

# SECURITIES AND EXCHANGE COMMISSION

## FORM 10-K/A

Annual report pursuant to section 13 and 15(d) [amend]

Filing Date: **1997-03-10** | Period of Report: **1996-12-31**  
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### FILER

#### **CORNERSTONE PROPERTIES INC**

CIK: **702301** | IRS No.: **742170858** | State of Incorporation: **NV** | Fiscal Year End: **1231**  
Type: **10-K/A** | Act: **34** | File No.: **000-10421** | Film No.: **97553573**  
SIC: **6500** Real estate

Mailing Address  
*C/O DEUTSCHE BANK  
REALTY ADVISORS INC  
31 WEST 52ND STREET  
NEW YORK NY 10019*

Business Address  
*31 W 52ND ST  
STE 1600  
NEW YORK NY 10019  
2124747100*

FORM 10-K/A  
Amendment #1  
Securities and Exchange Commission  
Washington, DC 20549

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the Fiscal Year Ended December 31, 1996

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Transition Period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File Number 0-10421

CORNERSTONE PROPERTIES INC.  
(Exact name of Registrant as specified in its Charter)

Nevada  
(State or other jurisdiction of  
incorporation and organization)

74-2170858  
(IRS Employer  
Identification No.)

126 East 56th Street  
New York, NY 10022  
(Address of principal  
executive offices)

(212) 605-7100  
(Registrant's telephone number,  
including area code)

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

Securities registered pursuant to Section 12(g) of the Act:  
Common Stock  
(Title of Class)

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  No

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 amendments to this Form 10-K.

The registrant hereby amends pages F-4 and F-7 of its Form 10-K, dated February 25, 1997, as set forth in the pages attached hereto.

<TABLE>

CORNERSTONE PROPERTIES INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
FOR THE YEARS ENDED DECEMBER 31, 1996, 1995 AND 1994  
(Dollar amounts in thousands, except per share amounts)

<CAPTION>

	1996	1995	1994
	-----	-----	-----
<S>	<C>	<C>	<C>
Revenues			
Office and parking rentals	\$ 111,494	\$ 88,548	\$ 83,557
Interest and other income	5,414	3,839	2,017
	-----	-----	-----
Total Revenues	116,908	92,387	85,574
	-----	-----	-----
Expenses			
Building operating expenses	24,578	19,233	19,065
Real estate taxes	19,610	12,297	10,926
Interest expense	31,345	29,467	30,792
Depreciation and amortization	24,801	23,877	23,432
General and administrative	6,312	5,553	3,869
	-----	-----	-----
Total Expenses	106,646	90,427	88,084
	-----	-----	-----
	10,262	1,960	(2,510)
	-----	-----	-----
Other income (expenses)			
Net gain (loss) on interest rate swaps (Note 8)	4,278	(7,672)	-
Minority Interest	(1,519)	(3,417)	(3,899)
	-----	-----	-----
Income (loss) before extraordinary item	13,021	(9,129)	(6,409)
Extraordinary loss (Note 4)	(3,925)	(4,445)	(581)
	-----	-----	-----
Net income (loss)	\$ 9,096	\$ (13,574)	\$ (6,990)
	=====	=====	=====
Net income (loss) applicable to common stockholders	\$ 3,943	\$ (15,023)	\$ (6,990)
	=====	=====	=====
Income (loss) before extraordinary item per share (Note 1)	\$ 0.39	\$ (0.67)	\$ (0.48)
	=====	=====	=====
Net income (loss) per share (Note 1)	\$ 0.19	\$ (0.94)	\$ (0.53)
	=====	=====	=====

</TABLE>

The accompanying notes are an integral part of these  
consolidated financial statements

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CORNERSTONE PROPERTIES INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 1996, 1995 AND 1994

1. NATURE OF COMPANY'S BUSINESS  
AND SIGNIFICANT ACCOUNTING POLICIES

Investment Property  
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The costs of the buildings, garages and improvements are being depreciated on the straight-line method over their estimated useful lives, ranging from 20 years for electrical and mechanical installations to 40 years for structural components. Tenant improvements are being amortized over the terms of the related leases.

Cornerstone and the real estate partnerships hold the Properties for long-term investment and such investments are carried at cost less accumulated depreciation. In accordance with SFAS No. 121, whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable (such as a significant adverse action by a regulator or a significant physical change in the property), the Company's policy is to assess any impairment in value by making a comparison of the current and projected cash flows of each property over its remaining useful life (undiscounted and without interest charges), to the carrying amount of each property. Such carrying amount would be adjusted, if necessary, to reflect an impairment in value of the property. No such adjustment has been made in the accompanying financial statements.

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Pursuant to the requirements of Section 13 or 15(d) 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.

CORNERSTONE PROPERTIES INC.  
(Registrant)

/s/ John S. Moody  
John S. Moody, President & CEO

DATED: March 10, 1997