DIVIDEND CAPITAL TRUST INC
Form 8-K/A
June 01, 2005

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

AMENDMENT TO CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 2, 2005**

DIVIDEND CAPITAL TRUST INC.

(Exact name of registrant as specified in its charter)

Maryland	**000-50724**	**82-0538520**
(State or other jurisdiction of incorporation or organization)	(Commission File No.)	(I.R.S. Employer Identification No.)

518 17th Street, Suite 1700
Denver, CO 80202
(Address of principal executive offices)

(303) 228-2200
(Registrant s telephone number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01 Completion of Acquisition or Disposition of Assets

Purchase of the Technicolor II, Shelby 4, Shelby 5, Shelby 18, Shelby 19, Eastpark I and Eastpark II distribution facilities (collectively, Memphis I)

On December 29, 2004, we filed a Form 8-K with regard to our entry into a purchase agreement dated December 23, 2004 (the Agreement) to acquire seven bulk distribution and warehouse facilities comprising approximately 3.6 million square feet located in Memphis, Tennessee.

On February 4, 2005, we filed a Form 8-K with regard to the acquisition pursuant to the Agreement of the Technicolor II distribution facility (Technicolor). We have since filed five amendments to the aforementioned Form 8-K with regard to additional acquisitions made pursuant to the Agreement including the Shelby 4, Shelby 5, Shelby 18 and Shelby 19 distribution facilities, as well as the Eastpark I and Eastpark II distribution facilities (collectively, Eastpark). These acquisitions are described more fully in our Form 8-K/As that we filed on February 23, March 10, March 22, April 11 and May 17, 2005.

In our Form 8-K that we filed on February 4, 2005, with regard to the acquisition of Technicolor, we indicated that we would provide the requisite financial information relating to this acquisition, and subsequent related acquisitions, by an amendment to our Form 8-K within 75 days of the date of acquisition. Subsequent to that date, we determined that in relation to our audited consolidated balance sheet for the year ended December 31, 2004 (see our Annual Report on Form 10-K filed on March 16, 2005), the combined net book value of Technicolor, Shelby 4, Shelby 5 and Shelby 19, did not constitute a significant amount of assets as such term is defined pursuant to Form 8-K. For that reason, in the aforementioned Form 8-K/A that we filed on March 22, 2005, we specified that the requisite financial information was not required until such time as the acquisition of additional related facilities constituted a significant amount of assets.

As a result of the acquisition of Eastpark, we determined that the combined net book value of Eastpark, together with the net book value of Technicolor, Shelby 4, Shelby 5 and Shelby 19 constituted a significant amount of assets as defined. As such, we indicated in our Form 8-K/A that we filed on April 11, 2005, that we would file the requisite financial information within 75 days from the acquisition of Eastpark. In addition, we indicated in the aforementioned Form 8-K/A that we filed on May 17, 2005, that we would include Shelby 18 in the requisite information. Accordingly, we are filing this Form 8-K/A to include the requisite financial information for Memphis I. Due to the non-related party nature of this transaction, we are only providing an audited statement for the year ended December 31, 2004. We are not aware of any material factors relating to this acquisition which would cause the reported financial information not to be necessarily indicative of future operating results.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Real Estate Property Acquired:

Memphis I:

(b) Unaudited Pro Forma Financial Information:

(c) Exhibits:

Exhibit Number	Exhibit Title
23.1	Consent of Independent Public Accounting Firm

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	DIVIDEND CAPITAL TRUST INC.	
June 1, 2005		
	By:	/s/ *Evan H. Zucker* Evan H. Zucker *Chief Executive Officer*

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders

Dividend Capital Trust Inc.

Denver, Colorado

We have audited the accompanying statement of revenues and certain expenses of Memphis I for the year ended December 31, 2004. This financial statement is the responsibility of Memphis I s management. Our responsibility is to express an opinion on the financial statement based upon our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of revenues and certain expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and for inclusion in the Current Report on Form 8-K of Dividend Capital Trust Inc., as described in Note 1. The presentation is not intended to be a complete presentation of Memphis I s revenues and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues and certain expenses of Memphis I for the year ended December 31, 2004, on the basis of accounting described in Note 1.

/s/ Ehrhardt Keefe Steiner & Hottman PC

May 13, 2005
Denver, Colorado

DIVIDEND CAPITAL TRUST INC.

Memphis I

Statement of Revenues and Certain Expenses

		For the Year Ended December 31, 2004
Revenues		
Rental income	$	10,365,336
Other revenues		1,826,992
Total revenues	$	12,192,328
Certain expenses		
Real estate taxes	$	705,316
Operating expenses		709,325
Insurance		275,950
Management fees		160,490
Total certain expenses	$	1,851,081
Excess of revenues over certain expenses	$	10,341,247

The accompanying notes are an integral part of this financial statement.

DIVIDEND CAPITAL TRUST INC.

Notes to Statement of Revenues and Certain Expenses

Note 1 - Description of Business and Summary of Significant Accounting Policies

The accompanying statement of revenues and certain expenses reflects the operations of Memphis I for the year ended December 31, 2004. Memphis I is located in Memphis, Tennessee and comprises 3,641,012 aggregate rentable square feet. As of December 31, 2004, Memphis I had an occupancy percentage of 100%.

Memphis I was acquired by Dividend Capital Trust Inc. (the Company) from an unrelated party during the period beginning on February 2, 2005, and ending on May 13, 2005, for a total expected investment of approximately $132.7 million (which includes an acquisition fee of $1.3 million paid to Dividend Capital Advisors LLC, an affiliate), which was paid using net proceeds from the Company s public offerings and the assumption of four existing non-recourse mortgage loans.

The accounting records of Memphis I are maintained on the accrual basis. The accompanying statement of revenues and certain expenses was prepared pursuant to the Rule 3-14 of the Securities and Exchange Commission, and excludes certain expenses such as mortgage interest, depreciation and amortization, professional fees and other costs not directly related to future operations of Memphis I. This statement is not intended to be a complete presentation of Memphis I s revenues and expenses.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The future results of operations can be significantly impacted by the rental market of the Memphis, Tennessee region as well as general overall economic conditions.

Note 2 - Operating Lease

Memphis I s revenues are primarily obtained from tenant rental payments as provided for under non-cancelable operating leases. Memphis I records rental revenue for the full term of the lease on a straight-line basis. In the case where the minimum rental payments increase over the life of the lease, Memphis I records a receivable due from the tenant for the difference between the amount of revenue recorded and the amount of cash received. This accounting treatment resulted in an increase in rental revenue of $1,665,324 for the year ended December 31, 2004.

Future minimum lease payments due under these leases for the next five years as of December 31, 2004, are as follows:

Year Ending December 31,		
2005	$	10,697,050
2006		8,918,874
2007		7,588,324
2008		7,303,689
2009		7,376,229
Thereafter		18,112,893
	$	59,997,059

Tenant reimbursements of operating expenses are included in other revenues in the accompanying statement of revenues and certain expenses.

The following table exhibits those tenants who accounted for greater than 10% of the rental revenues for the year ended December 31, 2004, and the corresponding percentage of the future minimum revenues above:

Tenant	**Industry**	**Lease Expiration**	**% of 2004 Revenues**	**% of Future Minimum Revenues**
Technicolor Videocassette Inc.	Video Equipment Service Provider and Manufacturer	May 2006 & September 2014	39.7%	44.9%
United Stationers Supply Co.	Wholesale Distributor of Business Products	June 2010	18.9%	18.9%
Toys R Us	Toy Manufacturer	May 2012	14.2%	19.5%

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DIVIDEND CAPITAL TRUST INC.

Pro Forma Financial Information

(Unaudited)

The following pro forma financial statements have been prepared to provide pro forma information with regards to the Technicolor II, Shelby 4, Shelby 5, Shelby 18, Shelby 19, Eastpark I and Eastpark II distribution facilities (collectively, Memphis I). Dividend Capital Trust Inc. (the Company) acquired each of these facilities from an unrelated third party during the period beginning on February 2, 2005, and ending on May 13, 2005, and for which this Form 8-K/A is being filed.

The accompanying unaudited pro forma consolidated balance sheet presents the historical financial information of the Company as of December 31, 2004, as adjusted for acquisitions made subsequent to December 31, 2004, the issuance of the Company s common stock and the assumption of debt subsequent to December 31, 2004, as if these transactions had occurred on December 31, 2004.

The accompanying unaudited pro forma consolidated statement of operations for the year ended December 31, 2004, combines the historical operations of the Company with (i) the incremental effect of properties acquired during 2004, (ii) the historical operations of properties acquired subsequent to December 31, 2004, (iii) the issuance and assumption of debt and (iv) the issuance of the Company s common stock, as if these transactions had occurred on January 1, 2004.

The unaudited pro forma consolidated financial statements have been prepared by the Company s management based upon the historical financial statements of the Company and the individually acquired properties. These pro forma statements may not be indicative of the results that actually would have occurred if the combination had been in effect on the dates indicated or which may be obtained in the future. The pro forma financial statements should be read in conjunction with the historical financial statements included in the Company s previous filings with the Securities and Exchange Commission, including its 2004 Annual Report on Form 10-K filed on March 16, 2005.

DIVIDEND CAPITAL TRUST INC.

Pro Forma Consolidated Balance Sheet

For the Year Ended December 31, 2004

(Unaudited)

	DCT Historical (1)	Acquisitions	Other Pro Forma Adjustments	Pro Forma Consolidated
Assets				
Investment in real estate, net	$ 732,201,533	$ 221,201,190(2)	$	$ 953,402,723
Cash and cash equivalents	23,520,267	(94,635,727)(2)	181,020,060(3)	