

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1995-07-28** | Period of Report: **1995-06-30**
SEC Accession No. **0000909298-95-000028**

([HTML Version](#) on [secdatabase.com](#))

FILER

MID ATLANTIC REALTY TRUST

CIK: **909298** | IRS No.: **520577448** | State of Incorpor.: **MD** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-12286** | Film No.: **95556693**
SIC: **6798** Real estate investment trusts

Business Address
1302 CONCOURSE DR
STE 202
LINTHICUM MD 21090
4106842000

FORM 10-Q
QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934
(As last amended in Rel. No. 312905, eff. 4/26/93.)

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 1995

Commission File Number: 1-12286

MID-ATLANTIC REALTY TRUST
(Exact name of registrant as specified in its charter)

MARYLAND
(State or other jurisdiction of
incorporation or organization)

52-1832411
(I.R.S. Employer
Identification No.)

1306 Concourse Drive, Suite 200, Linthicum
(Address of principal executive offices)

21090
(Zip Code)

(410) 684-2000
(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Sections 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

6,194,711 Common Shares were outstanding as of June 30, 1995.

1

MID-ATLANTIC REALTY TRUST
AND SUBSIDIARIES

Part I. FINANCIAL INFORMATION

Item 1. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

CONSOLIDATED STATEMENTS OF OPERATIONS

CONSOLIDATED STATEMENTS OF CASH FLOWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS
 OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Part II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Item 2. CHANGES IN SECURITIES

Item 3. DEFAULTS UPON SENIOR SECURITIES

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Item 5. OTHER INFORMATION

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

Part I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

MID-ATLANTIC REALTY TRUST
Consolidated Balance Sheets

	As of	
	June 30, 1995	December 31, 1994
	(UNAUDITED)	
ASSETS		
Properties:		
Operating properties.....	\$ 136,470,624	140,062,761
Development operations	12,515,510	6,354,947
Property held for development or sale	8,603,430	8,630,465
	-----	-----
	157,589,564	155,048,173
Cash and cash equivalents	728,641	344,522
Notes and accounts		
receivable - tenants and other.....	1,430,303	1,688,194
Due from joint venture partners	1,819,361	1,937,019
Prepaid expenses and deposits	254,894	402,283
Deferred financing costs	3,321,034	3,422,376
	-----	-----
	\$ 165,143,797	162,842,567
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Notes payable	\$ 15,734,778	20,139,413
Accounts payable and accrued expenses	3,805,201	3,534,277
Mortgages payable	60,690,919	53,251,140
Convertible subordinated debentures.	59,980,000	60,000,000
Deferred income.....	664,065	730,466
Minority interest in		
consolidated joint ventures	365,484	330,893
	-----	-----
	141,240,447	137,986,189
Shareholders' Equity:		
Preferred shares of beneficial interest,		
\$.01 par value, authorized 2,000,000 shares,		
issued and outstanding, none	-	-
Common shares of beneficial interest		
\$.01 par value, authorized		

100,000,000 shares, issued and outstanding, 6,194,711 and 6,291,407, respectively	61,947	62,914
Additional paid-in capital.....	41,862,522	42,602,505
Distributions in excess of accumulated earnings	(18,021,119)	(17,809,041)
	-----	-----
	23,903,350	24,856,378
	-----	-----
	\$ 165,143,797	162,842,567
	=====	=====

See accompanying notes to consolidated financial statements.

3

MID-ATLANTIC REALTY TRUST
Consolidated Statements of Operations
(UNAUDITED)

	Six Months Ended June 30, 1995	1994
REVENUES:		
Rentals	\$ 11,686,651	10,974,518
Gain on sales of properties held for sale, net	4,559	-
Other	581,713	449,770
	-----	-----
	12,272,923	11,424,288
COSTS AND EXPENSES:		
Interest	5,549,246	5,077,553
Depreciation and amortization of property and improvements	2,702,376	2,481,381
Operating	1,537,675	1,658,778
General and administrative	830,009	781,952
	-----	-----
	10,619,306	9,999,664
EARNINGS FROM OPERATIONS BEFORE MINORITY INTEREST	1,653,617	1,424,624
Minority interest expense	(355,561)	(309,148)
	-----	-----
EARNINGS FROM OPERATIONS	1,298,056	1,115,476
Gain on life insurance proceeds	1,001,787	
(Loss) gain on sales of operating		

properties	(377,358)	335,363
	-----	-----
EARNINGS BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE.....	1,922,485	1,450,839
Cumulative effect of change in accounting for percentage rents ..	612,383	-
	-----	-----
NET EARNINGS\$	2,534,868	(1,450,839)
	=====	=====
PER SHARE DATA:		
EARNINGS PER SHARE BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	0.31	0.23
Cumulative effect of change in accounting principle	0.10	-
	-----	-----
NET EARNINGS	\$0.41	0.23
	=====	=====
	Three Months Ended June 30,	
	1995	1994
REVENUES:		
Rentals\$	5,716,748	5,632,698
Gain on sales of properties held for sale, net	-	-
Other	296,021	235,574
	-----	-----
	6,012,769	5,868,272
COSTS AND EXPENSES:		
Interest	2,777,930	2,533,374
Depreciation and amortization of property and improvements	1,359,898	1,250,241
Operating	743,211	765,925
General and administrative	403,453	385,060
	-----	-----
	5,284,492	4,934,600
EARNINGS FROM OPERATIONS		
BEFORE MINORITY INTEREST	728,277	933,672
Minority interest expense	(158,219)	(183,167)
	-----	-----

EARNINGS FROM OPERATIONS	570,058	750,505
Gain on life insurance proceeds	-	-
(Loss) gain on sales of operating properties	-	-
	-----	-----
EARNINGS BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	570,058	750,505
Cumulative effect of change in accounting for percentage rents ..	-	-
	-----	-----
NET EARNINGS	570,058	750,505
	=====	=====
PER SHARE DATA:		
EARNINGS PER SHARE BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	0.09	0.12
Cumulative effect of change in accounting principle	-	-
NET EARNINGS	\$0.09	0.12
	=====	=====

See accompanying notes to consolidated financial statements.

4

MID-ATLANTIC REALTY TRUST
Consolidated Statements of Cash Flows
(UNAUDITED)

	Six Months Ended June 30, 1995	1994
Cash flows from operating activities:		
Net earnings	2,534,868	1,450,839
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	2,702,376	2,481,381
Loss (gain) on sales of operating properties	377,358	(335,363)
Minority interest in earnings, net	355,561	309,148

Gain on sales of properties held for sale, net	(4,559)	-
Changes in operating assets and liabilities:		
Decrease in operating assets ...	405,280	544,695
Increase (decrease) in operating liabilities	204,523	(589,399)
	-----	-----
Total adjustments	4,040,539	2,410,462
	-----	-----
NET CASH PROVIDED BY OPERATING ACTIVITIES	6,575,407	3,861,301
Cash flows from investing activities:		
Additions to properties	(7,077,363)	(1,646,490)
Proceeds from sales of properties...	1,744,073	1,321,602
Receipts from minority partners	181,000	51,000
Payments to minority partners	(384,312)	(543,595)
	-----	-----
NET CASH USED IN INVESTING ACTIVITIES	(5,536,602)	(817,483)
	-----	-----
Cash flows from financing activities:		
Proceeds from notes payable	32,600,000	2,754,048
Principle payments on notes payable	(37,004,635)	(3,310,000)
Proceeds from mortgages payable	7,700,000	-
Principal payments on mortgages payable	(260,221)	(208,805)
Additions to deferred finance costs	(182,792)	(4,104)
Shares purchased	(760,092)	-
Dividends paid	(2,746,946)	(2,642,391)
	-----	-----
NET CASH USED IN FINANCING ACTIVITIES	(654,686)	(3,411,252)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	384,119	(367,434)
CASH AND CASH EQUIVALENTS, beginning of period	344,522	687,108
	-----	-----
CASH AND CASH EQUIVALENTS, end of period ...\$	728,641	319,674

In April, 1995, \$20,000 in convertible debentures were converted to 1,904 common shares of beneficial interest decreasing convertible subordinated debentures by \$20,000, decreasing deferred financing costs by \$858 and increasing shareholders equity by \$19,412. During the six month period ended June 30, 1994, \$208,427 in interest costs were capitalized as construction period interest in development operations.

See accompanying notes to consolidated financial statements.

MID-ATLANTIC REALTY TRUST
Notes To Consolidated Financial Statements
(UNAUDITED)

ORGANIZATION

Mid-Atlantic Realty Trust (the "Company", or "MART") was formed on June 29, 1993 and commenced operations effective with the completion of its initial public share offering on September 11, 1993. The Company is the successor to the operations of BTR Realty, Inc. (the predecessor to the company), (BTR), and qualifies as a real estate investment trust (REIT) for Federal income tax purposes.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated balance sheet as of June 30, 1995 and the consolidated statements of operations for the Company for the three and six month periods ended June 30, 1995 and June 30, 1994 and the consolidated statements of cash flows for the periods ended June 30, 1995 and June 30, 1994, have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position and the results of operations have been included. The results of operations for the periods ended June 30, 1995 are not necessarily indicative of the operating results for the full year.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted. It is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and notes thereto included in the Mid-Atlantic Realty Trust December 31, 1994 Annual Report to Shareholders.

Certain amounts for 1994 have been reclassified to conform to 1995 presentation.

CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

Effective January 1, 1995 the Company changed its accounting treatment for percentage rent. Percentage rent revenues are based on store sales for certain periods and are charged according to a percentage over a breakpoint amount of sales for the period according to the lease agreement. During the year ended December 31, 1994 and previously, percentage rent was recognized as rental revenues in the period when the actual percentage rent was billed and received. The new method recognizes percentage rent as rental revenues in the period when the actual percentage rent is earned. The Company began on January 1, 1995 estimating the percentage rent earned from major tenants and recorded the amounts monthly as receivable. The cumulative effect of this change on January 1, 1995 was \$612,383. The Company believes that this change is preferable since it provides better matching of revenues and expenses.

GAIN ON LIFE INSURANCE PROCEEDS

In January, 1995, the Company received \$1,002,000 in life insurance proceeds as a result of the death of a former general partner with, and officer of, BTR.

NET EARNINGS PER SHARE

Net earnings per share of common share and common share equivalents were computed by dividing net earnings by the primary weighted average number of common share and common share equivalents outstanding for each period. The weighted average number of common shares and common share equivalents for the six month periods ended June 30, 1995 and June 30, 1994 was 6,252,446 and 6,291,407, respectively. The weighted average number of common shares and common share equivalents for the three month periods ended June 30, 1995 and June 30, 1994 was 6,214,566 and 6,291,407, respectively.

The Company sold \$60,000,000 in convertible subordinated debentures in September, 1993. In April, 1995, \$20,000 in debentures were converted to 1,904 common shares of beneficial interest and \$8 (due to fractional shares). The balance of the debentures, of \$59,980,000, convertible at \$10.50 per share, if fully converted, would produce an additional 5,712,381 shares.

Pursuant to the 1993 Omnibus Share Plan ("Plan"), the Company authorized on February 1, 1994 the availability of 300,000 shares for the Plan. Trustees, officers and key employees of the Company, are eligible for the Plan. On February 1, 1994, the executive compensation committee of the Board of Trustees granted to trustees, officers and key employees 256,000 option shares at an option price of \$10.50 per share with 89,333 shares vesting on February 1, 1994, 83,333 shares vesting on January 1, 1995 and the balance vesting over the next year. The average market price of MART shares for the three and six month periods ended June 30, 1995 was \$8.58 and \$8.32 per share, respectively, and the closing market price at June 30, 1995 was \$8.75 per share. No options were exercised during the period ended June 30, 1995 and based on the market value of MART shares, the options, if converted, would be anti-dilutive.

ACQUISITION OF OUTSTANDING SHARES

On February 14, 1995, the MART Board of Trustees approved a stock repurchase plan which authorizes the repurchase of up to approximately 310,000 shares. The Company purchased 98,600 shares in the six month period ended June 30, 1995 for \$760,092, at an average price of \$7.71 per share. Subsequently, the Company purchased an additional 65,500 shares in the month of July, 1995 for \$529,557, at an average price of \$8.08 per share.

SHAREHOLDERS' EQUITY

During the six months ended June 30, 1995, shareholders' equity changed for the following items:

- Net earnings of \$2,534,868.
- Dividend paid by MART of \$2,746,946.
- Shares purchased by MART of \$760,092.
- Common shares and Additional paid in capital increased by \$19,142 due to conversion of \$20,000

Part I. FINANCIAL INFORMATION
Item 2.

MID-ATLANTIC REALTY TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion compares the operations for the three and six month periods ended June 30, 1995 with the operations for the three and six month periods ended June 30, 1994.

Comparison of six months ended June 30, 1995 to six months ended June 30, 1994

Rental revenues increased by \$712,000 or 6% to \$11,687,000 for the six months ended June 30, 1995 from \$10,975,000 for the six months ended June 30, 1994. Net increases in occupancy and rental rates contributed to project rental increases of approximately \$632,000. In addition, the purchase of the Shoppes at Easton in September, 1994 contributed to increased rental revenues of approximately \$661,000. And, increased percentage rents of \$110,000 contributed to increased rental revenues. The increases were offset by a \$460,000 decrease in rental revenues attributable to the timing change in accounting for percentage rents. The increases were also offset by a \$139,000 decrease in rental revenues attributable to the sale in February, 1995 of the Regal Row warehouse project and the sale in December, 1994 of the Oakton Bowling center. In addition, \$92,000 in rental decreases were related to vacancies primarily due to the redevelopment of York Road Plaza.

Other income increased by \$132,000 to \$581,000 from \$449,000 primarily due to additional other income from an increase due to fire insurance proceeds for lost rent at Rolling Road damaged by a fire in December, 1992, and other income at Harford Mall.

In total, total revenues increased by \$849,000 to \$12,273,000 from \$11,424,000.

Interest expense increased by \$472,000 to \$5,550,000 from \$5,078,000 primarily due to the increased debt for the purchase of the Shoppes at Easton.

Depreciation and amortization increased by \$221,000 to \$2,702,000 from \$2,481,000 primarily due to depreciation increases of approximately \$121,000 related to the purchase of the Shoppes at Easton, and increased tenant improvements to Harford Mall (Hecht's Expansion) \$58,000 and to the Gateway I & II Offices of \$67,000.

Operating expenses decreased by \$121,000 to \$1,538,000 from \$1,659,000

primarily due to higher tenant occupancy resulting in lower landlord operating expenses.

General and administrative expenses increased by \$48,000 to \$830,000 from \$782,000 due primarily to a \$70,000 expense for the incentive based compensation plan offset by lower insurance & professional fee expenses.

Minority interest increased by \$47,000 to \$356,000 from \$309,000 generally due to higher earnings in minority interest ventures.

Earnings from operations increased by \$182,000 to \$1,298,000 from \$1,116,000. For the six month period ended June 30, 1995, MART recognized a loss on the sale of the Regal Row warehouse operating property of \$377,000, a cumulative effect of a change in accounting for percentage rents of \$612,000 and a gain on life insurance proceeds of \$1,002,000, which, when combined with earnings from operations resulted in net earnings of \$2,535,000 for the period. For the six month period ended June 30, 1994, MART recognized a gain on sales of operating properties of \$335,000 (which included gains on the sales of Plantation Bowling Center of \$279,000 and Orchard Landing Apartments of \$56,000), which, when combined with earnings from operations, resulted in net earnings of \$1,451,000 for the period.

Continued

7

MID-ATLANTIC REALTY TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS-Continued

Comparison of three months ended June 30, 1995 to three months ended June 30, 1994

Rental revenues increased by \$84,000 or 1% to \$5,717,000 for the three months ended June 30, 1995 from \$5,633,000 for the three months ended June 30, 1994. Net increases in occupancy and rental rates contributed to project rental increases of approximately \$293,000. In addition, the purchase of the Shoppes at Easton in September, 1994 contributed to increased rental revenues of approximately \$325,000. And, increased percentage rents of \$11,000 contributed to increased rental revenues. The increases were offset by a \$388,000 decrease in rental revenues attributable to the change in accounting for percentage rents. The increases were also offset by a \$92,000 decrease in rental revenues attributable to the sale in February, 1995 of the Regal Row warehouse project and the sale in December, 1994 of the Oakton Bowling center. In addition, \$65,000 in rental decreases were related to vacancies primarily due to the redevelopment of York Road Plaza.

Other income increased by \$61,000 to \$296,000 from \$235,000 primarily due to other income from Harford Mall.

As of result of the above changes total revenues increased by \$145,000 to \$6,013,000 from \$5,868,000.

Interest expense increased by \$245,000 to \$2,778,000 from \$2,533,000 primarily due to the increased debt for the purchase of the Shoppes at Easton.

Depreciation and amortization increased by \$110,000 to \$1,360,000 from \$1,250,000 primarily due to depreciation increases of approximately \$63,000 related to the purchase of the Shoppes at Easton, and increased tenant improvements to Harford Mall (Hecht's Expansion) \$32,000 and to the Gateway I & II Offices of \$37,000.

Operating expense decreased by \$23,000 to \$743,000 from \$766,000 primarily due to higher tenant occupancy resulting in lower landlord operating expenses and the sale of the Regal Row warehouse project in February, 1995.

General and administrative expenses increased by \$18,000 to \$403,000 from \$385,000 due primarily to a \$35,000 expense for the incentive based compensation plan offset by lower insurance & professional fee expenses.

Minority interest expense decreased by \$25,000 to \$158,000 from \$183,000 generally due to higher earnings in 1994 in minority interest ventures as a result of the accounting change for percentage rents in 1995.

Net earnings decreased by \$181,000 to \$570,000 from \$751,000.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings - In the ordinary course of business, the Company is involved in legal proceedings. However, there are no material legal proceedings pending against the Company.

Item 2. Changes in Securities - None

Item 3. Defaults upon Senior Securities - None

Item 4. Submission of Matters to a Vote of Security Holders - The Annual Meeting of Shareholders was held on May 12, 1995. Elected to serve for the ensuing year and until the election and qualifications of their successors were: Marc P. Blum, Robert A. Frank, LeRoy E. Hoffberger, F. Patrick Hughes, M. Ronald Lipman, Daniel S. Stone, David Benson, and Stanley J. Moss.

Matter Voted Upon	For	Against	Withheld
a. Election of Trustees:			
Marc P. Blum	5,851,003	-	48,344
Robert A. Frank	5,851,203	-	48,144
LeRoy E. Hoffberger	5,851,003	-	48,344
F. Patrick Hughes	5,851,203	-	48,144
M. Ronald Lipman	5,851,170	-	48,177
Daniel S. Stone	5,850,951	-	48,396
David F. Benson	5,850,918	-	48,429

b. Proposal to approve the appointment
of KPMG Peat Marwick LLP as the independent
certified public accountants of MART
for the fiscal year ending
December 31, 1995:

5,860,511

25,862

12,974

Because the matters voted upon at the meeting required the approval of only a majority of the votes cast at the meeting, votes withheld, abstentions and broker non-votes had no effect upon the ultimate outcome of the vote.

8

MID-ATLANTIC REALTY TRUST
Item 5. Other Information -
Summary Financial Data

The following sets forth summary financial data which has been prepared by the Company without audit. Management believes the following data should be used as a supplement to the historical statements of operations. The data should be read in conjunction with the historical financial statements and the notes thereto for MART.

MID-ATLANTIC REALTY TRUST				
Summary Financial Data				
(In thousands, except per share data)				
	Six months ended		Three months ended	
	June 30,		June 30,	
	1995	1994	1995	1994
Revenues	\$12,273	\$11,424	\$6,013	\$5,868
Net earnings	\$2,535	\$1,451	\$570	\$751
Net earnings per share-primary	\$0.41	\$0.23	\$0.09	\$0.12
OTHER FINANCIAL DATA:				
Funds from operations				
(FFO) (1) (2)-primary	\$3,996	\$3,597	\$1,930	\$2,001
FFO - fully diluted (2)	\$6,283	\$5,913	\$3,074	\$3,144
Weighted average number of				
shares outstanding - primary	6,252	6,291	6,215	6,291
Weighted average number of shares				
outstanding - fully diluted	11,965	12,005	11,927	12,005

SELECTED CASH FLOW DATA:

Net cash flow provided by
(used in) operating activities \$6,575 \$3,861

(1) Funds from operations as defined by the National Association of Real Estate Investment Trusts, Inc. (NAREIT) - Funds from operations means net income (computed in accordance with generally accepted accounting principles), excluding cumulative effects of changes in accounting principles, extraordinary or unusual items, and gains (or losses) from debt restructuring and sales of property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. FFO does not represent cash flows from operations as defined by generally accepted accounting principles (GAAP). FFO is not indicative that cash flows are adequate to fund all cash needs and is not to be considered as an alternative to net income as defined by GAAP. The presentation of funds from operations is not normally included in financial statements prepared in accordance with GAAP.

(2) FFO for the six and three months ended June 30, 1994, if presented on the same basis as 1995 would be lower due to a change in the accounting treatment of percentage rents of approximately \$460,000, (or \$.07 per share, primary, or \$.04 per share fully diluted) and \$388,000 (or \$.06 per share, primary, or \$.03 per share fully diluted), respectively. The new method of accounting for percentage rents, which is described in the notes to the consolidated financial statements, was adopted effective January 1, 1995.

Item 6. Exhibits and Reports on Form 8-K -
Exhibit No. 18 - Letter regarding change in accounting principles
None

Exhibit No. 27 - Financial Data Schedule
Filed thru EDGAR

MID-ATLANTIC REALTY TRUST AND SUBSIDIARIES
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.

MID-ATLANTIC REALTY TRUST AND
SUBSIDIARIES
(Registrant)

Date 7/27/95

By /s/ F. Patrick Hughes
F. Patrick Hughes
President
Principal Executive Officer

Date 7/27/95

By /s/ Paul G. Bollinger
Paul G. Bollinger
Controller
Principal Financial Officer

<TABLE>

<S>

[PERIOD-TYPE]

[FISCAL-YEAR-END]

<C>

6-MOS

DEC-31-1995

[PERIOD-END]	JUN-30-1995
[CASH]	729
[SECURITIES]	0
[RECEIVABLES]	1,430
[ALLOWANCES]	328
[INVENTORY]	0
[CURRENT-ASSETS] <F1>	0
[PP&E]	157,590
[DEPRECIATION]	38,132
[TOTAL-ASSETS]	165,144
[CURRENT-LIABILITIES] <F1>	0
[BONDS]	120,671
[COMMON]	62
[PREFERRED-MANDATORY]	0
[PREFERRED]	0
[OTHER-SE]	23,841
[TOTAL-LIABILITY-AND-EQUITY]	165,144
[SALES]	0
[TOTAL-REVENUES]	12,273
[CGS]	0
[TOTAL-COSTS]	10,619
[OTHER-EXPENSES]	356
[LOSS-PROVISION]	0
[INTEREST-EXPENSE]	5,549
[INCOME-PRETAX]	1,923
[INCOME-TAX]	0
[INCOME-CONTINUING]	1,923
[DISCONTINUED]	0
[EXTRAORDINARY]	0
[CHANGES]	612
[NET-INCOME]	2,535
[EPS-PRIMARY]	.41
[EPS-DILUTED]	.41

<FN>
 <F1> Mid-Atlantic Realty Trust (MART) is in the specialized real estate
 <F1> industry for which the current/noncurrent distinction is deemed in
 <F1> practice to have little or no relevance. Therefore, MART prepares
 <F1> unclassified balance sheets which do not report current assets or
 <F1> current liabilities.
 </FN>
 </TABLE>