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Ms. Susan M. Cosper
Technical Director
File Reference No: EITF-15F, Issue 6: Distributions Received from Equity Method Investees
Financial Accounting Standards Board
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Regency Centers Corporation ("Regency", "we", "our", or the "Company") is pleased to respond to the FASB Emerging Issues Task Force consensus exposure draft on the Classification of Certain Cash Receipts and Cash Payments. While the proposal addresses eight specific cash flow issues, our response is limited to Issue 6: Distributions Received from Equity Method Investees.

Regency is a publicly-traded real estate investment trust ("REIT") and currently owns direct or partial interests in 318 shopping centers, the majority of which are grocery-anchored community and neighborhood centers. Our centers are located in the top markets of 27 states and the District of Columbia, and contain 38.0 million square feet of gross leasable area ("GLA"). Our pro-rata share of this GLA is 28.4 million square feet. All of our operating, investing, and financing activities are performed through our operating partnership (Regency Centers, LP), its wholly-owned subsidiaries, and through its investment partnerships.

Our investment partnerships are significant to our business with approximately one-third of our properties owned through these partnerships. A large number of our investment partnerships are with institutional investors including state funds and insurance companies, which own the controlling interests in the partnerships. Regency manages all of its investment partnerships, including the properties and their books and records. These partnerships pay monthly or quarterly distributions from operating cash flows, which is generally determined per the operating agreements based on net income before depreciation and amortization, less capital reserves and debt service requirements.

The majority of our investment partnerships are accounted for under the equity method of accounting. Regency recognizes cash distributions from these equity method partnerships using the "look-through" method to recognize distributions based on their underlying nature. Distributions from sales of real estate and debt financing proceeds are considered investing cash flows as they represent a return of our investment in the properties. Remaining cash flow distributions are generally considered operating.
Adopting the proposal as written would result in an artificial deflation of the operating cash flows generated from Regency's portfolio of properties. Operating cash flows are a measure of a company's ability to fund its dividends. Regency utilizes operating cash flows from both its wholly owned properties and its properties owned through investment partnerships to pay dividends. To ignore the impact of non-cash charges for depreciation and amortization from cumulative earnings of equity method investees would misrepresent the amount of cash received as distributions attributable to operations for our Company as a whole.

Regency recognizes that not all equity method investors have the ability to look-through to the underlying nature of the distributions received from equity method investees. If the look-through method is not an option, we believe an acceptable alternative would be to evaluate distributions received as compared to cumulative earnings before depreciation, amortization and gains on sale of real estate, recognizing as investing activities only those distributions in excess of cumulative earnings before depreciation, amortization and gains on sale of real estate generated from the investment partnership. This would provide more meaningful information to users of financial statements to evaluate the operating cash flows of an entity.

To the extent the proposal is adopted without modification, additional guidance on transitioning to this method would be beneficial for preparers of financial statements as it relates to "cumulative earnings." Regency recommends the staff provide additional guidance as to whether preparers must identify cumulative earnings since inception of the equity method investment, as such information may be difficult to obtain, or whether preparers may begin cumulating earnings and distributions as of the earliest period presented.

In conclusion, Regency appreciates the FASB staff's effort to provide clarification on this matter. We respectfully ask the staff to consider providing preparers the option of using the "look-through" method, if that information is available, and to disclose their policy.

We would be pleased to discuss our comments with the FASB staff. Please direct questions to Joanne Mondares at (904) 598-7343 or Chris Leavitt at (904) 598-7608.

Sincerely,

Joanne Mondares
Director - SEC Reporting & Policies