

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1996-11-14** | Period of Report: **1996-09-30**
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FILER

PRICE T ROWE RENAISSANCE FUND LTD

CIK: **852160** | IRS No.: **521657028** | State of Incorpor.: **MD** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **000-19180** | Film No.: **96663702**
SIC: **6798** Real estate investment trusts

Mailing Address
*100 EAST PRATT STREET
BALTIMORE MD 21202*

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*100 EAST PRATT ST
BALTIMORE MD 21202
8006385660*

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 September 30, 1996

Commission File Number 0-19180

Exact Name of Registrant as Specified in Its Charter: T. ROWE
PRICE RENAISSANCE FUND, LTD., A SALES-COMMISSION-FREE REAL ESTATE
INVESTMENT

State or Other Jurisdiction of Incorporation or Organization:
Maryland

I.R.S. Employer Identification No.: 52-1657028

Address and zip code of principal executive offices: 100 East
Pratt Street, Baltimore, Maryland 21202

Registrant's telephone number, including area code: 1-800-638-
5660

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

Shares of common stock outstanding as of October 30, 1996:
1,524,341

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The financial statements of T. Rowe Price Renaissance Fund, Ltd., A Sales-Commission-Free Real Estate Investment ("the Corporation") are set forth in Exhibit 19 hereto, which statements are incorporated by reference herein.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Liquidity and Capital Resources and Results of Operations

The Corporation's liquidity and capital resources and its results of operation are discussed in the Chairman's letter on pages 1-2 of Exhibit 19 hereto, the Corporation's Quarterly Report to Security-Holders, which letter is hereby incorporated by reference herein.

Reinvestment and Repurchase Plans

The public offering of shares was terminated on April 30, 1990, and additional shares will be sold only in connection with the Corporation's dividend reinvestment plan. Additional capital in the amount of \$4,061,505 was raised from dividend distributions reinvested through September 30, 1996 and 324,998 additional shares were issued in connection therewith. The amount of additional capital to be raised from this source in the future will depend on the size of the Corporation's dividends per share, and the number of shares in the reinvestment plan at any given time. Organizational and offering expenses are not deducted from such proceeds. This capital will be used, to the extent necessary, to repurchase shares in connection with the Corporation's liquidity enhancement plan; the balance will be available for repayment of mortgage loan principal and investment in real estate. As of September 30, 1996, 123,217 shares had been repurchased for a total of \$1,372,731.

PART II - OTHER INFORMATION

Item 5. Other Information

The Corporation owns a 90% interest in Buckley Square, located in Aurora, Colorado. This property was acquired in May 1991. The property is currently classified as held for sale in the Corporation's balance sheet. The property consists of a shopping center containing approximately 121,000 gross square feet located on approximately 12.5 acres of land.

The Corporation has entered into a contract for the sale of its interest in this property for a total sales price of approximately

\$7.5 million. While certain material contingencies still exist

the transaction is expected to close in late 1996 or early 1997. The purchaser, Pacific Retail Trust is not an affiliate of the Corporation, its investment adviser or its investment manager.

Net book value at the date of sale is expected to be approximately \$5.3 million, which represents approximately 19% of the Corporation's assets. Net proceeds to the Corporation are expected to be approximately \$7.2 million in cash. If the transaction is completed, a portion of the proceeds will be used to pay a dividend to the Corporation's stockholders in an amount equal to the Corporation's net taxable gain on the sale. The balance of the proceeds (which is expected to be the majority thereof) will be utilized to pay off most of the loan secured by the Corporation's Buschwood property.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

19 - Quarterly Report Furnished to Security-
Holders including Financial Statements for the
Corporation.

27 - Financial Data Schedule

All other items are omitted because they are not applicable or the answers are none.

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.

LTD.,
T. ROWE PRICE RENAISSANCE FUND,
A SALES-COMMISSION-FREE REAL ESTATE
INVESTMENT

Date: November 14, 1996

By: /s/Kenneth J. Rutherford
Kenneth J. Rutherford
Vice President

Date: November 14, 1996

By: /s/Joseph P. Croteau
Joseph P. Croteau
Principal Financial Officer
of the Corporation

The Quarterly Report to Limited Partners for the Quarter ended September 30, 1996 should be inserted here.

T. Rowe Price Renaissance Fund, Ltd.
A Sales-Commission-Free Real Estate Investment

Quarterly Report
For The Period Ended
September 30, 1996

For information on your
Renaissance Fund account, call:
1-800-962-8300 toll free

For information on your
mutual fund account, call:
1-800-225-5132 toll free
625-6500 Baltimore area

T. Rowe Price Real Estate Group
100 East Pratt Street
Baltimore, Maryland 21202

FELLOW STOCKHOLDER:

The positive and negative contributors to year-to-date results relative to the comparable period last year were the same as for the first six months. The operating contribution from Buckley Square increased because the property is no longer being depreciated. As a result, its income from operations increased \$122,000 over last year (see the table below).

While the acquisition of Buschwood III in June 1995 had the most significant effect on revenues and expenses, its contribution to income after interest on the borrowing made to acquire the property was only \$65,000 during the nine-month period. During the past three months, its contribution was \$35,000. If Buckley is sold, the majority of the proceeds will be used to pay off most of the loan, so we would expect Buschwood to make a more favorable contribution to net income in the future. The property remains 100% leased, no leases are scheduled to expire for the remainder of this year, and the submarket is healthy.

Of the other three properties, Gatehall is experiencing a decline in occupancy. During the most recent quarter, a tenant representing 13% of the total space vacated when its lease expired on July 31. Leasing activity in the general office market in Parsippany, New Jersey (where the property is located) is positive, and we are in the process of retaining a new leasing and management team in an effort to improve Gatehall's performance. At least one good prospect is on the horizon for some of the unoccupied space, but there is no assurance that we will be successful in signing this tenant.

At Valley Business Center, a tenant who leases 13% of the property is expected to vacate by year-end. There is not much comparable space available in the market, and we currently have a very well known and financially strong company interested in the property. We are optimistic about the re-leasing prospects but can never be sure that negotiations will be concluded successfully.

The decrease in cash in the first nine months was attributable primarily to prepayment of some of the Fund's debt, higher expenditures to improve our real estate holdings than in 1995, and fewer reinvestments in shares of the Fund. These more than offset the effect of a decline in dividends paid and an increase in cash from operations.

Distributions From Operations

The dividend for the third quarter remained at the \$0.15 per share rate paid for the prior two quarters. We will again monitor operating conditions and the effect of a property sale, or prospects for a near-term sale, at the end of the fourth quarter to see if a change in the quarterly rate is in order.

Disposition Update

When we last wrote you, the contract with a prospective buyer for Buckley Square had fallen through, but we had a second buyer expressing interest. We now have a second signed purchase and sale agreement and are optimistic that the contingencies that stood in the way of the first contract can be resolved. While there is no assurance that these negotiations will be successful, we are farther along in the process with this prospective buyer.

Outlook

We continue to hope that the more positive operating environment in most of the markets where your properties are located will translate into improving occupancy levels and bottom line performance. Unfortunately, no such improvement has occurred in the Houston office submarket where Post Oak Place is located, so we do not anticipate significantly improved performance there in the near term.

One event that could result in improved overall operating performance would be the reduction of the Fund's debt and interest expense if we are able to sell Buckley Square. If we are able to accomplish this, it should help offset the sale's impact on continuing operations.

Sincerely,

James S. Riepe
Chairman

November 8, 1996

Real Estate Investments (Dollars in thousands)

Property Name	Gross Leasable Area (Sq. Ft.)	Leased Status	Average Leased Status		Contribution to Net Income	
		September 30, 1996	Nine Months Ended September 30, 1995 1996		Nine Months Ended September 30, 1995 1996	
Valley Business Center	202,540	100%	99%	98%	\$171	\$206
Post Oak Place	56,449	75	75	76	46	20
Gatehall I	113,604	69	84	74	163	(41)
Busch-wood III	76,930	100	100	100	-	65
	<u>449,523</u>	<u>89</u>	<u>92</u>	<u>90</u>	<u>380</u>	<u>250</u>
Held for Sale						
Buckley Square	121,602	93	93	93	263	385
	<u>571,125</u>	<u>90</u>	<u>93</u>	<u>90</u>	<u>643</u>	<u>635</u>

Additional Paid-In Capital.	18,450	18,447
Dividends in Excess of Net Income. . .	(1,052)	(900)
	<u>17,399</u>	<u>17,548</u>
Total Stockholders' Equity	<u>\$ 27,760</u>	<u>\$ 28,036</u>
	<u> </u>	<u> </u>

See the accompanying notes to condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited

(In thousands except per-share amounts)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	1996	1995	1996	1995
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Rental Income.	\$1,316	\$1,387	\$3,927	\$3,479
Interest Income.	12	10	56	38
	<u>1,328</u>	<u>1,397</u>	<u>3,983</u>	<u>3,517</u>
Expenses				
Property Operating				
Expenses.	534	500	1,551	1,232
Real Estate Taxes.	123	157	364	407
Depreciation and				
Amortization.	225	208	573	601
Investment Advisory Fees	70	93	210	223
Fund Management Expenses	47	41	150	129
Interest Expense	159	165	548	342
Amortization of				
Organization Costs.	-	-	-	23
Minority Interest.	14	13	52	36
	<u>1,172</u>	<u>1,177</u>	<u>3,448</u>	<u>2,993</u>
Net Income	<u>\$ 156</u>	<u>\$ 220</u>	<u>\$ 535</u>	<u>\$ 524</u>
Activity per Share				
Net Income	<u>\$ 0.10</u>	<u>\$ 0.15</u>	<u>\$ 0.35</u>	<u>\$ 0.35</u>
Dividends Declared	<u>\$ 0.15</u>	<u>\$ 0.18</u>	<u>\$ 0.45</u>	<u>\$ 0.54</u>

Weighted Average Number

of Shares Outstanding1,541,317 1,513,411 1,525,148 1,502,921

See the accompanying notes to condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

Unaudited

(In thousands except share data)

	Common Stock Shares	Amount	Additional Paid-In Capital	Dividends In Excess Of Net Income	Total
	_____	_____	_____	_____	_____
Balance,					
December 31, 1995	1,527,191	\$ 1	\$ 18,447	\$ (900)	\$17,548
Net Income	-	-	-	535	535
Dividend					
Reinvestments	27,689	-	367	-	367
Share Repurchases	(30,539)	-	(364)	-	(364)
Dividends Declared	-	-	-	(687)	(687)
	_____	_____	_____	_____	_____
Balance,					
September 30, 1996	1,524,341	\$ 1	\$ 18,450	\$(1,052)	\$17,399
	_____	_____	_____	_____	_____

See the accompanying notes to condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited

(In thousands)

	1996	1995
	_____	_____
Cash Flows from Operating Activities		
Net Income	\$ 535	\$ 524
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Depreciation and Amortization	573	601
Amortization of Organization Costs	-	23
Minority Interest's Share of Net Income	52	36
Other Changes in Assets and Liabilities	116	(111)
	_____	_____

Net Cash Provided by		
Operating Activities	1,276	1,073
	<hr/>	<hr/>
Cash Flows Used in Investing Activities		
Investments in Real Estate	(792)	(5,963)
	<hr/>	<hr/>
Cash Flows from Financing Activities		
Dividends Paid	(534)	(868)
Reinvestments in Shares	367	597
Repurchases of Shares	(364)	(159)
Minority Interest Distribution	(47)	(40)
Proceeds of Mortgage Loan	-	5,500
Repayment of Mortgage Loan Principal . .	(293)	(13)
	<hr/>	<hr/>
Net Cash Provided by (Used in)		
Financing Activities	(871)	5,017
	<hr/>	<hr/>
Cash and Cash Equivalents		
Net Increase (Decrease) during Period . .	(387)	127
At Beginning of Year	1,608	1,460
	<hr/>	<hr/>
At End of Period	\$ 1,221	\$ 1,587
	<hr/>	<hr/>
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See the accompanying notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited

The unaudited interim condensed consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented. All such adjustments are of a normal, recurring nature.

The unaudited interim financial information contained in the accompanying condensed consolidated financial statements should be read in conjunction with the financial statements contained in the 1995 Annual Report to Stockholders.

NOTE 1 - TRANSACTIONS WITH RELATED PARTIES AND OTHER

Pursuant to contracts executed in 1991, the Fund pays advisory fees to T. Rowe Price Real Estate Group, Inc. (the "Investment Manager"), an affiliate of the Fund's Sponsor, and LaSalle Advisors Limited Partnership (the "Investment Advisor"). The Investment Manager provides communications, cash management, administrative, and other related services to the Fund for an advisory fee of .45% per year of the fair market value, as defined, of the Fund's assets and earned \$99,000 for the first nine months of 1996. The Investment Advisor provides the Fund with real estate advisory, accounting, and other related services for an advisory fee of .50% per year of the fair market value, as defined, of the Fund's assets and earned \$111,000 for the first nine months of

1996. Recognition of these investment advisory fees is subject to limitations adopted by the Fund pursuant to guidelines promulgated by the North American Securities Administrators Association.

An affiliate of the General Partner earned a normal and customary fee of \$3,000 from the money market mutual funds in which the Partnership made its interim cash investments during the first nine months of 1996.

The Fund also reimburses the Investment Manager and Investment Advisor for certain defined expenses incurred in operating and administering the affairs of the Fund. Expense reimbursements for the Investment Manager and Investment Advisor totaled \$23,000 and \$23,000, respectively, for the first nine months of 1996.

NOTE 2 - PROPERTY HELD FOR SALE

The Fund has entered into a contract with a buyer for the sale of Buckley Square. The sale could settle by the end of the fourth quarter or in early 1997. Proceeds from this property sale will be distributed to Fund shareholders in the amount of any tax-basis gain on disposition. The residual proceeds will be used to repay a significant portion of the Fund's outstanding debt.

NOTE 3 - DIVIDEND DECLARATION

The Fund declared a quarterly cash dividend of \$.15 per share payable to stockholders of record at September 30, 1996. The total dividend payable is \$229,000 and will be paid in November 1996.

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This schedule contains summary financial information extracted from the unaudited condensed consolidated financial statements of T. Rowe Price Renaissance Fund, Ltd., A Sales-Commission-Free Real Estate Investment included in the accompanying Form 10-Q for the period ended September 30, 1996 and is qualified in its entirety by reference to such financial statements.

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<F1>Not contained in registrant's unclassified balance sheet.
<F2>Not reported at interim.
</FN>

