

REALTY INCOME CORP
Form 10-Q
April 28, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 March 31, 2011, or

Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 1-13374

REALTY INCOME CORPORATION
(Exact name of registrant as specified in its charter)

Maryland	33-0580106
(State or Other	(IRS Employer
Jurisdiction of	Identification
Incorporation or	Number)
Organization)	

600 La Terraza Boulevard, Escondido, California 92025-3873
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (760) 741-2111

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

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Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

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

There were 126,828,616 shares of common stock outstanding as of April 20, 2011.

REALTY INCOME CORPORATION

Form 10-Q
March 31, 2011

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

REALTY INCOME CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE
SHEETS

March 31, 2011 and December 31, 2010
(dollars in thousands, except per share data)

	2011	2010
	(unaudited)	
ASSETS		
Real estate, at cost:		
Land	\$1,547,899	\$1,520,413
Buildings and improvements	2,681,780	2,592,449
Total real estate, at cost	4,229,679	4,112,862
Less accumulated depreciation and amortization	(736,770)	(711,615)
Net real estate held for investment	3,492,909	3,401,247
Real estate held for sale, net	4,064	3,631
Net real estate	3,496,973	3,404,878
Cash and cash equivalents	129,707	17,607
Accounts receivable, net	10,506	11,301
Goodwill	17,206	17,206
Other assets, net	116,164	84,598
Total assets	\$3,770,556	\$3,535,590
LIABILITIES AND STOCKHOLDERS' EQUITY		
Distributions payable	\$20,356	\$19,051
Accounts payable and accrued expenses	23,804	47,019
Other liabilities	16,248	22,555
Line of credit payable	--	--
Notes payable	1,600,000	1,600,000
Total liabilities	1,660,408	1,688,625
Commitments and contingencies		
Stockholders' equity:		
Preferred stock and paid in capital, par value \$1.00 per share, 20,000,000 shares authorized, 13,900,000 shares issued and outstanding in 2011 and 2010	337,790	337,790
Common stock and paid in capital, par value \$1.00 per share, 200,000,000 shares authorized, 126,828,609 and 118,058,988 shares issued and outstanding as of March 31, 2011 and December 31, 2010, respectively	2,351,962	2,066,287
Distributions in excess of net income	(579,604)	(557,112)
Total stockholders' equity	2,110,148	1,846,965
Total liabilities and stockholders' equity	\$3,770,556	\$3,535,590

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

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REALTY INCOME CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
INCOME

For the three months ended March 31, 2011 and 2010
(dollars in thousands, except per share data)
(unaudited)

	2011	2010
REVENUE		
Rental	\$97,616	\$82,512
Other	140	106
Total revenue	97,756	82,618
EXPENSES		
Depreciation and amortization	26,810	23,041
Interest	25,122	21,395
General and administrative	7,870	6,711
Property	1,983	1,971
Income taxes	368	277
Total expenses	62,153	53,395
Income from continuing operations	35,603	29,223
Income from discontinued operations:		
Real estate acquired for resale by Crest	222	