REGENCY CENTERS CORP
Form 10-Q
May 10, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM 10-Q

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

For the quarterly period ended March 31, 2017
or

o 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 1-12298 (Regency Centers Corporation)
Commission File Number 0-24763 (Regency Centers, L.P.)

REGENCY CENTERS CORPORATION
REGENCY CENTERS, L.P.
(Exact name of registrant as specified in its charter)

FLORIDA (REGENCY CENTERS CORPORATION)	59-3191743
DELAWARE (REGENCY CENTERS, L.P)	59-3429602
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Independent Drive, Suite 114 Jacksonville, Florida 32202	(904) 598-7000
(Address of principal executive offices) (zip code)	(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.

Regency Centers Corporation YES x NO o Regency Centers, L.P. YES x NO o

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Regency Centers Corporation YES x NO o Regency Centers, L.P. YES x NO o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Regency Centers Corporation:

Large accelerated filer	x	Accelerated filer	o	Emerging growth company	o
Non-accelerated filer	o	Smaller reporting company	o		

Regency Centers, L.P.:

Large accelerated filer	o	Accelerated filer	x	Emerging growth company	o
Non-accelerated filer	o	Smaller reporting company	o		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act.

Regency Centers Corporation	YES o	NO x	Regency Centers, L.P.	YES o	NO x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Regency Centers Corporation	YES o	NO x	Regency Centers, L.P.	YES o	NO x

The number of shares outstanding of the Regency Centers Corporation’s common stock was 170,077,581 as of May 9, 2017.

EXPLANATORY NOTE

This report combines the quarterly reports on Form 10-Q for the quarter ended March 31, 2017 of Regency Centers Corporation and Regency Centers, L.P. Unless stated otherwise or the context otherwise requires, references to “Regency Centers Corporation” or the “Parent Company” mean Regency Centers Corporation and its controlled subsidiaries; and references to “Regency Centers, L.P.” or the “Operating Partnership” mean Regency Centers, L.P. and its controlled subsidiaries. The term “the Company”,"Regency Centers" or “Regency” means the Parent Company and the Operating Partnership, collectively.

The Parent Company is a real estate investment trust (“REIT”) and the general partner of the Operating Partnership. The Operating Partnership's capital includes general and limited common Partnership Units (“Units”). As of March 31, 2017, the Parent Company owned all of the Preferred Units of the Operating Partnership and approximately 99.9% of the Units in the Operating Partnership. The remaining limited Units are owned by investors. As the sole general partner of the Operating Partnership, the Parent Company has exclusive control of the Operating Partnership's day-to-day management.

The Company believes combining the quarterly reports on Form 10-Q of the Parent Company and the Operating Partnership into this single report provides the following benefits:

- Enhances investors' understanding of the Parent Company and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- Eliminates duplicative disclosure and provides a more streamlined and readable presentation; and
- Creates time and cost efficiencies through the preparation of one combined report instead of two separate reports.

Management operates the Parent Company and the Operating Partnership as one business. The management of the Parent Company consists of the same individuals as the management of the Operating Partnership. These individuals are officers of the Parent Company and employees of the Operating Partnership.

The Company believes it is important to understand the key differences between the Parent Company and the Operating Partnership in the context of how the Parent Company and the Operating Partnership operate as a consolidated company. The Parent Company is a REIT, whose only material asset is its ownership of partnership interests of the Operating Partnership. As a result, the Parent Company does not conduct business itself, other than acting as the sole general partner of the Operating Partnership, issuing public equity from time to time and guaranteeing certain debt of the Operating Partnership. Except for the $500 million of unsecured public and private placement debt assumed with the Equity One merger on March 1, 2017, the Parent Company does not have any other indebtedness, but guarantees all of the unsecured debt of the Operating Partnership. The Operating Partnership is also the co-issuer and guarantees the debt of the Parent Company. The Operating Partnership holds all the assets of the Company and retains the ownership interests in the Company's joint ventures. Except for net proceeds from public equity issuances by the Parent Company, which are contributed to the Operating Partnership in exchange for partnership units, the Operating Partnership generates all remaining capital required by the Company's business. These sources include the Operating Partnership's operations, its direct or indirect incurrence of indebtedness, and the issuance of partnership units.

Stockholders' equity, partners' capital, and noncontrolling interests are the main areas of difference between the consolidated financial statements of the Parent Company and those of the Operating Partnership. The Operating Partnership's capital includes general and limited common Partnership Units, and Preferred Units owned by the Parent Company. The limited partners' units in the Operating Partnership owned by third parties are accounted for in partners' capital in the Operating Partnership's financial statements and outside of stockholders' equity in noncontrolling interests in the Parent Company's financial statements. The Preferred Units owned by the Parent Company are eliminated in consolidation in the accompanying consolidated financial statements of the Parent Company and are classified as preferred units of the general partner in the accompanying consolidated financial statements of the Operating Partnership.

In order to highlight the differences between the Parent Company and the Operating Partnership, there are sections in this report that separately discuss the Parent Company and the Operating Partnership, including separate financial statements, controls and procedures sections, and separate Exhibit 31 and 32 certifications. In the sections that combine disclosure for the Parent Company and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of the Company.

As general partner with control of the Operating Partnership, the Parent Company consolidates the Operating Partnership for financial reporting purposes, and the Parent Company does not have assets other than its investment in the Operating Partnership. Therefore, while stockholders' equity and partners' capital differ as discussed above, the assets and liabilities of the Parent Company and the Operating Partnership are the same on their respective financial statements.

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements
REGENCY CENTERS CORPORATION
Consolidated Balance Sheets
March 31, 2017 and December 31, 2016
(in thousands, except share data)

	2017	2016
Assets	(unaudited)	
Real estate investments at cost:		
Land	$4,760,963	1,660,424
Buildings and improvements	5,908,653	3,092,197
Properties in development	292,480	180,878
	10,962,096	4,933,499
Less: accumulated depreciation	1,166,657	1,124,391
	9,795,439	3,809,108
Properties held for sale	19,600	—
Investments in real estate partnerships	381,691	296,699
Net real estate investments	10,196,730	4,105,807
Cash and cash equivalents	36,855	13,256
Restricted cash	7,987	4,623
Tenant and other receivables, net of allowance for doubtful accounts and straight-line rent reserves of $9,577 and $9,021 at March 31, 2017 and December 31, 2016, respectively	119,843	111,722
Deferred leasing costs, less accumulated amortization of $85,971 and $83,529 at March 31, 2017 and December 31, 2016, respectively	68,299	69,000
Acquired lease intangible assets, less accumulated amortization of $69,324 and $56,695 at March 31, 2017 and December 31, 2016, respectively	606,707	118,831
Trading securities held in trust	29,025	28,588
Other assets	70,526	37,079
Total assets	$11,135,972	4,488,906
Liabilities and Equity		
Liabilities:		
Notes payable	$2,749,202	1,363,925
Unsecured credit facilities	658,024	278,495
Accounts payable and other liabilities	242,638	138,936
Acquired lease intangible liabilities, less accumulated amortization of $28,689 and $23,538 at March 31, 2017 and December 31, 2016, respectively	680,469	54,180
Tenants' security, escrow deposits and prepaid rent	41,136	28,868
Total liabilities	4,371,469	1,864,404
Commitments and contingencies	—	—
Equity:		
Stockholders' equity:		
Preferred stock, $0.01 par value per share, 30,000,000 shares authorized; 3,000,000 Series 7 shares issued and outstanding at March 31, 2017, and 13,000,000 Series 6 and 7 shares issued and outstanding at December 31, 2016, with liquidation preferences of $25 per share	75,000	325,000
Common stock, $0.01 par value per share, 220,000,000 and 150,000,000 shares authorized; 170,076,671 and 104,497,286 shares issued at March 31, 2017 and December 31, 2016, respectively	1,701	1,045
	(17,473)	(17,062)

Treasury stock at cost, 349,660 and 347,903 shares held at March 31, 2017 and December 31, 2016, respectively		
Additional paid in capital	7,768,794	3,294,923
Accumulated other comprehensive loss	(15,791)	(18,346)
Distributions in excess of net income	(1,080,882)	(994,259)
Total stockholders' equity	6,731,349	2,591,301
Noncontrolling interests:		
Exchangeable operating partnership units, aggregate redemption value of $10,235 and $10,630 at March 31, 2017 and December 31, 2016, respectively	(2,063)	(1,967)
Limited partners' interests in consolidated partnerships	35,217	35,168
Total noncontrolling interests	33,154	33,201
Total equity	6,764,503	2,624,502
Total liabilities and equity	$11,135,972	4,488,906

See accompanying notes to consolidated financial statements.

1

REGENCY CENTERS CORPORATION
Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	Three months ended March 31, 2017	2016
Revenues:		
Minimum rent	$141,240	107,674
Percentage rent	2,906	1,703
Recoveries from tenants and other income	45,279	33,487
Management, transaction, and other fees	6,706	6,764
Total revenues	196,131	149,628
Operating expenses:		
Depreciation and amortization	60,053	38,716
Operating and maintenance	29,763	22,685
General and administrative	17,673	16,299
Real estate taxes	21,450	15,870
Other operating expenses (note 2)	71,512	2,306
Total operating expenses	200,451	95,876
Other expense (income):		
Interest expense, net	27,199	24,142
Provision for impairment	—	1,666
Net investment (income) loss, including unrealized (gains) losses of ($852) and ($230) for the three months ended March 31, 2017 and 2016, respectively	(1,097)	155
Total other expense (income)	26,102	25,963
(Loss) income from operations before equity in income of investments in real estate partnerships	(30,422)	27,789
Equity in income of investments in real estate partnerships	9,342	12,920
Income tax expense of taxable REIT subsidiary	50	—
(Loss) income from operations	(21,130)	40,709
Gain on sale of real estate, net of tax	415	12,868
Net (loss) income	(20,715)	53,577
Noncontrolling interests:		
Exchangeable operating partnership units	19	(85)
Limited partners’ interests in consolidated partnerships	(671)	(349)
Loss attributable to noncontrolling interests	(652)	(434)
Net (loss) income attributable to the Company	(21,367)	53,143
Preferred stock dividends and issuance costs	(11,856)	(5,266)
Net (loss) income attributable to common stockholders	$(33,223)	47,877
(Loss) income per common share - basic	$(0.26)	0.49
(Loss) income per common share - diluted	$(0.26)	0.49

See accompanying notes to consolidated financial statements.

2

REGENCY CENTERS CORPORATION
Consolidated Statements of Comprehensive Income
(in thousands)
(unaudited)

	Three months ended March 31, 2017	Three months ended March 31, 2016
Net (loss) income	$(20,715)	53,577
Other comprehensive (loss) income:		
Effective portion of change in fair value of derivative instruments:		
Effective portion of change in fair value of derivative instruments	(68)	(16,785)
Reclassification adjustment of derivative instruments included in net income	2,654	2,453
Unrealized gain (loss) on available-for-sale securities	32	(36)
Other comprehensive income (loss)	2,618	(14,368)
Comprehensive (loss) income	(18,097)	39,209
Less: comprehensive income (loss) attributable to noncontrolling interests:		
Net income attributable to noncontrolling interests	652	434
Other comprehensive income (loss) attributable to noncontrolling interests	65	(168)
Comprehensive income attributable to noncontrolling interests	717	266
Comprehensive (loss) income attributable to the Company	$(18,814)	38,943

See accompanying notes to consolidated financial statements.

REGENCY CENTERS CORPORATION
Consolidated Statements of Equity
For the three months ended March 31, 2017 and 2016
(in thousands, except per share data)
(unaudited)

	Preferred Stock	Common Stock	Treasury Stock	Additional Paid In Capital	Accumulated Other Comprehensive Loss	Distributions in Excess of Net Income	Total Stockholders' Equity	Noncontrolling Interests: Exchangeable Operating Partnership Units	Noncontrolling Interests: Limited Partners' Interest in Consolidated Partnerships	Noncontrolling Interests: Total Noncontrolling Interests	Total Equity
Balance at December 31, 2015	$325,000	972	(19,658)	2,742,508	(58,693)	(936,020)	2,054,109	(1,975)	30,486	28,511	2,082,6
Net income	—	—	—	—	—	53,143	53,143	85	349	434	53,577
Other comprehensive loss	—	—	—	—	(14,200)	—	(14,200)	(22)	(146)	(168)	(14,368
Deferred compensation plan, net	—	—	1,287	(1,287)	—	—	—	—	—	—	—
Restricted stock issued, net of amortization	—	2	—	3,400	—	—	3,402	—	—	—	3,402
Common stock redeemed for taxes withheld for stock based compensation, net	—	—	—	(7,950)	—	—	(7,950)	—	—	—	(7,950
Common stock issued under dividend reinvestment plan	—	—	—	292	—	—	292	—	—	—	292
Common stock issued, net of issuance costs	—	2	—	12,291	—	—	12,293	—	—	—	12,293
Contributions from partners	—	—	—	—	—	—	—	—	8,389	8,389	8,389
Distributions to partners	—	—	—	(350)	—	—	(350)	—	(1,387)	(1,387)	(1,737
Cash dividends declared:											
Preferred stock	—	—	—	—	—	(5,266)	(5,266)	—	—	—	(5,266
Common stock/unit	—	—	—	—	—	(48,802)	(48,802)	(77)	—	(77)	(48,879

($0.50 per share)											
Balance at March 31, 2016	$325,000	976	(18,371)	2,748,904	(72,893)	(936,945)	2,046,671	(1,989)	37,691	35,702	2,082,3
Balance at December 31, 2016	$325,000	1,045	(17,062)	3,294,923	(18,346)	(994,259)	2,591,301	(1,967)	35,168	33,201	2,624,5
Net loss	—	—	—	—	—	(21,367)	(21,367)	(19)	671	652	(20,715
Other comprehensive income	—	—	—	—	2,555	—	2,555	2	63	65	2,620
Deferred compensation plan, net	—	—	(411)	412	—	—	1	—	—	—	1
Restricted stock issued, net of amortization	—	2	—	3,731	—	—	3,733	—	—	—	3,733
Common stock redeemed for taxes withheld for stock based compensation, net	—	(1)	—	(18,219)	—	—	(18,220)	—	—	—	(18,220
Common stock issued under dividend reinvestment plan	—	—	—	301	—	—	301	—	—	—	301
Common stock issued, net of issuance costs	—	655	—	4,479,031	—	—	4,479,686	—	—	—	4,479,6
Redemption of preferred stock	(250,000)	—	—	8,615	—	(8,615)	(250,000)	—	—	—	(250,00
Contributions from partners	—	—	—	—	—	—	—	—	153	153	153
Distributions to partners	—	—	—	—	—	—	—	—	(838)	(838)	(838
Cash dividends declared:											
Preferred stock	—	—	—	—	—	(3,241)	(3,241)	—	—	—	(3,241
Common stock/unit ($0.51 per share)	—	—	—	—	—	(53,400)	(53,400)	(79)	—	(79)	(53,479
Balance at March 31, 2017	$75,000	1,701	(17,473)	7,768,794	(15,791)	(1,080,882)	6,731,349	(2,063)	35,217	33,154	6,764,5

See accompanying notes to consolidated financial statements.

REGENCY CENTERS CORPORATION
Consolidated Statements of Cash Flows
For the three months ended March 31, 2017 and 2016
(in thousands)
(unaudited)

	2017	2016
Cash flows from operating activities:		
Net (loss) income	$(20,715)	53,577
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	60,053	38,716
Amortization of deferred loan cost and debt premium	2,459	2,353
(Accretion) and amortization of above and below market lease intangibles, net	(3,484)	(351)
Stock-based compensation, net of capitalization	12,131	2,621
Equity in income of investments in real estate partnerships	(9,342)	(12,920)
Gain on sale of real estate, net of tax	(415)	(12,868)
Provision for impairment	—	1,666
Distribution of earnings from operations of investments in real estate partnerships	12,784	13,840
Deferred income tax benefit	(87)	—
Deferred compensation expense	1,062	(148)
Realized and unrealized (gain) loss on investments	(1,064)	155
Changes in assets and liabilities:		
Restricted cash	67	(109)
Accounts receivable, net	8,974	4,371
Straight-line rent receivables, net	(3,439)	(1,848)
Deferred leasing costs	(1,355)	(2,903)
Other assets	(2,657)	(746)
Accounts payable and other liabilities	(24,370)	(7,286)
Tenants' security, escrow deposits and prepaid rent	2,121	(1,301)
Net cash provided by operating activities	32,723	76,819
Cash flows from investing activities:		
Acquisition of operating real estate	—	(16,483)
Acquisition of Equity One, net of cash acquired of $72,534	(648,957)	—
Real estate development and capital improvements	(66,504)	(38,289)
Proceeds from sale of real estate investments	1,749	32,261
Issuance of notes receivable	(510)	—
Investments in real estate partnerships	(1,688)	(2,438)
Distributions received from investments in real estate partnerships	25,428	18,296
Dividends on investment securities	55	59
Acquisition of securities	(3,334)	(41,946)
Proceeds from sale of securities	3,815	41,207
Net cash used in investing activities	(689,946)	(7,333)
Cash flows from financing activities:		
Net proceeds from common stock issuance	—	12,293
Repurchase of common shares in conjunction with equity award plans	(18,275)	(7,984)
Proceeds from sale of treasury stock	76	904
Redemption of preferred stock and partnership units	(250,000)	—
Distributions to limited partners in consolidated partnerships, net	(786)	(1,707)
Distributions to exchangeable operating partnership unit holders	(79)	(77)
Dividends paid to common stockholders	(53,289)	(48,510)

Dividends paid to preferred stockholders	(3,241)	(5,266)
Proceeds from issuance of fixed rate unsecured notes, net	646,424	—
Proceeds from unsecured credit facilities	740,000	10,000
Repayment of unsecured credit facilities	(360,000)	(10,000)
Proceeds from notes payable	1,577	—
Repayment of notes payable	(11,422)	(27,281)
Scheduled principal payments	(1,367)	(1,572)
Payment of loan costs	(8,796)	(5)
Net cash provided by (used in) financing activities	680,822	(79,205)
Net increase (decrease) in cash and cash equivalents	23,599	(9,719)
Cash and cash equivalents at beginning of the period	13,256	36,856
Cash and cash equivalents at end of the period	$36,855	27,137

5

REGENCY CENTERS CORPORATION
Consolidated Statements of Cash Flows
For the three months ended March 31, 2017, and 2016
(in thousands)
(unaudited)

	2017	2016
Supplemental disclosure of cash flow information:		
Cash paid for interest (net of capitalized interest of $1,061 and $973 in 2017 and 2016, respectively)	$7,687	7,611
Supplemental disclosure of non-cash transactions:		
Common stock issued under dividend reinvestment plan	$301	292
Stock-based compensation capitalized	$778	814
Contributions from limited partners in consolidated partnerships, net	$100	8,362
Common stock issued for dividend reinvestment in trust	$177	190
Contribution of stock awards into trust	$929	958
Distribution of stock held in trust	$4,114	1,807
Change in fair value of securities available-for-sale	$32	(36)
Equity One Merger:		
Real estate, net	$5,985,895	—
Investments in real estate partnerships	$103,566	—
Notes payable	$(757,399)	—
Other assets and liabilities, net	$(80,693)	—
Common stock exchanged for Equity One shares	$(4,471,808)	—

See accompanying notes to consolidated financial statements.

REGENCY CENTERS, L.P.
Consolidated Balance Sheets
March 31, 2017 and December 31, 2016
(in thousands, except unit data)

	2017 (unaudited)	2016
Assets		
Real estate investments at cost:		
Land	$4,760,963	1,660,424
Buildings and improvements	5,908,653	3,092,197
Properties in development	292,480	180,878
	10,962,096	4,933,499
Less: accumulated depreciation	1,166,657	1,124,391
	9,795,439	3,809,108
Properties held for sale	19,600	—
Investments in real estate partnerships	381,691	296,699
Net real estate investments	10,196,730	4,105,807
Cash and cash equivalents	36,855	13,256
Restricted cash	7,987	4,623
Tenant and other receivables, net of allowance for doubtful accounts and straight-line rent reserves of $9,577 and $9,021 at March 31, 2017 and December 31, 2016, respectively	119,843	111,722
Deferred leasing costs, less accumulated amortization of $85,971 and $83,529 at March 31, 2017 and December 31, 2016, respectively	68,299	69,000

Acquired lease intangible assets, less accumulated amortization of $69,324 and $56,695 at March 31, 2017 and December 31, 2016, respectively	606,707	118,831
Trading securities held in trust	29,025	28,588
Other assets	70,526	37,079
Total assets	$11,135,972	4,488,906
Liabilities and Capital		
Liabilities:		
Notes payable	$2,749,202	1,363,925
Unsecured credit facilities	658,024	278,495
Accounts payable and other liabilities	242,638	138,936
Acquired lease intangible liabilities, less accumulated amortization of $28,689 and $23,538 at March 31, 2017 and December 31, 2016, respectively	680,469	54,180
Tenants' security, escrow deposits and prepaid rent	41,136	28,868
Total liabilities	4,371,469	1,864,404
Commitments and contingencies	—	—
Capital:		
Partners' capital:		
Preferred units of general partner, $0.01 par value per unit, 3,000,000 and 13,000,000 units issued and outstanding at March 31, 2017 and December 31, 2016, liquidation preference of $25 per unit	75,000	325,000
General partner; 170,076,671 and 104,497,286 units outstanding at March 31, 2017 and December 31, 2016, respectively	6,672,140	2,284,647
Limited partners; 154,170 units outstanding at March 31, 2017 and December 31, 2016	(2,063)	(1,967)
Accumulated other comprehensive loss	(15,791)	(18,346)
Total partners' capital	6,729,286	2,589,334
Noncontrolling interests:		
Limited partners' interests in consolidated partnerships	35,217	35,168
Total noncontrolling interests	35,217	35,168
Total capital	6,764,503	2,624,502
Total liabilities and capital	$11,135,972	4,488,906

See accompanying notes to consolidated financial statements.

6

REGENCY CENTERS, L.P.
Consolidated Statements of Operations
(in thousands, except per unit data)
(unaudited)

	Three months ended March 31, 2017	2016
Revenues:		
Minimum rent	$141,240	107,674
Percentage rent	2,906	1,703
Recoveries from tenants and other income	45,279	33,487
Management, transaction, and other fees	6,706	6,764
Total revenues	196,131	149,628
Operating expenses:		
Depreciation and amortization	60,053	38,716
Operating and maintenance	29,763	22,685
General and administrative	17,673	16,299
Real estate taxes	21,450	15,870
Other operating expenses (note 2)	71,512	2,306
Total operating expenses	200,451	95,876
Other expense (income):		
Interest expense, net	27,199	24,142
Provision for impairment	—	1,666
Net investment (income) loss, including unrealized (gains) losses of ($852) and ($230) for the three months ended March 31, 2017 and 2016, respectively	(1,097)	155
Total other expense (income)	26,102	25,963
(Loss) income from operations before equity in income of investments in real estate partnerships	(30,422)	27,789
Equity in income of investments in real estate partnerships	9,342	12,920
Income tax expense of taxable REIT subsidiary	50	—
(Loss) income from operations	(21,130)	40,709
Gain on sale of real estate, net of tax	415	12,868
Net (loss) income	(20,715)	53,577
Limited partners' interests in consolidated partnerships	(671)	(349)
Net (loss) income attributable to the Partnership	(21,386)	53,228
Preferred unit distributions and issuance costs	(11,856)	(5,266)
Net (loss) income attributable to common unit holders	$(33,242)	47,962
(Loss) income per common unit - basic	$(0.26)	0.49
(Loss) income per common unit - diluted	$(0.26)	0.49

See accompanying notes to consolidated financial statements.

7

REGENCY CENTERS, L.P.
Consolidated Statements of Comprehensive Income
(in thousands)
(unaudited)

	Three months ended March 31,	
	2017	2016
Net (loss) income	$(20,715)	53,577
Other comprehensive (loss) income:		
Effective portion of change in fair value of derivative instruments:		
Effective portion of change in fair value of derivative instruments	(68)	(16,785)
Reclassification adjustment of derivative instruments included in net income	2,654	2,453
Unrealized gain (loss) on available-for-sale securities	32	(36)
Other comprehensive income (loss)	2,618	(14,368)
Comprehensive (loss) income	(18,097)	39,209
Less: comprehensive income (loss) attributable to noncontrolling interests:		
Net income attributable to noncontrolling interests	671	349
Other comprehensive income (loss) attributable to noncontrolling interests	63	(146)
Comprehensive income attributable to noncontrolling interests	734	203
Comprehensive (loss) income attributable to the Partnership	$(18,831)	39,006

See accompanying notes to consolidated financial statements.

8

REGENCY CENTERS, L.P.
Consolidated Statements of Capital
For the three months ended March 31, 2017 and 2016
(in thousands)
(unaudited)

	General Partner Preferred and Common Units	Limited Partners	Accumulated Other Comprehensive Loss	Total Partners' Capital	Noncontrolling Interests in Limited Partners' Interest in Consolidated Partnerships	Total Capital
Balance at December 31, 2015	$2,112,802	(1,975)	(58,693)	2,052,134	30,486	2,082,620
Net income	53,143	85	—	53,228	349	53,577
Other comprehensive loss	—	(22)	(14,200)	(14,222)	(146)	(14,368)
Contributions from partners	—	—	—	—	8,389	8,389
Distributions to partners	(49,152)	(77)	—	(49,229)	(1,387)	(50,616)
Preferred unit distributions	(5,266)	—	—	(5,266)	—	(5,266)
Restricted units issued as a result of amortization of restricted stock issued by Parent Company	3,402	—	—	3,402	—	3,402
Common units redeemed as a result of common stock redeemed by Parent Company, net of issuances	4,635	—	—	4,635	—	4,635
Balance at March 31, 2016	2,119,564	(1,989)	(72,893)	2,044,682	37,691	2,082,373
Balance at December 31, 2016	2,609,647	(1,967)	(18,346)	2,589,334	35,168	2,624,502
Net loss	(21,367)	(19)	—	(21,386)	671	(20,715)
Other comprehensive income	—	2	2,555	2,557	63	2,620
Deferred compensation plan, net	—	—	—	—	—	—
Contributions from partners	—	—	—	—	153	153
Distributions to partners	(53,400)	(79)	—	(53,479)	(838)	(54,317)
Preferred unit distributions	(3,241)	—	—	(3,241)	—	(3,241)
Restricted units issued as a result of amortization of restricted stock issued by Parent Company	3,733	—	—	3,733	—	3,733
Preferred stock redemptions	(250,000)	—	—	(250,000)	—	(250,000)
Common units issued as a result of common stock issued by Parent Company, net of repurchases	4,461,767	—	—	4,461,767	—	4,461,767
Balance at March 31, 2017	$6,747,139	(2,063)	(15,791)	6,729,285	35,217	6,764,502

See accompanying notes to consolidated financial statements.

REGENCY CENTERS, L.P.
Consolidated Statements of Cash Flows
For the three months ended March 31, 2017 and 2016
(in thousands)
(unaudited)

	2017	2016
Cash flows from operating activities:		
Net (loss) income	$(20,715)	53,577
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	60,053	38,716
Amortization of deferred loan cost and debt premium	2,459	2,353
(Accretion) and amortization of above and below market lease intangibles, net	(3,484)	(351)
Stock-based compensation, net of capitalization	12,131	2,621
Equity in income of investments in real estate partnerships	(9,342)	(12,920)
Gain on sale of real estate, net of tax	(415)	(12,868)
Provision for impairment	—	1,666
Distribution of earnings from operations of investments in real estate partnerships	12,784	13,840
Deferred income tax benefit	(87)	—
Deferred compensation expense	1,062	(148)
Realized and unrealized (gain) loss on investments	(1,064)	155
Changes in assets and liabilities:		
Restricted cash	67	(109)
Accounts receivable, net	8,974	4,371
Straight-line rent receivables, net	(3,439)	(1,848)
Deferred leasing costs	(1,355)	(2,903)
Other assets	(2,657)	(746)
Accounts payable and other liabilities	(24,370)	(7,286)
Tenants’ security, escrow deposits and prepaid rent	2,121	(1,301)
Net cash provided by operating activities	32,723	76,819
Cash flows from investing activities:		
Acquisition of operating real estate	—	(16,483)
Acquisition of Equity One, net of cash acquired of $72,534	(648,957)	—
Real estate development and capital improvements	(66,504)	(38,289)
Proceeds from sale of real estate investments	1,749	32,261
Issuance of notes receivable	(510)	—
Investments in real estate partnerships	(1,688)	(2,438)
Distributions received from investments in real estate partnerships	25,428	18,296
Dividends on investment securities	55	59
Acquisition of securities	(3,334)	(41,946)
Proceeds from sale of securities	3,815	41,207
Net cash used in investing activities	(689,946)	(7,333)
Cash flows from financing activities:		
Net proceeds from common units issued as a result of common stock issued by Parent Company	—	12,293
Repurchase of common shares in conjunction with equity award plans	(18,275)	(7,984)
Proceeds from sale of treasury stock	76	904
Redemption of preferred partnership units	(250,000)	—
Distributions (to) from limited partners in consolidated partnerships, net	(786)	(1,707)
Distributions to partners	(53,368)	(48,587)
Distributions to preferred unit holders	(3,241)	(5,266)

Proceeds from issuance of fixed rate unsecured notes, net	646,424	—
Proceeds from unsecured credit facilities	740,000	10,000
Repayment of unsecured credit facilities	(360,000)	(10,000)
Proceeds from notes payable	1,577	—
Repayment of notes payable	(11,422)	(27,281)
Scheduled principal payments	(1,367)	(1,572)
Payment of loan costs	(8,796)	(5)
Net cash provided by (used in) financing activities	680,822	(79,205)
Net increase (decrease) in cash and cash equivalents	23,599	(9,719)
Cash and cash equivalents at beginning of the period	13,256	36,856
Cash and cash equivalents at end of the period	$36,855	27,137

10

REGENCY CENTERS, L.P.
Consolidated Statements of Cash Flows
For the three months ended March 31, 2017, and 2016
(in thousands)
(unaudited)

	2017	2016
Supplemental disclosure of cash flow information:		
Cash paid for interest (net of capitalized interest of $1,061 and $973 in 2017 and 2016, respectively)	$7,687	7,611
Supplemental disclosure of non-cash transactions:		
Common stock issued by Parent Company for dividend reinvestment plan	$301	292
Stock-based compensation capitalized	$778	814
Contributions from limited partners in consolidated partnerships, net	$100	8,362
Common stock issued for dividend reinvestment in trust	$177	190
Contribution of stock awards into trust	$929	958
Distribution of stock held in trust	$4,114	1,807
Change in fair value of securities available-for-sale	$32	(36)
Equity One Merger:		
Real estate, net	$5,985,895	—
Investments in real estate partnerships	$103,566	—
Notes payable	$(757,399)	—
Other assets and liabilities, net	$(80,693)	—
Common stock exchanged for Equity One shares	$(4,471,808)	—

See accompanying notes to consolidated financial statements.

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

1. Organization and Principles of Consolidation
General
Regency Centers Corporation (the “Parent Company”) began its operations as a Real Estate Investment Trust (“REIT”) in 1993 and is the general partner of Regency Centers, L.P. (the “Operating Partnership”). The Parent Company engages in the ownership, management, leasing, acquisition, and development of retail shopping centers through the Operating Partnership. The Parent Company has no other assets other than through its investment in the Operating Partnership, and its only liabilities are the unsecured notes assumed from the Equity One merger, which are co-issued and guaranteed by the Operating Partnership. The Parent Company guarantees all of the unsecured debt of the Operating Partnership.
On March 1, 2017, Regency completed its merger with Equity One, Inc., whereby Equity One merged with and into Regency, with Regency continuing as the surviving public company. Under the terms of the Merger Agreement, each Equity One stockholder received 0.45 of a newly issued share of Regency common stock for each share of Equity One common stock owned immediately prior to the effective time of the Merger, resulting in the issuance of approximately 65.5 million shares of common stock to effect the merger.
As of March 31, 2017, the Parent Company, the Operating Partnership, and their controlled subsidiaries on a consolidated basis (the "Company” or “Regency”) owned 313 retail shopping centers and held partial interests in an additional 116 retail shopping centers through unconsolidated investments in real estate partnerships (also referred to as "joint ventures" or "investment partnerships").

The consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. These adjustments are considered to be of a normal recurring nature.

Consolidation
The Company consolidates properties that are wholly owned or properties where it owns less than 100%, but which it controls. Control is determined using an evaluation based on accounting standards related to the consolidation of voting interest entities and variable interest entities ("VIEs"). For joint ventures that are determined to be a VIE, the Company consolidates the entity where it is deemed to be the primary beneficiary. Determination of the primary beneficiary is based on whether an entity has (1) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (2) the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE. The Company's determination of the primary beneficiary considers all relationships between it and the VIE, including management agreements and other contractual arrangements.
Ownership of the Operating Partnership
The Operating Partnership’s capital includes general and limited common Partnership Units. As of March 31, 2017, the Parent Company owned approximately 99.9% of the outstanding common Partnership Units of the Operating Partnership with the remaining limited Partnership Units held by third parties (“Exchangeable operating partnership units” or “EOP units”). The Parent Company serves as general partner of the Operating Partnership. The EOP unit holders have limited rights over the Operating Partnership such that they do not have the power to direct the activities of the Operating Partnership. As such, the Operating Partnership is considered a variable interest entity, and the Parent Company, which consolidates it, is the primary beneficiary. The Parent Company’s only investment is the Operating Partnership. Net income and distributions of the Operating Partnership are allocable to the general and limited common Partnership Units in accordance with their ownership percentages.
Segment Reporting

The Company's business is investing in retail shopping centers through direct ownership or through joint ventures. The Company actively manages its portfolio of retail shopping centers and may from time to time make decisions to sell lower performing properties or developments not meeting its long-term investment

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

objectives. The proceeds from sales are reinvested into higher quality retail shopping centers, through acquisitions or new developments, which management believes will generate sustainable revenue growth and attractive returns. It is management's intent that all retail shopping centers will be owned or developed for investment purposes. The Company's revenues and net income are generated from the operation of its investment portfolio. The Company also earns fees for services provided to manage and lease retail shopping centers owned through joint ventures.

The Company's portfolio is located throughout the United States. Management does not distinguish or group its operations on a geographical basis for purposes of allocating resources or capital. The Company reviews operating and financial data for each property on an individual basis; therefore, the Company defines an operating segment as its individual properties. The individual properties have been aggregated into one reportable segment based upon their similarities with regard to both the nature and economics of the centers, tenants and operational processes, as well as long-term average financial performance.

Real Estate Partnerships
Regency has an ownership interest in 127 properties through partnerships, of which 11 are consolidated. Our partners in these ventures include institutional investors, other real estate developers and/or operators, and individual parties who help Regency source transactions for development and investment (the "Partners" or "limited partners"). Regency has a variable interest in these entities through its equity interests. As managing member, Regency maintains the books and records and typically provides leasing and property management to the partnerships. The partners' level of involvement varies from protective decisions (debt, bankruptcy, selling primary asset(s) of business) to involvement in approving leases, operating budgets, and capital budgets.

- Those partnerships for which the partners only have protective rights are considered VIEs under ASC 810, Consolidation. Regency is the primary beneficiary of these VIEs as Regency has power over these partnerships and they operate primarily for the benefit of Regency. As such, Regency consolidates these entities and reports the limited partners' interest as noncontrolling interests.

The majority of the operations of the VIEs are funded with cash flows generated by the properties, or in the case of developments, with capital contributions or third party construction loans. Regency does not provide financial support to the VIEs beyond the terms stipulated in the partnership operating agreements.

- Those partnerships for which the partners are involved in the day to day decisions and do not have any other aspects that would cause them to be considered VIEs, are evaluated for consolidation using the voting interest model.

Those partnerships in which Regency has a controlling financial interest are consolidated and the limited partners' ownership interest and share of net income is recorded as noncontrolling interest.

Those partnerships in which Regency does not have a controlling financial interest are accounted for using the equity method, and its ownership interest is recognized through single-line presentation as Investments in real estate partnerships in the Consolidated Balance Sheet, and Equity in income of investments in real estate partnerships in the Consolidated Statements of Operations. Cash distributions of earnings from operations of investments in real estate partnerships are presented in cash flows provided by operating activities in the accompanying Consolidated Statements of Cash Flows. Cash distributions from the sale of a property or loan proceeds received from the placement of debt on a property included in investments in real estate partnerships are presented in cash flows provided by investing activities in the accompanying Consolidated Statements of Cash Flows. The net difference in the carrying amount of investments in real estate partnerships and the underlying equity in net assets is either (1) accreted to income and recorded in Equity in income of investments in real estate partnerships in the accompanying Consolidated Statements of Operations over the expected useful lives of the properties and other intangible assets, which range in lives from 10 to 40 years, or (2) recognized upon

13

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

sale of the underlying asset(s) or settlement of underlying liabilities, or (3) recognized at liquidation if the joint venture agreement includes a unilateral right to elect to dissolve the real estate partnership and, upon such an election, receive a distribution in-kind.

The assets of these partnerships are restricted to the use of the partnerships and cannot be used by general creditors of the Company. And similarly, the obligations of these partnerships can only be settled by the assets of these partnerships.

The major classes of assets, liabilities, and non-controlling equity interests held by the Company's VIEs, exclusive of the Operating Partnership as a whole, are as follows:

(in thousands)	March 31, 2017	December 31, 2016
Assets		
Real estate assets, net	$ 89,682	86,440
Cash and cash equivalents	3,516	3,444
Liabilities		
Notes payable	9,757	8,175
Equity		
Limited partners’ interests in consolidated partnerships	17,709	17,565

Recent Accounting Pronouncements

The following table provides a brief description of recent accounting pronouncements and expected impact on our financial statements:

Standard	Description	Date of adoption	Effect on the financial statements or other significant matters
Recently adopted:			
ASU 2016-09, March 2016, Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting	This ASU affects entities that issue share-based payment awards to their employees. The ASU is designed to simplify several aspects of accounting for share-based payment award transactions including income tax consequences, classification of awards as either equity or liabilities, an option to recognize stock compensation forfeitures as they occur, and changes to classification on the statement of cash flows.	January 2017	The adoption of this standard resulted in the reclassification of income taxes withheld on share-based awards out of operating activities into financing activities on the Statement of Cash Flows. As retrospective application was required for this component of the ASU, $8.0 million was reclassified on the Statements of Cash Flows for the three months ended March 31, 2016.
Not yet adopted:			
ASU 2016-01, January 2016, Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial	The standard amends the guidance to classify equity securities with readily-determinable fair values into different categories and requires equity securities to be measured at fair value with changes in the fair value recognized through net income. Equity investments	January 2018	The Company does not expect the adoption and implementation of this standard to have a material impact on its results of operations, financial condition or cash flows.

Liabilities	accounted for under the equity method are not included in the scope of this amendment. Early adoption of this amendment is not permitted.

14

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

Standard	Description	Date of adoption	Effect on the financial statements or other significant matters
ASU 2016-15, August 2016, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments	The standard will make eight targeted changes to how cash receipts and cash payments are presented and classified in the statement of cash flows. Early adoption is permitted on a retrospective basis.	January 2018	The ASU is consistent with the Company's current treatment and the Company does not expect the adoption and implementation of this standard to have an impact on its cash flow statement.
ASU 2016-18, November 2016, Statement of Cash Flows (Topic 230): Restricted Cash	This ASU requires entities to show the changes in the total of cash, cash equivalents, restricted cash, and restricted cash equivalents in the statement of cash flows. Early adoption is permitted on a retrospective basis.	January 2018	The Company is evaluating the alternative methods of adoption and does not expect the adoption to have a material impact on its Statements of Cash Flows.
ASU 2017-01 January 2017, Business Combinations (Topic 805): Clarifying the Definition of a Business	The amendments in this update provide a screen to determine when an integrated set of assets and activities, collectively referred to as a "set", is not a business. The screen requires that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. This screen reduces the number of transactions that need to be further evaluated. If the screen is not met, the amendments in this update (1) require that to be considered a business, a set must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output and (2) remove the evaluation of whether a market participant could replace missing elements. The amendments provide a framework to assist entities in evaluating whether both an input and a substantive process are present. Early adoption is permitted.	January 2018	The Company is evaluating the amendments from this update, but expects it to change the treatment of individual operating properties from being considered a business to being considered an asset. This change will result in acquisition costs being capitalized as part of the asset acquisition, whereas current treatment has them recognized in earnings in the period incurred. Additional changes from the update are being evaluated to identify their impact to the Company's financial statements and related disclosures.

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

Standard	Description	Date of adoption	Effect on the financial statements or other significant matters
Revenue from Contracts with Customers (Topic 606): ASU 2014-09, May 2014, Revenue from Contracts with Customers (Topic 606) ASU 2016-08, March 2016, Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations ASU 2016-10, April 2016, Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing ASU 2016-12, May 2016, Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients ASU 2016-19, December 2016, Technical Corrections and Improvements ASU 2016-20, December 2016, Technical Corrections and Improvements to Topic 606 Revenue from Contracts With Customers	The standard will replace existing revenue recognition standards and significantly expand the disclosure requirements for revenue arrangements. It may be adopted either retrospectively or on a modified retrospective basis to new contracts and existing contracts with remaining performance obligations as of the effective date.	January 2018	The Company is completing its evaluation of the new ASU's as applied to its revenue streams and contracts within the scope of Topic 606. The Company currently does not expect the adoption of these new ASU's to result in a material change to its revenue recognition policies or practices, including timing or presentation. The Company is evaluating the adoption method to apply, which is dependent on final determination of the nature of any changes resulting from the new standard.

ASU 2017-05, February 2017, Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets

16

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

Standard	Description	Date of adoption	Effect on the financial statements or other significant matters
ASU 2016-02, February 2016, Leases (Topic 842)	The standard amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets. It also makes targeted changes to lessor accounting, including a change to the treatment of initial direct leasing costs, which no longer considers fixed internal leasing salaries as capitalizable costs. Early adoption of this standard is permitted to coincide with adoption of ASU 2014-09. The standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief.	January 2019	The Company is evaluating the impact this standard will have on its financial statements and related disclosures. Capitalization of internal leasing salaries and legal costs will no longer be permitted upon the adoption of this standard, which will result in an increase in Total operating expenses in the Consolidated Statements of Operations in the period of adoption and prospectively.
ASU 2016-13, June 2016, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments	The amendments in this update replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. This ASU applies to how the Company determines its allowance for doubtful accounts on tenant receivables.	January 2020	The Company is evaluating the alternative methods of adoption and the impact it will have on its financial statements and related disclosures.

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

2. Real Estate Investments

Acquisitions

The following table details the shopping centers acquired or land acquired or leased for development:

(in thousands)		Three months ended March 31, 2017						
Date Purchased	Property Name	City/State	Property Type	Ownership	Purchase Price	Debt Assumed, Net of Premiums	Intangible Assets	Intangible Liabilities
3/6/17	The Field at Commonwealth	Chantilly, VA	Development	100%	$9,500	—	—	—
3/8/17	Pinecrest Place [(1)]	Miami, FL	Development	100%	—	—	—	—
					$9,500	—	—	—

(1) The Company leased 10.67 acres for a ground up development.

(in thousands)		Three months ended March 31, 2016						
Date Purchased	Property Name	City/State	Property Type	Ownership	Purchase Price	Debt Assumed, Net of Premiums	Intangible Assets	Intangible Liabilities
2/22/16	Garden City Park	Garden City Park, NY	Operating	100%	$17,300	—	10,171	2,940
3/4/16	The Market at Springwoods Village [(1)]	Houston, TX	Development	53%	$17,994	—	—	—
Total property acquisitions					$35,294	—	10,171	2,940

(1) Regency acquired a 53% controlling interest in the Market at Springwoods Village partnership to develop a shopping center on land contributed by the partner. As a result of consolidation, the Company recorded the partner's non-controlling interest of $8.4 million in Limited partners' interests in consolidated partnerships in the accompanying Consolidated Balance Sheets.

Equity One Merger

General

On March 1, 2017, Regency completed its merger with Equity One, Inc., an NYSE shopping center company, whereby Equity One merged with and into Regency, with Regency continuing as the surviving public company. Under the terms of the Merger Agreement, each Equity One stockholder received 0.45 of a newly issued share of Regency common stock for each share of Equity One common stock owned immediately prior to the effective time of the Merger resulting in approximately 65.5 million shares being issued to effect the merger. The following table provides the components that make up the total purchase price for the Equity One merger:

(in thousands, except stock price)	Purchase Price
Shares of common stock issued for merger	65,495

Closing stock price on March 1, 2017	$68.40
Value of common stock issued for merger	$4,471,808
Debt repaid	716,278
Other cash payments	5,019
Total purchase price	$5,193,105

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

As part of the Merger, Regency acquired 121 properties, including 8 properties held through co-investment partnerships. The consolidated net assets and results of operations of Equity One are included in the consolidated financial statements from the closing date, March 1, 2017, going forward and resulted in the following impact to Revenues and Net income attributable to common stockholders for the three months ended March 31, 2017:

(in thousands)	March 31, 2017 Three months ended
Increase in total revenues	$34,936
Increase (decrease) in net income attributable to common stockholders [(1)]	(22,296)

[(1)] Includes $69.8 million of transaction costs during the three months ended March 31, 2017, which are recorded in Other operating expenses in the accompanying Consolidated Statements of Operations.

Provisional Purchase Price Allocation of Merger

The Merger has been accounted for using the acquisition method of accounting in accordance with ASC 805, Business Combinations, which requires, among other things, that the assets acquired and liabilities assumed be recognized at their acquisition date fair values. The following table summarizes the provisional purchase price allocation based on the Company's initial valuation, including estimates and assumptions of the acquisition date fair value of the tangible and intangible assets acquired and liabilities assumed:

(in thousands)	Preliminary Purchase Price Allocation
Land	$3,093,797
Building and improvements	2,802,319
Properties in development	70,179
Properties held for sale	19,600
Investments in unconsolidated real estate partnerships	103,566
Real estate assets	6,089,461
Cash, accounts receivable and other assets	112,211
Intangible assets	500,645
Total assets acquired	6,702,317
Notes payable	757,399
Accounts payable, accrued expenses, and other liabilities	120,370
Lease intangible liabilities	631,443
Total liabilities assumed	1,509,212
Total purchase price	$5,193,105

The acquired assets and assumed liabilities for an acquired operating property generally include, but are not limited to: land, buildings and improvements, identified tangible and intangible assets and liabilities associated with in-place leases, including tenant improvements, leasing costs, value of above-market and below-market leases, and value of acquired in-place leases. This methodology includes estimating an “as-if vacant” fair value of the physical property, which includes land, building, and improvements and also determines the estimated fair value of identifiable intangible assets and liabilities, considering the following categories: (i) value of in-place leases, and (ii) above and below-market value of in-place leases.

The provisional fair market value of the acquired operating properties is based on a valuation prepared by Regency with assistance of a third party valuation specialist. The third party uses stabilized NOI and market specific capitalization and discount rates as the primary inputs in determining the fair value of the real estate assets. Management reviews the inputs used by the third party specialist as well as the allocation of the purchase price to ensure reasonableness and that the procedures are performed in accordance with management's policy. Management and the third party valuation specialist have prepared their provisional fair value estimates for each of the operating

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

properties acquired, but are still in process of reviewing all of the underlying inputs and assumptions; therefore, the purchase price and its allocation are not yet complete as of the date of this filing. Once the purchase price and allocation are complete, an adjustment to the purchase price or allocation may occur. Additionally, any excess purchase price may result in the recognition of goodwill, the amount of which may be significant.

The allocation of the purchase price is based on management’s assessment, which may change in the future as more information becomes available. Subsequent adjustments made to the purchase price allocation upon completion of the Company's fair value assessment process will not exceed one year. The allocation of the purchase price described above requires a significant amount of judgment and represents management's best estimate of the fair value as of the acquisition date.

The following table details the provisional weighted average amortization and net accretion periods, in years, of the major classes of intangible assets and intangible liabilities arising from the Equity One merger:

(in years)	Weighted Average Amortization Period
Assets:	
In-place leases	10.6
Above-market leases	9.5
Below-market ground leases	44.9
Liabilities:	
Acquired lease intangible liabilities	22.3

Pro forma Information

The following unaudited pro forma financial data includes the incremental revenues, operating expenses, depreciation and amortization, and costs of the Equity One acquisition as if it had occurred on January 1, 2016:

		Pro forma (Unaudited) Three months ended March 31,	
(in thousands, except per share data)		2017	2016
Total revenues		265,174	250,042
Income (loss) from operations	(1)	67,397	(51,437)
Net income (loss) attributable to common stockholders	(1)	54,809	(57,012)
Income (loss) per common share - basic		0.32	(0.35)
Income (loss) per common share - diluted		0.32	(0.35)

(1) The pro forma earnings for the three months ended March 31, 2017 were adjusted to exclude $69.8 million of merger costs, while 2016 pro forma earnings were adjusted to include all merger costs during the first quarter of 2016.

The pro forma financial data is not necessarily indicative of what the actual results of operations would have been assuming the transaction had been completed as set forth above, nor does it purport to represent the results of operations for future periods.

3. Property Dispositions

Dispositions

The following table provides a summary of shopping centers and land parcels disposed of:

20

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

(in thousands)	Three months ended March 31, 2017	2016
Net proceeds from sale of real estate investments	$1,749	$34,321 [1]
Gain on sale of real estate, net of tax	$415	$12,868
Provision for impairment of real estate sold	$—	$(866)
Number of operating properties sold	—	3
Number of land parcels sold	2	5
Percent interest sold	100 %	100 %

[1] Includes cash deposits received in the previous year.

4. Notes Payable and Unsecured Credit Facilities

The Company's outstanding debt consisted of the following:

(in thousands)	Weighted Average Contractual Rate	Weighted Average Effective Rate	March 31, 2017	December 31, 2016
Notes payable:				
Fixed rate mortgage loans	5.6%	5.7%	$607,173	384,786
Variable rate mortgage loans	2.1%	2.3%	116,324 [1]	86,969
Fixed rate unsecured public debt	4.1%	4.6%	2,025,705	892,170
Total notes payable			2,749,202	1,363,925
Unsecured credit facilities:				
Line of Credit (the "Line") [2]	1.8%	1.9%	95,000	15,000
Term loans	2.4%	2.4%	563,024	263,495
Total unsecured credit facilities			658,024	278,495
Total debt outstanding			$3,407,226	1,642,420

[1] Includes five mortgages, whose interest rates vary on LIBOR based formulas. Three of these variable rate loans have interest rate swaps in place to fix the interest rates at a range of 2.8% to 3.7%.
[2] Weighted average effective and contractual rate for the Line is calculated based on a fully drawn Line balance.

21

REGENCY CENTERS CORPORATION AND REGENCY CENTERS, L.P.
Notes to Consolidated Financial Statements
March 31, 2017

During January 2017, the Company issued $300.0 million of 4.4% senior unsecured public notes due February 1, 2047, which priced at 99.110%. The Company used the net proceeds to redeem all of the outstanding shares of its $250 million 6.625% Series 6 preferred stock on February 16, 2017 and to pay down the balance of the Company's Line.

In connection with the merger with Equity One on March 1, 2017, the Company completed the following debt transactions:

- During January 2017, issued $350.0 million of senior unsecured public notes with an interest rate of 3.6% maturing in 2027, which priced at 99.741%. The Company used the net proceeds to repay a $250 million Equity One term loan that became due as a result of the merger and to pay merger related transaction costs.
- During March 2017, increased the size of its Line commitment to $1.0 billion with an accordion feature permitting the Company to request an additional increase in the facility of up to $500 million.
- Completed a $300 million unsecured term loan that matures on December 2, 2020 with the option to prepay at par anytime prior to maturity without penalty. The interest rate on the term loan is equal to LIBOR plus a ratings based margin; however, the Company entered into interest rate swaps to fix the interest rate on the the entire $300 million with a weighted average interest rate of 1.824% (see note 5). The proceeds of the term loan were used to repay a $300 million Equity One term loan that came due as a result of the merger.
- Assumed $300 million of senior unsecured public notes with an interest rate of 3.75% maturing in 2022.
- Assumed $200 million of the senior unsecured private placement notes issued in two $100 million tranches with interest rates of 3.81% and 3.91%, respectively, maturing in 2026.
- Assumed $226.3 million of fixed rate mortgage loans with interest rates ranging from 3.76% to 7.94%, and assumed a $27.8 million variable rate mortgage loan whose interest rate varies with LIBOR.

The public and private unsecured notes assumed from Equity One have covenants that are similar to the Company's existing debt covenants described in Regency's latest Form 10-K.

As of March 31, 2017, scheduled principal payments and maturities on notes payable and unsecured credit facilities were as follows:

(in thousands)	March 31, 2017	
Scheduled Principal Payments and Maturities by Year:	Scheduled Principal Payments	Mortgage Loan Maturities