

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: 1995-05-10 | Period of Report: 1995-03-31
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FILER

PS PARTNERS VII LTD

CIK: **781850** | IRS No.: **954018460** | State of Incorpor.: **CA** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **000-15800** | Film No.: **95535917**
SIC: **4210** Trucking & courier services (no air)

Mailing Address
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SUITE 300
GLENDALE CA 91203-1241

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GLENDALE CA 91203-1241
8182448080

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 period ended March 31, 1995

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 [No Fee Required]

For the transition period from _____ to _____

Commission File Number 0-15800

PS PARTNERS VII, LTD., a California Limited Partnership

(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of incorporation or organization)

95-4018460

(I.R.S. Employer Identification Number)

600 North Brand Blvd.
Glendale, California

(Address of principal executive offices)

91203-1241

(Zip Code)

Registrant's telephone number, including area code: (818) 244-8080

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
----- -----

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<TABLE>

<S>

<C>

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PS PARTNERS VII, LTD.,
a California Limited Partnership
CONDENSED CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	March 31, 1995	December 31, 1994
	----- (Unaudited)	-----
ASSETS		
<S>	<C>	<C>
Cash and cash equivalents	\$ 1,780,000	\$ 1,844,000
Rent and other receivables	44,000	43,000
Real estate facilities, at cost:		
Land	18,839,000	18,839,000
Buildings and equipment	50,053,000	50,008,000
	-----	-----
	68,892,000	68,847,000
Less accumulated depreciation	(16,764,000)	(16,222,000)
	-----	-----
	52,128,000	52,625,000
Other assets	118,000	118,000
	-----	-----
	\$ 54,070,000	\$ 54,630,000
	=====	=====

LIABILITIES AND PARTNERS' EQUITY

Accounts payable	\$ 870,000	\$ 960,000
Advance payments from renters	368,000	373,000
Minority interest in general partnerships	21,173,000	21,073,000
Partners' equity:		
Limited partners' equity, \$500 per unit, 150,000 units authorized, 108,831 issued and outstanding	31,272,000	31,831,000
General partners' equity	387,000	393,000
	-----	-----
Total partners' equity	31,659,000	32,224,000
	-----	-----
	\$ 54,070,000	\$ 54,630,000
	=====	=====

</TABLE>

See accompanying notes.

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PS PARTNERS VII, LTD.,
a California Limited Partnership
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

<TABLE>
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	Three Months Ended March 31,	
	1995	1994
<S>	<C>	<C>
REVENUE:		
Rental income	\$ 2,531,000	\$ 2,440,000
Interest income	29,000	16,000
	-----	-----
	2,560,000	2,456,000
	-----	-----
COSTS AND EXPENSES:		
Cost of operations	767,000	706,000
Management fees	150,000	144,000
Depreciation and amortization	542,000	556,000
Administrative	28,000	25,000
	-----	-----
	1,487,000	1,431,000
	-----	-----
Income before minority interest	1,073,000	1,025,000
Minority interest in income	537,000	534,000
	-----	-----
NET INCOME	\$ 536,000	\$ 491,000
	=====	=====
Limited partners' share of net income (\$3.88 per unit in 1995 and \$3.64 per unit in 1994)	\$ 422,000	\$ 396,000
General partners' share of net income	114,000	95,000
	-----	-----
	\$ 536,000	\$ 491,000
	=====	=====

</TABLE>

See accompanying notes.

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PS PARTNERS VII, LTD.,
a California Limited Partnership
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<TABLE>
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	Three Months Ended March 31,	
	1995	1994

<S>	<C>	<C>
Cash flows from operating activities:		
Net income	\$ 536,000	\$ 491,000
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	542,000	556,000
(Increase) decrease in rent and other receivables	(1,000)	7,000
Decrease in other assets	-	42,000
Decrease in accounts payable	(90,000)	(571,000)
(Decrease) increase in advance payments from renters	(5,000)	7,000
Minority interest in income	537,000	534,000
Total adjustments	983,000	575,000
Net cash provided by operating activities	1,519,000	1,066,000
Cash flows from investing activities:		
Proceeds from insurance settlement related to destroyed real estate facility	-	386,000
Additions to real estate facilities	(45,000)	(5,000)
Net cash (used in) provided by investing activities	(45,000)	381,000
Cash flows from financing activities:		
Distributions to holder of minority interest	(437,000)	(415,000)
Distributions to partners	(1,101,000)	(904,000)
Net cash used in financing activities	(1,538,000)	(1,319,000)
Net (decrease) increase in cash and cash equivalents	(64,000)	128,000
Cash and cash equivalents at the beginning of the period	1,844,000	2,675,000
Cash and cash equivalents at the end of the period	\$ 1,780,000	\$ 2,803,000

</TABLE>

See accompanying notes.

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PS PARTNERS VII, LTD.,
a California Limited Partnership
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1995
(UNAUDITED)

- The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although management believes that the disclosures contained herein are adequate to make the information presented not misleading. These unaudited condensed consolidated financial statements should be read in conjunction with the financial statements and related notes appearing in the Partnership's Form 10-K for the year ended December

31, 1994.

2. In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, consisting of only normal accruals, necessary to present fairly the Partnership's financial position at March 31, 1995, the results of operations for the three months ended March 31, 1995 and 1994 and cash flows for the three months then ended.
3. The results of operations for the three months ended March 31, 1995 are not necessarily indicative of the results to be expected for the full year.

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PS PARTNERS VII, LTD.,
a California Limited Partnership
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations:

THREE MONTHS ENDED MARCH 31, 1995 COMPARED TO THREE MONTHS ENDED MARCH 31, 1994:

The Partnership's net income for the three months ended March 31, 1995 was \$536,000 compared to \$491,000 for the three months ended March 31, 1994, representing an increase of \$45,000. This increase was primarily due to increased operating results at the Partnership's facilities combined with decreases in depreciation expense partially offset by increased minority interest in income for those properties held in joint venture with Storage Equities, Inc. ("SEI").

Rental income was \$2,531,000 compared to \$2,440,000 for the three months ended March 31, 1995 and 1994, respectively, representing an increase of \$91,000, or 4%. This increase was the result of increased average realized rental rates at both the Partnership's mini-warehouse and business park facilities. The weighted average occupancy levels at the mini-warehouse and business park facilities were 87% and 97%, respectively, for the three months ended March 31, 1995 compared to 88% and 99% respectively, for the three months ended March 31, 1994. The monthly average realized rent per square foot for the mini-warehouse and business park facilities was \$.59 and \$.48, respectively, for the three months ended March 31, 1995 and \$.58 and \$.45, respectively, for the three months ended March 31, 1994.

Cost of operations (including management fees) were \$917,000 and \$850,000 for the three months ended March 31, 1995 and 1994, respectively, representing an increase of \$67,000. This increase was primarily attributable to an increase in property taxes, repairs and maintenance and payroll expenses.

Minority interest in income increased \$3,000 to \$537,000 from \$534,000 for the three months ended March 31, 1995 and 1994, respectively. This increase was primarily attributable to increased operations at the Partnership's real estate facilities for those properties owned jointly with SEI.

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PS PARTNERS VII, LTD.,
a California Limited Partnership
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(Continued)

The Partnership has adequate sources of cash to finance its operations, both on a short-term and long-term basis, primarily from internally generated cash from property operations and cash reserves. Cash generated from operations (\$1,519,000 for the three months ended March 31, 1995) has been sufficient to meet all current obligations of the Partnership.

During 1995, the Partnership anticipates approximately \$378,000 of capital improvements (of which \$142,000 represents SEI's joint venture share). Total capital improvements were \$45,000 for the three months ended March 31, 1995 of which \$15,000 represents the Partnership's share.

The Partnership paid distributions to the limited and general partners totaling \$981,000 (\$9.01 per unit) and \$120,000, respectively, during the first three months of 1995. Future distribution rates may be adjusted to levels which are supported by operating cash flow after capital improvements and any other necessary obligations.

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PART II. OTHER INFORMATION

ITEMS 1 through 5 are not applicable.

Item 6 Exhibits and Reports on Form 8-K

(a) The following Exhibits are included herein:

(27) Financial Data Schedule

(b) Form 8-K

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.

DATED: May 10, 1995

PS PARTNERS VII, LTD., a
California Limited Partnership

BY: Storage Equities, Inc.
General Partner

BY: /s/ Ronald L. Havner

Ronald L. Havner, Jr.
Vice President - Storage Equities, Inc.
(principal financial and accounting
officer)

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