value \$0.01 per share, outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

TRINITY PLACE HOLDINGS INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except par value and share amounts)

	March 31, 2018 (unaudited)	December 31, 2017 (audited)
ASSETS		
Real estate, net	\$ 86,328	\$ 76,269
Cash and cash equivalents	24,806	15,273
Restricted cash	10,135	8,916
Investment in unconsolidated joint venture	12,343	12,533
Receivables, net	3,311	3,417
Deferred rents receivable	540	548
Prepaid expenses and other assets, net	3,982	4,059
Total assets	\$ 141,445	\$ 121,015
LIABILITIES		
Loans payable, net	\$ 41,242	\$ 36,167
Deferred real estate deposits	20,580	-
Accounts payable and accrued expenses	9,863	13,323
Pension liabilities	4,031	4,235
Secured line of credit	-	-
Total liabilities	75,716	53,725
Commitments and Contingencies		
STOCKHOLDERS' EQUITY		
Preferred stock, 40,000,000 shares authorized; no shares issued and outstanding	-	-
Preferred stock, \$0.01 par value; 2 shares authorized, no shares issued and outstanding at March 31, 2018 and December 31, 2017	-	-

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Special stock, \$0.01 par value; 1 share authorized, issued and outstanding at March 31, 2018 and December 31, 2017	-	-
Common stock, \$0.01 par value; 79,999,997 shares authorized; 36,984,753 and 36,803,218 shares issued at March 31, 2018 and December 31, 2017, respectively; 31,554,643 and 31,451,796 shares outstanding at March 31, 2018 and December 31, 2017, respectively	370	368
Additional paid-in capital	131,435	130,897
Treasury stock (5,430,110 and 5,351,422 shares at March 31, 2018 and December 31, 2017, respectively)	(54,209)	(53,666)
Accumulated other comprehensive loss	(2,732)	(2,732)
Accumulated deficit	(9,135)	(7,577)
Total stockholders' equity	65,729	67,290
Total liabilities and stockholders' equity	\$ 141,445	\$ 121,015

See Notes to Condensed Consolidated Financial Statements

TRINITY PLACE HOLDINGS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

	Three Months Ended March 31, 2018 (unaudited)	Three Months Ended March 31, 2017 (unaudited)
Revenues		
Rental revenues	\$ 281	\$ 339
Tenant reimbursements	116	121
Total revenues	397	460
Operating Expenses		
Property operating expenses	148	171
Real estate taxes	78	71
General and administrative	1,536	1,350
Transaction related costs	-	46
Depreciation and amortization	129	124
Total operating expenses	1,891	1,762
Operating loss	(1,494)	(1,302)
Equity in net loss from unconsolidated joint venture	(117)	(271)
Interest income (expense), net	53	(68)
Interest expense -amortization of deferred finance costs	-	(82)
Reduction of claims liability	-	1,043
Loss before taxes	(1,558)	(680)
Tax expense	-	(1)
Net loss attributable to common stockholders	\$ (1,558)	\$ (681)
Loss per share - basic and diluted	\$ (0.05)	\$ (0.02)
Weighted average number of common shares - basic and diluted	31,531	27,560

See Notes to Condensed Consolidated Financial Statements

TRINITY PLACE HOLDINGS INC.**CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY****(In thousands)**

	Common Stock Shares	Additional Paid-In Capital Amount	Treasury Stock Shares	Treasury Stock Amount	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total	
Balance as of December 31, 2017 (audited)	36,803	\$368	\$130,897	(5,351)	\$(53,666)	\$(7,577)	\$(2,732)	\$67,290
Net loss attributable to common stockholders	-	-	-	-	-	(1,558)	-	(1,558)
Settlement of stock awards	182	2	-	(79)	(543)	-	-	(541)
Stock-based compensation expense	-	-	538	-	-	-	-	538
Balance as of March 31, 2018 (unaudited)	36,985	\$370	\$131,435	(5,430)	\$(54,209)	\$(9,135)	\$(2,732)	\$65,729

See Notes to Condensed Consolidated Financial Statements

TRINITY PLACE HOLDINGS INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Three Months Ended March 31, 2018 (unaudited)	Three Months Ended March 31, 2017 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss attributable to common stockholders	\$ (1,558) \$ (681
Adjustments to reconcile net loss attributable to common stockholders to net cash used in operating activities:		
Depreciation and amortization	129	124
Amortization of deferred finance costs	-	82
Stock-based compensation expense	349	309
Deferred rents receivable	8	(44
Equity in net loss from unconsolidated joint venture	117	271
Distribution from unconsolidated joint venture	72	62
Decrease (increase) in operating assets:		
Receivables, net	106	112
Prepaid expenses and other assets, net	(132) (186
Decrease in operating liabilities:		
Accounts payable and accrued expenses	(1,787) (1,258
Pension liabilities	(204) (203
Net cash used in operating activities	(2,900) (1,412
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to real estate	(11,110) (1,725
Deferred real estate deposits	20,580	-
Investment in unconsolidated joint venture	-	(70
Net cash provided by (used in) investing activities	9,470	(1,795
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from loans payable	4,915	-
Payment of finance costs	(192) -
Settlement of stock awards	(541) (693
Proceeds from sale of common stock, net	-	26,601
Net cash provided by financing activities	4,182	25,908
NET INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	10,752	22,701

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CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	24,189	8,366
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	\$ 34,941	\$ 31,067
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	\$ 15,273	\$ 4,678
RESTRICTED CASH, BEGINNING OF PERIOD	8,916	3,688
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	\$ 24,189	\$ 8,366
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 24,806	\$ 26,679
RESTRICTED CASH, END OF PERIOD	10,135	4,388
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	\$ 34,941	\$ 31,067
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	\$	