URSTADT BIDDLE PROPERTIES INC
Form 10-K
January 13, 2014

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

FORM 10-K

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

For the fiscal year ended October 31, 2013

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 No. 1-12803

URSTADT BIDDLE PROPERTIES INC.
(Exact name of registrant as specified in its charter)

Maryland	04-2458042
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
321 Railroad Avenue, Greenwich, CT	06830
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (203) 863-8200

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value $.01 per share	New York Stock Exchange
Class A Common Stock, par value $.01 per share	New York Stock Exchange
7.50% Series D Senior Cumulative Preferred Stock	New York Stock Exchange
7.125% Series F Cumulative Preferred Stock	New York Stock Exchange
Preferred Share Purchase Rights	New York Stock Exchange

1

Securities registered pursuant to Section 12 (g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes o No x

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Act.
Yes o No x

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 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 (§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 x No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

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 definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

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

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

The aggregate market value of the voting common stock held by non-affiliates of the Registrant as of April 30, 2013 (price at which the common equity was last sold as of the last business day of the Registrant's most recently completed second fiscal quarter): Common Shares, par value $.01 per share, $43,763,605; Class A Common Shares, par value $.01 per share, $512,163,901.

Indicate the number of shares outstanding of each of the Registrant's classes of Common Stock and Class A Common Stock, as of January 10, 2014 (latest date practicable): 9,187,212 Common Shares, par value $.01 per share, and 23,609,604 Class A Common Shares, par value $.01 per share.

DOCUMENTS INCORPORATED BY REFERENCE

Proxy Statement for Annual Meeting of Stockholders to be held on March 26, 2014 (certain parts as indicated herein) (Part III).

TABLE OF CONTENTS

Item No.		Page No.
	PART I	
1.	Business	4
1 A.	Risk Factors	9
1 B.	Unresolved Staff Comments	13
2.	Properties	14
3.	Legal Proceedings	16
4.	Mine Safety Disclosures	16
	PART II	
5.	Market for the Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities	17
6.	Selected Financial Data	19
7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	20
7 A.	Quantitative and Qualitative Disclosures about Market Risk	33
8.	Financial Statements and Supplementary Data	33
9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	33
9 A.	Controls and Procedures	33
9 B.	Other Information	36
	PART III	
10.	Directors, Executive Officers and Corporate Governance	36
11.	Executive Compensation	36
12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	36
13.	Certain Relationships and Related Transactions and Director Independence	37

14.	Principal Accountant Fees and Services	37
	PART IV	
15.	Exhibits and Financial Statement Schedules	38
	Signatures	66

PART I

Forward-Looking Statements

This Annual Report on Form 10-K of Urstadt Biddle Properties Inc. (the "Company") contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements can generally be identified by such words as "anticipate", "believe", "can", "continue", "could", "estimate", "expect", "intend", "may", "plan", "seek", "should", "will" or variations of such words or other similar expressions and the negatives of such words. All statements, other than statements of historical facts, included in this report that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, including such matters as future capital expenditures, dividends and acquisitions (including the amount and nature thereof), business strategies, expansion and growth of the Company's operations and other such matters, are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate. Such statements are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, performance or achievements, financial and otherwise, may differ materially from the results, performance or achievements expressed or implied by the forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to; economic and other market conditions; financing risks, such as the inability to obtain debt or equity financing on favorable terms; the level and volatility of interest rates; financial stability of tenants; the inability of the Company's properties to generate revenue increases to offset expense increases; governmental approvals, actions and initiatives; environmental/safety requirements; risks of real estate acquisitions (including the failure of acquisitions to close); risks of disposition strategies; as well as other risks identified in this Annual Report on Form 10-K under Item 1A. Risk Factors and in the other reports filed by the Company with the Securities and Exchange Commission (the "SEC").

Item 1. Business.

Organization

The Company, a Maryland Corporation, is a real estate investment trust engaged in the acquisition, ownership and management of commercial real estate. The Company was organized as an unincorporated business trust (the "Trust") under the laws of the Commonwealth of Massachusetts on July 7, 1969. In 1997, the shareholders of the Trust approved a plan of reorganization of the Trust from a Massachusetts business trust to a corporation organized in Maryland. The plan of reorganization was effected by means of a merger of the Trust into the Company. As a result of the plan of reorganization, the Trust was merged with and into the Company, the separate existence of the Trust ceased, the Company was the surviving entity in the merger and each issued and outstanding common share of beneficial interest of the Trust was converted into one share of Common Stock, par value $.01 per share, of the Company.

Tax Status – Qualification as a Real Estate Investment Trust

The Company elected to be taxed as a real estate investment trust ("REIT") under Sections 856-860 of the Internal Revenue Code of 1986, as amended (the "Code"), beginning with its taxable year ended October 31, 1970. Pursuant to such provisions of the Code, a REIT which distributes at least 90% of its real estate investment trust taxable income to its shareholders each year and which meets certain other conditions regarding the nature of its income and assets will not be taxed on that portion of its taxable income which is distributed to its shareholders. Although the Company believes that it qualifies as a real estate investment trust for federal income tax purposes, no assurance can be given that the Company will continue to qualify as a REIT.

Description of Business

The Company's sole business is the ownership of real estate investments, which consist principally of investments in income-producing properties, with primary emphasis on properties in the northeastern part of the United States with a concentration in Fairfield County, Connecticut, Westchester and Putnam Counties, New York and Bergen County, New Jersey. The Company's core properties consist principally of neighborhood and community shopping centers, seven office buildings and one office/retail mixed-use property. The Company seeks to identify desirable properties for acquisition, which it acquires in the normal course of business. In addition, the Company regularly reviews its portfolio and from time to time may sell certain of its properties.

The Company intends to continue to invest substantially all of its assets in income-producing real estate, with an emphasis on neighborhood and community shopping centers, although the Company will retain the flexibility to invest in other types of real property. While the Company is not limited to any geographic location, the Company's current strategy is to invest primarily in properties located in the northeastern region of the United States with a concentration in Fairfield County, Connecticut, Westchester and Putnam Counties, New York, and Bergen County, New Jersey.

At October 31, 2013, the Company owned or had equity interests in sixty-six properties comprised of neighborhood and community shopping centers, office buildings, office/retail mixed use and industrial facilities located in seven states throughout the United States, containing a total of 5.1 million square feet of gross leasable area ("GLA"). For a description of the Company's individual investments, see Item 2 – Properties.

Investment and Operating Strategy

The Company's investment objective is to increase the cash flow and consequently the value of its properties. The Company seeks growth through (1) the strategic re-tenanting, renovation and expansion of its existing properties, and (2) the selective acquisition of income-producing properties, primarily neighborhood and community shopping centers, in its targeted geographic region. The Company may also invest in other types of real estate in the targeted geographic region. For a discussion of key elements of the Company's growth strategies and operating policies, see Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations.

The Company invests in properties where cost effective renovation and expansion programs, combined with effective leasing and operating strategies, can improve the properties' values and economic returns. Retail properties are typically adaptable for varied tenant layouts and can be reconfigured to accommodate new tenants or the changing space needs of existing tenants. In determining whether to proceed with a renovation or expansion, the Company considers both the cost of such expansion or renovation and the increase in rent attributable to such expansion or renovation. The Company believes that certain of its properties provide opportunities for future renovation and expansion.

When evaluating potential acquisitions, the Company considers such factors as (1) economic, demographic, and regulatory conditions in the property's local and regional market; (2) the location, construction quality, and design of the property; (3) the current and projected cash flow of the property and the potential to increase cash flow; (4) the potential for capital appreciation of the property; (5) the terms of tenant leases, including the relationship between the property's current rents and market rents and the ability to increase rents upon lease rollover; (6) the occupancy and demand by tenants for properties of a similar type in the market area; (7) the potential to complete a strategic renovation, expansion or re-tenanting of the property; (8) the property's current expense structure and the potential to increase operating margins; and (9) competition from comparable properties in the market area.

The Company may from time to time enter into arrangements for the acquisition of properties with unaffiliated property owners through the issuance of units of limited partnership (or units of limited liability company) interests in entities that the Company controls. These units may be redeemable for cash or for shares of the Company's Common stock or Class A Common stock. The Company believes that this acquisition method may permit it to acquire properties from property owners wishing to enter into tax-deferred transactions.

Core Properties

The Company considers those properties that are directly managed by the Company, concentrated in the retail sector and located close to the Company's headquarters in Fairfield County, Connecticut, to be core properties. Of the sixty-six properties the Company owns or has an equity interest in, sixty-four properties (five of which are accounted for under the equity method of accounting) are considered core properties, consisting of fifty-six retail properties, seven office buildings (including the Company's executive headquarters) and one mixed use office/retail property. At October 31, 2013, these properties contained in the aggregate 4.7 million square feet of GLA. The Company's core properties collectively had 708 tenants providing a wide range of products and services. Tenants include regional supermarkets, national and regional discount department stores, other local retailers and office tenants. At October 31, 2013, the sixty consolidated core properties were 90.1% leased. At October 31, 2013, the Company had equity investments in five core properties, which it does not consolidate; those properties were approximately 96.1% leased. The Company believes the core properties are adequately covered by property and liability insurance.

A substantial portion of the Company's operating lease income is derived from tenants under leases with terms greater than one year. Certain of the leases provide for the payment of fixed base rentals monthly in advance and for the payment by the tenant of a pro-rata share of the real estate taxes, insurance, utilities and common area maintenance expenses incurred in operating the properties.

5

For the fiscal year ended October 31, 2013, no single tenant comprised more than 8.7% of the total annual base rents of the Company's core properties. The following table sets out a schedule of our ten largest tenants by percent of total annual base rent of our core properties as of October 31, 2013.

Tenant	Number of Stores	% of Total Annual Base Rent of Core Properties	
Stop & Shop Supermarket	5	8.7	%
TJX Companies	6	4.4	%
A&P Supermarkets	4	4.0	%
Bed Bath & Beyond	3	3.8	%
Big Y	3	3.0	%
CVS	6	2.8	%
Staples	4	2.6	%
Toys R Us	2	1.9	%
BJ's	1	1.7	%
ShopRite	2	1.5	%
	36	34.4	%

See Item 2 – Properties for a complete list of the Company's core properties.

The Company's single largest real estate investment is its general and limited partnership interests in the Ridgeway Shopping Center ("Ridgeway"). In December 2010 and January 2011, the Company and a wholly owned subsidiary purchased the remaining 10% limited partner interests in the limited partnership that owns Ridgeway for $7.4 million. As a result of this transaction, the Company now has a 100% ownership interest in the property.

Ridgeway is located in Stamford, Connecticut and was developed in the 1950's and redeveloped in the mid 1990's. The property contains approximately 350,000 square feet of GLA. It is the dominant grocery anchored center and the largest non-mall shopping center located in the City of Stamford, Fairfield County, Connecticut. For the year ended October 31, 2013, Ridgeway revenues represented approximately 13% of the Company's total revenues and approximately 11% of the Company's total assets at October 31, 2013. As of October 31, 2013, Ridgeway was 100% leased. The property's largest tenants (by base rent) are: The Stop & Shop Supermarket Company (19%), Bed, Bath and Beyond (14%) and Marshall's Inc., a division of the TJX Companies (10%). No other tenant accounts for more than 10% of Ridgeway's annual base rents.

The following table sets out a schedule of the annual lease expirations for retail leases at Ridgeway as of October 31, 2013 for each of the next ten years and thereafter (assuming that no tenants exercise renewal or cancellation options and that there are no tenant bankruptcies or other tenant defaults):

Year of Expiration	Number of Leases Expiring	Square Footage	Minimum Base Rentals	Base Rent (%)	
2014	2	5,153	$187,326	2	%
2015	5	40,980	903,584	9	%
2016	3	4,747	173,958	2	%
2017	3	61,196	2,072,367	20	%

2018	11	100,911	3,469,498	33 %
2019	1	805	40,572	-
2020	1	2,350	105,292	1 %
2021	1	42,700	826,185	8 %
2022	4	25,316	795,934	7 %
2023	5	62,643	1,871,656	18 %
Total	36	346,801	$10,446,372	100 %

6

Non-Core Properties

In a prior year, the Board of Directors of the Company expanded and refined the strategic objectives of the Company to concentrate the real estate portfolio into one of primarily retail properties located in the Northeast and authorized the sale of the Company's non-core properties in the normal course of business over a period of years given prevailing market conditions and the characteristics of each property.

Through this strategy, the Company seeks to update its property portfolio by disposing of properties which have limited growth potential and redeploying capital into properties in its target geographic region and product type where the Company's management skills may enhance property values. The Company may engage from time to time in like-kind property exchanges, which allow the Company to dispose of properties and redeploy proceeds in a tax efficient manner.

At October 31, 2013, the Company's non-core properties consisted of two industrial facilities in St. Louis, Missouri and Dallas, Texas with a total of 447,000 square feet of GLA. The non-core properties collectively had 2 tenants and were 100% leased at October 31, 2013. The two industrial facilities consist of automobile and truck parts distribution warehouses. The facilities are net leased to Chrysler Group, LLC under lease arrangements whereby the tenant pays all taxes, insurance, maintenance and other operating costs of the property during the term of the lease. For the fiscal years ended October 31, 2013, 2012, and 2011 revenues billed and collected under the above leases amounted to approximately $1,356,000, $1,565,000, and $1,546,000 respectively.

In June 2013, the Company extended the leases on both non-core properties ten years through January 2023. Net rents on the St. Louis property (192,000 sf) were decreased to $3.00 per square foot in year one of the extension versus $3.41 per square foot previously. The extended lease provides for 2% annual rent increases in years two through ten. Net rents on the Dallas property (255,000 sf) were decreased to $2.75 per square foot in year one of the extension versus $3.70 per square foot previously. The extended lease provides for 2% annual rent increases in years two through ten. The effective date of both extensions was February 1, 2013.

In August of 2013, the Company entered into a contract to sell these two non-core properties and completed the sale in December of 2013. The Company intends to reinvest the proceeds in commercial real estate located in its core marketplace.

Financing Strategy

The Company intends to continue to finance acquisitions and property improvements and/or expansions with the most advantageous sources of capital which it believes are available to the Company at the time, and which may include the sale of common or preferred equity through public offerings or private placements, the incurrence of additional indebtedness through secured or unsecured borrowings, investments in real estate joint ventures and the reinvestment of proceeds from the disposition of assets. The Company's financing strategy is to maintain a strong and flexible financial position by (1) maintaining a prudent level of leverage, and (2) minimizing its exposure to interest rate risk represented by floating rate debt.

Matters Relating to the Real Estate Business

The Company is subject to certain business risks arising in connection with owning real estate which include, among others, (1) the bankruptcy or insolvency of, or a downturn in the business of, any of its major tenants, (2) the possibility that such tenants will not renew their leases as they expire, (3) vacated anchor space affecting an entire shopping center because of the loss of the departed anchor tenant's customer drawing power, (4) risks relating to leverage, including uncertainty that the Company will be able to refinance its indebtedness, and the risk of higher interest rates, (5) potential liability for unknown or future environmental matters, and (6) the risk of uninsured losses. Unfavorable economic conditions could also result in the inability of tenants in certain retail sectors to meet their lease obligations and otherwise could adversely affect the Company's ability to attract and retain desirable tenants. The Company believes that its shopping centers are relatively well positioned to withstand adverse economic conditions since they typically are anchored by grocery stores, drug stores and discount department stores that offer day-to-day necessities rather than luxury goods. For a discussion of various business risks, see Item 1A – Risk Factors.

Compliance with Governmental Regulations

The Company, like others in the commercial real estate industry, is subject to numerous environmental laws and regulations. Although potential liability could exist for unknown or future environmental matters, the Company believes that its tenants are operating in accordance with current laws and regulations.

Competition

The real estate investment business is highly competitive. The Company competes for real estate investments with investors of all types, including domestic and foreign corporations, financial institutions, other real estate investment trusts, real estate funds, individuals and privately owned companies. In addition, the Company's properties are subject to local competitors from the surrounding areas. The Company's shopping centers compete for tenants with other regional, community or neighborhood shopping centers in the respective areas where the Company's retail properties are located. In addition, the retail industry is seeing greater competition from internet retailers who do not need to establish "brick and mortar" locations for their businesses. This reduces the demand for traditional retail space in shopping centers like ours and other grocery anchored shopping center properties. The Company's office buildings compete for tenants principally with office buildings throughout the respective areas in which they are located. Leasing space to prospective tenants is generally determined on the basis of, among other things, rental rates, location, and physical quality of the property and availability of space.

The Company does not consider its real estate business to be seasonal in nature.

Property Management

The Company actively manages and supervises the operations and leasing at all of its core properties. As discussed above, the Company's remaining non-core industrial properties are net leased to tenants under lease arrangements whereby the tenant is obligated to manage the property.

Employees

The Company's executive offices are located at 321 Railroad Avenue, Greenwich, Connecticut. It occupies approximately 10,000 square feet in a two-story office building owned by the Company. The Company has 43 employees and believes that its relationship with its employees is good.

Company Website

All of the Company's filings with the SEC, including the Company's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, are available free of charge at the Company's website at www.ubproperties.com as soon as reasonably practicable after the Company electronically files such material with, or furnishes it to, the SEC. These filings can also be accessed through the SEC's website at www.sec.gov.

Code of Ethics and Whistleblower Policy

The Company's Board of Directors has adopted a Code of Ethics for Senior Financial Officers that applies to the Company's Chief Executive Officer, Chief Financial Officer and Controller. The Board also adopted a Code of Business Conduct and Ethics applicable to all employees as well as a "Whistleblower Policy". These are available free of charge by contacting the Company.

Financial Information About Industry Segments

The Company operates in one industry segment, ownership of commercial real estate properties, which are located principally in the northeastern United States. The Company does not distinguish its property operations for purposes of measuring performance. Accordingly, the Company believes it has a single reportable segment for disclosure purposes.

Item 1A. Risk Factors

Risks related to our operations and properties

There are risks relating to investments in real estate and the value of our property interests depends on conditions beyond our control. Real property investments are illiquid and we may be unable to change our property portfolio on a timely basis in response to changing market or economic conditions. Yields from our properties depend on their net income and capital appreciation. Real property income and capital appreciation may be adversely affected by general and local economic conditions, neighborhood values, competitive overbuilding, zoning laws, weather, casualty losses and other factors beyond our control. Since substantially all of the Company's income is rental income from real property, the Company's income and cash flow could be adversely affected if a large tenant is, or a significant number of tenants are, unable to pay rent or if available space cannot be rented on favorable terms.

Operating and other expenses of our properties, particularly significant expenses such as interest, real estate taxes and maintenance costs, generally do not decrease when income decreases and, even if revenues increase, operating and other expenses may increase faster than revenues.

Our business strategy is mainly concentrated in one type of commercial property and in one geographic location. Our primary investment focus is neighborhood and community shopping centers located in the northeastern United States, with a concentration in Fairfield County, Connecticut, Westchester and Putnam Counties, New York and Bergen County, New Jersey. For the year ended October 31, 2013, approximately 76% of our total revenues were from properties located in these four counties. Various factors may adversely affect a shopping center's profitability. These factors include circumstances that affect consumer spending, such as general economic conditions, economic business cycles, rates of employment, income growth, interest rates and general consumer sentiment. These factors could have a more significant localized effect in the areas where our core properties are concentrated. Changes to the real estate market in our focus areas, such as an increase in retail space or a decrease in demand for shopping center properties, could adversely affect operating results. As a result, we may be exposed to greater risks than if our investment focus was based on more diversified types of properties and in more diversified geographic areas.

The Company's single largest real estate investment is its ownership of the Ridgeway Shopping Center ("Ridgeway") located in Stamford, Connecticut. For the year ended October 31, 2013, Ridgeway revenues represented approximately 13% of the Company's total revenues and approximately 11% of the Company's total assets at October 31, 2013. The loss of this center or a material decrease in revenues from the center could have a material adverse effect on the Company.

We are dependent on anchor tenants in many of our retail properties. Most of our retail properties are dependent on a major or anchor tenant. If we are unable to renew any lease we have with the anchor tenant at one of these properties upon expiration of the current lease, or to re-lease the space to another anchor tenant of similar or better quality upon departure of an existing anchor tenant on similar or better terms, we could experience material adverse consequences such as higher vacancy, re-leasing on less favorable economic terms, reduced net income, reduced funds from operations and reduced property values. Vacated anchor space also could adversely affect an entire shopping center because of the loss of the departed anchor tenant's customer drawing power. Loss of customer drawing power also can occur through the exercise of the right that some anchors have to vacate and prevent re-tenanting by paying rent for the balance of the lease term. In addition, vacated anchor space could, under certain circumstances, permit other tenants to pay a reduced rent or terminate their leases at the affected property, which could adversely affect the future income from such property. There can be no assurance that our anchor tenants will renew their leases when they expire or will be willing to renew on similar economic terms. See Item 1 – Business – Core Properties in this Annual Report on Form 10-K for additional information on our ten largest tenants by percent of total annual base rent of our core properties.

Similarly, if one or more of our anchor tenants goes bankrupt, we could experience material adverse consequences like those described above. Under bankruptcy law, tenants have the right to reject their leases. In the event a tenant exercises this right, the landlord generally may file a claim for lost rent equal to the greater of either one year's rent (including tenant expense reimbursements) or 15% of the rent remaining under the balance of the lease term, not to exceed three years. Actual amounts received in satisfaction of those claims will be subject to the tenant's final plan of reorganization and the availability of funds to pay its creditors.

We face potential difficulties or delays in renewing leases or re-leasing space. We derive most of our income from rent received from our tenants. Although substantially all of our properties currently have favorable occupancy rates, we cannot predict that current tenants will renew their leases upon the expiration of their terms. In addition, current tenants could attempt to terminate their leases prior to the scheduled expiration of such leases or might have difficulty in continuing to pay rent in full, if at all, in the event of a severe economic downturn. If this occurs, we may not be able to promptly locate qualified replacement tenants and, as a result, we would lose a source of revenue while remaining responsible for the payment of our obligations. Even if tenants decide to renew their leases, the terms of renewals or new leases, including the cost of required renovations or concessions to tenants, may be less favorable than current lease terms.

In some cases, our tenant leases contain provisions giving the tenant the exclusive right to sell particular types of merchandise or provide specific types of services within the particular retail center, or limit the ability of other tenants within the center to sell that merchandise or provide those services. When re-leasing space after a vacancy in a center with one of these tenants, such provisions may limit the number and types of prospective tenants for the vacant space. The failure to re-lease space or to re-lease space on satisfactory terms could adversely affect our results from operations. Additionally, properties we may acquire in the future may not be fully leased and the cash flow from existing operations may be insufficient to pay the operating expenses and debt service associated with that property until the property is fully leased. As a result, our net income, funds from operations and ability to pay dividends to stockholders could be adversely affected.

Competition may adversely affect acquisition of properties and leasing operations. We compete for the purchase of commercial property with many entities, including other publicly traded REITs. Many of our competitors have substantially greater financial resources than ours. In addition, our competitors may be willing to accept lower returns on their investments. If our competitors prevent us from buying the properties that we have targeted for acquisition, we may not be able to meet our property acquisition and development goals. We may incur costs on unsuccessful acquisitions that we will not be able to recover. The operating performance of our property acquisitions may also fall short of our expectations, which could adversely affect our financial performance.

If our competitors offer space at rental rates below our current rates or the market rates, we may lose current or potential tenants to other properties in our markets and we may need to reduce rental rates below our current rates in order to retain tenants upon expiration of their leases. As a result, our results of operations and cash flow may be adversely affected. In addition, our tenants face increasing competition from internet commerce, outlet malls, discount retailers, warehouse clubs and other sources which could hinder our ability to attract and retain tenants and/or cause us to reduce rents at our properties, which could have an adverse effect on our results of operations and cash flows.

We face risks associated with the use of debt to fund acquisitions and developments, including refinancing risk. We have incurred, and expect to continue to incur, indebtedness to advance our objectives. The only restrictions on the amount of indebtedness we may incur are certain contractual restrictions and financial covenants contained in our unsecured revolving credit agreement. Using debt to acquire properties, whether with recourse to us generally or only with respect to a particular property, creates an opportunity for increased return on our investment, but at the same time creates risks. We use debt to fund investments only when we believe it will enhance our risk-adjusted returns. However, we cannot be sure that our use of leverage will prove to be beneficial. Moreover, when our debt is secured by our assets, we can lose those assets through foreclosure if we do not meet our debt service obligations. Incurring substantial debt may adversely affect our business and operating results by:

- requiring us to use a substantial portion of our cash flow to pay interest and principal, which reduces the amount available for distributions, acquisitions and capital expenditures;
- making us more vulnerable to economic and industry downturns and reducing our flexibility to respond to changing business and economic conditions; or
- requiring us to agree to less favorable terms, including higher interest rates, in order to incur additional debt; and otherwise limiting our ability to borrow for operations, capital or to finance acquisitions in the future.

We are obligated to comply with financial and other covenants in our debt that could restrict our operating activities, and failure to comply could result in defaults that accelerate the payment under our debt. Our unsecured revolving credit agreement contains financial and other covenants which may limit our ability, without our lenders' consent, to engage in operating or financial activities that we may believe desirable. Our mortgage notes payable contain customary covenants for such agreements including, among others, provisions:

- relating to the maintenance of the property securing the debt;
- restricting our ability to assign or further encumber the properties securing the debt; and
- restricting our ability to enter into certain new leases or to amend or modify certain existing leases without obtaining consent of the lenders.

Our unsecured revolving credit facility contains, among others, provisions restricting our ability to:

- permit unsecured debt to exceed $150 million;
- create certain liens;
- increase our overall secured and unsecured borrowing beyond certain levels;
- consolidate, merge or sell all or substantially all of our assets;
- permit secured debt to be more than 35% of gross asset value, as defined in the agreement; or

- permit unsecured indebtedness to exceed, excluding preferred stock, 50% of eligible real estate asset value as defined in the agreement.

In addition, the unsecured revolving credit facility's covenants (i) limit the amount of debt we may incur, excluding preferred stock, as a percentage of gross asset value, as defined in the agreement, to less than 55% (leverage ratio), (ii) require earnings before interest, taxes, depreciation and amortization to be at least 175% of fixed charges, (iii) require net operating income from unencumbered properties to be at least 200% of unsecured interest expenses, (iv) require not more than 15% of gross asset value, as defined in the agreement, to be attributable to the Company's pro rata share of the value of unencumbered properties owned by non-wholly owned subsidiaries or unconsolidated joint ventures, and (v) require at least 10 unencumbered properties in the unencumbered asset pool.

If we were to breach any of our debt covenants and did not cure the breach within any applicable cure period, our lenders could require us to repay the debt immediately, and, if the debt is secured, could immediately begin proceedings to take possession of the property securing the loan. As a result, a default under our debt covenants could have an adverse effect on our financial condition, our results of operations, our ability to meet our obligations and the market value of our shares.

Our ability to grow will be limited if we cannot obtain additional capital. Our growth strategy includes the redevelopment of properties we already own and the acquisition of additional properties. We are required to distribute to our stockholders at least 90% of our taxable income each year to continue to qualify as a REIT for federal income tax purposes. Accordingly, in addition to our undistributed operating cash flow, we rely upon the availability of debt or equity capital to fund our growth, which financing may or may not be available on favorable terms or at all. The debt could include mortgage loans from third parties or the sale of debt securities. Equity capital could include our common stock or preferred stock. Additional financing, refinancing or other capital may not be available in the amounts we desire or on favorable terms.

Our access to debt or equity capital depends on a number of factors, including the general state of the capital markets, the market's perception of our growth potential, our ability to pay dividends, and our current and potential future earnings. Depending on the outcome of these factors, we could experience delay or difficulty in implementing our growth strategy on satisfactory terms, or be unable to implement this strategy.

Market interest rates could adversely affect the share price of our stock and increase the cost of refinancing debt. A variety of factors may influence the price of our common equities in the public trading markets. We believe that investors generally perceive REITs as yield-driven investments and compare the annual yield from dividends by REITs with yields on various other types of financial instruments. An increase in market interest rates may lead purchasers of stock to seek a higher annual dividend rate from other investments, which could adversely affect the market price of the stock. In addition, we are subject to the risk that we will not be able to refinance existing indebtedness on our properties. We anticipate that a portion of the principal of our debt will not be repaid prior to maturity. Therefore, we likely will need to refinance at least a portion of our outstanding debt as it matures. A change in interest rates may increase the risk that we will not be able to refinance existing debt or that the terms of any refinancing will not be as favorable as the terms of the existing debt.

If principal payments due at maturity cannot be refinanced, extended or repaid with proceeds from other sources, such as new equity capital or sales of properties, our cash flow will not be sufficient to repay all maturing debt in years when significant "balloon" payments come due. As a result, our ability to retain properties or pay dividends to stockholders could be adversely affected and we may be forced to dispose of properties on unfavorable terms, which could adversely affect our business and net income.

Construction and renovation risks could adversely affect our profitability. We currently are renovating some of our properties and may in the future renovate other properties, including tenant improvements required under leases. Our renovation and related construction activities may expose us to certain risks. We may incur renovation costs for a property which exceed our original estimates due to increased costs for materials or labor or other costs that are unexpected. We also may be unable to complete renovation of a property on schedule, which could result in increased debt service expense or construction costs. Additionally, some tenants may have the right to terminate their leases if a renovation project is not completed on time. The time frame required to recoup our renovation and construction costs and to realize a return on such costs can often be significant.

We are dependent on key personnel. We depend on the services of our existing senior management to carry out our business and investment strategies. We do not have employment agreements with any of our existing senior management. As we expand, we may continue to need to recruit and retain qualified additional senior management. The loss of the services of any of our key management personnel or our inability to recruit and retain qualified personnel in the future could have an adverse effect on our business and financial results.

Uninsured and underinsured losses may affect the value of, or return from, our property interests. We maintain comprehensive insurance on our properties, including the properties securing our loans, in amounts which we believe are sufficient to permit replacement of the properties in the event of a total loss, subject to applicable deductibles. There are certain types of losses, such as losses resulting from wars, terrorism, earthquakes, floods, hurricanes or other acts of God that may be uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, we could lose capital invested in a property, as well as the anticipated future revenues from a property, while remaining obligated for any mortgage indebtedness or other financial obligations related to the property. In addition, changes in building codes and ordinances, environmental considerations and other factors might make it impracticable for us to use insurance proceeds to replace a damaged or destroyed property. If any of these or similar events occur, it may reduce our return from an affected property and the value of our investment.

Properties with environmental problems may create liabilities for us. Under various federal, state and local environmental laws, statutes, ordinances, rules and regulations, as an owner of real property, we may be liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, in or under our properties, as well as certain other potential costs relating to hazardous or toxic substances (including government fines and penalties and damages for injuries to persons and adjacent property). These laws may impose liability without regard to whether we knew of, or were responsible for, the presence or disposal of those substances. This liability may be imposed on us in connection with the activities of an operator of, or tenant at, the property. The cost of any required remediation, removal, fines or personal or property damages and our liability therefore could exceed the value of the property and/or our aggregate assets. In addition, the presence of those substances, or the failure to properly dispose of or remove those substances, may adversely affect our ability to sell or rent that property or to borrow using that property as collateral, which, in turn, would reduce our revenues and ability to make distributions.

A property can be adversely affected either through direct physical contamination or as the result of hazardous or toxic substances or other contaminants that have or may have emanated from other properties. Although our tenants are primarily responsible for any environmental damages and claims related to the leased premises, in the event of the bankruptcy or inability of any of our tenants to satisfy any obligations with respect to the property leased to that tenant, we may be required to satisfy such obligations. In addition, we may be held directly liable for any such damages or claims irrespective of the provisions of any lease.

Prior to the acquisition of any property and from time to time thereafter, we obtain Phase I environmental reports and, when deemed warranted, Phase II environmental reports concerning the Company's properties. Management is not aware of any environmental condition with respect to any of our property interests that we believe would be reasonably likely to have a material adverse effect on the Company. There can be no assurance, however, that (a) the discovery of environmental conditions that were previously unknown, (b) changes in law, (c) the conduct of tenants, or (d) activities relating to properties in the vicinity of the Company's properties, will not expose the Company to material liability in the future. Changes in laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions may result in significant unanticipated expenditures or may otherwise adversely affect the operations of our tenants, which could adversely affect our financial condition and results of operations.

Risks Related to our Organization and Structure

We will be taxed as a regular corporation if we fail to maintain our REIT status. Since our founding in 1969, we have operated, and intend to continue to operate, in a manner that enables us to qualify as a REIT for federal income tax purposes. However, the federal income tax laws governing REITs are complex. The determination that we qualify as a REIT requires an analysis of various factual matters and circumstances that may not be completely within our control. For example, to qualify as a REIT, at least 95% of our gross income must come from specific passive sources, such as rent, that are itemized in the REIT tax laws. In addition, to qualify as a REIT, we cannot own specified amounts of debt and equity securities of some issuers. We also are required to distribute to our stockholders at least 90% of our REIT taxable income (excluding capital gains) each year. Our continued qualification as a REIT depends on our satisfaction of the asset, income, organizational, distribution and stockholder ownership requirements of the Internal Revenue Code on a continuing basis. At any time, new laws, interpretations or court decision may change the federal tax laws or the federal tax consequences of qualification as a REIT. If we fail to qualify as a REIT in any taxable year and do not qualify for certain Internal Revenue Code relief provisions, we will be subject to federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates. In addition, distributions to stockholders would not be deductible in computing our taxable income. Corporate tax liability would reduce the amount of cash available for distribution to stockholders which, in turn, would reduce the market price of our stock. Unless entitled to relief under certain Internal Revenue Code provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT.

We will pay federal taxes if we do not distribute 100% of our taxable income. To the extent that we distribute less than 100% of our taxable income, we will be subject to federal corporate income tax on our undistributed income. In addition, we will incur a 4% nondeductible excise tax on the amount, if any, by which our distributions in any year are less than the sum of:

- 85% of our ordinary income for that year;
- 95% of our capital gain net income for that year; and
- 100% of our undistributed taxable income from prior years.

We have paid out, and intend to continue to pay out, our income to our stockholders in a manner intended to satisfy the distribution requirement and to avoid corporate income tax and the 4% nondeductible excise tax. Differences in timing between the recognition of income and the related cash receipts or the effect of required debt amortization payments could require us to borrow money or sell assets to pay out enough of our taxable income to satisfy the distribution requirement and to avoid corporate income tax and the 4% excise tax in a particular year.

Gain on disposition of assets deemed held for sale in the ordinary course of business is subject to 100% tax. If we sell any of our assets, the IRS may determine that the sale is a disposition of an asset held primarily for sale to customers in the ordinary course of a trade or business. Gain from this kind of sale generally will be subject to a 100% tax. Whether an asset is held "primarily for sale to customers in the ordinary course of a trade or business" depends on the particular facts and circumstances of the sale. Although we will attempt to comply with the terms of safe-harbor provisions in the Internal Revenue Code prescribing when asset sales will not be so characterized, we cannot assure you that we will be able to do so.

Our ownership limitation may restrict business combination opportunities.
To qualify as a REIT under the Internal Revenue Code, no more than 50% in value of our outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals during the last half of each taxable year. To preserve our REIT qualification, our charter generally prohibits any person from owning shares of any class with a value of more than 7.5% of the value of all of our outstanding capital stock and provides that:

- a transfer that violates the limitation is void;
- shares transferred to a stockholder in excess of the ownership limitation are automatically converted, by the terms of our charter, into shares of "Excess Stock;"
- a purported transferee receives no rights to the shares that violate the limitation except the right to designate a transferee of the Excess Stock held in trust; and
- the Excess Stock will be held by us as trustee of a trust for the exclusive benefit of future transferees to whom the shares of capital stock ultimately will be transferred without violating the ownership limitation.

We may also redeem Excess Stock at a price which may be less than the price paid by a stockholder. Pursuant to authority under our charter, our board of directors has determined that the ownership limitation does not apply to Mr. Charles J. Urstadt, our Chairman, who beneficially owns 47.1% of our outstanding Common Stock and 0.2% of our outstanding Class A common stock or to Mr. Willing L. Biddle, our CEO, who beneficially owns 27.7% of our outstanding Common Stock and 0.2% of our outstanding Class A Common Stock, each as of the date of this Annual Report on Form 10-K. Such holdings represent approximately 66.2% of our outstanding voting interests. Together as a group Messrs. Urstadt, Biddle, and the other directors and executive officers hold approximately 66.8% of our outstanding voting interests through their beneficial ownership of our Common Stock and Class A Common stock. The ownership limitation may discourage a takeover or other transaction that our stockholders believe to be desirable.

Certain provisions in our charter and bylaws and Maryland law may prevent or delay a change of control or limit our stockholders from receiving a premium for their shares. Among the provisions contained in our charter and bylaws and Maryland law are the following:

- Our board of directors is divided into three classes, with directors in each class elected for three-year staggered terms.
- Our directors may be removed only for cause upon the vote of the holders of two-thirds of the voting power of our common equity securities.
- Our stockholders may call a special meeting of stockholders only if the holders of a majority of the voting power of our common equity securities request such a meeting in writing.
- Any consolidation, merger, share exchange or transfer of all or substantially all of our assets must be approved by (a) a majority of our directors who are currently in office or who are approved or recommended by a majority of our directors who are currently in office (the "Continuing Directors") and (b) the holders of two-thirds of the voting power of our common equity securities.
- Certain provisions of our charter may only be amended by (a) a vote of a majority of our Continuing Directors and (b) the holders of a majority of the voting power of our common equity securities. These provisions relate to the election and classification of directors, the ownership limit and the stockholder vote required for certain business combination transactions. An action by stockholders to remove a director would require a vote of at least two-thirds of the voting power of our outstanding common equity securities.
- The number of directors may be increased or decreased by a vote of our board of directors.

In addition, we are subject to various provisions of Maryland law that impose restrictions and require affected persons to follow specified procedures with respect to certain takeover offers and business combinations, including combinations with persons who own 10% or more of our outstanding shares. These provisions of Maryland law could delay, defer or prevent a transaction or a change of control that our stockholders might deem to be in their best interests. Furthermore, shares acquired in a control share acquisition have no voting rights, except to the extent approved by the affirmative vote of two-thirds of all votes entitled to be cast on the matter, excluding all interested shares. Under Maryland law, "control shares" are those which, when aggregated with any other shares held by the acquiror, allow the acquiror to exercise voting power within specified ranges. The control share provisions of Maryland law also could delay, defer or prevent a transaction or a change of control which our stockholders might deem to be in their best interests. As permitted by Maryland law, our charter and bylaws provide that the "control shares" and "business combinations" provisions of Maryland law described above will not apply to acquisitions of those shares by Mr. Charles J. Urstadt or Mr. Willing L. Biddle or to transactions between the Company and Mr. Urstadt or Mr. Biddle or any of their respective affiliates. Consequently, unless such exemptions are amended or repealed, we may in the future enter into business combinations or other transactions with Mr. Urstadt, Mr. Biddle or any of their respective affiliates without complying with the requirements of Maryland anti-takeover laws. In view of the common equity securities controlled by Messrs. Urstadt and Biddle, either may control a sufficient percentage of the voting power of our common equity securities to effectively block approval of any proposal which requires a vote of our stockholders.

Our stockholder rights plan could deter a change of control. We have adopted a stockholder rights plan. This plan may deter a person or a group from acquiring more than 10% of the combined voting power of our outstanding shares of common stock and Class A common stock because, after (i) the person or group acquires more than 10% of the combined voting power of our outstanding common stock and Class A common stock, or (ii) the commencement of a tender offer or exchange offer by any person (other than us, any one of our wholly owned subsidiaries or any of our employee benefit plans, or certain exempt persons), if, upon consummation of the tender offer or exchange offer, the person or group would beneficially own 30% or more of the combined voting power of our outstanding shares of common stock and Class A common stock, all other stockholders will have the right to purchase securities from us at a price that is less than their fair market value. This would substantially reduce the value of the stock owned by the acquiring person. Our board of directors can prevent the plan from operating by approving the transaction and redeeming the rights. This gives our board of directors significant power to approve or disapprove of the efforts of a person or group to acquire a large interest in us. The rights plan exempts acquisitions of common stock and Class A common stock by Mr. Charles J. Urstadt, Willing L. Biddle, members of their family and certain of his affiliates.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Core Properties

The following table sets forth information concerning each core property at October 31, 2013. Except as otherwise noted, all core properties are 100% owned by the Company.

	Year Renovated	Year Completed	Year Acquired	Gross Leasable Sq Feet	Acres	Number of Tenants	% Leased	Principal Tenant
Retail Properties:								
Stamford, CT	1997	1950	2002	350,000	13.6	36	100	Stop & Shop Supermarket
Springfield, MA	1996	1970	1970	328,000	26.0	27	90	Big Y Supermarket
Meriden, CT	2001	1989	1993	316,000	29.2	22	94	Big Y Supermarket
Stratford, CT	1988	1978	2005	276,000	29.0	18	94	Stop & Shop Supermarket
Scarsdale, NY (1)	2004	1958	2010	247,000	14.0	28	99	ShopRite Supermarket
New Milford, CT	2002	1972	2010	233,000	20.0	11	95	Walmart
Yorktown, NY	1997	1973	2005	200,000	16.4	8	45	Staples
Danbury, CT	-	1989	1995	194,000	19.3	19	95	Christmas Tree Shops
White Plains, NY	1994	1958	2003	191,000	3.5	8	65	Toys "R" Us
Carmel, NY (2)	2006	1971	2010	189,000	22.0	32	93	Hannaford Brothers
Ossining, NY	2000	1978	1998	137,000	11.4	28	100	Stop & Shop Supermarket
Somers, NY	-	2002	2003	135,000	26.0	23	94	Home Goods
Carmel, NY	1999	1983	1995	129,000	19.0	17	97	ShopRite Supermarket
New Providence, NJ	2010	1965	2013	109,000	7.8	16	84	A&P Supermarket
Newark, NJ (3)	-	1995	2008	108,000	8.4	13	90	Pathmark
Wayne, NJ	1992	1959	1992	102,000	9.0	41	93	A&P Supermarket
Newington, NH	1994	1975	1979	102,000	14.3	6	97	Savers
Darien, CT	1992	1955	1998	96,000	9.5	22	97	Stop & Shop Supermarket
Emerson, NJ	-	1981	2007	93,000	7.0	17	91	ShopRite Supermarket
New Milford, CT	-	1966	2008	81,000	7.6	4	89	Big Y Supermarket
Somers, NY	-	1991	1999	80,000	10.8	31	92	CVS
Orange, CT	-	1990	2003	77,000	10.0	12	100	Trader Joe's Supermarket
Montvale, NJ (4)	2010	1965	2013	76,000	9.9	14	94	The Fresh Market
Orangeburg, NY (5)	-	1966	2012	74,000	10.6	28	94	CVS
New Milford, CT	-	2003	2011	72,000	8.8	8	90	TJ Maxx
Eastchester, NY	2002	1978	1997	70,000	4.0	14	96	A&P Fresh
Fairfield, CT	-	1995	2011	63,000	7.0	3	100	Marshall's
Ridgefield, CT	1999	1930	1998	52,000	2.1	35	85	Keller Williams
Westport, CT	-	1986	2003	40,000	3.0	7	95	Pier One Imports
Rye, NY	-	Various	2004	39,000	1.0	20	95	Cosi
Briarcliff Manor, NY	-	1975	2001	38,000	1.0	17	94	CVS
Danbury, CT	-	1988	2002	33,000	2.7	5	55	Buffalo Wild Wings
Ossining, NY	2001	1981	1999	29,000	4.0	4	100	Westchester Community College
Katonah, NY	1986	Various	2010	28,000	1.7	24	100	Squires

Pelham, NY	-	1975	2006	25,000	1.0	8	93	Gristede's Supermarket
Spring Valley, NY (6)	-	1950	2013	24,000	1.6	10	94	Spring Valley Foods
Eastchester, NY	-	1963	2012	23,000	2.1	3	91	CVS
Various (7)	-	Various	2013	20,000	5.0	6	100	Friendly's Restaurants
Waldwick, NJ	-	1961	2008	20,000	1.8	1	100	RiteAid
Somers, NY	-	1987	1992	19,000	4.9	12	100	Putnam County Savings Bank
Cos Cob, CT	1970	1947	2013	15,000	0.9	9	81	Jos A Bank
Queens, NY	-	1960	2006	11,000	1.0	5	100	Various
Monroe, CT	-	2005	2007	10,000	2.0	6	100	Starbucks
Greenwich, CT	-	1961	2013	10,000	0.8	5	100	Cosi
Office Properties and Bank Branches								
Greenwich, CT	-	various	various	58,000	2.8	13	82	Prescott Investors
Bronxville and Yonkers, NY	-	1960	2008 & 2009	20,000	0.7	4	100	People's United Bank, JP Morgan Chase
Bernardsville, NJ	-	1970	2013	14,000	1.1	7	73	Laboratory Corp
Chester, NJ	-	1950	2013	9,000	2.0	1	100	Clockwork Childcare
				4,665,000		708		

(1) Two wholly owned subsidiaries of the Company own an 11.642% economic ownership interest in Midway. The Company accounts for this joint venture under the equity method of accounting and does not consolidate the entity owning the property.
(2) A wholly owned subsidiary of the Company has a 66.67% tenant in common interest in the property. The Company accounts for this joint venture under the equity method of accounting and does not consolidate its interest in the property.
(3) A wholly owned subsidiary of the Company is the sole general partner of a partnership that owns this property (84% Ownership Interest)
(4) A wholly owned subsidiary of the Company has a 50% tenant in common interest in the property. The Company accounts for this joint venture under the equity method of accounting and does not consolidate its interest in the property.
(5) A wholly owned subsidiary of the Company is the sole managing member of a limited liability company that owns this property (10.9% Ownership Interest)
(6) A wholly owned subsidiary of the Company has a 50% tenant in common interest in the property. The Company accounts for this joint venture under the equity method of accounting and does not consolidate its interest in the property.
(7) The Company owns six separate free standing properties, each occupied 100% by a Friendly's Restaurant, the properties are located in New York and Connecticut.

Non-Core Properties

In a prior year, the Board of Directors of the Company expanded and refined the strategic objectives of the Company to concentrate the real estate portfolio into one of primarily retail properties located in the Northeast and authorized the sale of the Company's non-core properties in the normal course of business over a period of years given prevailing market conditions and the characteristics of each property.

At October 31, 2013, the Company's non-core properties consisted of two industrial facilities with a total of 447,000 square feet of GLA. The non-core properties collectively had 2 tenants and were 100% leased at October 31, 2013. These two properties were sold by the Company in December of 2013.

The following table sets forth information concerning each non-core property at October 31, 2013. The non-core properties are 100% owned by the Company.

Location	Year Renovated	Year Completed	Year Acquired	Rentable Square Feet	Acres	# of Tenants	Leased	Principal Tenant
Dallas, TX	1989	1970	1970	255,000	14.5	1	100 %	Chrysler Group, LLC
St. Louis, MO	2000	1970	1970	192,000	16.0	1	100 %	Chrysler Group, LLC
				447,000		2		
Total Portfolio				5,112,000		710		

Lease Expirations – Total Portfolio

The following table sets forth a summary schedule of the annual lease expirations for the consolidated core properties for leases in place as of October 31, 2013, assuming that none of the tenants exercise renewal or cancellation options, if any, at or prior to the scheduled expirations.

Year of Lease Expiration	Number of Leases Expiring	Square Footage of Expiring Leases	Minimum Base Rentals	Percentage of Total Leased Square Feet
2014 (1)	117	267,309	$6,010,104	9 %
2015	87	387,490	8,876,334	13 %
2016	74	307,127	7,155,113	10 %
2017	74	409,053	9,216,566	13 %
2018	66	477,759	9,497,419	14 %
2019	49	374,272	4,563,369	6 %
2020	34	219,292	3,835,697	5 %
2021	33	200,808	4,459,000	6 %
2022	37	298,008	5,346,625	8 %
2023	28	195,760	5,317,667	8 %
Thereafter	25	434,269	5,745,313	8 %
Total	624	3,571,147	$70,023,207	100 %

(1) Represents lease expirations from November 1, 2013 to October 31, 2014 and month-to-month leases.

15

Item 3. Legal Proceedings.

In the ordinary course of business, the Company is involved in legal proceedings. There are no material legal proceedings presently pending against the Company.

Item 4. Mine Safety Disclosures.

Not Applicable

PART II

Item 5. Market for the Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities.

(a) Market Information

Shares of Common Stock and Class A Common Stock of the Company are traded on the New York Stock Exchange under the symbols "UBP" and "UBA," respectively. The following table sets forth the high and low closing sales prices for the Company's Common Stock and Class A Common Stock during the fiscal years ended October 31, 2013 and 2012 as reported on the New York Stock Exchange:

Common shares:	Fiscal Year Ended October 31, 2013		Fiscal Year Ended October 31, 2012	
	Low	High	Low	High
First Quarter	$17.48	$18.72	$15.50	$19.06
Second Quarter	$18.29	$19.60	$17.76	$19.90
Third Quarter	$17.52	$20.13	$16.99	$19.39
Fourth Quarter	$16.27	$19.00	$17.79	$19.81

Class A Common shares:	Fiscal Year Ended October 31, 2013		Fiscal Year Ended October 31, 2012	
	Low	High	Low	High
First Quarter	$18.12	$20.25	$15.61	$19.75
Second Quarter	$20.24	$22.27	$18.44	$20.15
Third Quarter	$19.75	$23.05	$17.45	$19.98
Fourth Quarter	$18.91	$21.46	$18.88	$20.78

(b) Approximate Number of Equity Security Holders

At December 31, 2013 (latest date practicable), there were 773 shareholders of record of the Company's Common Stock and 768 shareholders of record of the Class A Common Stock.

(c) Dividends Declared on Common Stock and Class A Common Stock and Tax Status

The following tables set forth the dividends declared per Common share and Class A Common share and tax status for Federal income tax purposes of the dividends paid during the fiscal years ended October 31, 2013 and 2012:

	Common Shares				Class A Common Shares			
Dividend Payment Date	Gross Dividend Paid Per Share	Ordinary Income	Capital Gain	Non-Taxable Portion	Gross Dividend Paid Per Share	Ordinary Income	Capital Gain	Non-Taxable Portion
January 18, 2013	$.225	$ .108	$.014	$ .103	$.25	$ .12	$.016	$ .114
April 19, 2013	$.225	$ .108	$.014	$ .103	$.25	$ .12	$.016	$ .114

July 19, 2013	$.225	$ .108	$ .014	$ .103	$.25	$ .12	$ .016	$ .114
October 18, 2013	$.225	$ .108	$ .014	$ .103	$.25	$ .12	$ .016	$ .114
	$.90	$ .432	$ .056	$ .412	$1.00	$ .48	$ .064	$ .456

	Common Shares			Class A Common Shares		
Dividend Payment Date	Gross Dividend Paid Per Share	Ordinary Income	Non-Taxable Portion	Gross Dividend Paid Per Share	Ordinary Income	Non-Taxable Portion
January 20, 2012	$.225	$ .124	$ .101	$.2475	$ .137	$ .1105
April 20, 2012	$.225	$ .124	$ .101	$.2475	$ .137	$ .1105
July 20, 2012	$.225	$ .124	$ .101	$.2475	$ .137	$ .1105
October 19, 2012	$.225	$ .124	$ .101	$.2475	$ .137	$ .1105
	$.90	$ .496	$ .404	$.99	$ .548	$ .442

The Company has paid quarterly dividends since it commenced operations as a real estate investment trust in 1969. During the fiscal year ended October 31, 2013, the Company made distributions to stockholders aggregating $0.90 per Common share and $1.00 per Class A Common share. On December 12, 2013, the Company's Board of Directors approved the payment of a quarterly dividend payable January 17, 2014 to stockholders of record on January 3, 2014. The quarterly dividend rates were declared in the amounts of $0.2250 per Common share and $0.2525 per Class A Common share.

Although the Company intends to continue to declare quarterly dividends on its Common shares and Class A Common shares, no assurances can be made as to the amounts of any future dividends. The declaration of any future dividends by the Company is within the discretion of the Board of Directors and will be dependent upon, among other things, the earnings, financial condition and capital requirements of the Company, as well as any other factors deemed relevant by the Board of Directors. Two principal factors in determining the amounts of dividends are (i) the requirement of the Internal Revenue Code that a real estate investment trust distribute to shareholders at least 90% of its real estate investment trust taxable income, and (ii) the amount of the Company's available cash.

Each share of Common Stock entitles the holder to one vote. Each share of Class A Common Stock entitles the holder to 1/20 of one vote per share. Each share of Common Stock and Class A Common Stock have identical rights with respect to dividends except that each share of Class A Common Stock will receive not less than 110% of the regular quarterly dividends paid on each share of Common Stock.

The Company has a Dividend Reinvestment and Share Purchase Plan ("DRIP") that allows shareholders to acquire additional shares of Common Stock and Class A Common Stock by automatically reinvesting dividends. Shares are acquired pursuant to the DRIP at a price equal to the higher of 95% of the market price of such shares on the dividend payment date or 100% of the average of the daily high and low sales prices for the five trading days ending on the day of purchase without payment of any brokerage commission or service charge. As of October 31, 2013, 1,185,700 shares of Common Stock and 226,916 shares of Class A Common Stock have been issued under the DRIP.

(d) Issuer Repurchase

In a prior year, the Board of Directors of the Company approved a share repurchase program ("Program") for the repurchase of up to 1,500,000 shares of Common Stock and Class A Common Stock in the aggregate. In addition the Board of Directors amended the Program to allow the Company to repurchase shares of the Company's Series C and Series D Senior Cumulative Preferred Stock (Preferred Stock) in open market transactions. During the fiscal year ended October 31, 2013, the Company repurchased 1,000 shares of Common Stock under the plan. The Company did not purchase any shares under the plan in the fiscal year ended October 31, 2012. As of October 31, 2013, the Company had repurchased 4,600 shares of Common Stock and 724,578 shares of Class A Common Stock under the program. The Company had not yet repurchased any Preferred Stock under the Program. On December 12, 2013, the Board of Directors approved a new share repurchase program to repurchase up to 2,000,000 shares, in the aggregate, of the Company's Common Stock, Class A Common Stock, Series D Cumulative Preferred Stock and Series F Cumulative Preferred Stock. The new authorization supersedes and replaces the prior Program.

The following table sets forth the shares repurchased by the Company during the three-month period ended October 31, 2013:

Period	Total Number of Shares Purchased	Average Price Per Share Purchased	Total Number Shares Re-purchased as Part of Publicly Announced Plan or Program	Maximum Number of Shares That May be Purchased Under the Plan or Program
August 1, 2013 – August 31, 2013	-	-	-	770,822
September 1, 2013 – September 30, 2013	-	-	-	770,822
October 1, 2013 – October 31, 2013	-	-	-	770,822

Item 6. Selected Financial Data.
(In thousands, except per share data)

Year Ended October 31,	2013	2012	2011	2010	2009
Balance Sheet Data:					
Total Assets	$650,026	$724,243	$576,264	$557,053	$504,539
Revolving Credit Lines	$9,250	$11,600	$41,850	$11,600	$-
Mortgage Notes Payable and Other Loans	$166,246	$143,236	$118,135	$118,202	$116,417
Redeemable Preferred Stock	$-	$21,510	$96,203	$96,203	$96,203
Operating Data:					
Total Revenues	$94,245	$89,730	$89,459	$83,596	$80,940
Total Expenses and payments to noncontrolling interests	$				