

COUSINS PROPERTIES INC
Form 10-Q
October 24, 2018
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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 September 30, 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: 001-11312

COUSINS PROPERTIES INCORPORATED
(Exact name of registrant as specified in its charter)

GEORGIA
(State or other jurisdiction of
incorporation or organization)

58-0869052
(I.R.S.
Employer
Identification
No.)

3344 Peachtree Road NE, Suite 1800, Atlanta, Georgia
(Address of principal executive offices)
(404) 407-1000

30326-4802
(Zip Code)

(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 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 (§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, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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 ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class Outstanding at October 17, 2018

Common Stock, \$1 par value per share 420,384,785 shares

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FORWARD-LOOKING STATEMENTS

Certain matters contained in this report are “forward-looking statements” within the meaning of the federal securities laws and are subject to uncertainties and risks, as itemized in Item 1A included in the Annual Report on Form 10-K for the year ended December 31, 2017 and as itemized herein. These forward-looking statements include information about possible or assumed future results of the business and our financial condition, liquidity, results of operations, plans, and objectives. They also include, among other things, statements regarding subjects that are forward-looking by their nature, such as:

- our 2018 guidance and underlying assumptions;
- business and financial strategy;
- future financings;
- future acquisitions and dispositions of land, including ground leases;
- future acquisitions and dispositions of operating assets;
- future development and redevelopment opportunities;
- future fee development opportunities;
- future issuances and repurchases of common or preferred stock;
- future distributions;
- future projected capital expenditures;
- future changes in interest rates;
- market and industry trends; and

all statements that address operating performance, events, or developments that we expect or anticipate will occur in the future — including statements relating to creating value for stockholders.

Any forward-looking statements are based upon management's beliefs, assumptions, and expectations of our future performance, taking into account information currently available. These beliefs, assumptions, and expectations may change as a result of possible events or factors, not all of which are known. If a change occurs, our business, financial condition, liquidity, and results of operations may vary materially from those expressed in forward-looking statements. Actual results may vary from forward-looking statements due to, but not limited to, the following:

- the availability and terms of capital;
- the ability to refinance or repay indebtedness as it matures;
- the failure of purchase, sale, or other contracts to ultimately close;
- the failure to achieve anticipated benefits from acquisitions, investments, or dispositions;
- the potential dilutive effect of common stock or operating partnership unit issuances;
- the availability of buyers and pricing with respect to the disposition of assets;
- risks and uncertainties related to national and local economic conditions, the real estate industry, and the commercial real estate markets in which we operate, particularly in Atlanta, Charlotte, Austin, Phoenix, and Tampa where we have high concentrations of our lease revenue;
- changes to our strategy with regard to non-core holdings that require impairment losses to be recognized;
- leasing risks, including the ability to obtain new tenants or renew expiring tenants, the ability to lease newly developed and/or recently acquired space, and the risk of declining leasing rates;
- the adverse change in the financial condition of one or more of our major tenants;
- volatility in interest rates and insurance rates;
- competition from other developers or investors;
- the risks associated with real estate developments (such as zoning approval, receipt of required permits, construction delays, cost overruns, and leasing risk);
- changes in senior management and the loss of key personnel;
- the potential liability for uninsured losses, condemnation, or environmental issues;
- the potential liability for a failure to meet regulatory requirements;
- the financial condition and liquidity of, or disputes with, joint venture partners;
- any failure to comply with debt covenants under credit agreements;

any failure to continue to qualify for taxation as a real estate investment trust and meet regulatory requirements;
potential changes to state, local, or federal regulations applicable to our business;
material changes in the dividend rates or the ability to pay dividends on common shares or other securities;
potential changes to the tax laws and accounting standards impacting REITs and real estate in general; and
those additional risks and factors discussed in reports filed with the Securities and Exchange Commission by the Company.

The words “believes,” “expects,” “anticipates,” “estimates,” “plans,” “may,” “intend,” “will,” or similar expressions are intended to identify forward-looking statements. Although we believe that our plans, intentions, and expectations reflected in any forward-looking statements are reasonable, we can give no assurance that such plans, intentions, or expectations will be achieved. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of future events, new information, or otherwise, except as required under U.S. federal securities laws.

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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

COUSINS PROPERTIES INCORPORATED AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share and per share amounts)

	September 30, 2018 (unaudited)	December 31, 2017
Assets:		
Real estate assets:		
Operating properties, net of accumulated depreciation of \$384,097 and \$275,977 in 2018 and 2017, respectively	\$ 3,499,741	\$ 3,332,619
Projects under development	128,580	280,982
Land	4,221	4,221
	3,632,542	3,617,822
Cash and cash equivalents	82,706	148,929
Restricted cash	419	56,816
Notes and accounts receivable, net of allowance for doubtful accounts of \$456 and \$535 in 2018 and 2017, respectively	10,400	14,420
Deferred rents receivable	76,494	58,158
Investment in unconsolidated joint ventures	154,070	101,414
Intangible assets, net	155,025	186,206
Other assets	31,943	20,854
Total assets	\$ 4,143,599	\$ 4,204,619
Liabilities:		
Notes payable	\$ 1,065,012	\$ 1,093,228
Accounts payable and accrued expenses	114,229	137,909
Deferred income	40,035	37,383
Intangible liabilities, net of accumulated amortization of \$39,332 and \$28,960 in 2018 and 2017, respectively	60,082	70,454
Other liabilities	39,786	40,534
Total liabilities	1,319,144	1,379,508
Commitments and contingencies		
Equity:		
Stockholders' investment:		
Preferred stock, \$1 par value, 20,000,000 shares authorized, 6,867,357 shares issued and outstanding in 2018 and 2017	6,867	6,867
Common stock, \$1 par value, 700,000,000 shares authorized, 430,724,520 and 430,349,620 shares issued in 2018 and 2017, respectively	430,725	430,350
Additional paid-in capital	3,605,617	3,604,776
Treasury stock at cost, 10,339,735 and 10,329,082 shares in 2018 and 2017, respectively	(148,473)	(148,373)
Distributions in excess of cumulative net income	(1,124,518)	(1,121,647)
Total stockholders' investment	2,770,218	2,771,973
Nonredeemable noncontrolling interests	54,237	53,138
Total equity	2,824,455	2,825,111
Total liabilities and equity	\$ 4,143,599	\$ 4,204,619

See accompanying notes.

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited; in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenues:				
Rental property revenues	\$ 115,443	\$ 109,569	\$ 342,489	\$ 336,093
Fee income	2,519	2,597	7,211	6,387
Other	744	993	2,836	9,593
	118,706	113,159	352,536	352,073
Expenses:				
Rental property operating expenses	41,579	40,688	122,501	123,715
Reimbursed expenses	955	895	2,757	2,667
General and administrative expenses	3,913	7,193	18,793	21,993
Interest expense	9,551	7,587	29,043	25,851
Depreciation and amortization	45,068	47,622	135,836	152,546
Acquisition and transaction costs	—	(677)	228	1,499
Other	93	423	457	1,063
	101,159	103,731	309,615	329,334
Gain on extinguishment of debt	93	429	8	2,258
Income from continuing operations before unconsolidated joint ventures and gain (loss) on sale of investment properties	17,640	9,857	42,929	24,997
Income from unconsolidated joint ventures	2,252	2,461	10,173	43,362
Income from continuing operations before gain (loss) on sale of investment properties	19,892	12,318	53,102	68,359
Gain (loss) on sale of investment properties	(33)	(33)	4,912	119,729
Net income	19,859	12,285	58,014	188,088
Net income attributable to noncontrolling interests	(374)	(218)	(1,210)	(3,181)
Net income available to common stockholders	\$ 19,485	\$ 12,067	\$ 56,804	\$ 184,907
Net income per common share — basic and diluted	\$ 0.05	\$ 0.03	\$ 0.14	\$ 0.45
Weighted average shares — basic	420,385	419,998	420,279	414,123
Weighted average shares — diluted	427,520	427,300	427,472	421,954
Dividends declared per common share	\$ 0.065	\$ 0.060	\$ 0.195	\$ 0.240

See accompanying notes.

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CONDENSED CONSOLIDATED STATEMENTS OF EQUITY

Nine months ended September 30, 2018 and 2017

(unaudited, in thousands)

	Preferred Stock	Common Stock	Additional Paid-In Capital	Treasury Stock	Distributions in Excess of Net Income	Stockholders' Investment	Nonredeemable Noncontrolling Interests	Total Equity
Balance December 31, 2017	\$ 6,867	\$ 430,350	\$ 3,604,776	\$ (148,373)	\$ (1,121,647)	\$ 2,771,973	\$ 53,138	\$ 2,825,111
Net income	—	—	—	—	56,804	56,804	1,210	58,014
Common stock issued pursuant to stock-based compensation	—	397	(864)	(100)	—	(567)	—	(567)
Cumulative effect of change in accounting principle	—	—	—	—	22,329	22,329	—	22,329
Amortization of stock options and restricted stock, net of forfeitures	—	(22)	1,705	—	—	1,683	—	1,683
Contributions from nonredeemable noncontrolling interest	—	—	—	—	—	—	1,960	1,960
Distributions to nonredeemable noncontrolling interest	—	—	—	—	—	—	(2,071)	(2,071)
Common dividends (\$0.195 per share)	—	—	—	—	(82,004)	(82,004)	—	(82,004)
Balance September 30, 2018	\$ 6,867	\$ 430,725	\$ 3,605,617	\$ (148,473)	\$ (1,124,518)	\$ 2,770,218	\$ 54,237	\$ 2,824,455
Balance December 31, 2016	\$ 6,867	\$ 403,747	\$ 3,407,430	\$ (148,373)	\$ (1,214,114)	\$ 2,455,557	\$ 58,683	\$ 2,514,240
Net income	—	—	—	—	184,907	184,907	3,181	188,088

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Common stock
issued pursuant
to:

Common stock offering, net of issuance costs	—	25,000	186,774	—	—	211,774	—	211,774
Stock-based compensation	—	403	(279)	—	—	124	—	124
Spin-off of Parkway, Inc.	—	—	—	—	545	545	—	545
Common stock redemption by unit holders	—	1,203	8,865	—	—	10,068	(10,068)	—
Amortization of stock options and restricted stock, net of forfeitures	—	(3)	1,479	—	—	1,476	—	1,476
Contributions from nonredeemable noncontrolling interests	—	—	—	—	—	—	1,588	1,588
Distributions to nonredeemable noncontrolling interest	—	—	—	—	—	—	(1,364)	(1,364)
Common dividends (\$0.24 per share)	—	—	—	—	(99,151)	(99,151)	—	(99,151)
Balance								
September 30, 2017	\$ 6,867	\$ 430,350	\$ 3,604,269	\$ (148,373)	\$ (1,127,813)	\$ 2,765,300	\$ 52,020	\$ 2,817,320

See accompanying notes.

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COUSINS PROPERTIES INCORPORATED AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 (unaudited, in thousands)

	Nine Months Ended September 30,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$58,014	\$188,088
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sale of investment properties	(4,912)	(119,821)
Depreciation and amortization	135,836	152,546
Amortization of deferred financing costs and premium/discount on notes payable	1,808	(2,543)
Stock-based compensation expense, net of forfeitures	2,825	2,486
Effect of non-cash adjustments to rental revenues	(24,028)	(33,379)
Income from unconsolidated joint ventures	(10,173)	(43,362)
Operating distributions from unconsolidated joint ventures	15,056	6,615
Gain on extinguishment of debt	(8)	(2,258)
Changes in other operating assets and liabilities:		
Change in other receivables and other assets, net	(435)	9,707
Change in operating liabilities, net	4,054	3,150
Net cash provided by operating activities	178,037	161,229
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from investment property sales	—	171,316
Property acquisition, development, and tenant asset expenditures	(132,468)	(229,811)
Purchase of tenant-in-common interest	—	(13,382)
Collection of notes receivable	—	5,161
Investment in unconsolidated joint ventures	(43,276)	(13,862)
Distributions from unconsolidated joint ventures	2,032	74,531
Change in notes receivable and other assets	(4,429)	(1,348)
Other	(4,261)	—
Net cash used in investing activities	(182,402)	(7,395)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from credit facility	—	589,300
Repayment of credit facility	—	(723,300)
Proceeds from issuance of notes payable	—	350,000
Repayment of notes payable	(28,719)	(493,774)
Payment of deferred financing costs	(6,166)	(2,048)
Common stock issued, net of expenses	—	211,598
Contributions from noncontrolling interests	252	1,588
Distributions to nonredeemable noncontrolling interests	(2,071)	(1,364)
Common dividends paid	(79,842)	(73,950)
Other	(1,709)	(601)
Net cash used in financing activities	(118,255)	(142,551)
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(122,620)	11,283
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF PERIOD	205,745	51,321
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF PERIOD	\$83,125	\$62,604

See accompanying notes.

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COUSINS PROPERTIES INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2018

(Unaudited)

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business: Cousins Properties Incorporated ("Cousins"), a Georgia corporation, is a self-administered and self-managed real estate investment trust ("REIT") that conducts substantially all of its business through Cousins Properties, LP ("CPLP"). Cousins owns approximately 98% of CPLP and consolidates CPLP. CPLP owns Cousins TRS Services LLC ("CTRS"), a taxable entity which owns and manages its own real estate portfolio and performs certain real estate related services for other parties.

Cousins, CPLP, CTRS, and their subsidiaries (collectively, the "Company") develop, acquire, lease, manage, and own primarily Class A office and mixed-use properties in Sunbelt markets with a focus on Georgia, Texas, Arizona, Florida, and North Carolina. As of September 30, 2018, the Company's portfolio of real estate assets consisted of interests in 14.7 million square feet of office space and 310,000 square feet of retail space and apartments.

Basis of Presentation: The condensed consolidated financial statements are unaudited and were prepared by the Company in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). In the opinion of management, these financial statements reflect all adjustments necessary (which adjustments are of a normal and recurring nature) for the fair presentation of the Company's financial position as of September 30, 2018 and the results of operations for the three and nine months ended September 30, 2018 and 2017.

The results of operations for the three and nine months ended September 30, 2018 are not necessarily indicative of results expected for the full year or any other interim period. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the SEC. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017. The accounting policies employed herein are substantially the same as those shown in note 2 of Form 10-K for the year ended December 31, 2017.

For the three and nine months ended September 30, 2018 and 2017, there were no items of other comprehensive income. Therefore, the Company did not present comprehensive income.

Recently Issued Accounting Standards: In May 2014, the FASB issued ASU 2014-09 ("ASC 606"), "Revenue from Contracts with Customers." Under ASC 606, companies are required to recognize revenue when the seller satisfies a performance obligation, which is generally when the buyer takes control of the good or service. The Company adopted this guidance using the "modified retrospective" method effective January 1, 2018; as such, the Company applied the guidance only to the most recent period presented in the financial statements. Prior to adoption of ASC 606, gains or losses from real estate sales were adjusted at the time of the sale by the maximum exposure to loss related to continuing involvement with the real estate asset. After adoption, any continuing involvement is considered a separate performance obligation and the sales price is required to be allocated between the elements with continuing involvement and those without continuing involvement. As the continuing performance obligations are satisfied, additional gains or losses will be recognized. The Company had no sales of real estate with continuing involvement during 2018 or in any prior periods that affected results of operations in 2018 or could affect results of operations in future periods.

The Company categorizes its primary sources of revenue into revenue from contracts with customers and other revenue accounted for as leases under Accounting Standards Codification Topic 840 - Leases ("ASC 840") as follows: Rental property revenue consists of (1) contractual revenues from leases recognized on a straight-line basis over the term of the respective lease; (2) percentage rents recognized once a specified sales target is achieved; (3) parking revenue; and (4) the reimbursement of the tenants' share of real estate taxes, insurance, and other operating expenses. Rental property revenue is accounted for in accordance with the guidance set forth in ASC 840.

Fee revenue consists of development fees, management fees, and leasing fees earned from unconsolidated joint ventures and from third parties. Fee revenue is accounted for in accordance with the guidance set forth in ASC 606. Other revenue consists primarily of termination fees, which are accounted for in accordance with the guidance set forth in ASC 840.

Fee revenue and other revenue, as a whole, are immaterial to total revenues. There was no change to previously reported amounts from the cumulative effect of the adoption of ASC 606. For the three and nine months ended September 30, 2018 the Company recognized rental property revenue of \$115.4 million and \$342.5 million, respectively. For the three and nine months ended September 30, 2017 the Company recognized rental property revenue of \$109.6 million and \$336.1 million, respectively. For the three and nine months ended September 30, 2018, the Company recognized fee and other revenue of \$3.3 million and

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\$10.0 million, respectively. For the three and nine months ended September 30, 2017, the Company recognized fee and other revenue of \$3.6 million and \$16.0 million, respectively.

In February 2016, the FASB issued ASU 2016-02, "Leases," which amends the existing standards for lease accounting by requiring lessees to record most leases on their balance sheets and making targeted changes to lessor accounting and reporting. The new standard will require lessees to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months and classify such leases as either finance or operating leases based on the principle of whether the lease is effectively a financed purchase of the leased asset by the lessee. This classification will determine whether the lease expense is recognized based on an effective interest method (finance leases) or on a straight-line basis over the term of the lease (operating leases). Leases with a term of 12 months or less will be accounted for similarly to existing guidance for operating leases. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases, and operating leases. ASU 2016-02 supersedes previous leasing standards. The guidance is effective for the fiscal years beginning after December 15, 2018, with early adoption permitted. The Company expects to adopt this guidance using the "modified retrospective" method effective January 1, 2019. Under the new standard, the accounting by a lessor is largely unchanged from that of the previous standard. However, the presentation and disclosure in the financial statements of certain non-lease components, such as charges to tenants for a building's operating expenses, has been updated. In July 2018, the FASB amended the new leasing standard, providing lessors with a practical expedient to not separately classify and disclose non-lease components of revenue from the related lease components under certain conditions. The Company believes that the majority of its leases with non-lease components of revenue would qualify for the practical expedient and expects to elect this practical expedient. The new standard also revises the treatment of indirect leasing costs and permits the capitalization and amortization only of direct leasing costs. Also, for leases where the Company is a ground lessee, the new standard will require the Company to record a right of use asset and a lease liability on its consolidated balance sheet with a minimal impact on the recognition of ground lease expense. The Company is currently assessing the potential impact of adopting the new guidance.

In the fourth quarter of 2017, the Company adopted ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments" ("ASU 2016-15") which updated ASC Topic 230, "Statement of Cash Flows." ASU 2016-15 clarified guidance on the classification of certain cash receipts and payments in the statement of cash flows to reduce diversity in practice. The Company adopted this standard with retrospective application and as a result, changed the classification of distributions from equity method investments such that it now classifies distributions received on the basis of the nature of the activity that generated the distribution. The adoption of this new approach resulted in a decrease in net cash from operating activities of \$33.6 million and a corresponding increase in net cash from investing activities of \$33.6 million for the nine months ended September 30, 2017.

In the fourth quarter of 2017, the Company adopted ASU 2016-18, "Restricted Cash" ("ASU 2016-18"), which updated ASC Topic 230, "Statement of Cash Flows." ASU 2016-18 required companies to include restricted cash and restricted cash equivalents with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The adoption of this standard resulted in a decrease in net cash from investing activities of \$15.1 million and a decrease in net cash from operating activities of \$92,000 for the nine months ended September 30, 2017.

On January 1, 2018, the Company adopted ASU No. 2017-05, "Other Income - Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20): Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets ("ASU 2017-05")." ASU 2017-05 updated the definition of an "in substance nonfinancial asset" and clarified the derecognition guidance for nonfinancial assets to conform with the new revenue recognition standard. Among other things, ASU 2017-05 requires companies to recognize 100% of the gain on the transfer of a nonfinancial asset to an entity in which it has a noncontrolling interest. The Company adopted this guidance using the "modified retrospective" method. As a result of the adoption of ASU 2017-05, the Company recorded a cumulative effect from change in accounting principle, which resulted in an increase in investments in unconsolidated joint ventures and a corresponding credit to distributions in excess of cumulative net income of \$22.3

million. This cumulative effect adjustment resulted from the 2013 transfer of a wholly-owned property to an entity in which it had a noncontrolling interest.

On January 1, 2018, the Company adopted ASU 2017-09, "Scope of Modification Accounting," which amended the scope of modification accounting for share-based payment arrangements and provided guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under ASC 718, "Compensation—Stock Compensation." Adoption of the standard did not have a material impact on the Company's financial statements.

2. INVESTMENT IN UNCONSOLIDATED JOINT VENTURES

The following information summarizes financial data and principal activities of the Company's unconsolidated joint ventures. The information included in the following table entitled summary of financial position is as of September 30, 2018 and December 31, 2017. The information included in the summary of operations table is for the nine months ended September 30, 2018 and 2017 (in thousands).

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	Total Assets		Total Debt		Total Equity		Company's Investment	
SUMMARY OF FINANCIAL POSITION:	2018	2017	2018	2017	2018	2017	2018	2017
Terminus Office Holdings	\$260,668	\$261,999	\$199,851	\$203,131	\$49,458	\$48,033	\$48,019	\$24,898
DC Charlotte Plaza LLLP	129,916	53,791	—	—	84,385	42,853	43,656	22,293
Austin 300 Colorado Project, LP	39,467	—	—	—	37,187	—	19,180	—
Carolina Square Holdings LP	109,830	106,580	73,993	64,412	34,305	33,648	16,943	19,384
HICO Victory Center LP	14,857	14,403	—	—	14,683	14,401	9,925	9,752
Charlotte Gateway Village, LLC	115,071	124,691	—	—	110,172	121,386	8,478	14,568
AMCO 120 WT Holdings, LLC	28,791	18,066	—	—	24,878	16,354	4,004	1,664
CL Realty, L.L.C.	4,342	8,287	—	—	4,228	8,127	2,909	2,980
Temco Associates, LLC	4,506	4,441	—	—	4,402	4,337	907	875
EP II LLC	254	277	—	—	160	180	28	44
EP I LLC	501	521	—	—	320	319	21	25
HICO Avalon II, LLC	—	6,379	—	—	—	6,303	—	4,931
Wildwood Associates	11,219	16,337	—	—	11,140	16,297	(444)	(1)(1,151)
Crawford Long - CPI, LLC	27,296	27,362	69,911	71,047	(44,561)	(44,815)	(21,258)	(1)(21,323)
	\$746,718	\$643,134	\$343,755	\$338,590	\$330,757	\$267,423	\$132,368	\$78,940

	Total Revenues		Net Income (Loss)		Company's Share of Income (Loss)	
SUMMARY OF OPERATIONS:	2018	2017	2018	2017	2018	2017
Charlotte Gateway Village, LLC	\$20,043	\$20,125	\$7,792	\$7,202	\$3,896	\$3,601
Wildwood Associates	—	—	(1,108)	(86)	2,739	(43)
Terminus Office Holdings	33,545	33,503	4,424	4,907	2,276	2,453
Crawford Long - CPI, LLC	9,381	9,017	2,631	2,285	1,254	1,142
HICO Victory Center LP	282	320	282	320	160	171
Austin 300 Colorado Project, LP	385	—	173	—	86	—
Temco Associates, LLC	128	144	58	70	32	35
Courvoisier Centre JV, LLC	—	12,701	—	(1,000)	5	(80)
111 West Rio Building	—	—	—	—	—	(2,592)
AMCO 120 WT Holdings, LLC	—	—	(28)	(22)		