

Ridge Thomas J
Form 4
January 05, 2009

FORM 4

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

OMB APPROVAL

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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 *
Ridge Thomas J

2. Issuer Name and Ticker or Trading Symbol
HERSHEY CO [HSY]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
100 CRYSTAL A DRIVE
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
01/01/2009

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

HERSHEY, PA 17033
(City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
X 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 Ownership (Instr. 4)
Common Stock	01/01/2009		A	V	861.326 A \$ 0	6,645.669	D ⁽¹⁾

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)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

Ridge Thomas J
 100 CRYSTAL A DRIVE
 HERSHEY, PA 17033

Signatures

Bonnie Martin, as Attorney-in-Fact for Thomas J. Ridge
 01/05/2009
 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) The total amount of securities reported as directly owned in Column 5 includes 43,737 shares acquired on December 15, 2008, pursuant to the Company's Dividend Reinvestment Plan.
- 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.
- u Portfolio consists of 95 manufactured home communities containing approximately 16,600 developed sites located in New Jersey, New York, Ohio, Pennsylvania, Tennessee, Indiana and Michigan.
 - u UMH rents homes to residents and currently has over 2,900 rental units. UMH anticipates adding 700 new rental homes per year with an investment of \$28.0mm in rental homes which will yield \$5.6mm in gross revenue annually.
 - u With 2,800 acres in existing communities, UMH benefits from significant exposure to the Marcellus and Utica Shale Regions.
 - u The Company also sells homes to qualified residents through its wholly-owned taxable REIT subsidiary (UMH Sales and Finance, Inc.). The Company has sold approximately 3,000 homes since 1995.
 - u In addition, the Company has \$63.3mm of real estate securities and \$19.2mm of loan receivables in its asset portfolio as of June 30, 2015.
 - u Manufactured home communities provide high profit margins, recession resistant qualities and stable income streams. Additionally, the high-barrier to entry nature of manufactured home communities enhance the

potential for long-term appreciation in value.

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Financial Information as of 6/30/15.

Property information reflects 3 acquisitions completed on 8/19/15.

1968:

UMH commences
operations

1985:

UMH completes Initial Public
Offering

2012

1985

1990

1968

1995

2000

2005

2010

April 1, 2006:

Corporate name
changes from United
Mobile Homes, Inc. to
UMH Properties, Inc.
to more accurately
convey the quality of
the Company's
communities.

June 29, 2009:

Addition of UMH
Properties, Inc. to
Russell 2000 Index

January 1, 2001:

REIT Modernization Act
becomes effective.
Legislation enables REITs
to engage in sales activities.

January 1, 1992:

UMH elects REIT
status.

April 1, 2001:

UMH Sales & Finance, Inc.
commences operations.

September 7, 2008:

Fannie Mae and Freddie
Mac placed into
conservatorship. UMH
anticipates that going
forward households will
need to make more
sustainable housing
decisions.

March 2, 2012:

UMH Properties, Inc.
moves common and

preferred stock listings
from NYSE: Amex to
NYSE
1970
1980
2015
2015
2015

Extensive Operating History

- 6 -

1995:

Sam Landy becomes President and
CEO of UMH.

2013

2013-2014:

UMH increases
purchase of rental
homes adding a
total of 1,500 rental
units, including
those acquired with
acquisitions.

2014

The Cyclicalality of Housing
Favorable US Housing Trends

- 7 -

u UMH is well positioned to participate in the ongoing recovery of the US housing market

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Portfolio Snapshot

West Virginia

Delaware

Virginia

Rhode Island

Connecticut

Massachusetts

New Hampshire

Vermont

North Carolina

Louisiana

Nebraska

Texas

Florida

Kansas

Oklahoma

Minnesota

Tennessee

Alabama

Arkansas

Georgia

Iowa

Illinois

Indiana

Kentucky

Missouri

Mississippi

North Dakota

South Carolina

South Dakota

Wisconsin

Maine

Acquired prior to 2012 40

Acquired in 2015 7

Acquired in 2012 17

Acquired in 2013 17

Portfolio Statistics

Total Communities 95

Developed Home Sites 16,600

States 7

Portfolio Occupancy 81.3%

Average Monthly Site Rent \$402

Home Rentals as % of Sites 18.8%

Home Rental Occupancy 95%

Annual Turnover Approx. 12%

Additional Land to Be Developed (Acreage) Approx. 1,200

Gross Asset Value (\$mm) \$614

Gross Real Estate Book Value (\$mm) \$480

Mortgage debt/

Gross Real Estate Book Value (\$mm) 46.7%

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Financial Information as of 6/30/15. Property information reflects 3 acquisitions on 8/19/15.

1 Gross asset value based on the book value of total real estate and other assets as of 6/30/15 plus accumulated depreciation.

2 Gross real estate book value is based on the book value of total real estate assets as of 6/30/15 plus accumulated depreciation.

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Acquired in 2014 14

Total 95 16,600

Sites

Communities

8,900

1,700

2,900

1,600

1,500

Portfolio Capacity by State

- 9 -

Capacity

	Communities		Developed Sites		Avg. Occup.(1)	Avg. Monthly Rent (\$)
	No.	%	No.	%		
PA	42	44.2%	6,528	39.4%	79.8%	\$409
OH	25	26.3%	3,627	21.9%	78.2%	\$321
TN	7	7.4%	1,822	11.0%	83.1%	\$407
NY	7	7.4%	1,132	6.8%	79.6%	\$466
IN	6	6.3%	1,396	8.4%	81.9%	\$381
NJ	4	4.2%	1,006	6.1%	95.3%	\$570
MI	1	1.1%	143	0.9%	73.4%	\$386
Total (2)	92	96.8%	15,654	94.6%	82.0%	\$400
Acquisitions (3)	3	3.2%	897	5.4%	69.2%	\$443
Grand Total	95	100%	16,551	100%	81.3%	\$402

(1) Excludes community in Memphis, TN which was closed in 2011 due to an unusual flood.

(2) Information as of 6/30/15.

(3) Acquisition of 3 communities in Ohio and Michigan completed on 8/19/15.

Historical Occupancy

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Information as of period ending dates and updated as of June 30, 2015.

Same Property Occupancy

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*Excludes Memphis Mobile City.

**Reflects all communities in place as of April 1, 2013.

Information as of period ending dates and updated as of June 30, 2015.

- u The Marcellus and Utica Shale Regions are large natural gas fields located beneath much of Pennsylvania, Ohio, West Virginia and New York
 - u Fields have the potential to be among the largest sources of natural gas in the world
 - u Activity surrounding the development of the shale regions is expected to accelerate over the next few years
- u Economies in the shale region are expected to benefit from increased employment, wealth of landowners and state and local tax revenues.
- u UMH is already seeing increased demand for residential units in the region as a result of Marcellus and Utica Shale related activity. Demand for rental homes has increased substantially over the past year. UMH added 900 rental homes, including those acquired with acquisitions, in 2014 to satisfy demand.
- u With over 2,800 acres in existing communities, UMH benefits from significant exposure to the Marcellus and Utica Shale Regions.
 - Existing Home Communities
 - Home Community [62]
 - Shale region

Source: Wall Street research. Property information reflects 3 acquisitions completed on 8/19/15 .

Total Acreage
Marcellus & Utica Shale Region Exposure
- 13 -
Total - 4,800 Acres
Total Sites [approx. 10,100]

UMH Historical Portfolio Growth

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u Since 2010, UMH's portfolio of developed sites has grown by 106%

88

Information as of period ending dates and updated to include 3 acquisitions completed on August 19, 2015.

UMH Historical Rental Unit Growth

- 15 -

Information as of period ending dates and updated as of June 30, 2015.

Potential for Significant Rental Unit Returns

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Historical
Investments
(\$
in
MM
except
per
unit
data)

	2010	2011	2012	2013	2014	6/30/15
Rental Units	800	900	1,100	1,700	2,600	2,900
Investment	\$23.1	\$26.6	\$37.8	\$61.7	\$91.7	\$107.0
Average Investment Per Unit	\$28,885	\$29,567	\$34,389	\$36,322	\$35,277	\$36,897
Average Monthly Rent per Unit	\$615	\$615	\$634	\$664	\$704	\$739
End of Period Occupancy	87.9%	84.7%	92.2%	89.5%	91.5%	95.0%

Illustrative Rental
Unit Economics -
700 New Units per
Year

	Year 1	Year 2	Year 3	Year 4	Year 5
Rental Units	700	1,400	2,100	2,800	3,500
Cost per Unit	\$40,000	\$42,000	\$44,100	\$46,305	\$48,620
(1) Average Monthly Rent per Unit	\$700	\$714	\$728	\$743	\$758
(2) Total Investment (\$MM)	\$28.0	\$57.4	\$88.3	\$120.7	\$154.7

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Rental
Revenue
from \$5.3 \$10.8 \$16.5 \$22.5 \$28.6
Units
(2)

Net
Contribution
from New \$4.2 \$8.6 \$13.2 \$18.0 \$22.9
Rental
Units
Assumed
Interest (0.7) (1.4) (2.2) (3.0) (3.9)
Expense
Incremental
FFO \$3.5 \$7.2 \$11.0 \$15.0 \$19.0

Gross
Unlevered 15.1% 15.0% 15.0% 14.9% 14.8%
Return on
Investment
Illustrative
Levered 25.2% 25.1% 24.9% 24.8% 24.6%
Return
(4)

(1) Assumes
5% annual
construction
cost
inflation

(2) Assumes
90%
occupancy
and 2%
annual
rent
growth

(3) Assumes
20%
of
revenues

(4) Assumes
50%
leverage
with 5%
weighted
average
cost of
debt

Pace of Opportunistic Acquisitions

- 17 -

Average Price Per Site

Acquisition Volume

Number of Acquired Sites

YTD 2015 reflects 3 acquisitions completed on 8/19/15.

Vacant Land to Expand

- u UMH has over 1,209 vacant acres available for future development.
- u Potential for 4 sites per vacant acre at an estimated cost of \$40,000 per site.

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Sites Planned for Expansion

Total - 1,235 sites

28%

8%

21%

13%

4%

26%

Information reflects the 3 acquisitions completed on 8/19/15.

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- u Commenced operations in 2001 as a taxable REIT subsidiary
- u Conducts sales and financing of manufactured homes in its communities
- u Focus on increasing occupancy and enhancing the value of communities
- u Sales price per unit was approximately \$54k over the past twelve months
- u Sales reached a record of \$15.8mm in 2006 prior to the housing downturn

UMH Sales & Finance, Inc. ("S&F")

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Information as of 6/30/15.

- u Historically, UMH provided financing to qualified buyers of its manufactured homes
- u Due to regulatory issues, commencing in 2014, all new loans are currently being financed by 21st Mortgage Corporation, a division of Berkshire Hathaway
- u \$19.2mm loan portfolio with a weighted average interest rate of approximately 9.7%
- u Portfolio comprised of approximately 662 homes located throughout 53 communities
- u Most loans require a 10% down payment and 15 year principal amortization
- u Portfolio generates approximately \$4.1mm in principal and interest payments annually

Loan Portfolio Overview

(\$US in millions)

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Information as of 6/30/15.

- u Total value of \$63.3mm as of 6/30/15
- u UMH's REIT securities portfolio provides attractive yields (currently 7.0%), diversification and additional liquidity
 - u Securities portfolio represents approximately 10% of total undepreciated assets
 - u \$20.0mm of securities portfolio is invested in the common stock of affiliate Monmouth Real Estate Investment Corporation ("MNR") with an unrealized gain of \$2.8 million as of 6/30/15

Financial Information as of 6/30/15.

Securities by Industry

REIT Securities Portfolio Overview

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Core Funds from Operations1 (\$mm)
Total Gross Assets (\$mm)
Normalized Funds from Operations2 (\$mm)
Revenue and Other Income (\$mm)
Rental revenue
Sales
Summary Historical Performance
- 22 -
Interest/Dividend Income
FFO
\$77.6

Financial Information as of 6/30/15.

1. We define Core Funds From Operations (Core FFO) as FFO plus acquisitions costs and cost of early extinguishment of debt.
2. We define Normalized Funds from Operations (Normalized FFO) as Core FFO excluding gains and losses realized on securities investments and certain one-time charges.

\$0.61
\$0.55
\$0.26
\$0.25
\$0.25
\$0.20
\$0.48
\$0.39
\$0.36
\$0.45

Summary Capitalization

- 23 -

- 1 Excludes impact of \$32.5m of acquisitions and \$43.1m of financings announced on August 20, 2015, and approximately \$30 million of financings announced on October 2, 2015. Also excludes impact of preferred offering.
 - 2 Calculated using H1 2015 Annualized EBITDA.
-

Net Debt / Total Market Capitalization

Net Debt - Securities / Total Market Capitalization

1 Fixed charges include interest expense, capitalized interest and preferred distributions

Balance Sheet Metrics

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Financial Information as of 6/30/15.

Mortgage Debt Maturity Schedule (\$US in millions)

- u Weighted average mortgage debt maturity is 6.2 years
 - u Weighted average interest rate is 4.6%
- u Fixed rate mortgage debt is 99.6% of total mortgage debt
 - u Mortgage debt as a percentage of total debt is 77.5%
- u Completed the financing of ten manufactured home communities through Wells Fargo Bank, N. A. for total proceeds of approximately \$57.7 million. These mortgage loans have 10-year maturities with a weighted-average interest rate of 3.87%.

Financial Information as of 6/30/15.

Limited Mortgage Debt Maturities

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