KIMSOUTH REALTY INC
Form SC 13D/A
November 25, 2002

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 11)

KIMSOUTH REALTY INC.
(formerly known as Konover Property Trust, Inc.)
(Name of Issuer)

COMMON STOCK, PAR VALUE $0.01 PER SHARE
(Title of Class of Securities)
301953 10 5
(CUSIP Number)

MARJORIE L. REIFENBERG, ESQ.
LAZARD FRERES REAL ESTATE INVESTORS L.L.C.
30 ROCKEFELLER PLAZA
NEW YORK, NY 10020
(212) 632-6000

WITH A COPY TO:

TOBY S. MYERSON, ESQ.
PAUL, WEISS, RIFKIND, WHARTON & GARRISON
1285 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10019-6064
(212) 373-3000

(Name, Address and Telephone Number of Person Authorized to Receive
Notices and Communications)

November 22, 2002
(Date of Event which Requires Filing
of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 1(f) or 1(g), check the following box [_]

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed

to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Prometheus Southeast Retail Trust			
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a)	[_]
			(b)	[X]
3	SEC USE ONLY			
4	SOURCE OF FUNDS AF			
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)			[_]
6	CITIZENSHIP OR PLACE OF ORGANIZATION Maryland			
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		7	SOLE VOTING POWER None	
		8	SHARED VOTING POWER 21,116,422	
		9	SOLE DISPOSITIVE POWER None	
		10	SHARED DISPOSITIVE POWER 21,116,422	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 21,116,422			
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES			[_]

13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 55.5%		
14	TYPE OF REPORTING PERSON 00 (real estate investment trust)		

3

1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Prometheus Southeast Retail L.L.C.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)	[_]
		(b)	[X]
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)		[_]
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER None		
	8 SHARED VOTING POWER 21,116,422		
	9 SOLE DISPOSITIVE POWER None		
	10 SHARED DISPOSITIVE POWER 21,116,422		
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 21,116,422		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		

			[_]
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 55.5%		
14	TYPE OF REPORTING PERSON 00 (limited liability company)		

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1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON LFSRI II SPV REIT Corp.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) (b)	[_] [X]
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)		[_]
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER None	
	8	SHARED VOTING POWER 21,116,422	
	9	SOLE DISPOSITIVE POWER None	
	10	SHARED DISPOSITIVE POWER 21,116,422	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		

	21,116,422	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	[_]
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
	55.5%	
14	TYPE OF REPORTING PERSON	
	CO	

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	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON		
1	LF Strategic Realty Investors II L.P.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)	[_]
		(b)	[X]
3	SEC USE ONLY		
4	SOURCE OF FUNDS		
	AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)		[_]
6	CITIZENSHIP OR PLACE OF ORGANIZATION		
	Delaware		

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER None
	8	SHARED VOTING POWER 21,116,422
	9	SOLE DISPOSITIVE POWER None
	10	SHARED DISPOSITIVE POWER 21,116,422

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 21,116,422	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES [_]	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 55.5%	
14	TYPE OF REPORTING PERSON PN (limited partnership)	

1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON LFSRI II Alternative Partnership L.P.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) [_] (b) [X]
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [_]	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER None	
	8 SHARED VOTING POWER 21,116,422	
	9 SOLE DISPOSITIVE POWER None	

	10	SHARED DISPOSITIVE POWER 21,116,422
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 21,116,422	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES [_]	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 55.5%	
14	TYPE OF REPORTING PERSON PN (limited partnership)	

1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON LFSRI II-CADIM Alternative Partnership L.P.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) [_] (b) [X]
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [_]	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER None
	8	SHARED VOTING POWER 21,116,422
	9	SOLE DISPOSITIVE POWER

		None
	10	SHARED DISPOSITIVE POWER
		21,116,422
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	21,116,422	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	[_]
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
	55.5%	
14	TYPE OF REPORTING PERSON	
	PN (limited partnership)	

1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON		
	Lazard Freres Real Estate Investors L.L.C.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)	[_]
		(b)	[X]
3	SEC USE ONLY		
4	SOURCE OF FUNDS		
	AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)		[_]
6	CITIZENSHIP OR PLACE OF ORGANIZATION		
	New York		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON	7	SOLE VOTING POWER	
		None	
	8	SHARED VOTING POWER	

WITH		21,116,422	
	9	SOLE DISPOSITIVE POWER	
		None	
	10	SHARED DISPOSITIVE POWER	
		21,116,422	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	21,116,422		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		[_]
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)		
	55.5%		
14	TYPE OF REPORTING PERSON		
	00 (limited liability company)		

1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON		
	Lazard Freres & Co. LLC		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)	[_]
		(b)	[X]
3	SEC USE ONLY		
4	SOURCE OF FUNDS		
	AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)		[_]
6	CITIZENSHIP OR PLACE OF ORGANIZATION		
	New York		
NUMBER OF SHARES	7 SOLE VOTING POWER		
	None		

BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER 21,116,422
	9	SOLE DISPOSITIVE POWER None
	10	SHARED DISPOSITIVE POWER 21,116,422
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 21,116,422	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES [_]	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 55.5%	
14	TYPE OF REPORTING PERSON OO (limited liability company)	

This Amendment No. 11, dated November 25, 2002, is filed by Prometheus Southeast Retail Trust, a Maryland real estate investment trust ("Trust"), Prometheus Southeast Retail LLC, a Delaware limited liability Company ("Prometheus"), LFSRI II SPV REIT Corp., a Delaware corporation ("SPV"), LF Strategic Realty Investors II L.P., a Delaware limited partnership ("LFSRI II"), LFSRI II Alternative Partnership L.P., a Delaware limited partnership ("Alternative"), LFSRI II-CADIM Alternative Partnership L.P., a Delaware limited partnership ("CADIM"), Lazard Freres Real Estate Investors L.L.C., a New York limited liability company ("LFREI"), and Lazard Freres & Co. LLC, a New York limited liability company ("Lazard," and together with Trust, Prometheus, SPV, CADIM, Alternative, LFSRI II and LFREI, the "Reporting Persons").

Capitalized terms used herein but not defined shall have the meanings ascribed thereto in the Schedule 13D dated March 6, 1998 (the "Initial Schedule 13D"), as amended, filed by Prometheus and LFSRI II (as amended, the "Existing Schedule 13D"). This Amendment is the final amendment and hereby amends and supplements the Existing Schedule 13D as follows:

ITEM 1. SECURITY AND ISSUER.

Item 1 is hereby amended and supplemented by the addition of the following information:

As a result of the merger described below, the Company changed its name from Konover Property Trust, Inc. to Kimsouth Realty Inc. In addition, in connection with the merger described below, the Company changed its principal executive office to 3333 New Hyde Park Road, Suite 100, New Hyde Park, New York,

11042-0020.

ITEM 2. IDENTITY AND BACKGROUND.

Item 2 is hereby amended and supplemented by the deletion of the following information from the table entitled "Executive Officers and Directors of LFSRI II SPV REIT Corp." on Schedule I:

Adrianne M. Horne	Director	Assistant to Division Head of CT Corporation CT Corporation 1209 Orange Street Wilmington, DE 19801

Item 2 is hereby amended and supplemented by the addition of the following information to the table entitled "Executive Officers and Directors of LFSRI II SPV REIT Corp " on Schedule I:

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Domenic A. Borriello	Director	Service Manager Staffing & International Operations CT Corporation Staffing, Inc. The Corporation Trust Center 1209 Orange Street Wilmington, DE 19801

ITEM 4. PURPOSE OF TRANSACTION.

Item 4 is hereby amended and supplemented by the addition of the following information:

On November 22, 2002, at a special meeting of stockholders of the Company holders of more than two-thirds of the votes entitled to be cast at the meeting approved (i) an Agreement and Plan of Merger, dated as of June 23, 2002 (as amended, the "Merger Agreement"), by and between PSCO Acquisition Corp. ("PSCO") and the Company, (ii) the merger of PSCO with and into the Company pursuant to the Merger Agreement (the "Merger") and (iii) certain charter amendments contemplated by the Merger Agreement. The Merger became effective on November 22, 2002 pursuant to Articles of Merger filed with the State Department of Assessments and Taxation of the State of Maryland, at which time (the "Effective Time") PSCO was merged with and into the Company, with the Company as the surviving corporation.

At the Effective Time, (i) each share of the Company's common stock issued and outstanding immediately prior to the Effective Time (other than shares owned by PSCO) was converted into the right to receive a cash payment of $2.10 per share (without interest) ("Cash Price"), (ii) the 16,615,922 shares of the Company's common stock owned by PSCO immediately prior to the Effective Time (which shares were contributed by Trust to PSCO immediately prior to the consummation of the Merger) were canceled and retired without any payment therefor and (iii) each option, purchase right, repurchase right or other similar right to purchase shares of the Company's common stock issued under any Company stock-based compensation plan and outstanding immediately prior to the Effective Time was converted into the right to receive a cash payment equal to the amount, if any, by which the Cash Price exceeded the per share exercise price of such option, purchase right or repurchase right multiplied by the number of shares of the Company's common stock for which such option, purchase

right or repurchase right was exercisable.

In addition, at the Effective Time, (a) each share of PSCO common stock issued and outstanding immediately prior to the Effective Time was converted into one fully paid nonassessable share of common stock of the surviving corporation in the Merger and (b) each share of PSCO redeemable preferred stock issued and outstanding immediately prior to the Effective Time was converted into one fully paid nonassessable share of the series B redeemable preferred stock of the surviving corporation in the Merger.

The Company was the surviving corporation in the Merger and as a result of the Merger, the two former common stockholders of PSCO, Trust and Kimkon Inc. (a subsidiary of Kimco Realty Corporation) own 100% of the Company's outstanding common stock.

In connection with the Merger, on November 22, the Company filed with the Securities and Exchange Commission a Form 15, pursuant to Rules 12g-4 and 12h-3 promulgated under the Securities Exchange Act of 1934, as amended, to provide notice of termination of registration of the Company's common stock, and to immediately suspend all reporting requirements under Sections 13(a) and 15(d) of the Securities Exchange Act, as amended. Further, prior to the opening of business on November 25, 2002, the Company's common stock was delisted from the New York Stock Exchange pursuant to a request delivered by the Company to the New York Stock Exchange.

Except as set forth above, the Reporting Persons have no present plans or intentions that would result in any of the matters required to be set forth in items (a) through (j) of Item 4 of Schedule 13D.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Item 5 is hereby amended and supplemented by the addition of the following information:

(a) Trust holds direct beneficial ownership of an aggregate of 21,116,422 shares of the Company's Common Stock, representing 55.5% of the 38,047,607 issued and outstanding shares of the Company as of November 25, 2002. As the sole common shareholder of Trust, Prometheus possesses indirect beneficial ownership of such shares of the Company's common stock. As the sole member of Prometheus, SPV may be deemed to possess indirect beneficial ownership of such shares of the Company's common stock. Pursuant to their respective interests in SPV, each of LFSRI II, Alternative and CADIM may be deemed to possess indirect beneficial ownership of such shares of the Company's common stock. LFREI is the general partner of each of LFSRI II, Alternative and CADIM and, as such, may be deemed to possess indirect beneficial ownership of such shares of the Company's common stock. As the managing member of LFREI, Lazard may be deemed to possess indirect beneficial ownership of such shares of the Company's common stock. As previously reported on Amendment No. 10, each of SPV, LFSRI II, Alternative, CADIM, LFREI and Lazard disclaim any beneficial ownership it may be deemed to have of any of the shares of the Company's common stock.

(b) The Reporting Persons have shared power to vote or to direct the vote of 21,116,422 shares of the Company's common stock.

(c) In connection with the Merger, immediately prior to the consummation of the Merger, Trust contributed 16,615,922 shares of the Company's common stock to PSCO. Pursuant to the Merger Agreement, these contributed shares

were canceled and retired in the Merger without any payment therefor. In addition,

pursuant to the Merger Agreement, (i) the 4,436,709 shares of the Company's common stock held by Trust immediately prior to the Effective Time were converted in the Merger into the right to receive the Cash Price and (ii) the 21,116,422 shares of PSCO's common stock held by Trust immediately prior to the Effective Time were converted in the Merger into 21,116,422 shares of the Company's common stock. Other than the transactions reported herein, no Reporting Person has acquired or disposed of any shares of the Company's common stock during the past sixty days.

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated as of November 25, 2002

PROMETHEUS SOUTHEAST RETAIL TRUST

By: /s/ Matthew J. Lustig

Name: Matthew J. Lustig
Title: President

PROMETHEUS SOUTHEAST RETAIL L.L.C.

By: LFSRI II SPV REIT Corp.
as managing member

By: /s/ Matthew J. Lustig

Name: Matthew J. Lustig
Title: President

LFSRI II SPV REIT CORP.

By: /s/ Matthew J. Lustig

Name: Matthew J. Lustig

Title: President

LF STRATEGIC REALTY INVESTORS II L.P.

By: Lazard Freres Real Estate Investors L.L.C. as general partner

By: /s/ Matthew J. Lustig

Name: Matthew J. Lustig
Title: Managing Principal

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LFSRI II ALTERNATIVE PARTNERSHIP L.P.

By: Lazard Freres Real Estate Investors L.L.C. as general partner

By: /s/ Matthew J. Lustig

Name: Matthew J. Lustig
Title: Managing Principal

LFSRI II-CADIM ALTERNATIVE PARTNERSHIP L.P.

By: Lazard Freres Real Estate Investors L.L.C. as general partner

By: /s/ Matthew J. Lustig

Name: Matthew J. Lustig
Title: Managing Principal

LAZARD FRERES REAL ESTATE INVESTORS L.L.C.

By: /s/ Matthew J. Lustig

Name: Matthew J. Lustig
Title: Managing Principal

LAZARD FRERES & CO. LLC

By: /s/ Scott D. Hoffman

Name: Scott D. Hoffman

Title: Managing Director