

RAMCO GERSHENSON PROPERTIES TRUST  
Form 8-K/A  
October 06, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 5, 2015

RAMCO-GERSHENSON PROPERTIES TRUST  
(Exact name of registrant as specified in its Charter)

Maryland (State or other jurisdiction of incorporation)	1-10093 (Commission File Number)	13-6908486 (IRS Employer Identification No.)
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31500 Northwestern Highway, Suite 300, Farmington Hills, Michigan (Address of principal executive offices)	48334 (Zip Code)
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Registrant's telephone number, including area code	(248) 350-9900
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Not applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K/A filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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## EXPLANATORY NOTE

On July 27, 2015, Ramco-Gershenson Properties Trust, Inc. ("RGPT") filed a Current Report on Form 8-K (the "Initial Report") reporting the acquisition, through its majority-owned partnership subsidiary Ramco-Gershenson Properties, L.P. ("RGPLP"), of its partner's 80% ownership interest in six properties owned by the Ramco 450 Venture LLC (the "Ramco 450 Properties"). In addition, on August 11, 2015 RGPT completed the acquisition of its partner's 70% ownership interest in Millennium Park owned by Ramco/Lion Venture LP. Upon closing, RGPT has consolidated the seven properties based upon a value of approximately \$238.1 million, together with the assumption of three mortgage loans with unpaid principal balances totaling approximately \$60.1 million, plus any related assets and liabilities. Total consideration paid for the properties was approximately \$147.4 million.

We are filing this Current Report on Form 8-K/A to amend the Initial Report to provide, in accordance with Rule 3-14 and Article 11 of Regulation S-X, certain financial statement information relating to the properties acquired and pro forma financial information of RGPT.

The financial statements and pro forma financial information described in Item 9.01 below should be read in conjunction with the Initial Report and this Amendment.

Item 9.01 Financial Statements and Exhibits

### (a) Financial Statements of Businesses Acquired.

Ramco 450 Properties

Report of Independent Certified Public Accountants

Combined Statements of Revenues and Certain Expenses for the three years ended December 31, 2014, 2013 and 2012

Notes to Combined Statements of Revenues and Certain Expenses

Millennium Park

Report of Independent Certified Public Accountants

Statements of Revenues and Certain Expenses for the three years ended December 31, 2014, 2013 and 2012

Notes to Statements of Revenues and Certain Expenses

### (b) Unaudited Pro Forma Financial Information

Ramco-Gershenson Properties Trust, Inc.

Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2015 (unaudited)

Notes and adjustments to Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2015 (unaudited)

Pro Forma Condensed Consolidated Statement of Operations for the six months ended June 30, 2015 (unaudited)

Notes and adjustments to Pro Forma Condensed Consolidated Statement of Operations for the six months ended June 30, 2015 (unaudited)

Pro Forma Condensed Consolidated Statement of Operations for the year ended December 31, 2014 (unaudited)

Notes and adjustments to Pro Forma Condensed Consolidated Statement of Operations for the year ended December 31, 2014 (unaudited)

### (d) Exhibits.

23.1 Consent of Independent Certified Public Accountants

THE RAMCO 450 PROPERTIES  
COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES  
FOR THE THREE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders of  
Ramco-Gershenson Properties Trust

We have audited the accompanying combined statements of revenues and certain expenses (the “Combined Statements”) of Crofton 450 LLC, Lane Avenue 450 LLC, Market Plaza 450 LLC, Rolling Meadows 450 LLC, Olentangy Plaza 450 LLC, and Ramco Peachtree Hill LLC (the “Ramco 450 Properties”) for each of the three years in the period ended December 31, 2014 and the related notes to the Combined Statements.

Management’s responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these Combined Statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Combined Statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on these Combined Statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Combined Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Combined Statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Combined Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the Combined Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Combined Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Combined Statements referred to above present fairly, in all material respects, the revenues and certain expenses, described in Note 1, of the Ramco 450 Properties for each of the three years in the period ended December 31, 2014, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of matter

We draw attention to Note 1 to the Combined Statements, which describes that the accompanying Combined Statements were prepared for the purpose of complying with the rules and regulations of the United States Securities and Exchange Commission (for inclusion in the filing of Form 8-K/A of Ramco-Gershenson Properties Trust) and is not intended to be a complete presentation of the Ramco 450 Properties’ revenues and certain expenses. Our opinion is not modified with respect to this matter.

/s/ GRANT THORNTON LLP

Southfield, Michigan

October 5, 2015

THE RAMCO 450 PROPERTIES  
 COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES  
 (in thousands)

	For the Year Ended December 31,		
	2014	2013	2012
<b>REVENUES:</b>			
Minimum rent	\$ 12,928	\$ 12,403	\$ 11,393
Percentage rent	49	54	48
Recovery income from tenants	4,684	4,471	4,305
Other property income	122	274	496
<b>TOTAL REVENUES</b>	<b>17,783</b>	<b>17,202</b>	<b>16,242</b>
<b>CERTAIN EXPENSES:</b>			
Real estate taxes	3,481	3,577	3,437
Recoverable operating expense	1,983	1,677	1,641
Other non-recoverable operating expense	882	1,027	851
Interest expense	2,388	2,485	3,991
<b>TOTAL CERTAIN EXPENSES</b>	<b>8,734</b>	<b>8,766</b>	<b>9,920</b>
<b>REVENUES IN EXCESS OF CERTAIN EXPENSES</b>	<b>\$ 9,049</b>	<b>\$ 8,436</b>	<b>\$ 6,322</b>

See accompanying notes

## The Ramco 450 Properties

Notes to the Combined Statements of Revenues and Certain Expenses  
For the Three Years ended December 31, 2014, 2013 and 2012

## 1. Business and Basis of Presentation

On July 21, 2015, Ramco-Gershenson Properties Trust ("RGPT") through its majority-owned partnership subsidiary, Ramco-Gershenson Properties, L.P. ("RGPLP") completed the acquisition of its partner's 80% ownership interest in six shopping centers (the "Ramco 450 Properties") owned by the Ramco 450 Venture LLC. Upon closing, RGPT has consolidated the six properties based upon a value of approximately \$191.1 million, together with the assumption of three mortgage loans with unpaid principal balances totaling approximately \$60.1 million, plus any related assets and liabilities. Total consideration paid for the properties was approximately \$105.8 million.

The following table details the properties acquired:

Property Name	Location	Total GLA	Anchor Tenants
Crofton Centre	Crofton, Maryland	252,230	Shoppers Food Warehouse, Gold's Gym, Goodwill, Hibachi Grill & Supreme Buffet, Kmart, United Tile and Granite
Market Plaza	Glen Ellyn, Illinois	163,054	Jewel-Osco, Ross Dress for Less, Staples
Olentangy Plaza	Columbus, Ohio	253,204	Marshalls, Eurolife Furniture, Metro Fitness, Micro Center, Columbus Asia Market-Sublease of SuperValu, Tuesday Morning
Peachtree Hill	Duluth, Georgia	154,700	Kroger, LA Fitness
Rolling Meadows Shopping Center	Rolling Meadows, Illinois	134,012	Jewel-Osco, Dollar Tree, Northwest Community Hospital
The Shops on Lane Avenue	Upper Arlington, Ohio	169,035	Whole Foods Market, Bed Bath & Beyond, Pier 1 Imports, Ulta
		1,126,235	

The accompanying combined statements of revenues and certain expenses (the "Statements") have been prepared on the accrual basis of accounting. The Statements have been prepared for the purpose of complying with the rules and regulations of the United States Securities and Exchange Commission ("SEC"), Regulation S-X, Rule 3-14, and for inclusion in a Current Report on Form 8-K/A of RGPT. The Statements are not intended to be a complete presentation of the revenues and expenses of the Ramco 450 Properties. Certain expenses, primarily depreciation and amortization, and other costs not directly related to the future operations of the property have been excluded.

## Subsequent events

We have evaluated whether any subsequent events have occurred up through the time of issuing these statements on October 5, 2015.

2. Summary of Significant Accounting Policies

Revenue Recognition

Our shopping center space is generally leased to retail tenants under leases that are classified as operating leases. We recognize minimum rents using the straight-line method over the terms of the leases commencing when the tenant takes possession of the space and when construction of landlord funded improvements is substantially complete. Certain leases also provide for recoveries from tenants of common area maintenance expenses, real estate taxes and other operating expenses. These recoveries are estimated and recognized as revenue in the period the recoverable costs are incurred or accrued.

Expenses

Property operating expenses include real estate taxes, recoverable operating expenses such as common area maintenance, insurance premiums, and other non-recoverable expenses such as bad debt expenses and collection-related legal costs. Real estate taxes and insurance expense are accrued monthly. Expenditures for common area maintenance, and legal costs are charged to operations as incurred. Allowances for bad debt are taken for accounts receivable balances when we have reason to believe they will be uncollectible.

Use of Estimates

The preparation of the Statements in conformity with generally accepted accounting principles in the United States of America ("GAAP") requires management to make certain estimates and assumptions that affect the reported amounts in the Statements and accompanying footnotes. Actual results could differ from those estimates.

3. Future Minimum Rental Income

The Ramco 450 Properties are leased to tenants pursuant to lease agreements. Tenant leases typically provide for minimum rent and other charges to cover operating costs. Future minimum rent under non-cancellable operating leases in effect at December 31, 2014 is as follows:

Year Ending December 31,

	(In thousands)
2015	\$ 12,722
2016	10,764
2017	9,346
2018	8,027
2019	6,203
Thereafter	28,156
Total	\$ 75,218

4. Interest Expense

The interest expense included in the Combined Consolidated Statements of Revenues and Certain Expenses is based on mortgage loans assumed by RGPLP, which were outstanding during the periods presented. As of June 30, 2014, the outstanding balance of mortgage notes assumed was approximately \$60.1 million (unaudited). The weighted average interest rate on these mortgage notes was approximately 4.1% per annum (unaudited) as of December 31, 2014 and 3013 and 5.0% per annum (unaudited) as of December 31, 2012. The mortgages mature on various dates ranging from 2017 to 2023 (unaudited).



5. Related Party Transactions

RGPT, through its wholly owned subsidiary Ramco Gershenson, Inc., provides property management, leasing, development and other administrative services to the Ramco 450 Properties. Fees earned related to the Ramco 450 Properties for the three years ended December 31, 2014, 2013 and 2012 were \$1.3 million, \$1.1 million and \$1.2 million, respectively.

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MILLENNIUM PARK  
STATEMENTS OF REVENUES AND CERTAIN EXPENSES