

TANGER FACTORY OUTLET CENTERS INC
Form 10-Q
November 08, 2007

**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, 2007
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 No. 1-11986

TANGER FACTORY OUTLET CENTERS, INC.
(Exact name of Registrant as specified in its Charter)

NORTH CAROLINA
(State or other jurisdiction
of incorporation or organization)

56-1815473
(I.R.S. Employer
Identification No.)

3200 Northline Avenue, Suite 360, Greensboro, North Carolina 27408
(Address of principal executive offices)
(Zip code)

(336) 292-3010
(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 is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

31,317,401 shares of Common Stock,

\$.01 par value, outstanding as of October 31, 2007

TANGER FACTORY OUTLET CENTERS, INC.

Index

	Page Number
Part I. Financial Information	
Item 1. Financial Statements (Unaudited)	
Consolidated Balance Sheets - as of September 30, 2007 and December 31, 2006	3
Consolidated Statements of Operations - for the three and nine months ended September 30, 2007 and 2006	4
Consolidated Statements of Cash Flows - for the nine months ended September 30, 2007 and 2006	5
Notes to Consolidated Financial Statements	6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	15
Item 3. Quantitative and Qualitative Disclosures about Market Risk	27
Item 4. Controls and Procedures	29
Part II. Other Information	
Item 1. Legal Proceedings	30
Item 1A. Risk Factors	30
Item 6. Exhibits	30
Signatures	30

PART I. – FINANCIAL INFORMATION**Item 1 – Financial Statements****TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**(In thousands, except share and per share data)
(Unaudited)

	September 30, 2007	December 31, 2006
ASSETS:		
Rental property		
Land	\$ 129,921	\$ 130,137
Building, improvement and fixtures	1,074,310	1,068,070
Construction in progress	61,364	18,640
	1,265,595	1,216,847
Accumulated depreciation	(302,411)	(275,372)
Rental property, net	963,184	941,475
Cash and cash equivalents	2,434	8,453
Assets held for sale	2,052	---
Investments in unconsolidated joint ventures	11,908	14,451
Deferred charges, net	47,306	55,089
Other assets	26,563	21,409
Total assets	\$ 1,053,447	\$ 1,040,877
LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY		
Liabilities		
Debt		
Senior, unsecured notes (net of discount of \$778 and \$832, respectively)	\$ 498,722	\$ 498,668
Mortgages payable (including a debt premium of \$1,654 and \$3,441, respectively)	175,312	179,911
Unsecured lines of credit	23,300	---
	697,334	678,579
Construction trade payables	27,943	23,504
Accounts payable and accrued expenses	35,237	25,094
Total liabilities	760,514	727,177
Commitments		
Minority interest in operating partnership	35,366	39,024
Shareholders' equity		
Preferred shares, 7.5% Class C, liquidation preference \$25 per share, 8,000,000 shares authorized, 3,000,000 shares issued and outstanding at September 30, 2007 and December 31, 2006	75,000	75,000
Common shares, \$.01 par value, 150,000,000 shares authorized, 31,317,401 and 31,041,336 shares issued and outstanding at September 30, 2007 and December 31, 2006, respectively	313	310
Paid in capital	350,701	346,361

Edgar Filing: TANGER FACTORY OUTLET CENTERS INC - Form 10-Q

Distributions in excess of net income	(169,419)	(150,223)
Accumulated other comprehensive income	972	3,228
Total shareholders' equity	257,567	274,676
Total liabilities, minority interest and shareholders' equity	\$ 1,053,447	\$ 1,040,877

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

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

Three months ended
September 30,

Nine months ended
September 30,