

MOTIVE INC
Form 4
October 05, 2005

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MEREDITH THOMAS J

(Last) (First) (Middle)

12515 RESEARCH
BLVD., BUILDING 5

(Street)

AUSTIN, TX 78759

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
MOTIVE INC [MOTV]

3. Date of Earliest Transaction
(Month/Day/Year)
10/03/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Beneficial Ownership (Instr. 4)
				(A) or (D)	Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Underlying Securities
---------------------------------	---------------------------	--------------------------------------	-----------------------------------	---------------------	-------------------------	--	---	-----------------------------------

Edgar Filing: MOTIVE INC - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)							(Instr. 8)
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option (right to buy)	\$ 6.29	10/03/2005	A		451		<u>(1)</u>	10/02/2012	Common Stock	451	\$

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MEREDITH THOMAS J 12515 RESEARCH BLVD. BUILDING 5 AUSTIN, TX 78759	X			

Signatures

/s/ James Wesley Jones, Attorney
In Fact
Date: 10/05/2005

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) 25% of the shares become vested and exercisable on 01/03/2006 and the remaining vest in equal quarterly installments over the following nine months.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. on a straight-line basis over the initial terms of the related leases. Tenant reimbursements are recognized in the period that the related costs are incurred. The Property accounts for these leases as operating leases as it has retained substantially all risks and benefits of property ownership. Percentage rent is recognized when the tenant's reported sales have reached certain levels specified in the respective lease. Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The accompanying financial statement for the nine-month period ended September 30, 2005 is unaudited; however, it has been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and in conjunction with the rules and regulations of the U.S. Securities and Exchange Commission. Accordingly, it does not include all of the disclosures required by accounting principles generally

accepted in the United States of America for complete financial statements. In the opinion of management of the Property, all adjustments (consisting solely of normal recurring matters) necessary for a fair presentation for the interim period have been included. The results for the interim period ended September 30, 2005, are not necessarily indicative of the results that may be expected for the full year. 13 NOTE 3. LEASING ACTIVITIES The Property has non-cancelable operating leases with tenants requiring monthly payments of specified minimum rent. The leases generally provide for minimum rentals, plus percentage rentals based upon the retail stores' sales volume. A majority of the leases require reimbursement by the tenant of their proportionate share of real estate taxes and common area expenses. The minimum future rentals below do not include amounts which may be received under tenants' leases from percentage rents, which are based on tenant sales, or other charges to cover certain operating costs. Future minimum rental commitments under the non-cancelable operating leases at December 31, 2004 are as follows (in thousands): Year Ending December 31: 2005 \$17,231 2006 16,425 2007 15,155 2008 13,121 2009 10,067 Thereafter 30,016 ----- Total \$ 102,015 ===== NOTE 4. SUBSEQUENT EVENT On November 16, 2005, the Property was sold to affiliates of CBL & Associates Properties, Inc. for \$392,000,000. 14 Pro Forma Financial Information The following unaudited pro forma consolidated financial statements are based on the historical consolidated financial statements of CBL & Associates Properties, Inc. (the "Company"), Lafayette Associates, L.L.C. (d/b/a The Mall of Acadiana) and Oak Park Investments, L.P., and certain other properties that were acquired during the year ended December 31, 2005, consolidated and adjusted to give effect to the acquisitions as described in Item 9.01 of this Current Report on Form 8-K. These statements should be read in conjunction with the audited historical financial statements and notes thereto of the Company for the year ended December 31, 2004, which are included in the Company's Annual Report on Form 10-K, as amended, for the year ended December 31, 2004. These statements should also be read in conjunction with the Company's Current Report on Form 8-K dated January 10, 2006, which was filed to update certain items in the Company's Annual Report on Form 10-K, as amended, for the year ended December 31, 2004 to reflect the application of the requirements of Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" and the effects of the Company's stock split that occurred in June 2005. These statements should also be read in conjunction with the historical financial statements of Lafayette Associates, L.L.C. (d/b/a The Mall of Acadiana) and Oak Park Investments, L.P. included elsewhere in this Form 8-K. The unaudited pro forma consolidated statements of operations for the year ended December 31, 2004 and the nine months ended September 30, 2005, present the results for the Company and the acquired properties as if the acquisitions had occurred on January 1, 2004. The accompanying unaudited pro forma consolidated balance sheet as of September 30, 2005, gives effect to the acquisitions that occurred subsequent to that date as if they had occurred on September 30, 2005. The Company's actual consolidated financial statements will reflect the effects of the acquisitions on and after the applicable closing dates rather than the dates indicated above. The unaudited pro forma consolidated financial statements neither purport to represent what the consolidated results of operations or financial condition actually would have been had the acquisitions in fact occurred on the assumed date, nor do they purport to project the consolidated results of operations and financial position for any future period. The acquisitions, with the exception of the Triangle joint venture, will be accounted for by the purchase method and, therefore, assets and liabilities of the properties will be recorded based on their estimated fair values. The Triangle joint venture will be accounted for using the equity method of accounting. 15 CBL & Associates Properties, Inc. Pro Forma Consolidated Statements of Operations For The Year Ended December 31, 2004 (Unaudited and in thousands, except per share amounts) Mall of Acadiana CBL and Oak Other Pro Forma CBL Historical Park Mall Acquisitions(a) Adjustments Pro Forma -----
----- REVENUES: Minimum rents \$ 476,578 \$ 27,648 \$ 23,774 \$ 3,612(b) \$ 531,612 Percentage rents 15,948
1,535 1,092 - 18,575 Other rents 16,102 766 2,005 - 18,873 Tenant reimbursements 218,736 13,228 10,765 - 242,729
Management, development and leasing fees 9,791 - - 9,791 Other 20,098 161 141 - 20,400 -----
----- Total revenues 757,253 43,338 37,777 3,612 841,980 -----
----- EXPENSES: Property operating 115,173 4,620 7,202 - 126,995 Depreciation and
amortization 142,043 - - 36,788(c) 178,831 Real estate taxes 58,081 2,935 2,682 - 63,698 Maintenance and repairs
43,531 4,365 2,899 - 50,795 General and administrative 35,338 - - 35,338 Loss on impairment of real estate assets
3,080 - - 3,080 Other 16,373 - - 16,373 ----- Total expenses
413,619 11,920 12,783 36,788 475,110 ----- Income from operations
343,634 31,418 24,994 (33,176) 366,870 Interest income 3,355 - - 3,355 Interest expense (177,219) - - (34,775)(d)

Edgar Filing: MOTIVE INC - Form 4

(211,994) Gain on sales of real estate assets 29,272 - - - 29,272 Equity in earnings of unconsolidated affiliates 10,308 - 5,498 (11,068)(e) 4,738 Minority interest in earnings: Operating partnership (85,186) - - 6,647(f) (78,539) Shopping center properties (5,365) - - - (5,365) ----- Income from continuing operations 118,799 31,418 30,492 (72,372) 108,337 Preferred dividends (18,309) - - - (18,309) -----
----- Income from continuing operations available to common shareholders \$ 100,490 \$ 31,418 \$ 30,492 \$(72,372) \$ 90,028 =====
===== Basic per share data: Income from continuing operations available to common shareholders \$ 1.63 \$ 1.46 =====
===== Weighted average common shares outstanding 61,602 61,602 Diluted per share data: Income from continuing operations available to common shareholders \$ 1.57 \$ 1.41 =====
===== Weighted average common and potential dilutive common shares outstanding 64,004 64,004 (a) Other Acquisitions includes Laurel Park Place, Layton Hills Mall, Eastland Mall, Hickory Point Mall and the Company's equity investment in Triangle Town Center, Triangle Town Commons and Triangle Town Place. (b) Reflects the amortization of acquired above- and below-market leases. (c) Represents depreciation and amortization expense related to buildings and improvements, tenant improvements, in-place leases and tenant relationship of the acquired properties. (d) Reflects interest expense on the \$823,928 of debt assumed or borrowed (including debt premiums resulting from purchase accounting adjustments) in connection with the properties acquired during 2005, which had a weighted average interest rate of 5.32%. This amount includes the cash portion of the purchase price of each property acquired totaling \$291,622, which is assumed to have been borrowed at the Company's borrowing rate under its lines of credit. (e) Reflects the Company's share of the depreciation and amortization expense related to buildings and improvements and the interest expense related to the Company's 50/50 joint venture that owns Triangle Town Center, Triangle Town Commons and Triangle Town Place, which is accounted for using the equity method of accounting. (f) Reflects the allocation of earnings to the minority interest in the Operating Partnership as a result of the acquired properties. 16 CBL & Associates Properties, Inc. Pro Forma Consolidated Statements of Operations For The Nine Months Ended September 30, 2005 (Unaudited and in thousands, except per share amounts) Mall of Acadiana CBL and Oak Other Pro Forma CBL Historical Park Mall Acquisitions(a) Adjustments Pro Forma -----
----- REVENUES: Minimum rents \$ 394,485 \$ 18,331 \$ 15,746 \$ 2,381(b) \$ 430,943 Percentage rents 12,972 630 841 - 14,443 Other rents 8,320 579 963 - 9,862 Tenant reimbursements 184,598 9,329 6,636 - 200,563 Management, development and leasing fees 17,927 - - - 17,927 Other 15,768 223 76 - 16,067 -----
----- Total revenues 634,070 29,092 24,262 2,381 689,805 -----
----- EXPENSES: Property operating 95,539 3,119 4,118 - 102,776 Depreciation and amortization 130,663 - - 23,712(c) 154,375 Real estate taxes 47,626 2,297 2,171 - 52,094 Maintenance and repairs 36,673 3,076 1,812 - 41,561 General and administrative 28,641 - - - 28,641 Loss on impairment of real estate assets 262 - - - 262 Other 10,256 - - - 10,256 -----
----- Total expenses 349,660 8,492 8,101 23,712 389,965 -----
Income from operations 284,410 20,600 16,161 (21,331) 299,840 Interest income 6,214 - - - 6,214 Interest expense (151,822) - - (28,268)(d) (180,090) Loss on extinguishment of debt (928) - - - (928) Gain on sales of real estate assets 53,581 - - - 53,581 Gain on sales of real estate assets 21,619 - - - 21,619 Equity in earnings of unconsolidated affiliates 6,769 - 5,197 (8,321)(e) 3,645 Minority interest in earnings: Operating partnership (87,176) - - 5,919(f) (81,257) Shopping center properties (3,661) - - - (3,661) ----- Income from continuing operations 129,006 20,600 21,358 (52,001) 118,963 Preferred dividends (22,926) - - - (22,926) -----
----- Income from continuing operations available to common shareholders \$ 106,080 \$ 20,600 \$ 21,358 \$(52,001) \$ 96,037 =====
===== Basic per share data: Income from continuing operations available to common shareholders \$ 1.69 \$ 1.53 =====
===== Weighted average common shares outstanding 62,693 62,693 Diluted per share data: Income from continuing operations available to common shareholders \$ 1.63 \$ 1.48 =====
===== Weighted average common and potential dilutive common shares outstanding 64,973 64,973 (a) Other Acquisitions includes Laurel Park Place, Layton Hills Mall, Eastland Mall, Hickory Point Mall and the Company's equity investment in Triangle Town Center, Triangle Town Commons and Triangle Town Place. (b) Reflects the amortization of acquired above- and below-market leases. (c) Represents depreciation and amortization expense related to buildings and improvements, tenant improvements and in-place leases of the acquired properties. (d) Reflects interest expense on the \$823,928 of debt assumed or borrowed (including debt premiums

resulting from purchase accounting adjustments) in connection with the properties acquired during 2005, which had a weighted average interest rate of 5.32%. This amount includes the cash portion of the purchase price of each property acquired totaling \$291,622, which is assumed to have been borrowed at the Company's borrowing rate under its lines of credit. (e) Reflects the Company's share of the depreciation and amortization expense related to buildings and improvements and the interest expense related to the Company's 50/50 joint venture that owns Triangle Town Center, Triangle Town Commons and Triangle Town Place, which is accounted for using the equity method of accounting. (f) Reflects the allocation of earnings to the minority interest in the Operating Partnership as a result of the issuance of limited partner interests as part of the purchase price consideration. 17 CBL & Associates Properties, Inc. Pro Forma Consolidated Balance Sheet September 30, 2005 (in thousands, except share amounts) CBL Pro-forma CBL Historical Adjustments Pro Forma ----- ASSETS Real estate assets: Land \$ 702,250 \$

62,820(a)	\$ 765,070	Buildings and improvements	5,066,292	513,984(a)	5,580,276	-----
-----	5,768,542	576,804	6,345,346	Less: accumulated depreciation	(683,390) - (683,390)	-----
-----	5,085,152	576,804	5,661,956	Developments in progress	216,318 - 216,318	-----
-----	-----	Net investment in real estate	5,301,470	576,804	5,878,274	Cash, restricted cash and cash equivalents
36,802	- 36,802	Receivables: Tenant, net of allowance	41,232	- 41,232	Other	3,915 - 3,915
Mortgage notes receivable	18,104 - 18,104	Investment in unconsolidated affiliates	80,059	1,560(b)	81,619	Other assets
90,322(a)	230,829	-----	\$ 5,622,089	\$ 668,686	\$ 6,290,775	=====
=====	=====	LIABILITIES AND SHAREHOLDERS' EQUITY	Mortgage and other notes payable	\$ 3,664,086	\$ 584,698(c)	\$ 4,248,784
Accounts payable and accrued liabilities	247,273	38,019(a)	285,292	-----	Total liabilities	3,911,359
622,717	4,534,076	-----	Commitments and contingencies	Minority interests	606,179	27,818(d)
633,997	-----	Shareholders' equity: Preferred Stock, \$.01 par value, 15,000,000 shares authorized: 8.75% Series B cumulative redeemable preferred stock, 2,000,000 shares outstanding	20	- 20	7.75% Series C cumulative redeemable preferred stock, 460,000 shares outstanding	5 - 5
7.375% Series D cumulative redeemable preferred stock, 700,000 shares outstanding	7 - 7	Common Stock, \$.01 par value, 95,000,000 shares authorized, 63,557,518 issued and outstanding	636	- 636	Additional paid-in capital	1,052,988
18,151(d)	1,071,139	Deferred compensation	(9,691) - (9,691)	Other comprehensive income	310 - 310	Retained earnings
60,276	- 60,276	-----	Total shareholders' equity	1,104,551	18,151	1,122,702
-----	\$ 5,622,089	\$ 668,686	\$ 6,290,775	=====	=====	=====

(a) Represents the allocation of the purchase price of Layton Hills Mall, Oak Park Mall, Eastland Mall and Hickory Point Mall to the assets acquired and liabilities assumed. Tangible and intangible assets/liabilities (and the related weighted average depreciable life) include land, buildings (40 years), site improvements (10 years), tenant improvements (10 years), above and below market leases (15 years), in-place leases (10 years) and tenant relationship (40 years). The purchase price allocations for Laurel Park Place and The Mall of Acadiana are not included in the pro forma adjustments as these properties were acquired prior to September 30, 2005, and are included in the CBL Historical amounts. (b) Represents the Company's investment in Triangle Town Center, Triangle Town Commons and Triangle Town Place, which are owned in a joint venture accounted for using the equity method. (c) Represents debt of \$471,100 assumed or incurred in connection with the acquisitions of Layton Hills Mall, Oak Park Mall, Eastland Mall and Hickory Point Mall plus the aggregate cash of \$113,589 paid in connection with these acquisitions and the investment in the Triangle properties, which is assumed to have been borrowed under the Company's lines of credit. (d) Represents the value of \$45,969 attributable to the 1,144,924 K-SCUs issued as part of the consideration to acquire Oak Park Mall and Eastland Mall. This amount is offset by a reclassification of \$18,151 to additional paid-in capital resulting from an allocation made between shareholders' equity and minority interest in the operating partnership to reflect the change in ownership of the operating partnership's underlying equity as a result of the change in the number of operating partnership units outstanding.