

FRANKLIN STREET PROPERTIES CORP /MA/
Form 10-Q
July 29, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10 - Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2008.

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: 001-32470

Franklin Street Properties Corp.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation
or organization)

04-3578653
(IRS Employer Identification Number)

401 Edgewater Place, Suite 200
Wakefield, MA 01880-6210
(Address of principal executive offices)(Zip Code)

(781) 557-1300
(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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, 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 (Do not check if a smaller reporting company)

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

The number of shares of common stock outstanding as of July 28, 2008 was 70,480,705.

Franklin Street Properties Corp.

Form 10-Q

Quarterly Report
June 30, 2008

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Franklin Street Properties Corp.
Condensed Consolidated Balance Sheets
(Unaudited)

(in thousands, except share and par value amounts)	June 30, 2008	December 31, 2007
Assets:		
Real estate assets:		
Land	\$ 100,440	\$ 99,140
Buildings and improvements	778,107	743,027
Fixtures and equipment	219	212
	878,766	842,379
Less accumulated depreciation	63,056	52,060
Real estate assets, net	815,710	790,319
Acquired real estate leases, less accumulated amortization of \$28,213 and \$23,401, respectively	30,905	33,695
Investment in non-consolidated REITs	84,609	85,663
Assets held for syndication, net	14,039	26,310
Cash and cash equivalents	34,386	46,988
Restricted cash	336	336
Tenant rent receivables, less allowance for doubtful accounts of \$509 and \$430, respectively	989	1,472
Straight-line rent receivable, less allowance for doubtful accounts of \$261 and \$261, respectively	7,894	7,387
Prepaid expenses	1,061	1,395
Other assets	1,588	406
Office computers and furniture, net of accumulated depreciation of \$1,038 and \$968, respectively	331	309
Deferred leasing commissions, net of accumulated amortization of \$2,574, and \$1,975, respectively	10,509	9,186
Total assets	\$ 1,002,357	\$ 1,003,466
Liabilities and Stockholders' Equity:		
Liabilities:		
Bank note payable	\$ 109,995	\$ 84,750
Accounts payable and accrued expenses	18,984	20,255
Accrued compensation	1,845	1,564
Tenant security deposits	1,810	1,874
Acquired unfavorable real estate leases, less accumulated amortization of \$1,455, and \$1,226, respectively	4,883	4,405
Total liabilities	137,517	112,848
Commitments and contingencies		
Stockholders' Equity:		
Preferred stock, \$.0001 par value, 20,000,000 shares authorized, none issued or outstanding	-	-

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Common stock, \$.0001 par value, 180,000,000 shares authorized, 70,480,705 and 70,480,705 shares issued and outstanding, respectively	7	7
Additional paid-in capital	889,019	889,019
Earnings (distributions) in excess of accumulated earnings/distributions	(24,186)	1,592
Total stockholders' equity	864,840	890,618
Total liabilities and stockholders' equity	\$ 1,002,357	\$ 1,003,466