acquisitions through a combination of equity capital, partnership units, medium-term notes, construction loans, other debt securities and our unsecured line of credit.

Net cash provided by operating activities totaled $160.0 million for 2004, an increase of $19.2 million, or 13.7%, from 2003. The increase in operating cash flow was primarily due to increases in property revenues of $16.5 million, and non-property related revenues of $8.2 million. These increases in revenues were offset by an increase in total expenses of $16.3 million, excluding depreciation and amortization. Additionally, due to timing of payments related to escrows, restricted cash decreased $2.7 million in 2004 compared to an increase of $2.4 million in 2003.

Net cash used in investing activities totaled $68.9 million for 2004 compared to $91.9 million in 2003. For 2004, net cash used in investing activities included expenditures for property development and capital improvements totaling $83.0 million and $26.3 million, respectively. These expenditures were offset by $20.7 million in net proceeds received from land sales and $23.2 million in net proceeds from the sale of a property during 2004. For 2003, net cash used in investing activities included expenditures for property development and capital improvements totaling $80.0 million and $22.3 million, respectively. These expenditures were offset by $26.3 million in net proceeds received from townhome and land sales, and the contribution of a property to a joint venture during 2003. Distributions from joint ventures totaled $8.9 million in 2003 due to the sale of three properties totaling 482 apartment homes. Additionally, the net increase in non-affiliate notes receivable outstanding under our mezzanine financing program was $3.1 million in 2004 compared to $23.8 million in 2003.

Net cash used in financing activities totaled $92.2 million for the year ended 2004 compared to $45.9 million for 2003. During 2004, we paid distributions totaling $123.8 million to holders of common and preferred equity. Our line of credit increased $9.0 million for the year ended December 31, 2004. Additionally, we received proceeds totaling $349.7 million from the issuance of senior unsecured notes. A portion of the proceeds from this issuance and the increase in the line of credit were used to repay $292.6 million in notes payable, redeem $35.5 million in preferred units, and fund development activities and capital improvements. Also, we received $8.0 million from option exercises during 2004. During 2003, we paid distributions totaling $121.1 million to holders of common and preferred equity. We received net proceeds totaling $198.8 million from the issuance of senior unsecured notes in 2003. A portion of the proceeds from these issuances were used to pay down borrowings under our line of credit, which decreased $49.0 million during the year, repay $67.9 million in notes payable, and fund development activities and capital improvements. Additionally, accounts receivable - affiliates increased $18.1 million during 2003 due to an increase in receivables from rabbi trust plan participants under our employee benefit plans. Cash received from option exercises totaled $11.2 million in 2003.

In 1998, we began repurchasing our common equity securities under a program approved by our Board of Trust Managers. To date, the Board has authorized us to repurchase or redeem up to $250 million of our securities through open market purchases and private transactions. Management consummates these repurchases and redemptions when they believe that we can reinvest available cash flow into our own securities at yields that exceed those currently available on direct real estate investments. These repurchases were made and we expect that future repurchases, if any, will be made without incurring additional debt, and in management's opinion, without reducing our financial flexibility. At December 31, 2004, we had repurchased approximately 8.8 million common shares and redeemed approximately 106,000 common units at a total cost of $243.6 million. No common shares or units were repurchased under this program during 2004 and 2003.

On January 17, 2005, we paid a distribution of $0.635 per share for the fourth quarter of 2004 to all holders of record of our common shares as of January 3, 2005, and paid an equivalent amount per unit to holders of common units in Camden Operating, L.P. and Oasis Martinique, LLC. Total distributions to common shareholders and holders of common units for the year ended December 31, 2004 were $2.54 per share or unit. We determine the amount of cash available for distribution to unitholders in accordance with the operating agreements and have made and intend to continue to make distributions to the holders of common units in amounts equivalent to the per share distributions paid to holders of common shares. We intend to continue to make shareholder distributions in accordance with REIT qualification requirements under the federal tax code. The dividend payout ratio, which is calculated by dividing distributions per share by funds from operations per share, was 78%, 81% and 75% for the years ended December 31, 2004, 2003 and 2002, respectively. Management intends to maintain a dividend rate for our common shares that, when combined with expenditures for capital improvements, is less than our funds from operations.