

Summit Hotel Properties, Inc.
Form 10-Q
August 06, 2014
[Table of Contents](#)

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 June 30, 2014

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: 001-35074

SUMMIT HOTEL PROPERTIES, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation or organization)

27-2962512
(I.R.S. Employer Identification No.)

12600 Hill Country Boulevard, Suite R-100

Austin, TX 78738

(Address of principal executive offices, including zip code)

(512) 538-2300

(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 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 in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

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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

As of August 1, 2014, the number of outstanding shares of common stock of Summit Hotel Properties, Inc. was 85,915,997.

Table of Contents

TABLE OF CONTENTS

	Page
<u>PART I FINANCIAL INFORMATION</u>	
<u>Item 1.</u>	<u>Financial Statements</u>
	1
	2
	3
	4
	5
	6
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>
	23
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>
	39
<u>Item 4.</u>	<u>Controls and Procedures</u>
	39
<u>PART II OTHER INFORMATION</u>	
<u>Item 1.</u>	<u>Legal Proceedings</u>
	40
<u>Item 1A.</u>	<u>Risk Factors</u>
	40
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>
	40
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>
	40
<u>Item 4.</u>	<u>Mine Safety Disclosures</u>
	40
<u>Item 5.</u>	<u>Other Information</u>
	40
<u>Item 6.</u>	<u>Exhibits</u>
	42

Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****SUMMIT HOTEL PROPERTIES, INC.****CONSOLIDATED BALANCE SHEETS (in thousands, except share amounts)****JUNE 30, 2014 (UNAUDITED) AND DECEMBER 31, 2013**

	June 30, 2014	December 31, 2013
ASSETS		
Investment in hotel properties, net	\$ 1,271,539	\$ 1,149,967
Investment in hotel properties under development	160	
Land held for development	13,748	13,748
Assets held for sale	8,663	12,224
Cash and cash equivalents	41,728	46,706
Restricted cash	54,637	38,498
Trade receivables	13,142	7,231
Prepaid expenses and other	5,681	8,876
Derivative financial instruments	33	253
Deferred charges, net	10,413	10,270
Deferred tax asset	54	49
Other assets	8,525	6,654
TOTAL ASSETS	\$ 1,428,323	\$ 1,294,476

LIABILITIES AND EQUITY**LIABILITIES**

Debt	\$ 579,932	\$ 435,589
Accounts payable	6,256	7,583
Accrued expenses	36,322	27,154
Derivative financial instruments	2,296	1,772
TOTAL LIABILITIES	624,806	472,098

COMMITMENTS AND CONTINGENCIES (Note 7)**EQUITY**

Preferred stock, \$.01 par value per share, 100,000,000 shares authorized:

9.25% Series A - 2,000,000 shares issued and outstanding at June 30, 2014 and December 31, 2013 (aggregate liquidation preference of \$50,385 at June 30, 2014 and \$50,398 at December 31, 2013)	20	20
7.875% Series B - 3,000,000 shares issued and outstanding at June 30, 2014 and December 31, 2013 (aggregate liquidation preference of \$75,492 at June 30, 2014 and \$75,324 at December 31, 2013)	30	30
	34	34

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7.125% Series C - 3,400,000 shares issued and outstanding at June 30, 2014 and December 31, 2013 (aggregate liquidation preference of \$85,505 at June 30, 2014 and \$85,522 at December 31, 2013)

Common stock, \$.01 par value per share, 450,000,000 shares authorized, 85,857,241 and 85,402,408 shares issued and outstanding at June 30, 2014 and December 31, 2013, respectively

	859	854
Additional paid-in capital	884,420	882,858
Accumulated other comprehensive loss	(2,114)	(1,379)
Accumulated deficit and distributions	(87,724)	(72,577)
Total stockholders' equity	795,525	809,840
Non-controlling interests in operating partnership	7,992	4,722
Non-controlling interests in joint venture		7,816
TOTAL EQUITY	803,517	822,378
TOTAL LIABILITIES AND EQUITY	\$ 1,428,323	\$ 1,294,476

See Notes to the Consolidated Financial Statements

Table of Contents

SUMMIT HOTEL PROPERTIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS *(in thousands, except per share amounts)*

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2014 AND 2013 (UNAUDITED)

**For the Three Months Ended June 30,
2014 2013**

**For the Six Months Ended June 30,
2014 2013**

REVENUES