

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

10-Q

(Mark One)



QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended

June 30, 2024

OR



TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number

1-12993

ALEXANDRIA REAL ESTATE EQUITIES, INC.

(Exact name of registrant as specified in its charter)

(State or other jurisdiction of
incorporation or organization)
Maryland

(I.R.S. Employer Identification Number)
95-4502084

26 North Euclid Avenue

,

Pasadena

,

California

91101

(Address of principal executive offices) (Zip code)

(

626

)

578-0777

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Exchange Act:

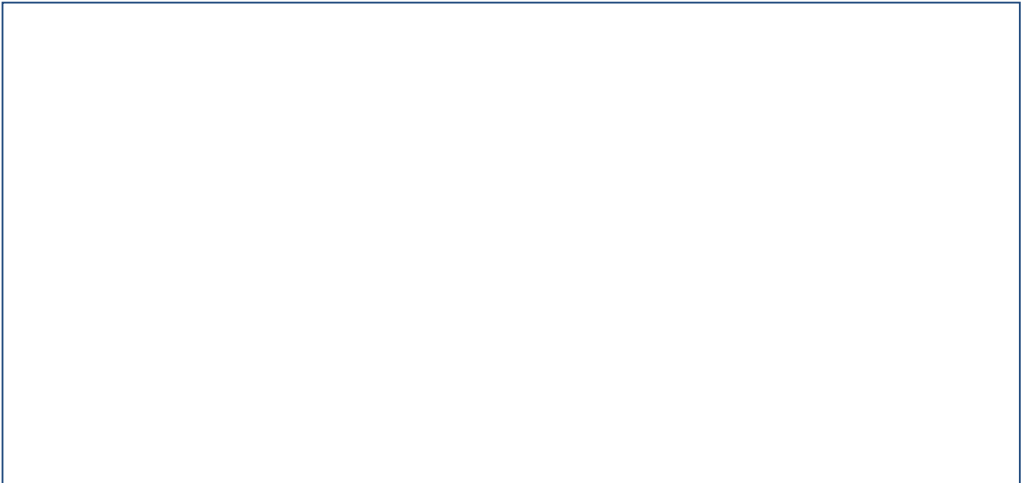
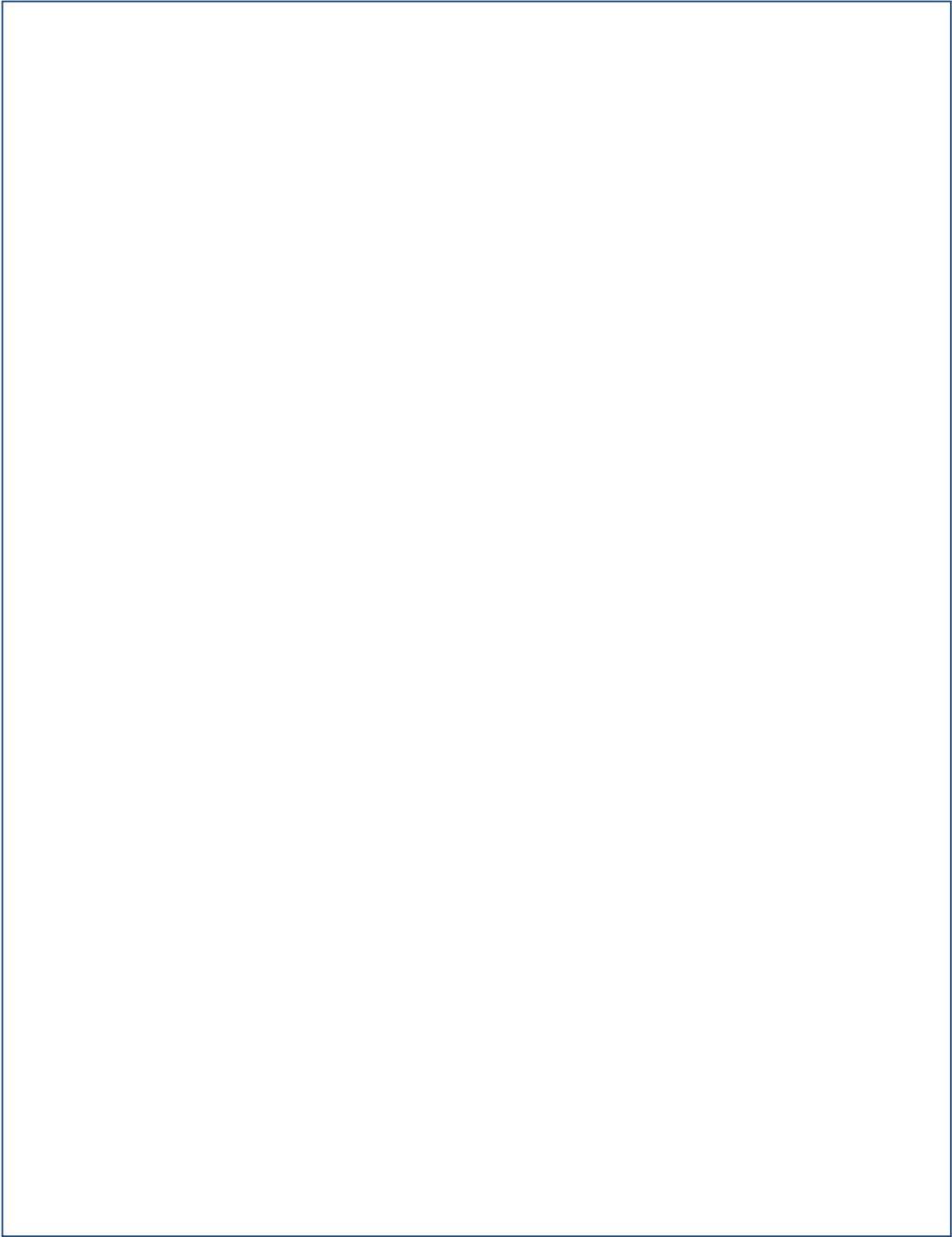
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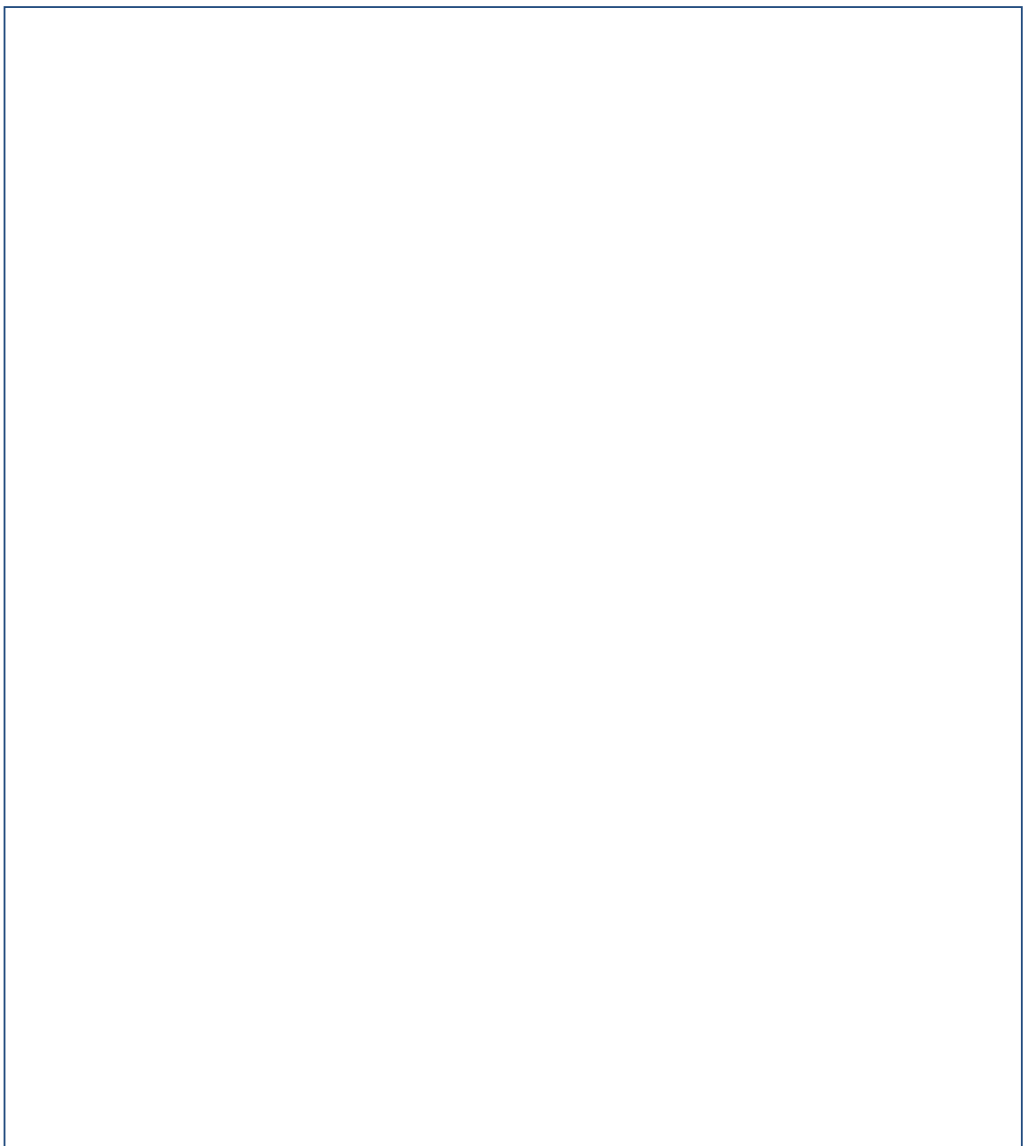
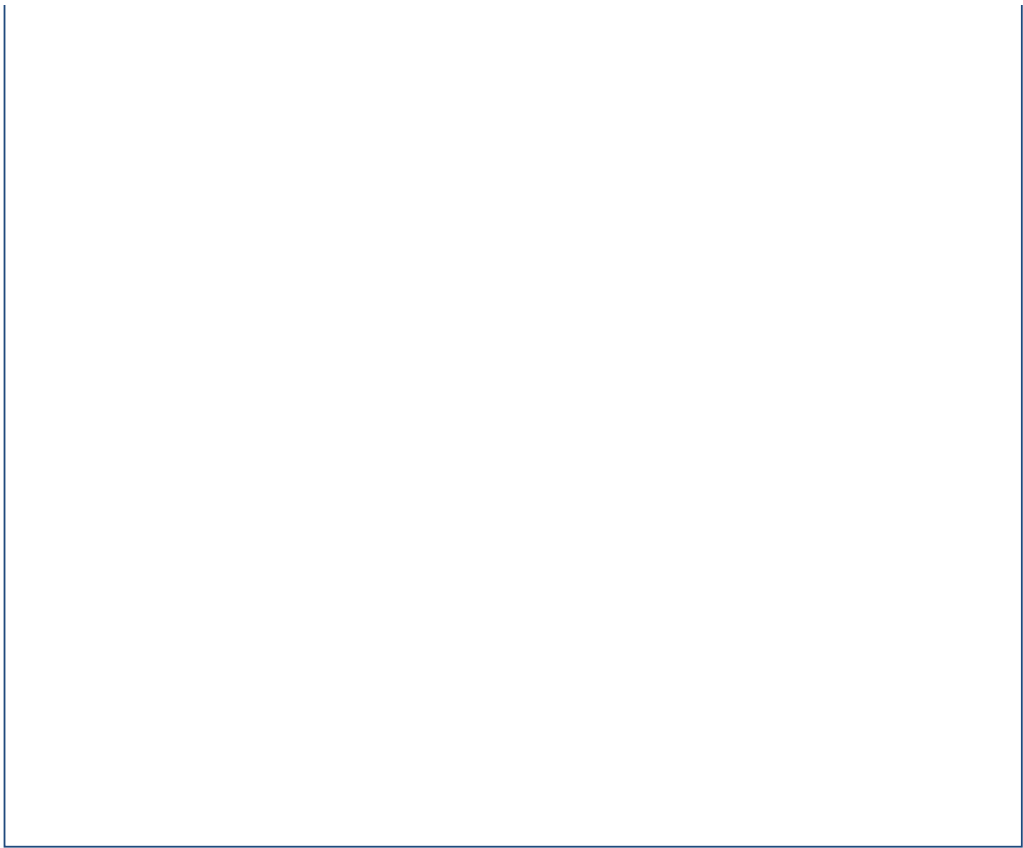
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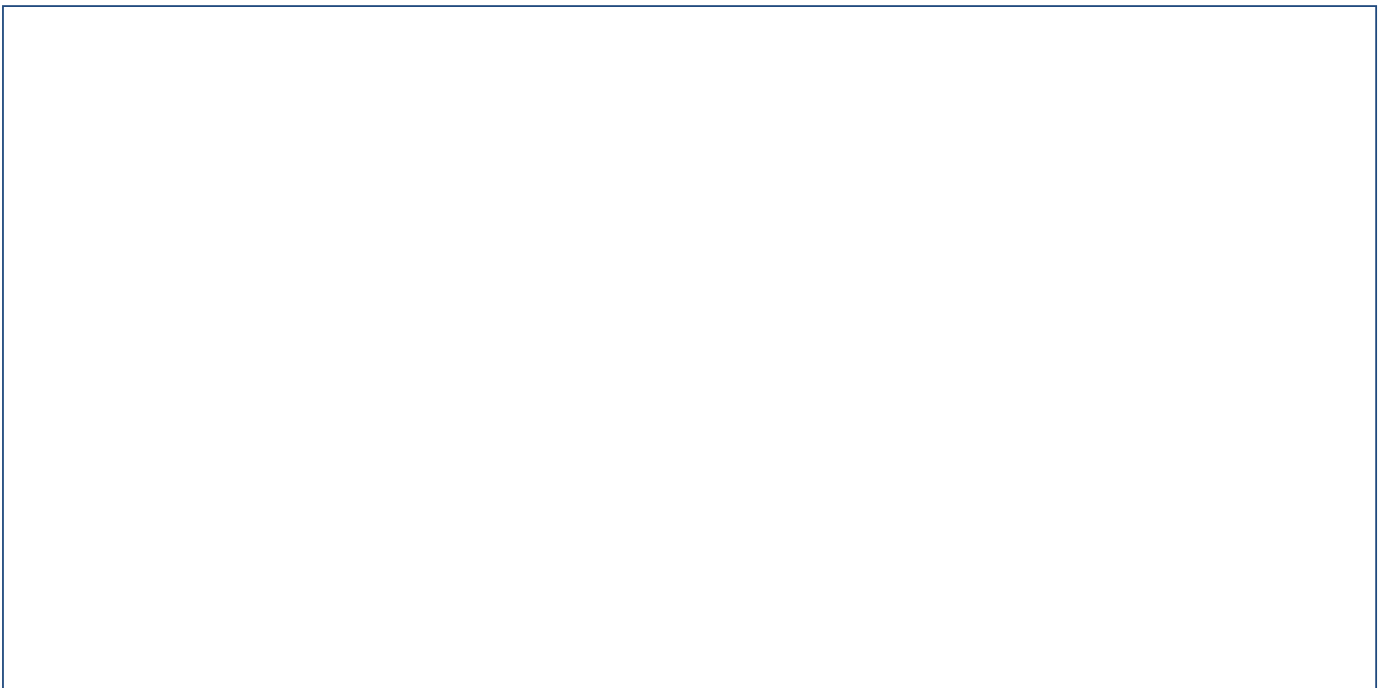
GLOSSARY

The following abbreviations or acronyms that may be used in this document shall have the adjacent meanings set forth below:

ASU	Accounting Standards Update
ATM	At the Market
CIP	Construction in Progress
EPS	Earnings per Share
FASB	Financial Accounting Standards Board
FDIC	Federal Deposit Insurance Corporation
FFO	Funds From Operations
GAAP	U.S. Generally Accepted Accounting Principles
IRS	Internal Revenue Service
JV	Joint Venture
Nareit	National Association of Real Estate Investment Trusts
NAV	Net Asset Value
NYSE	New York Stock Exchange
REIT	Real Estate Investment Trust
RSF	Rentable Square Feet/Foot
SEC	Securities and Exchange Commission
SF	Square Feet/Foot
SoDo	South of Downtown submarket of Seattle
SOFR	Secured Overnight Financing Rate
SoMa	South of Market submarket of the San Francisco Bay Area
U.S.	United States
VIE	Variable Interest Entity



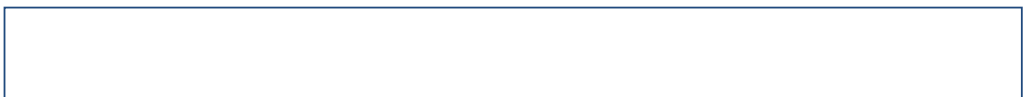
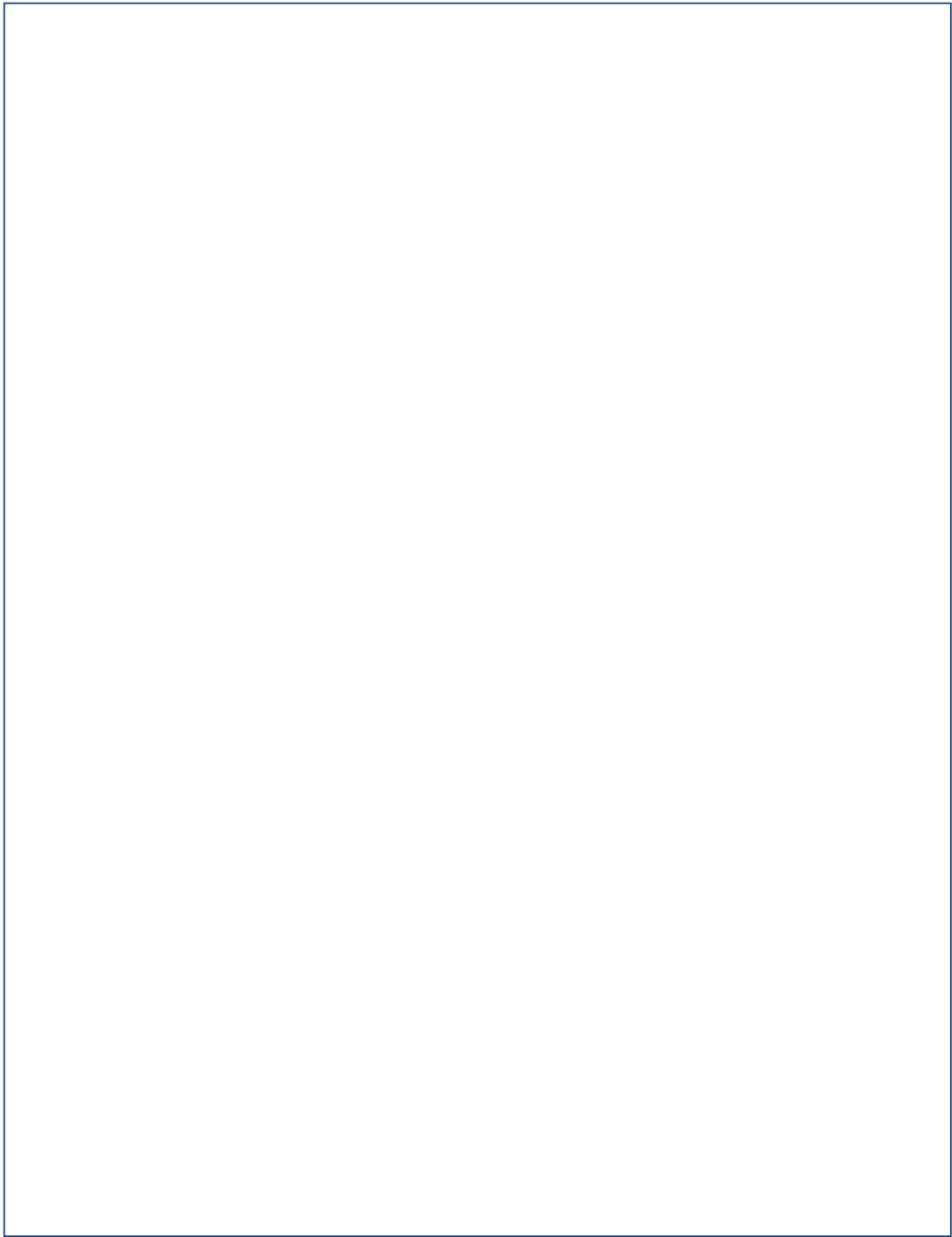
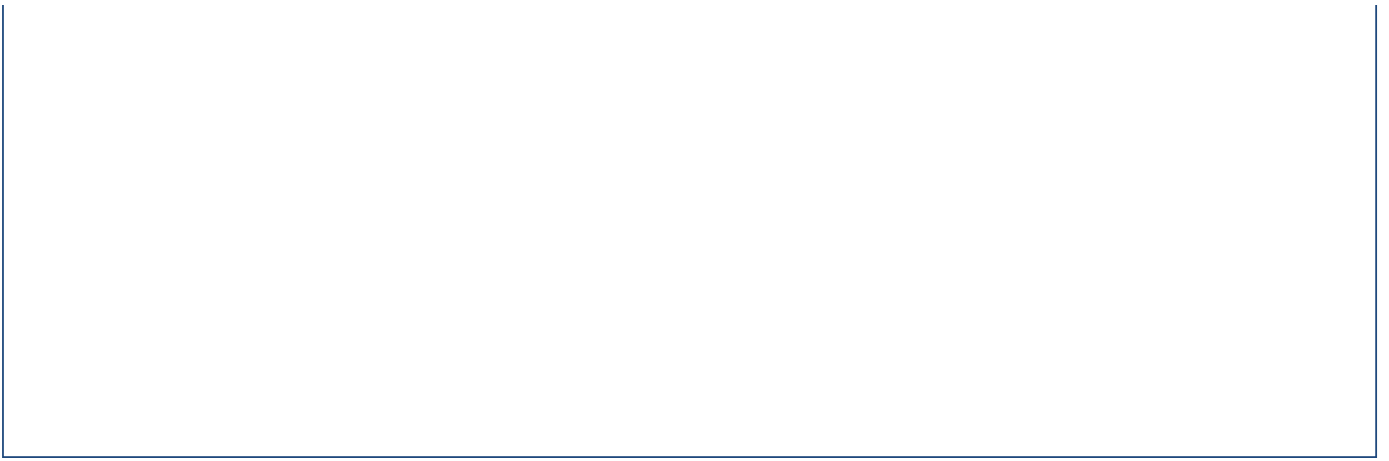


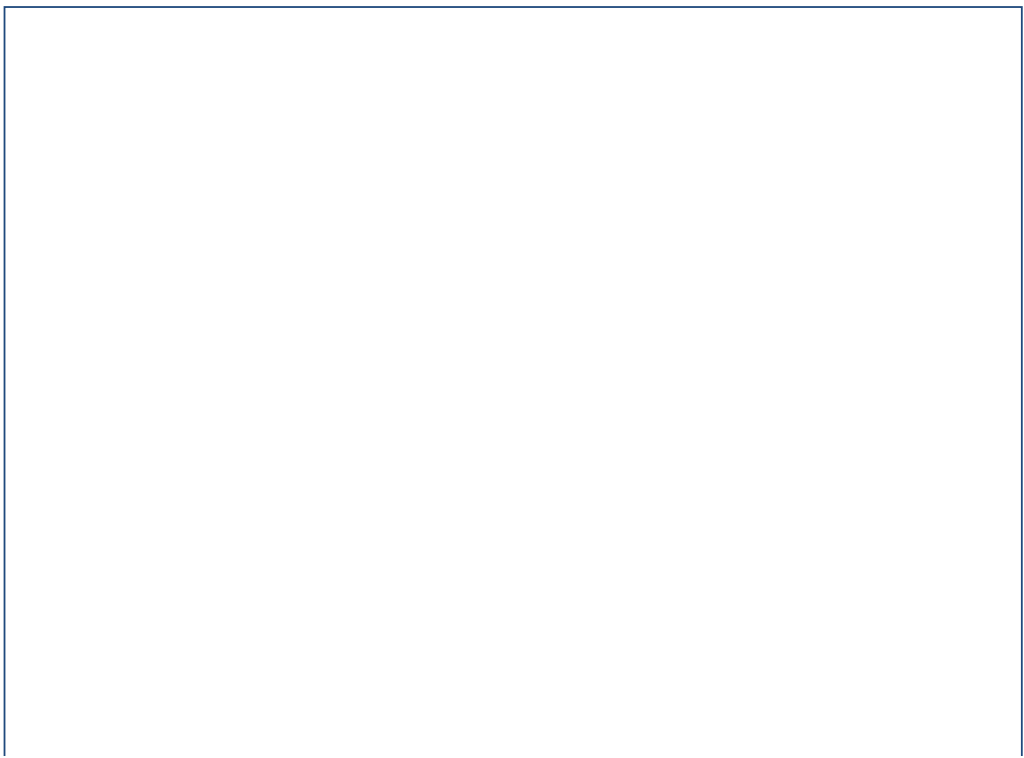
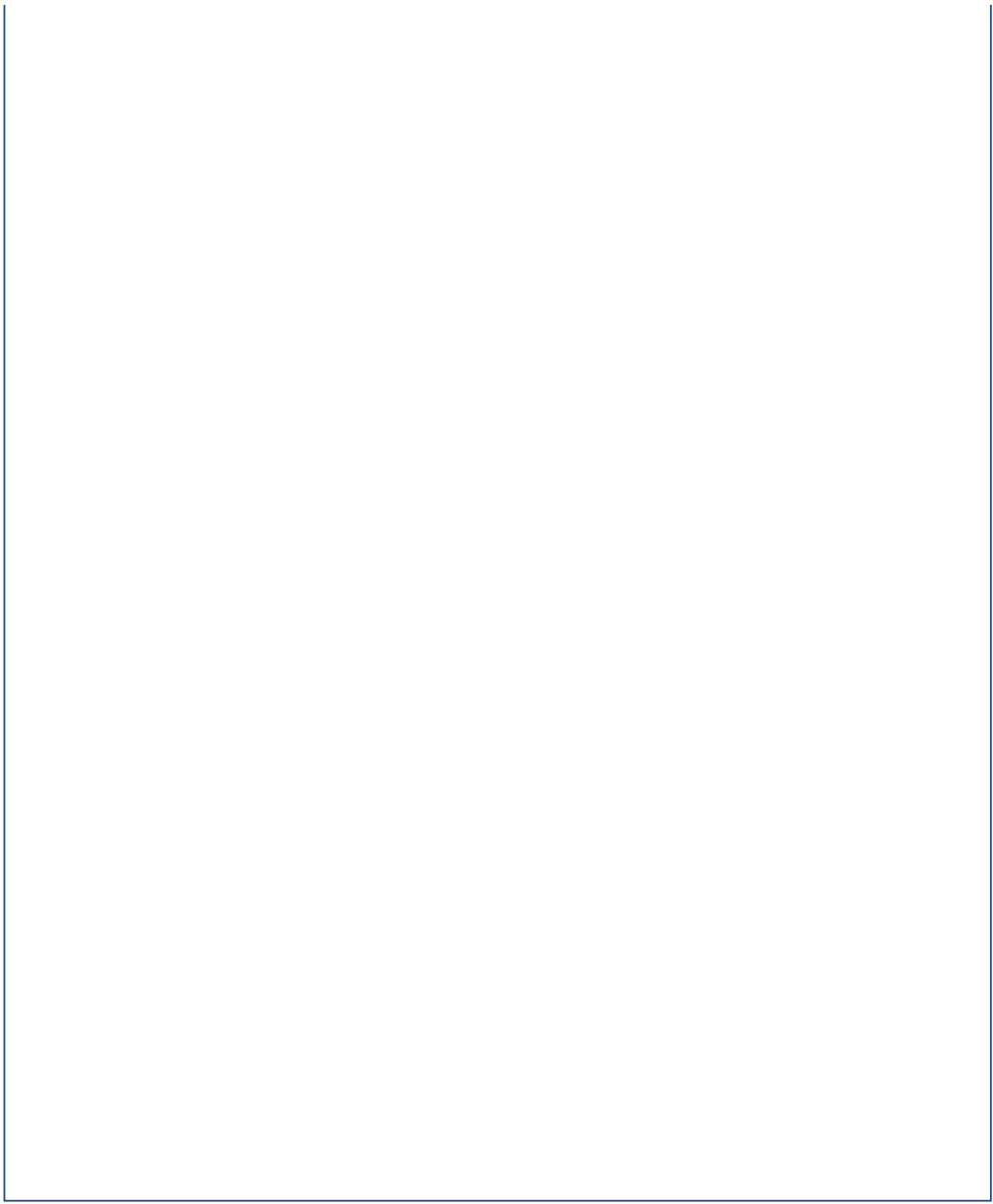


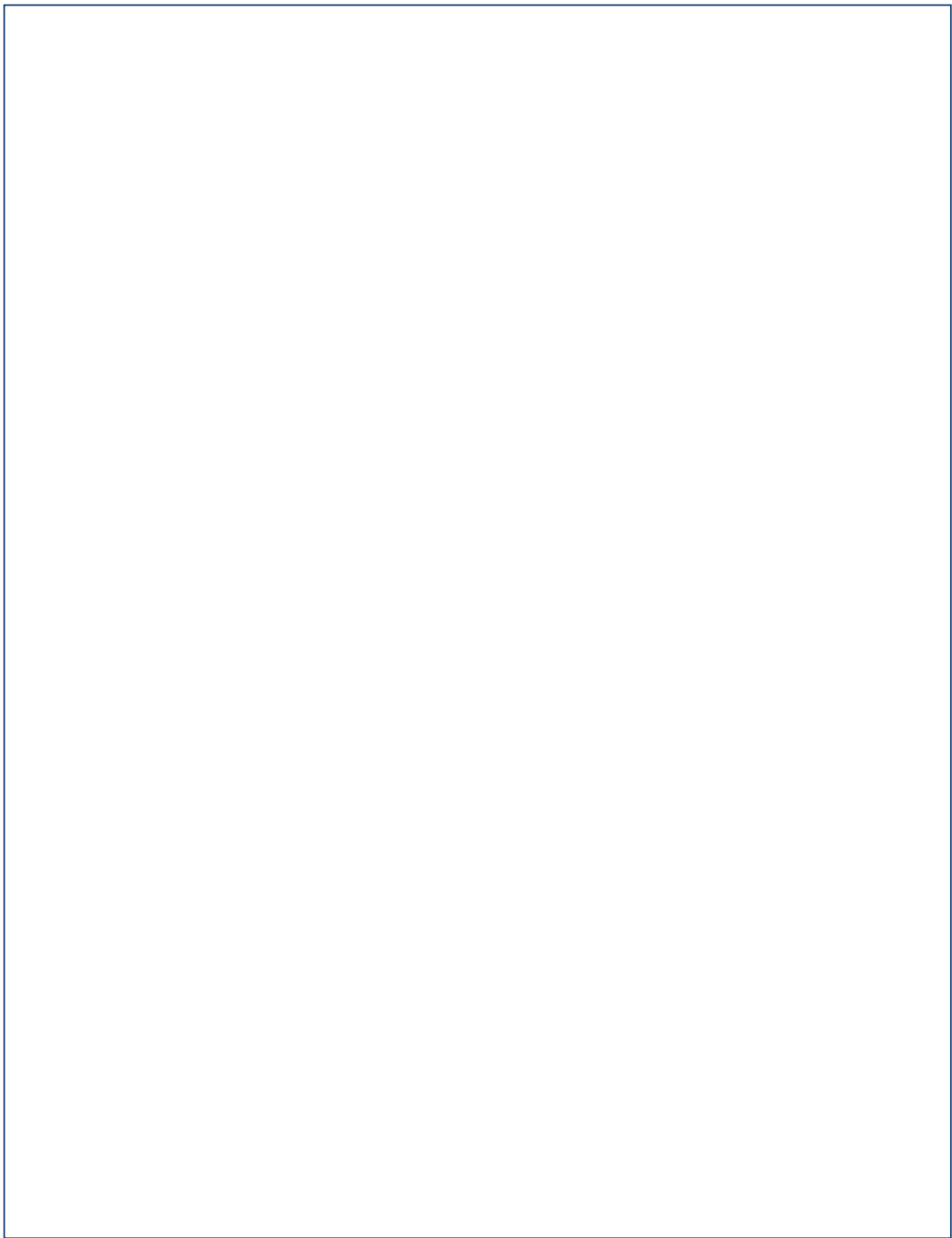
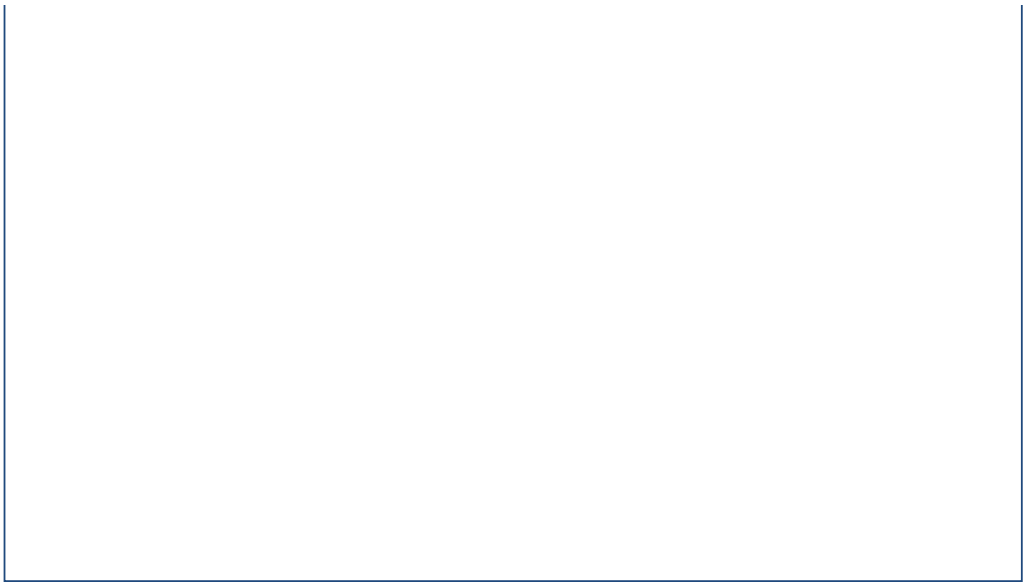
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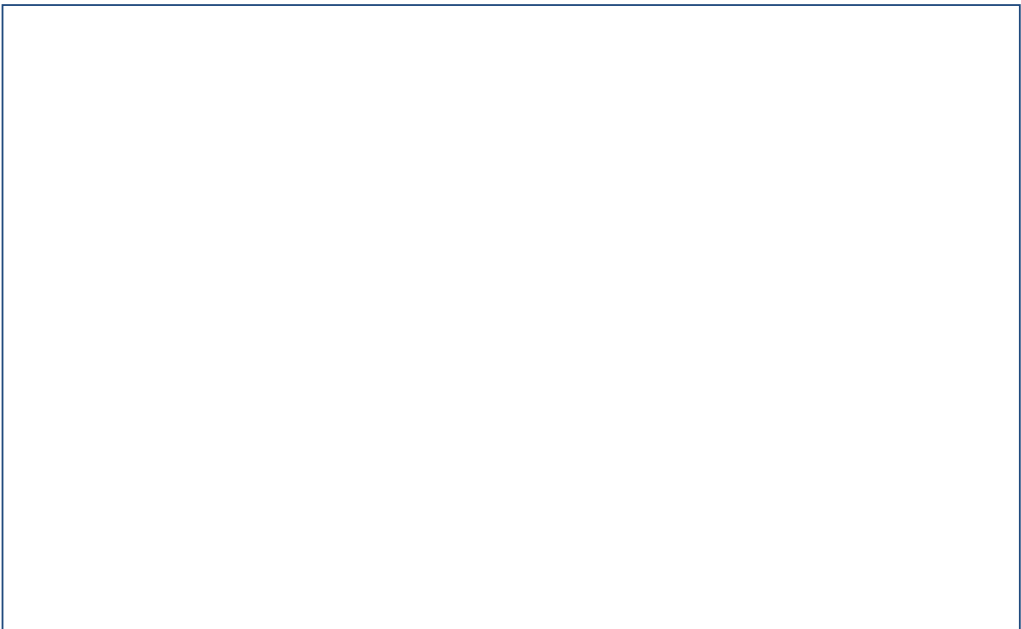
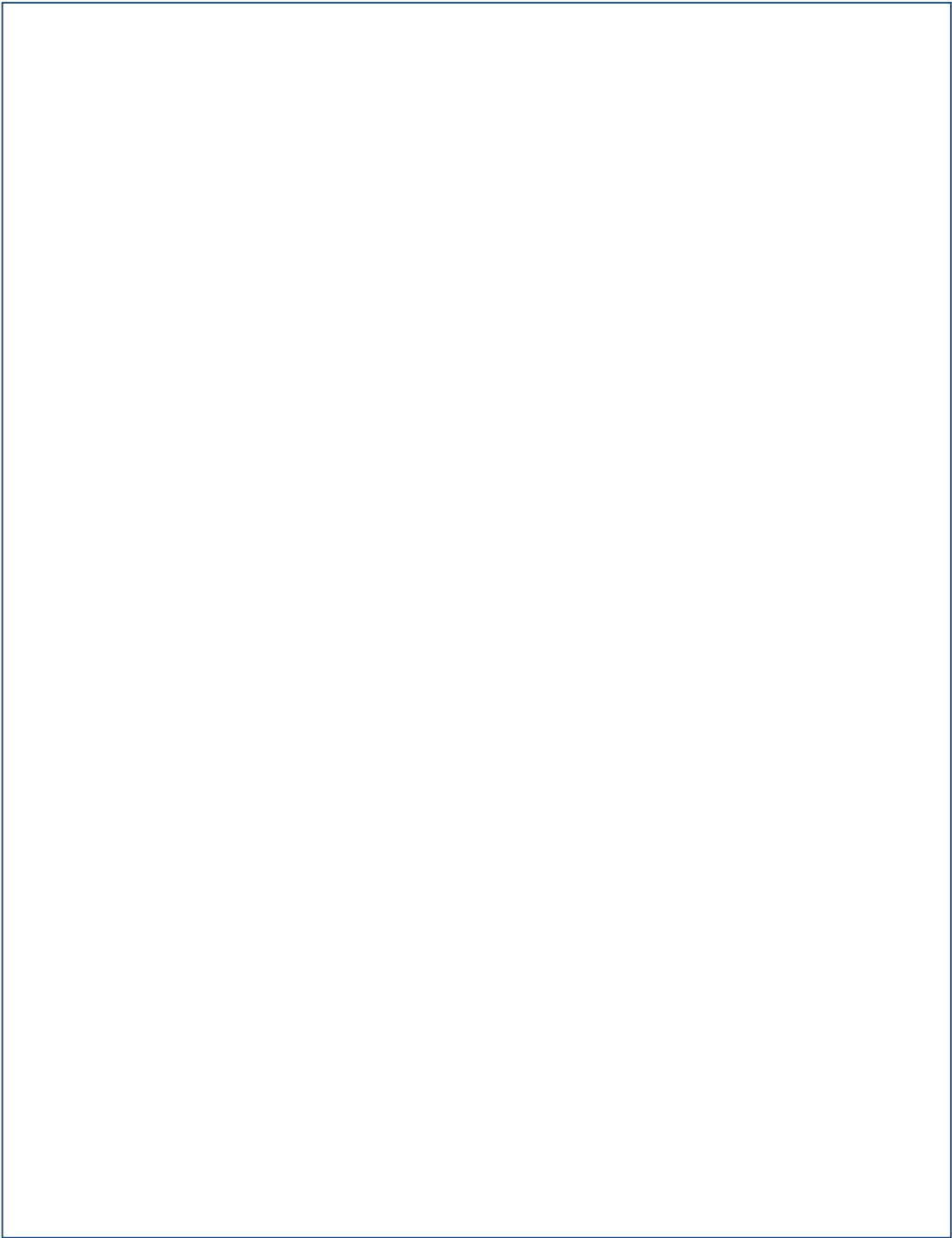
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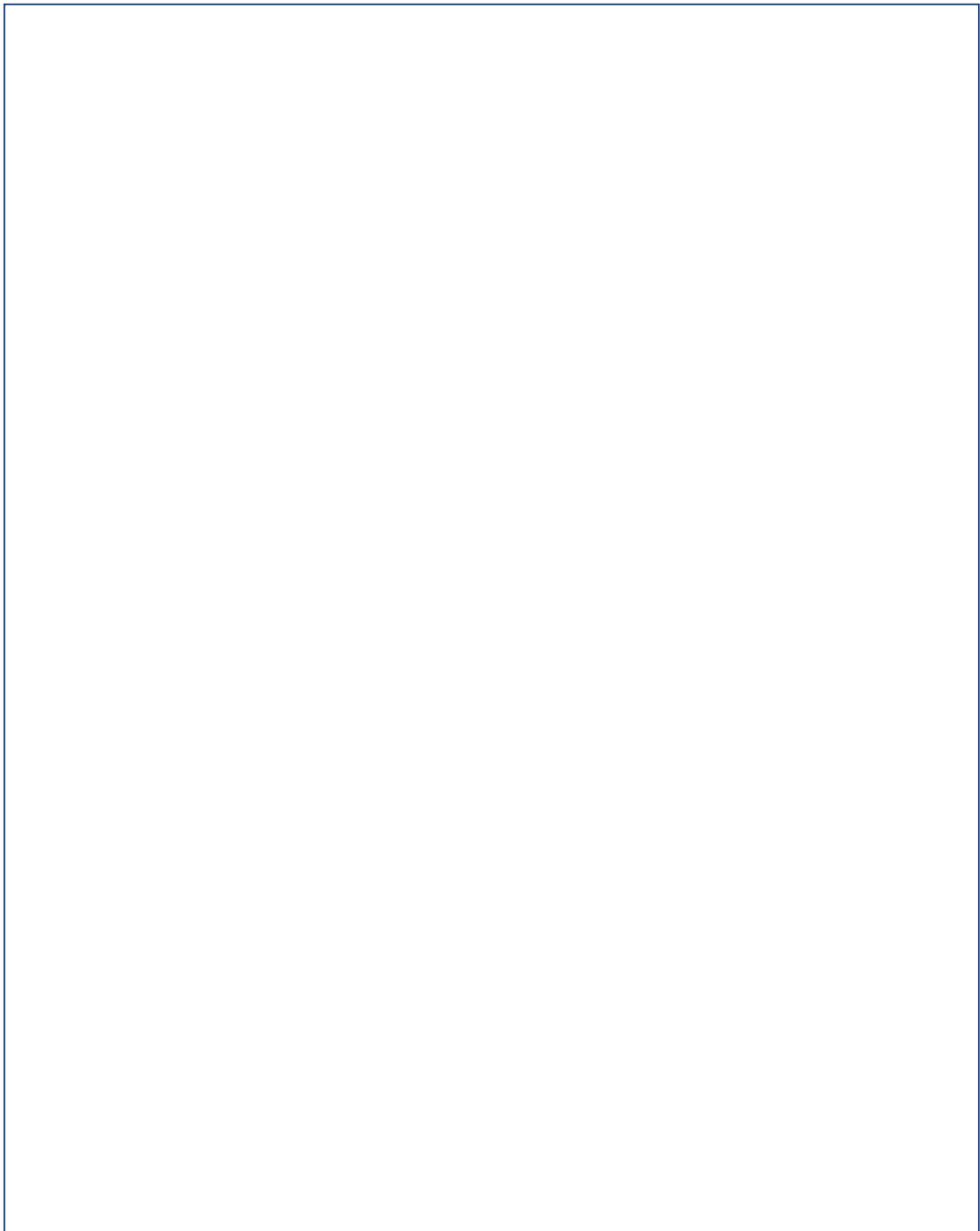
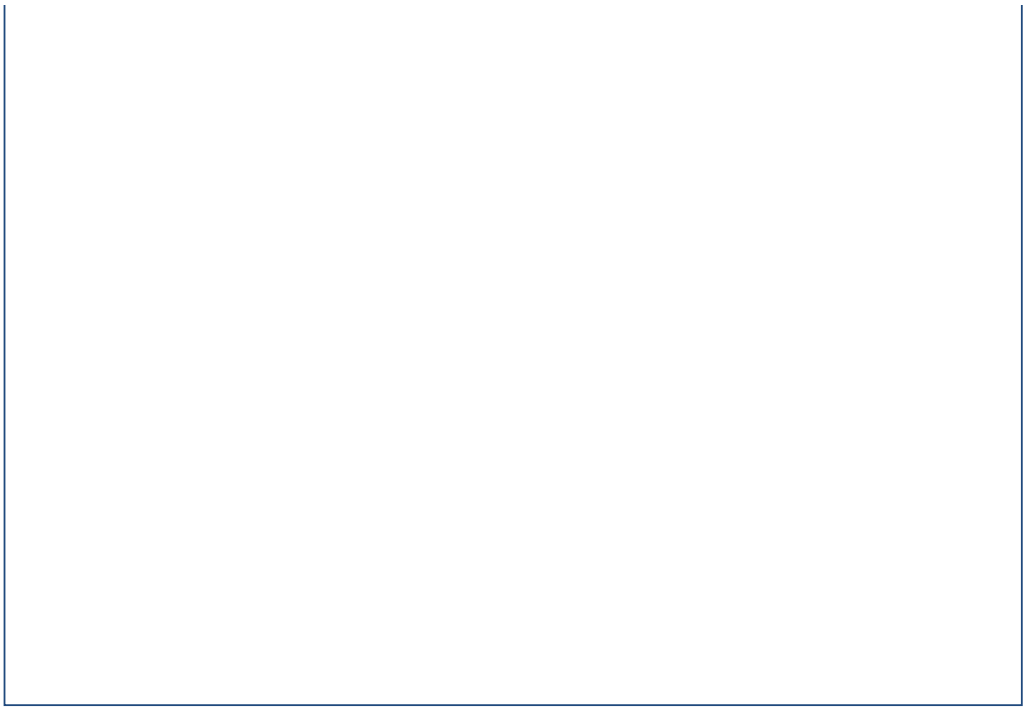
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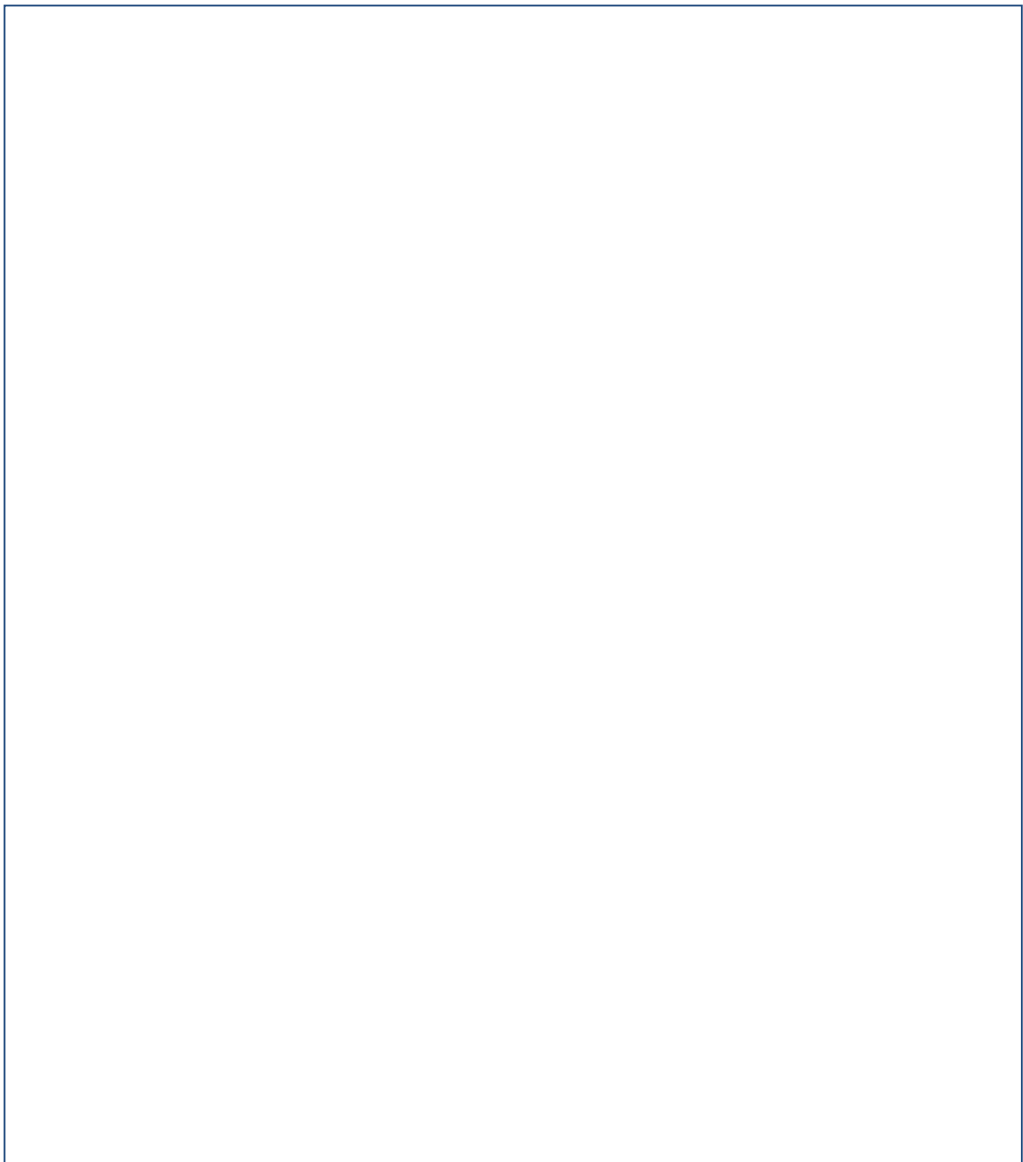
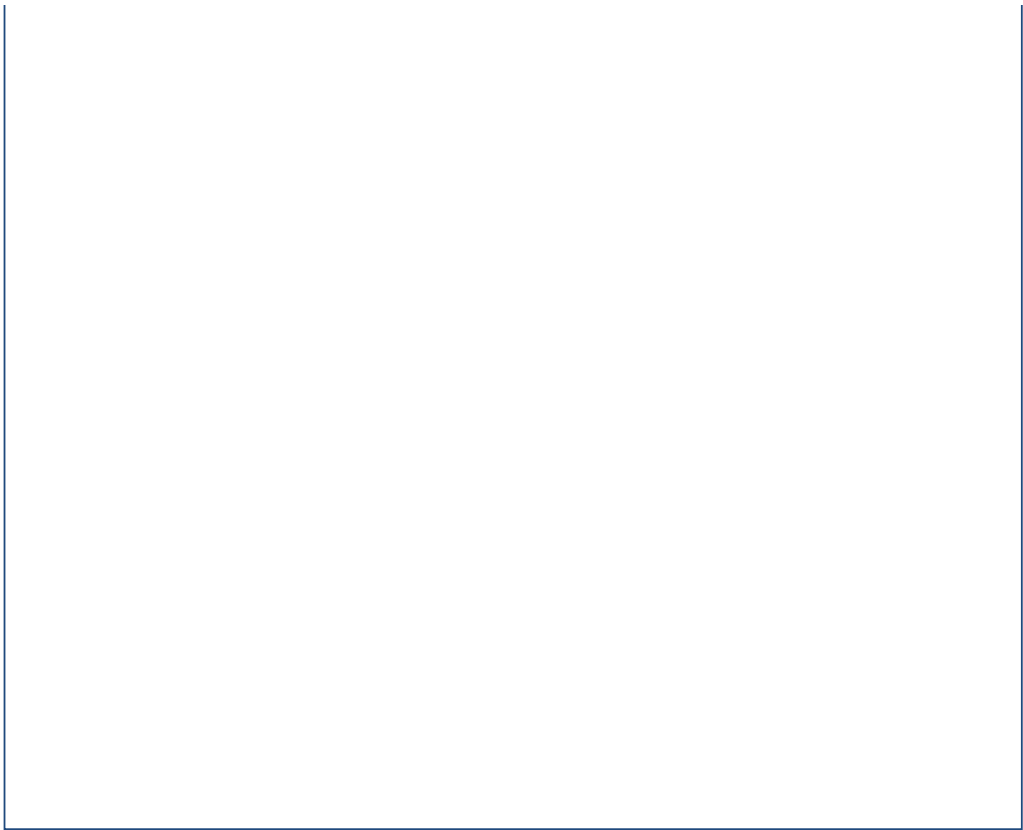








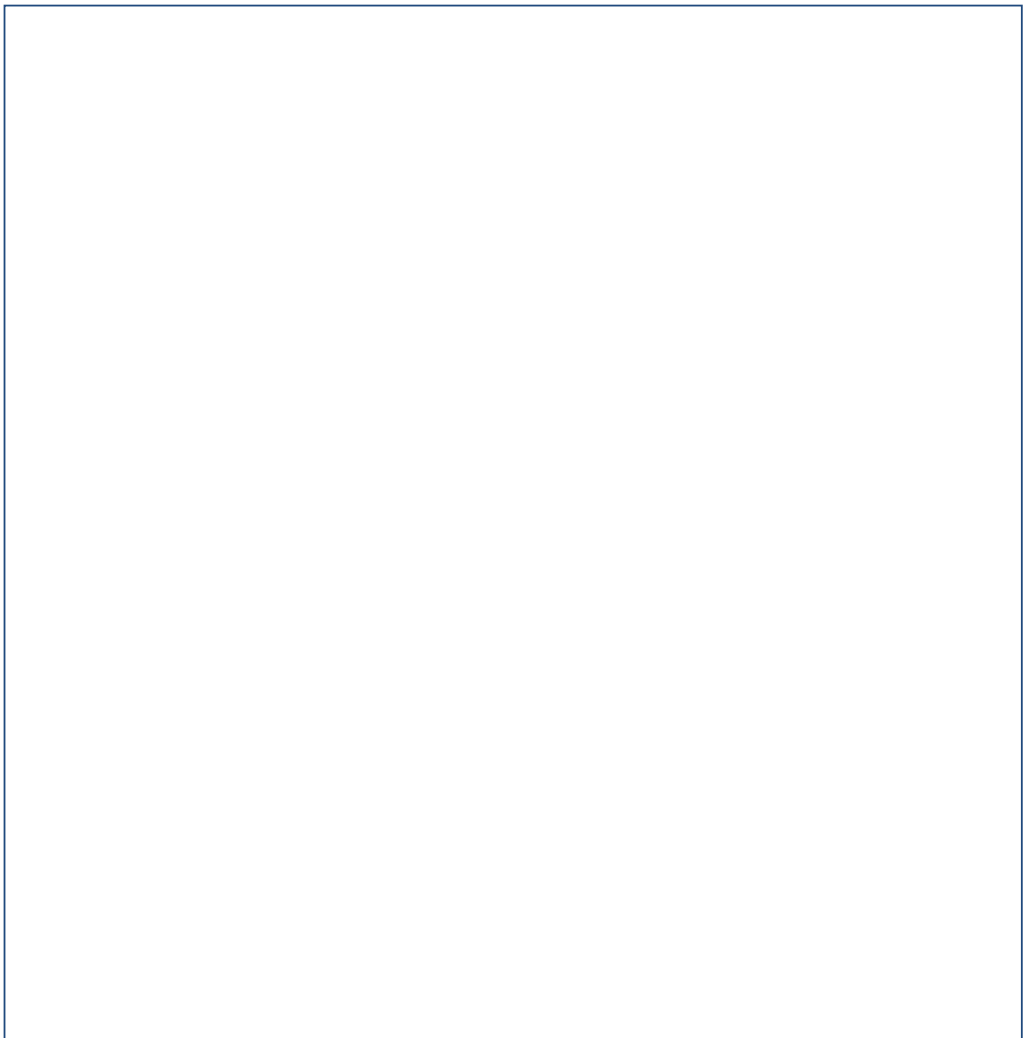
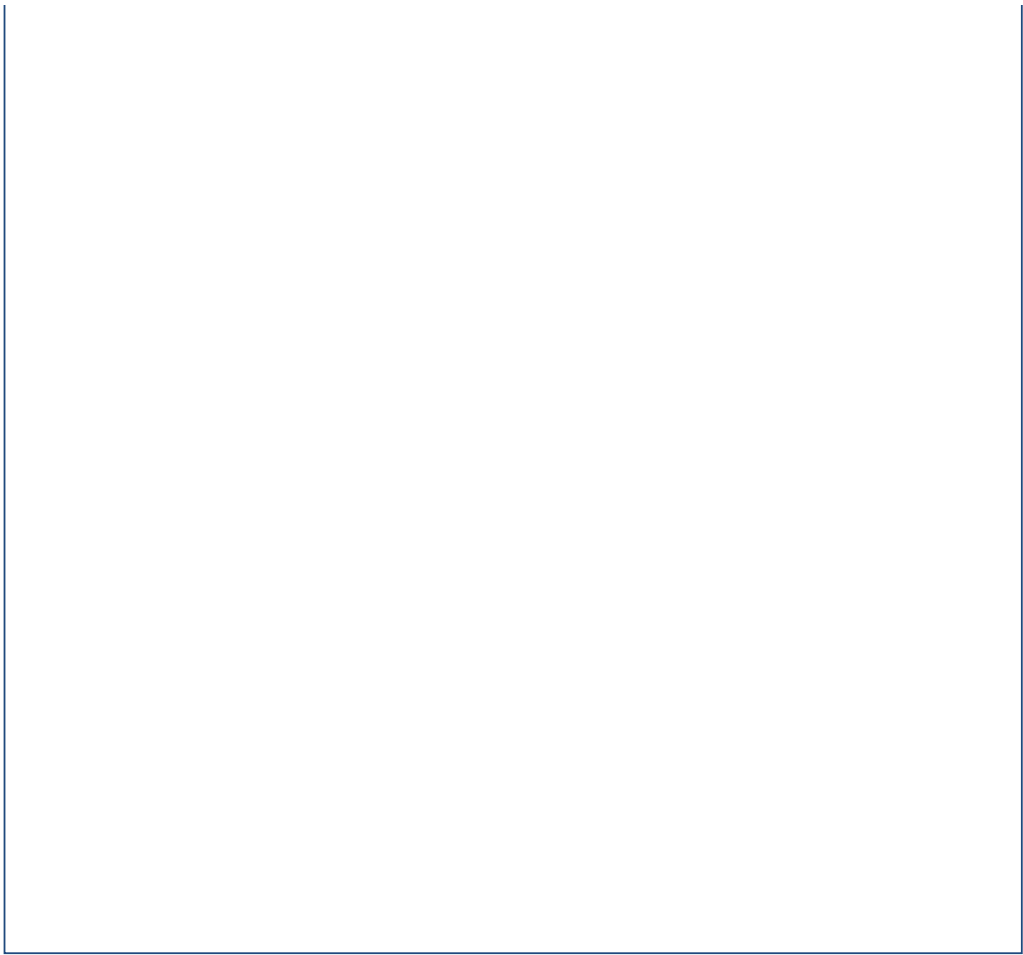


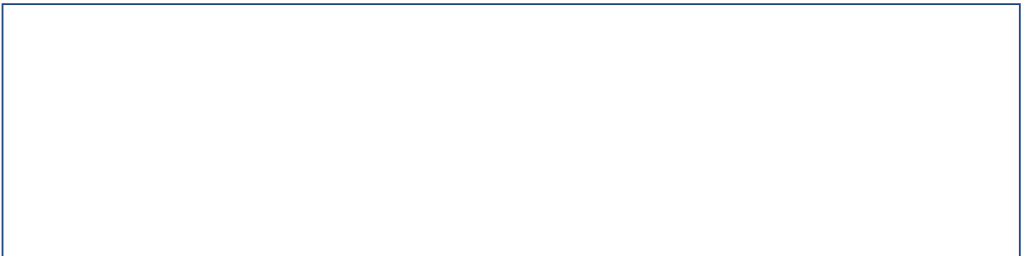
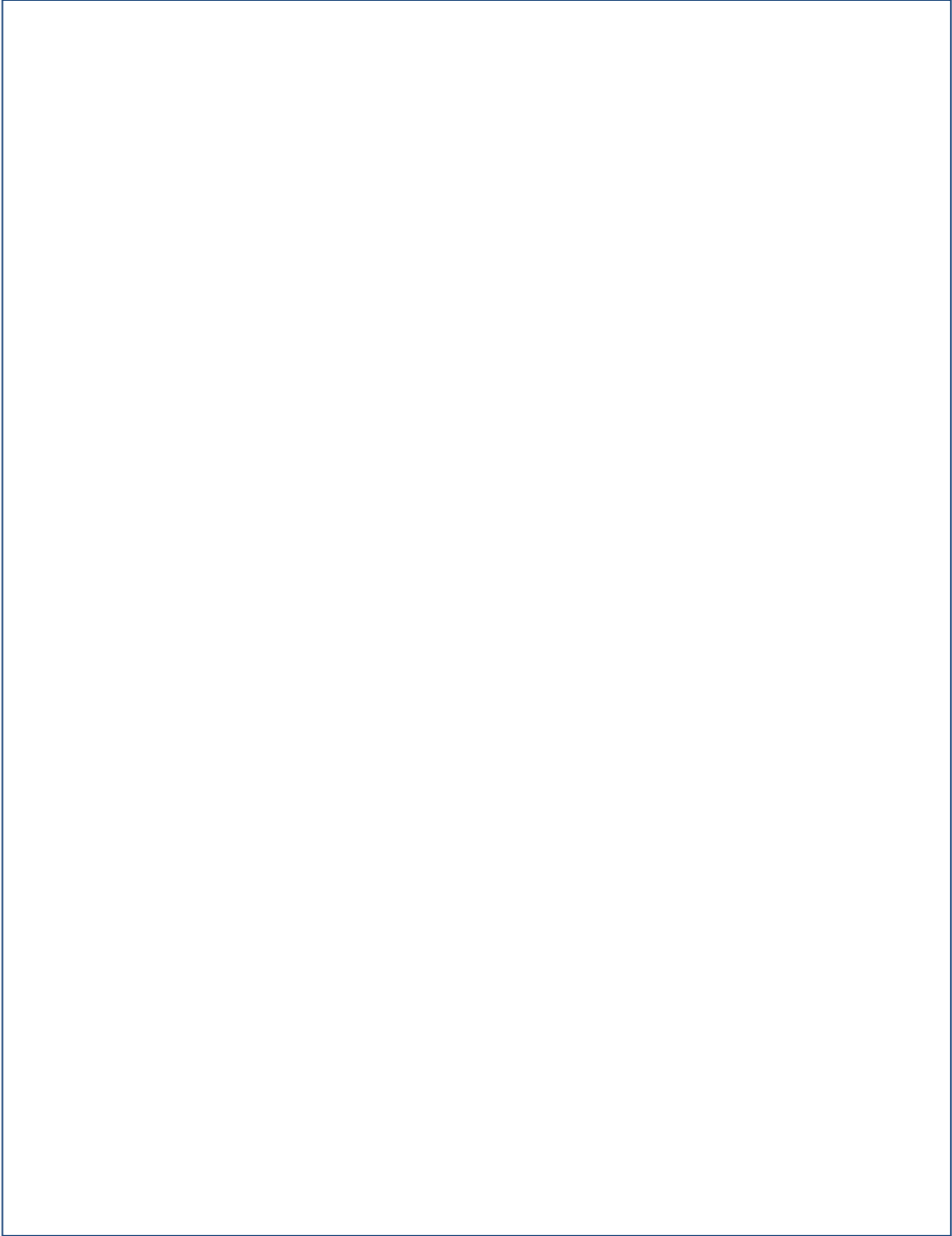
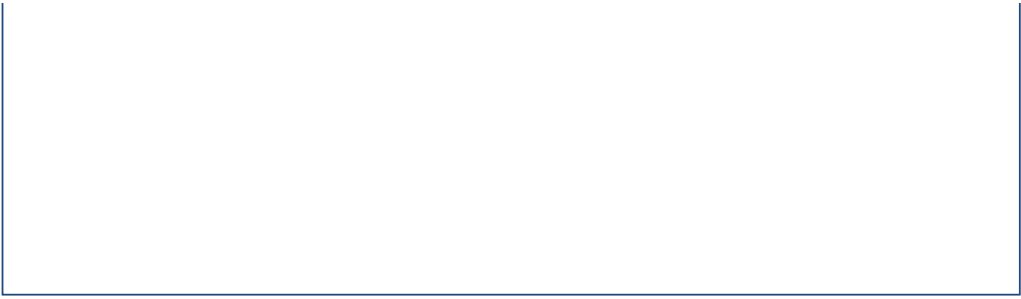


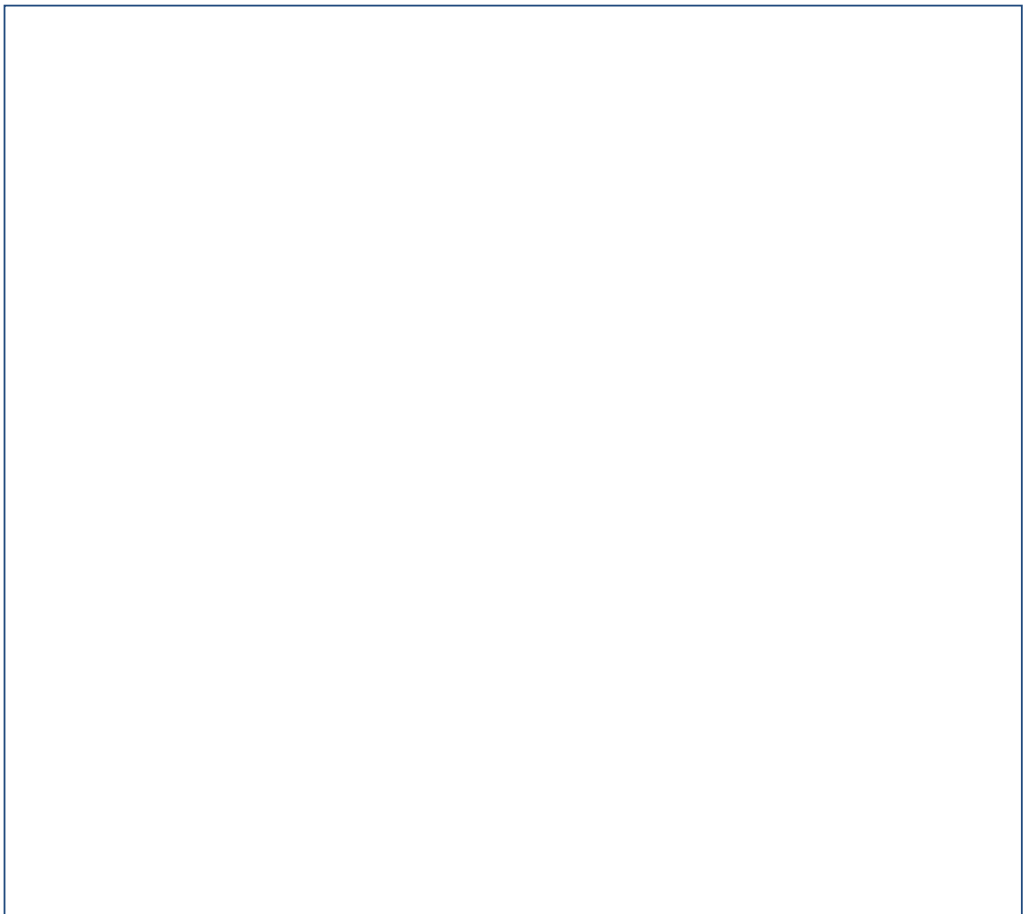
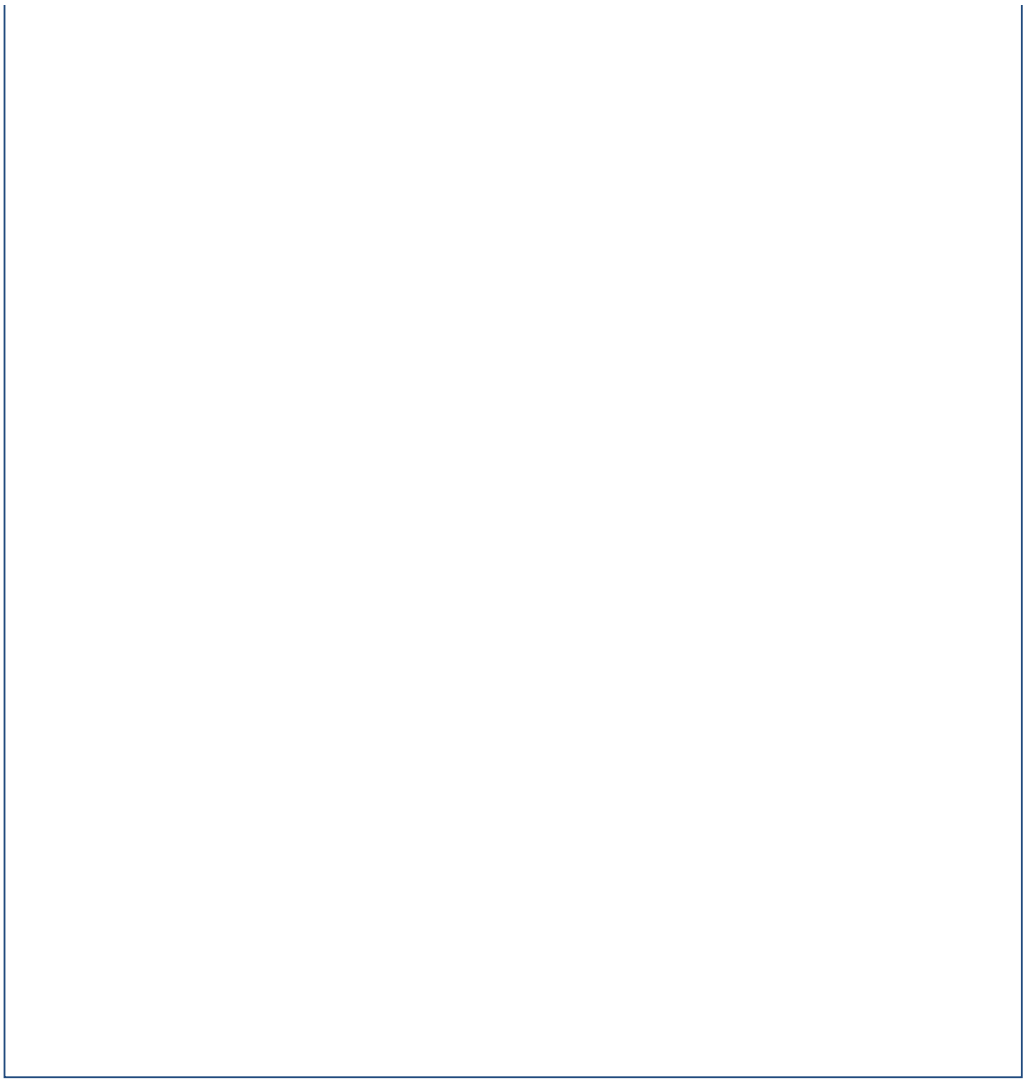
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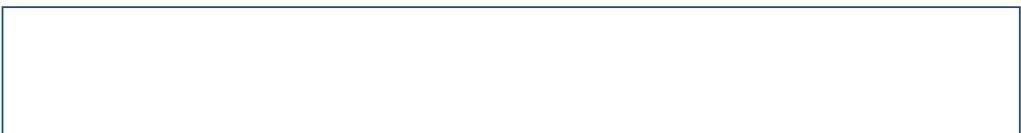
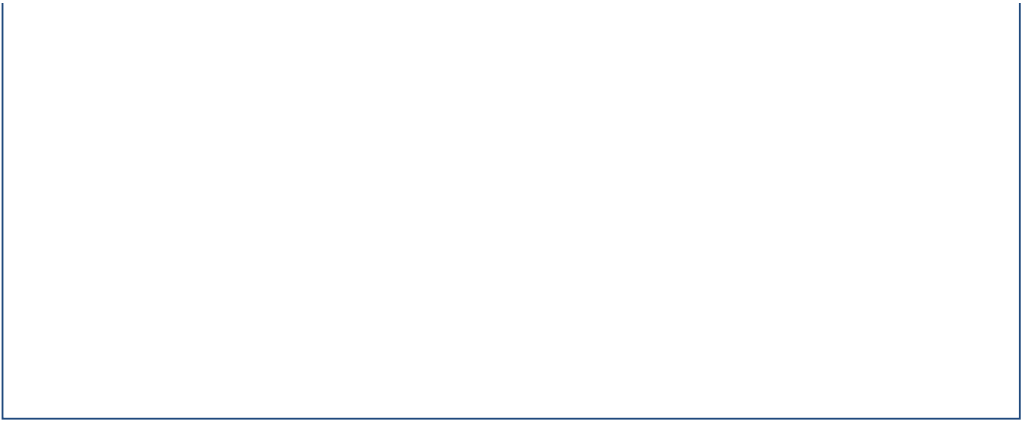
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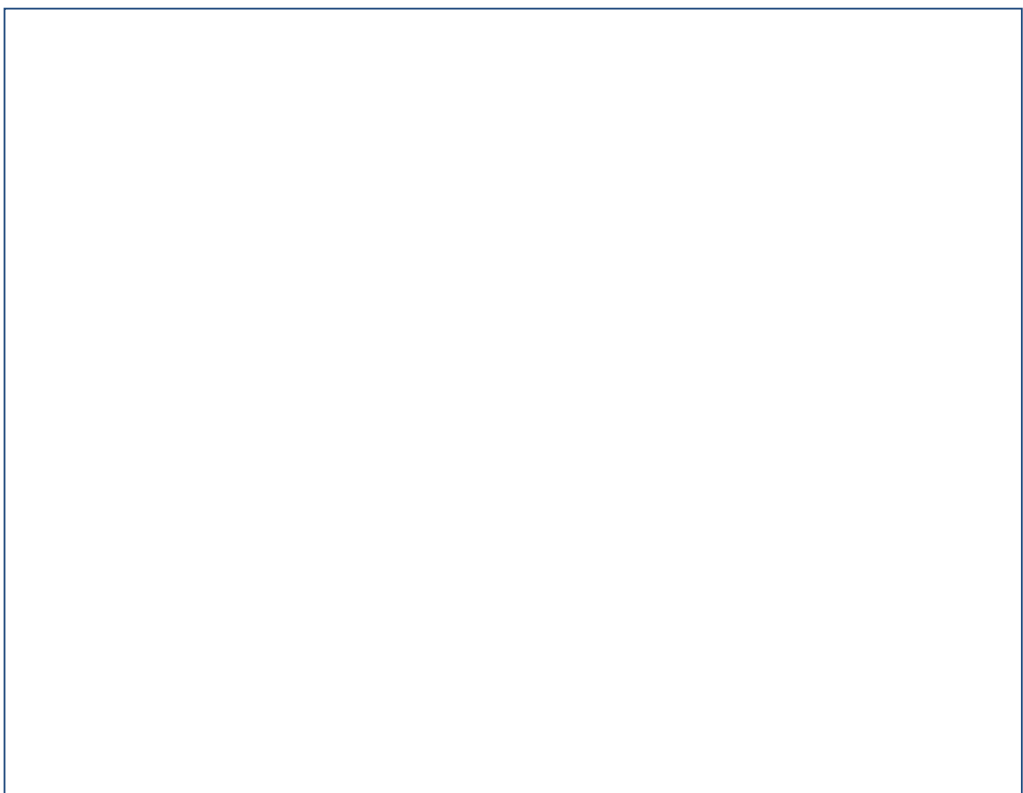
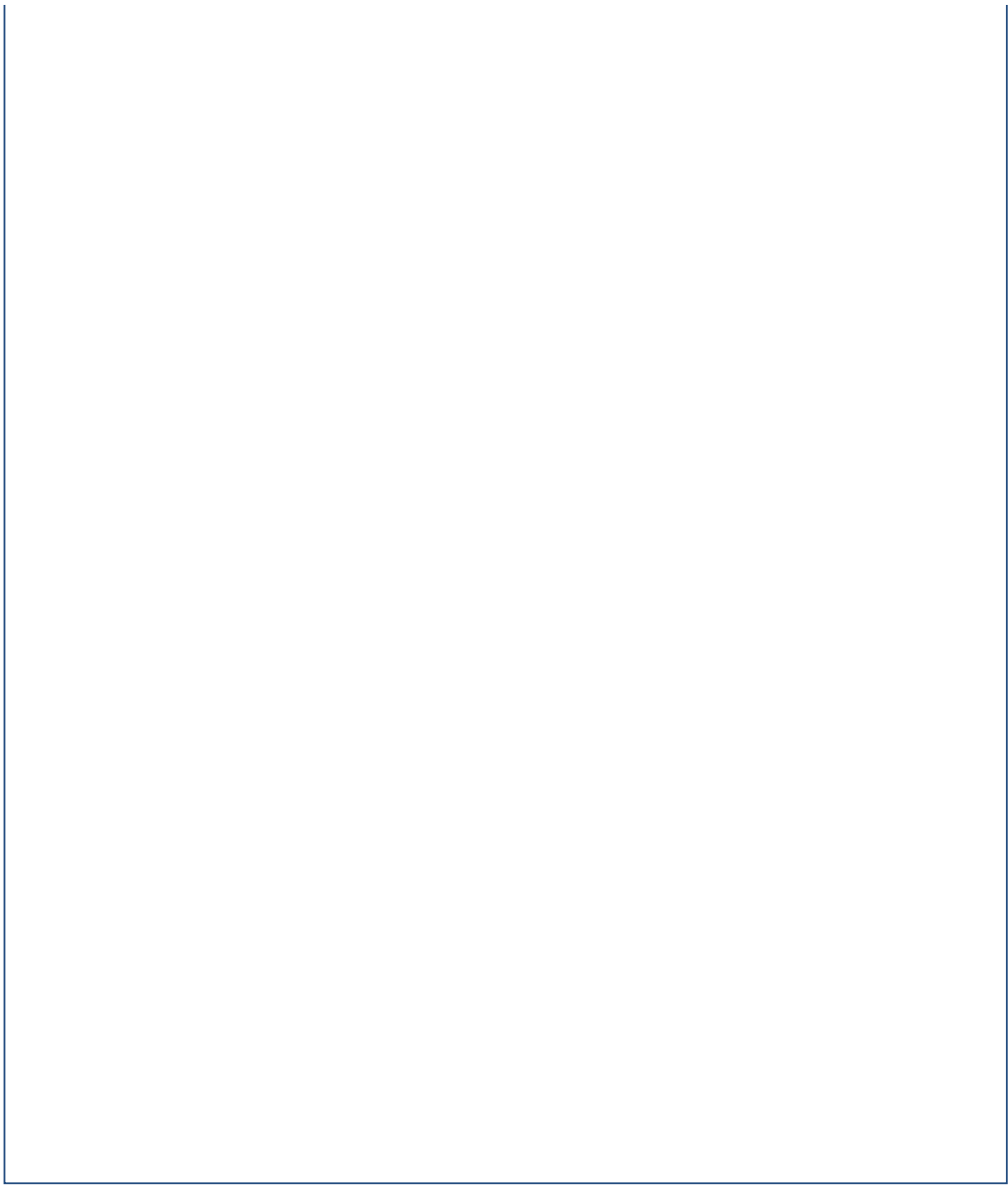
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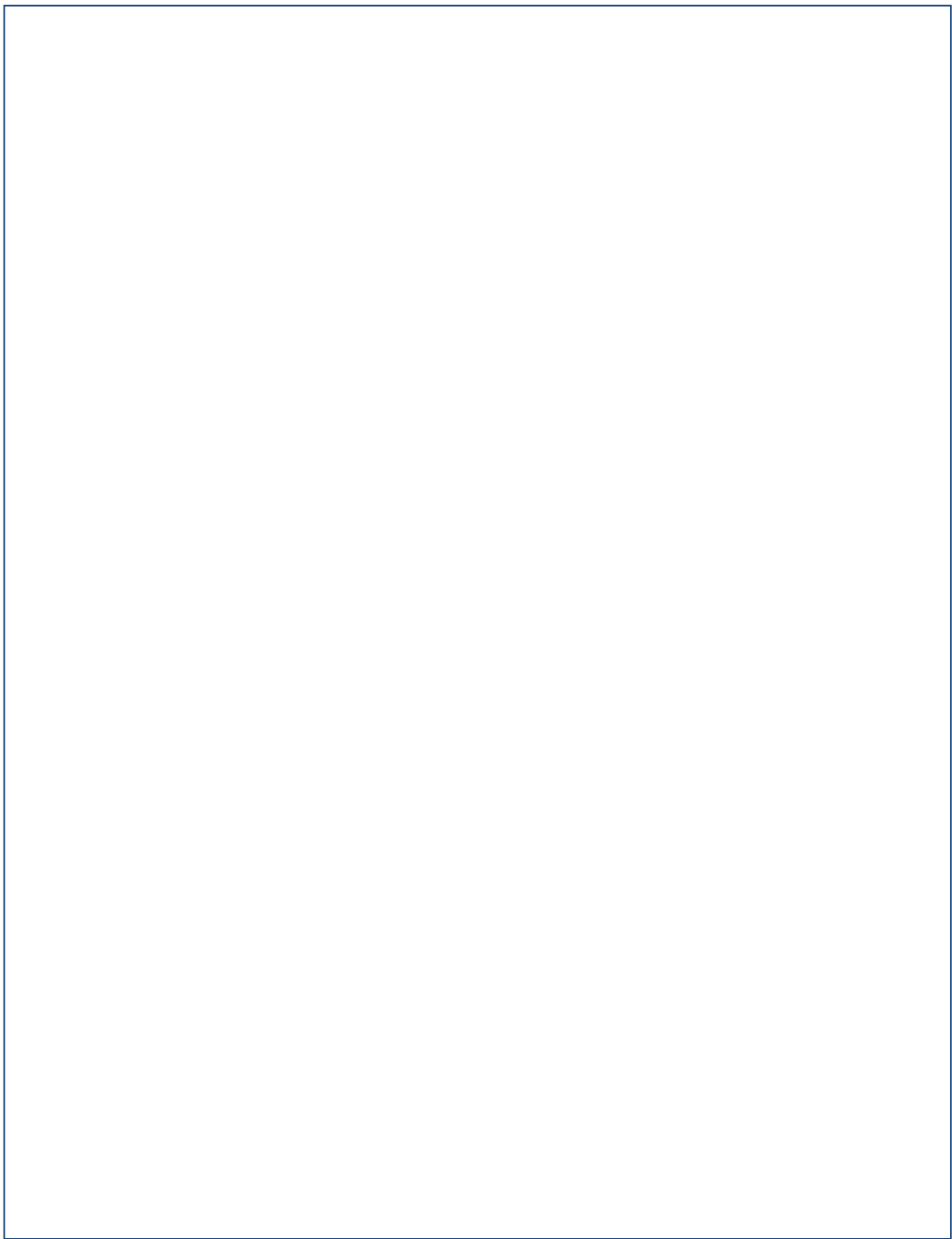
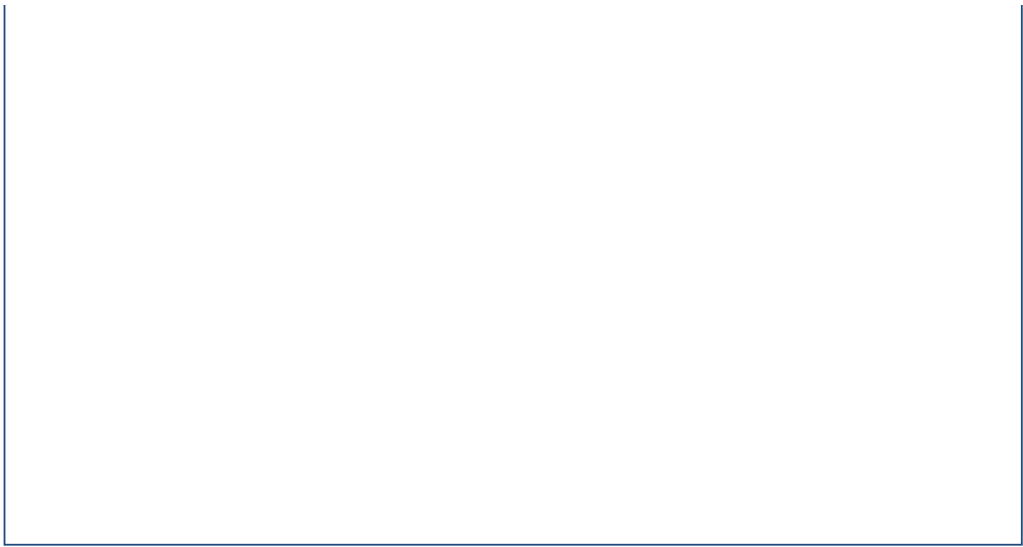


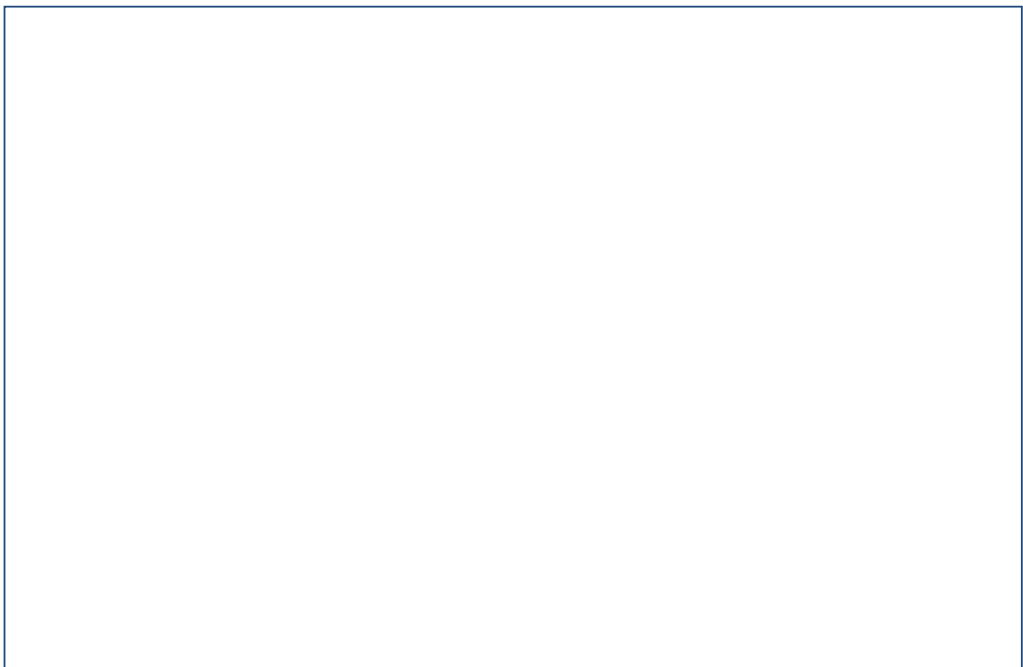
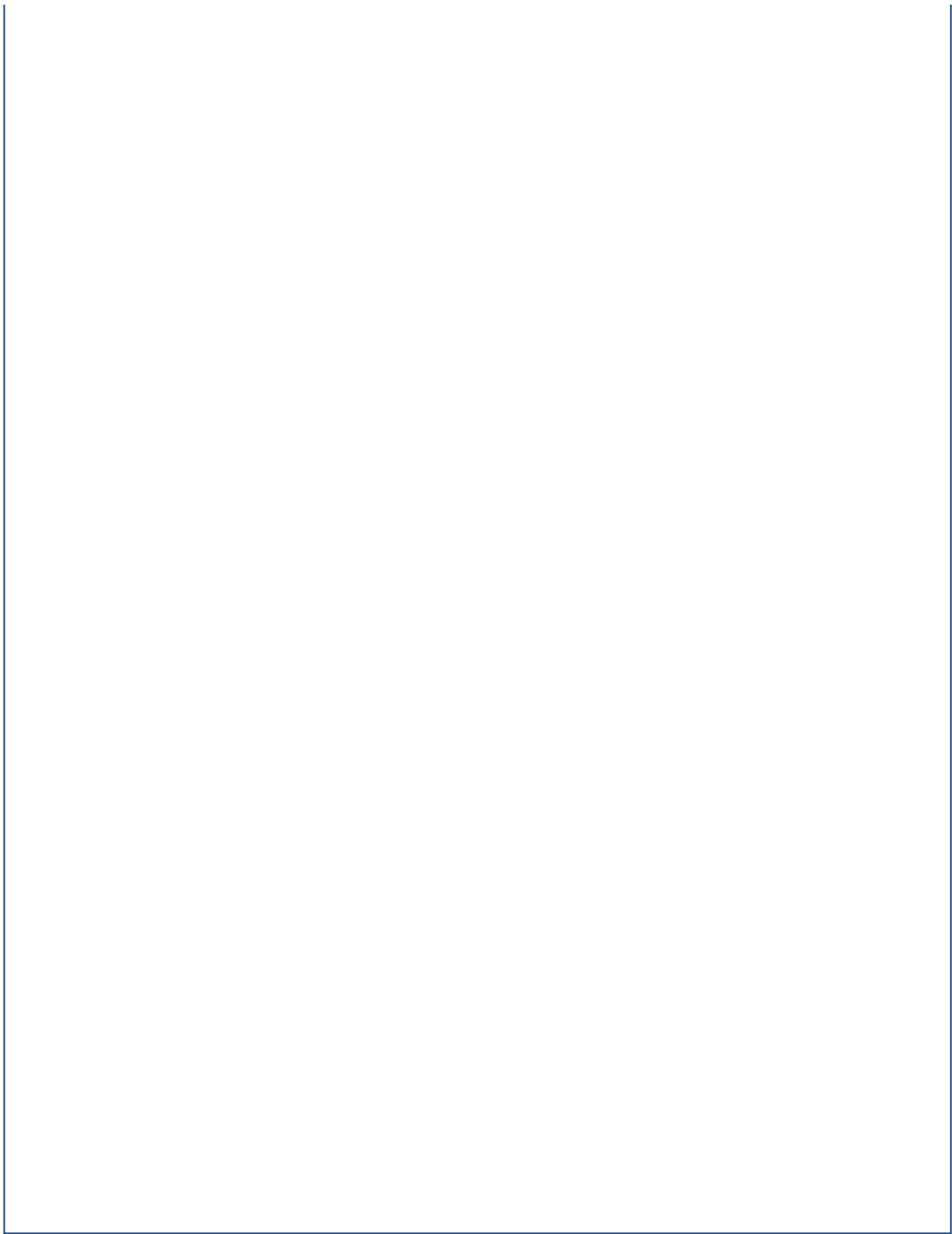


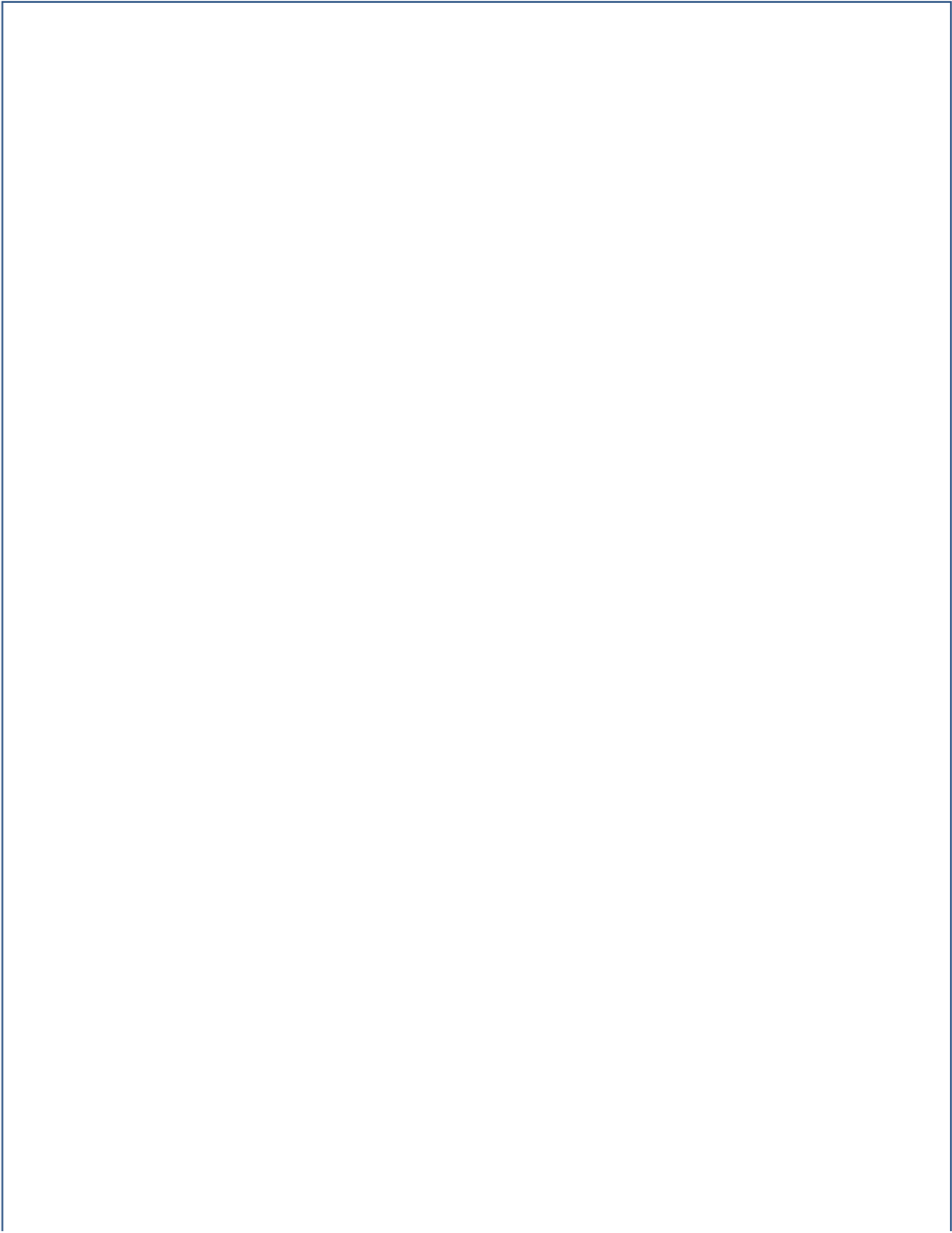
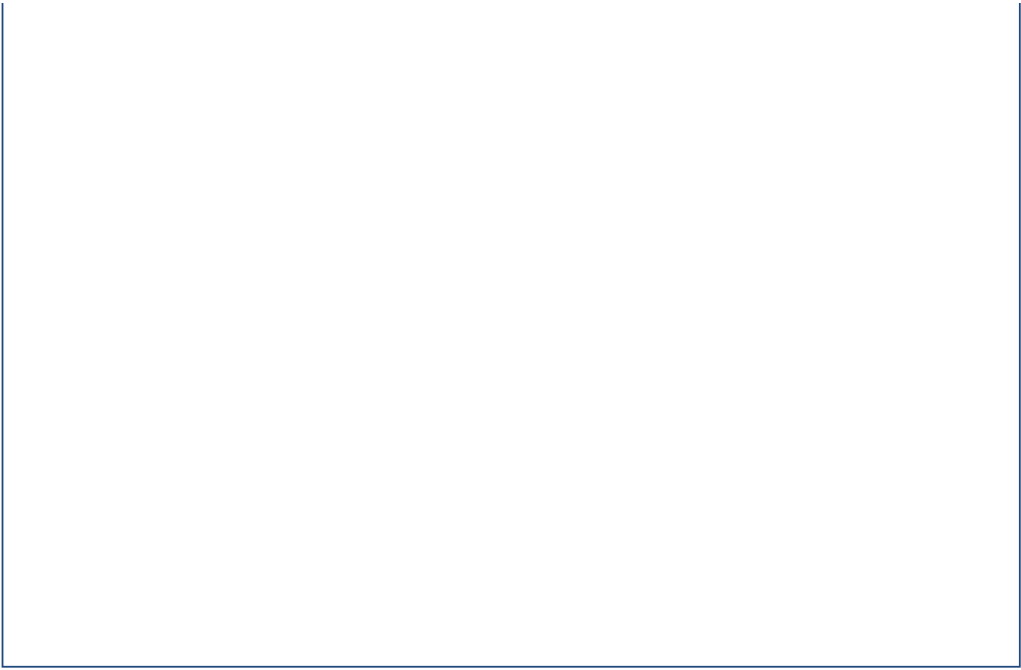


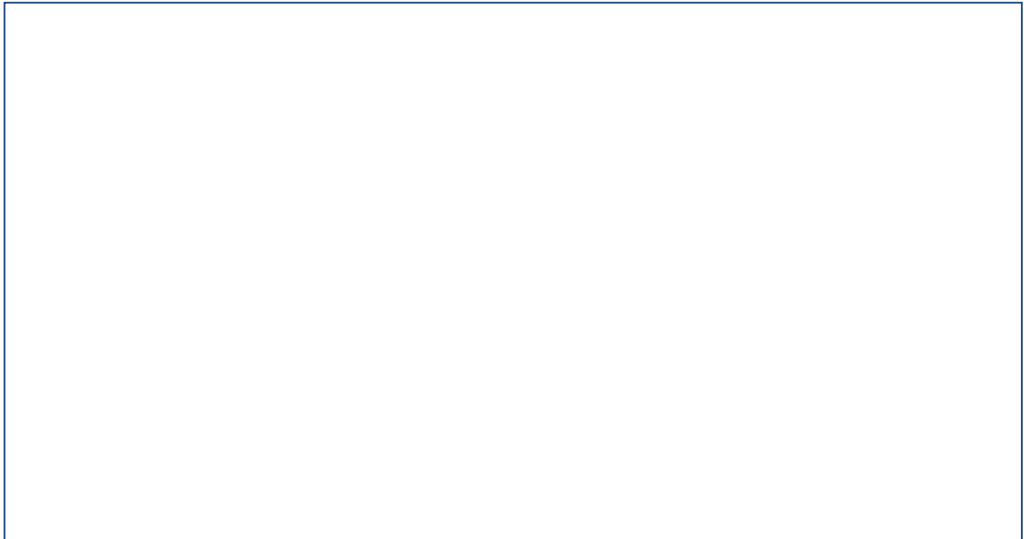
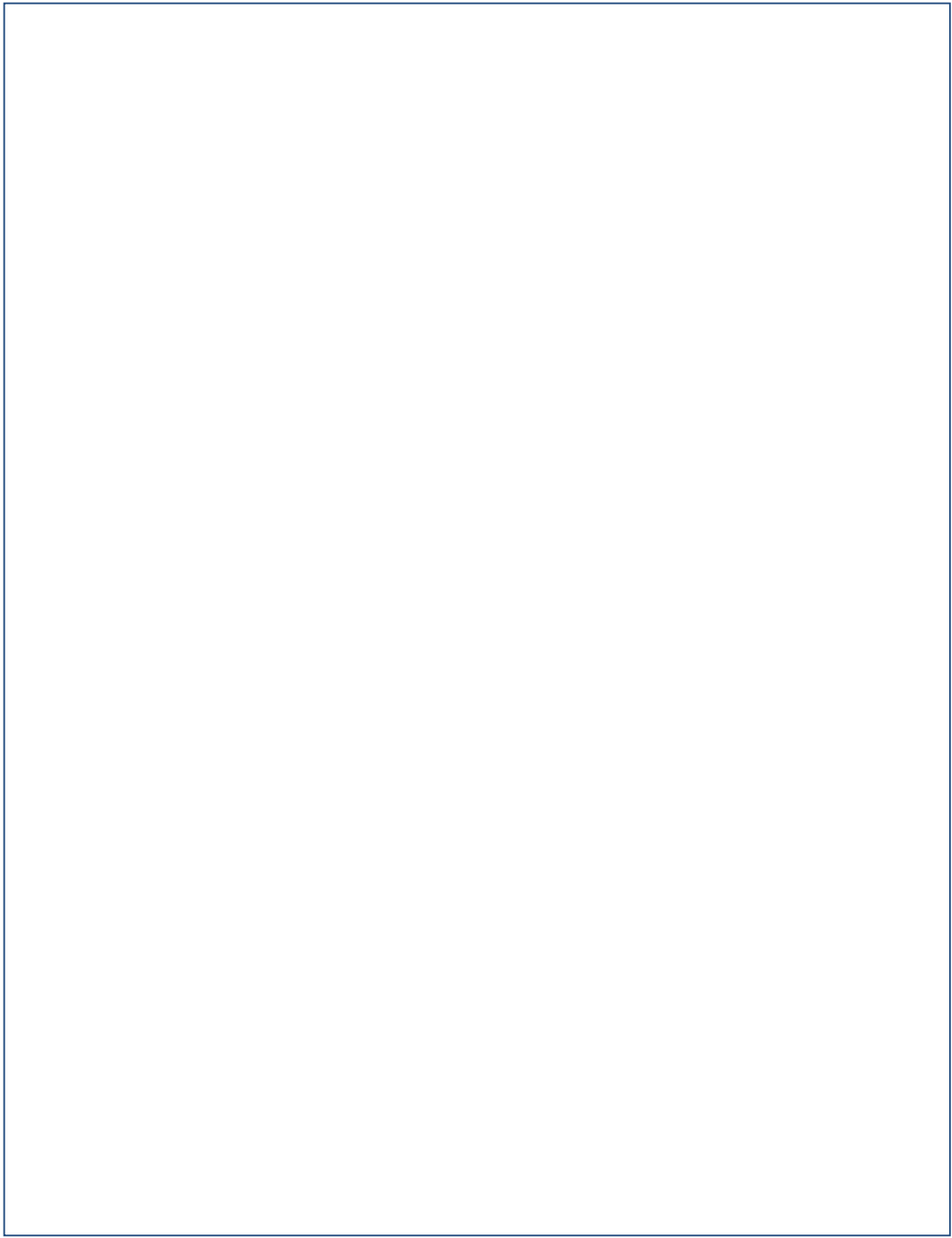


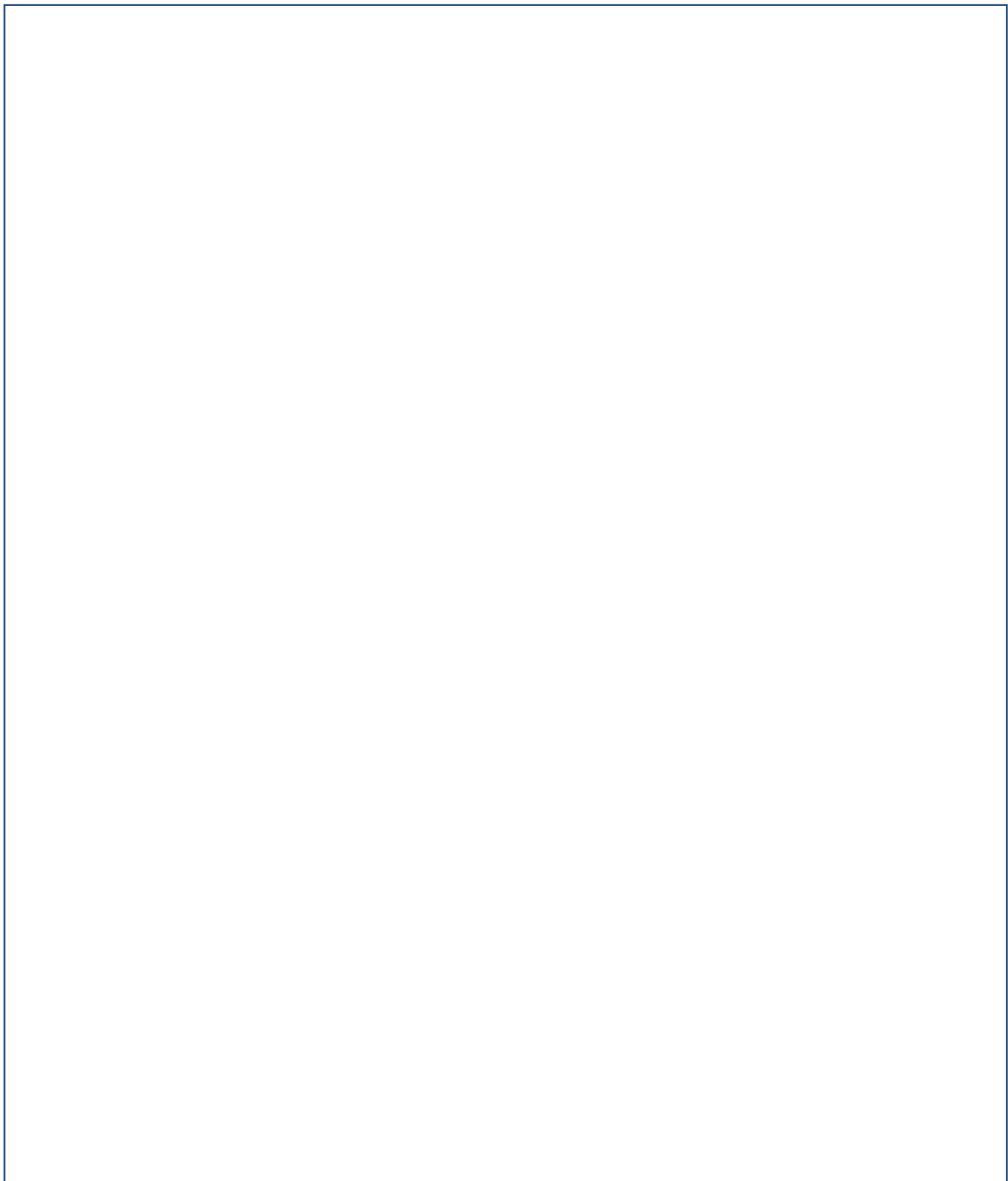
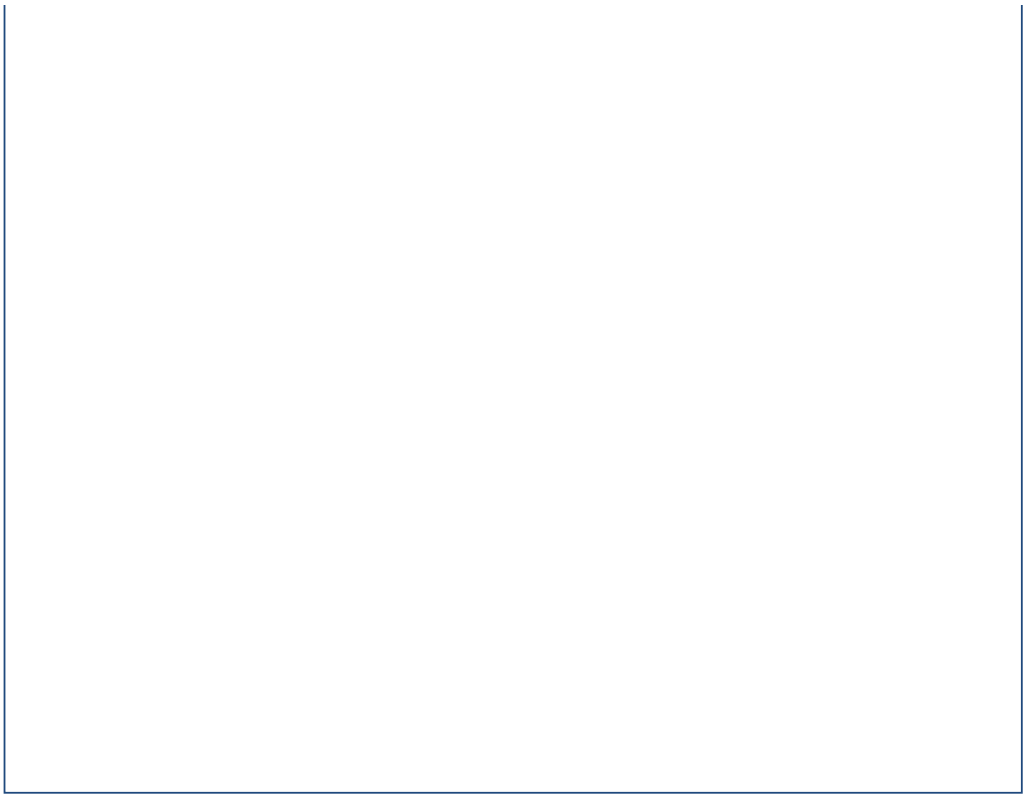


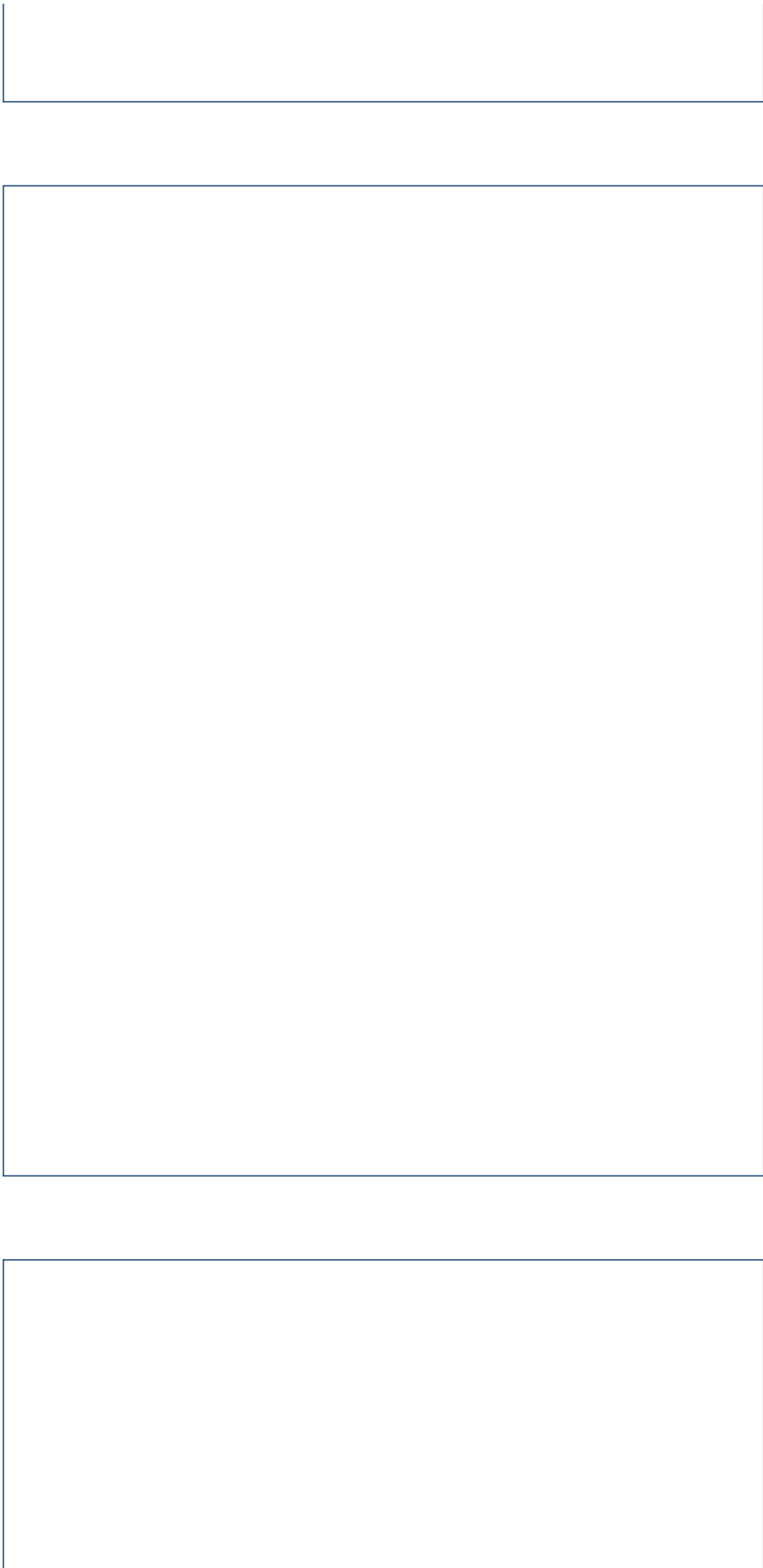


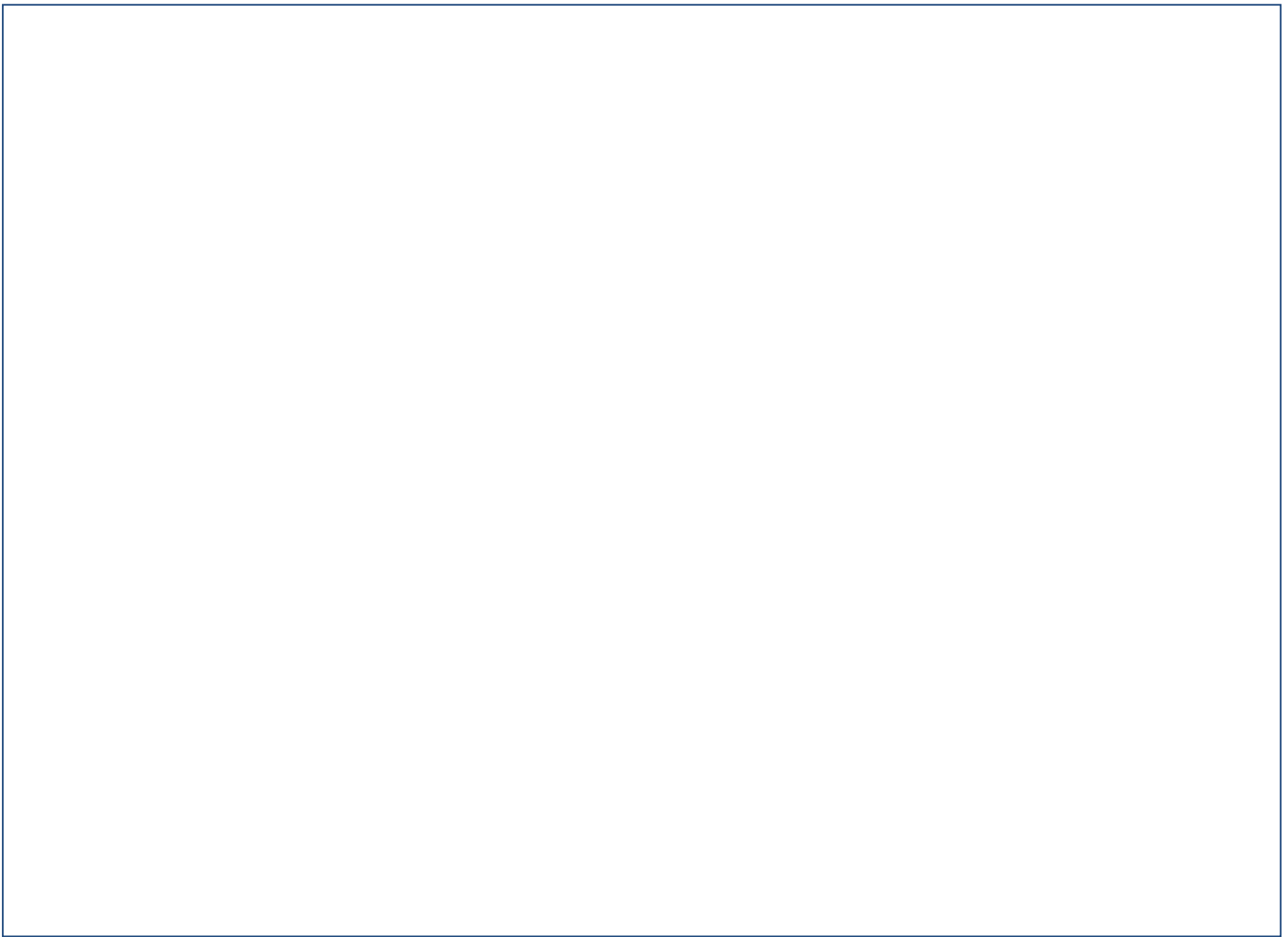
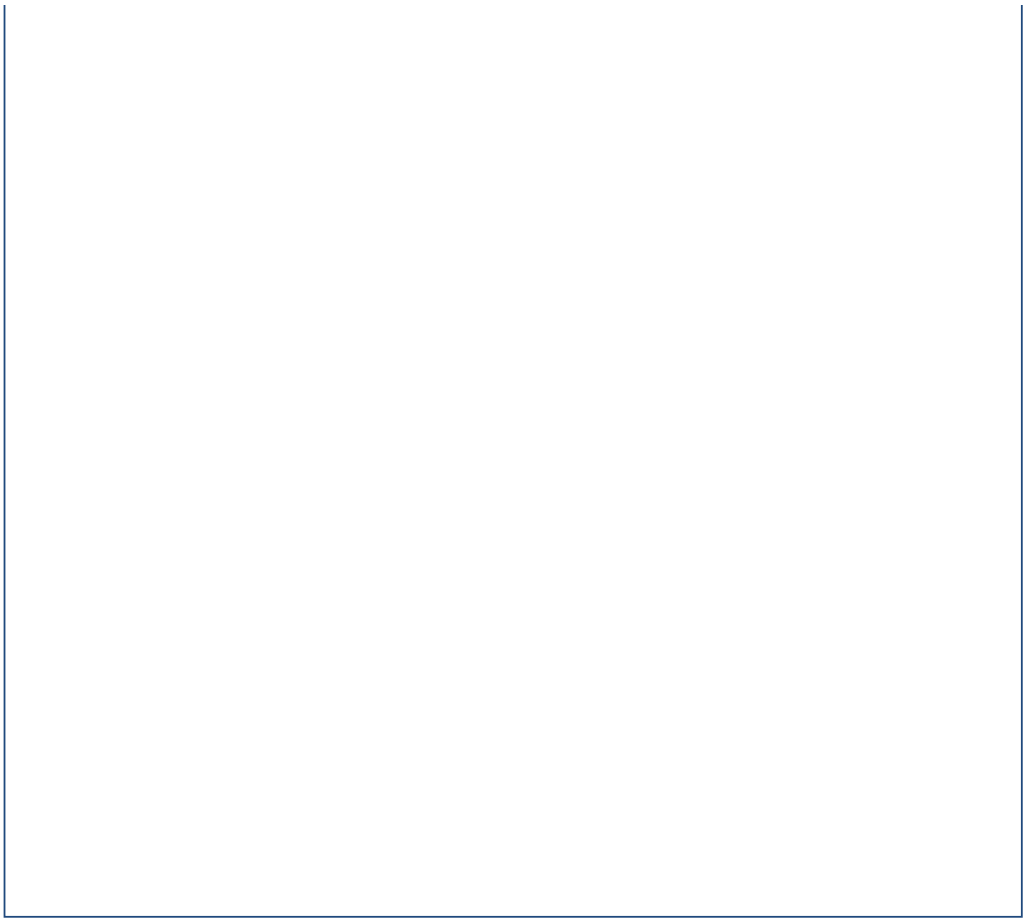


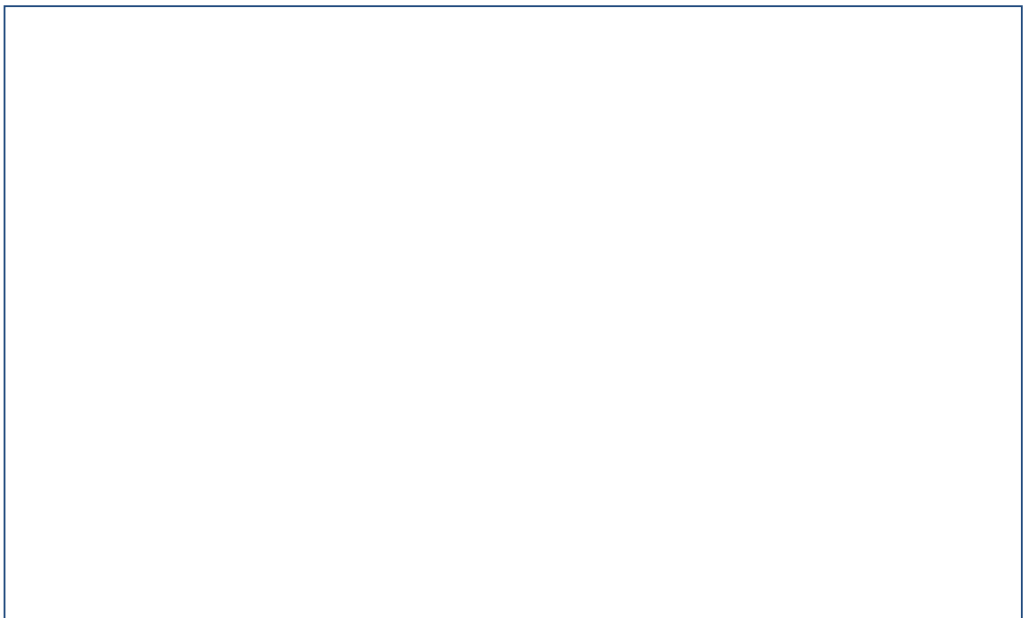
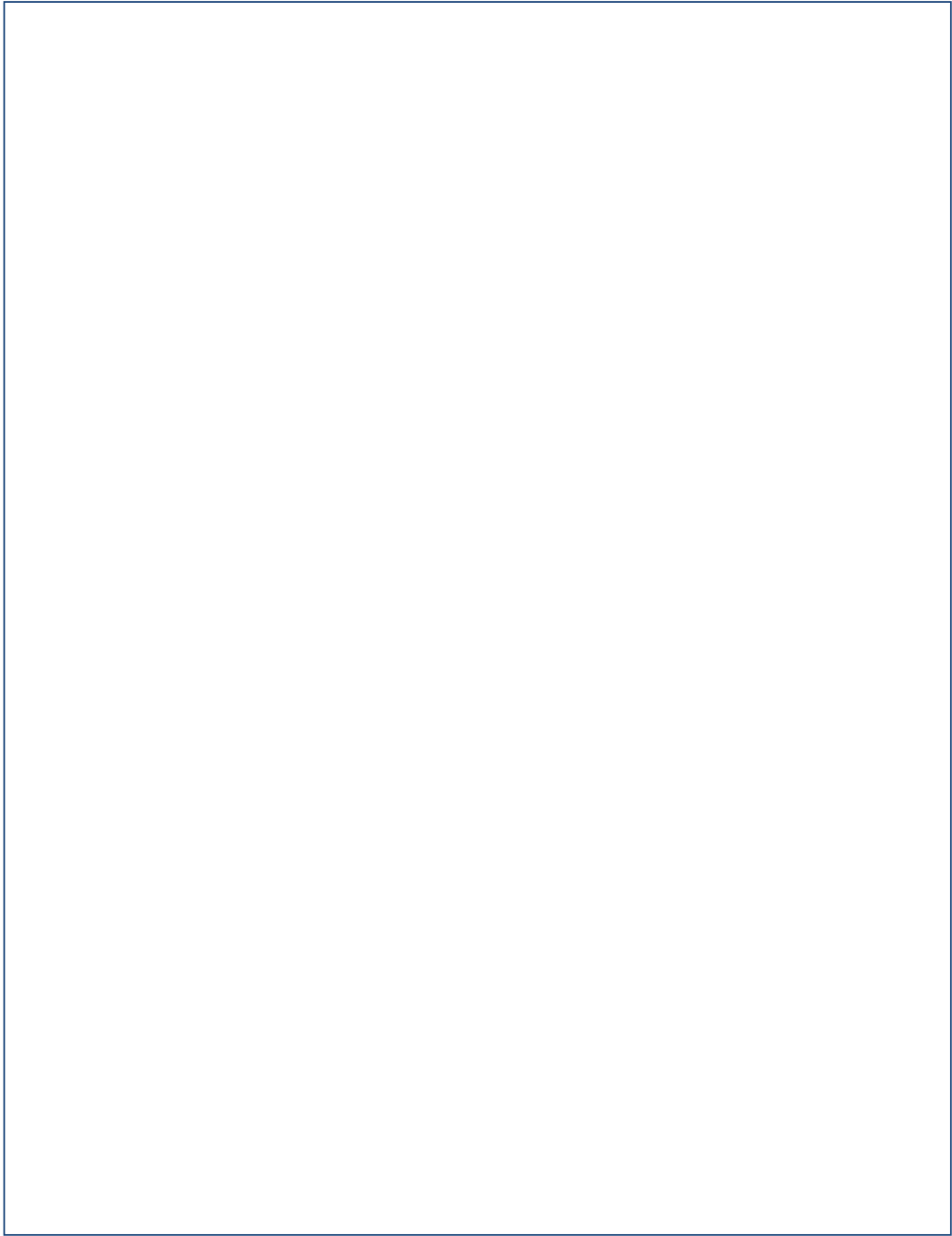


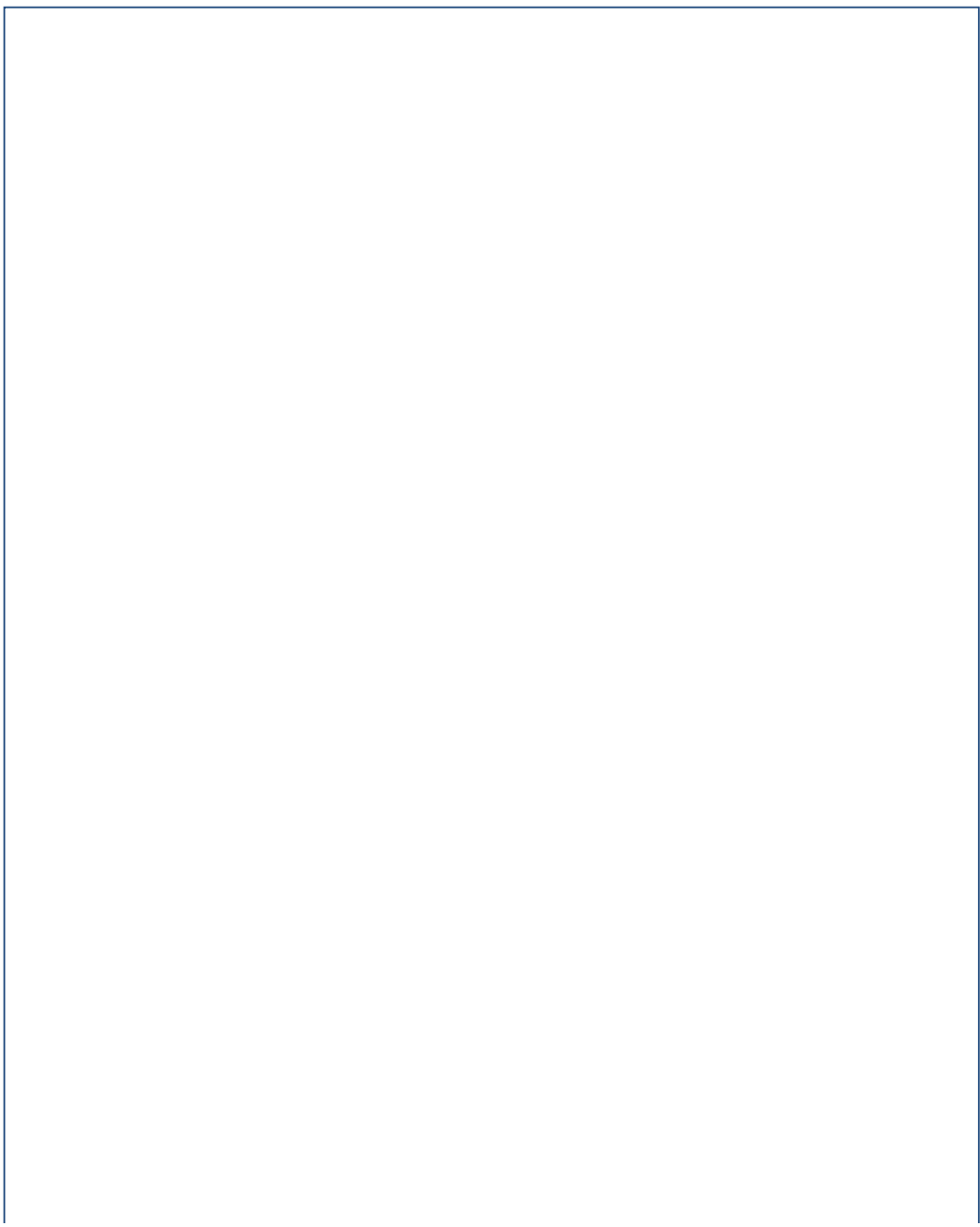
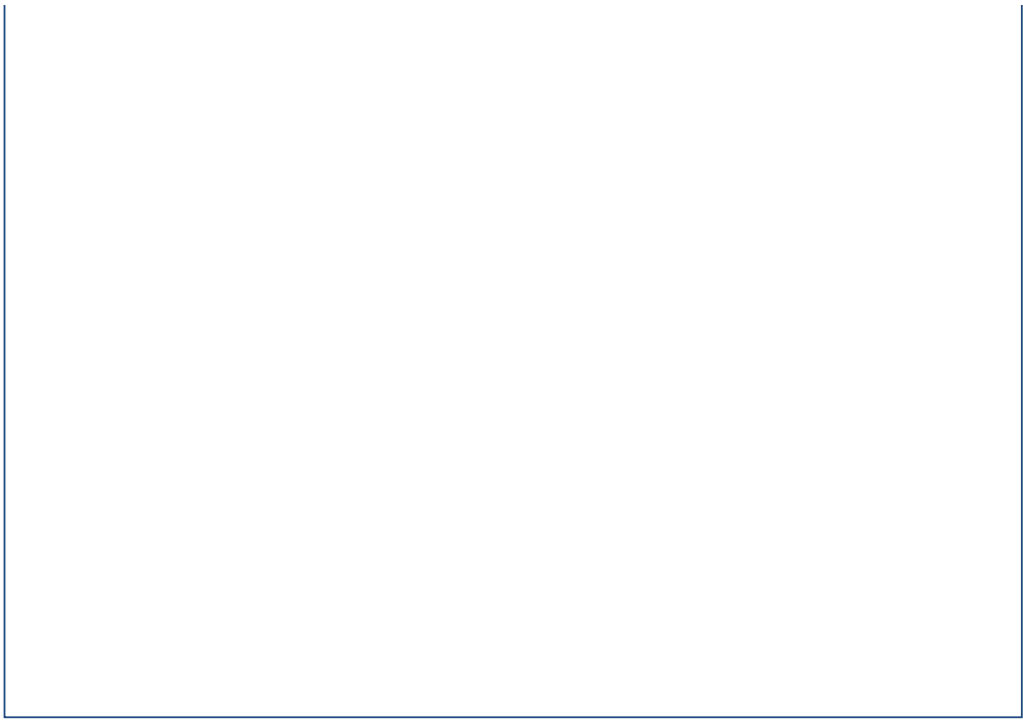


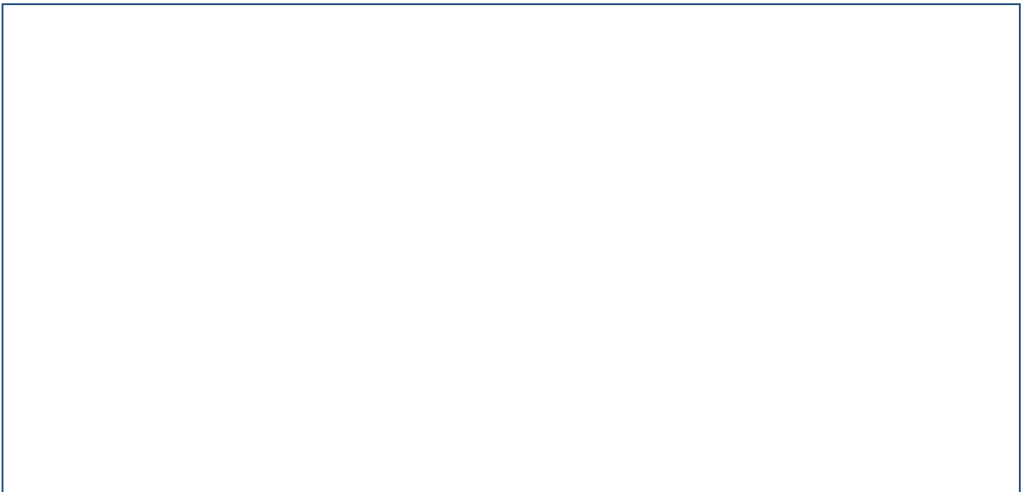
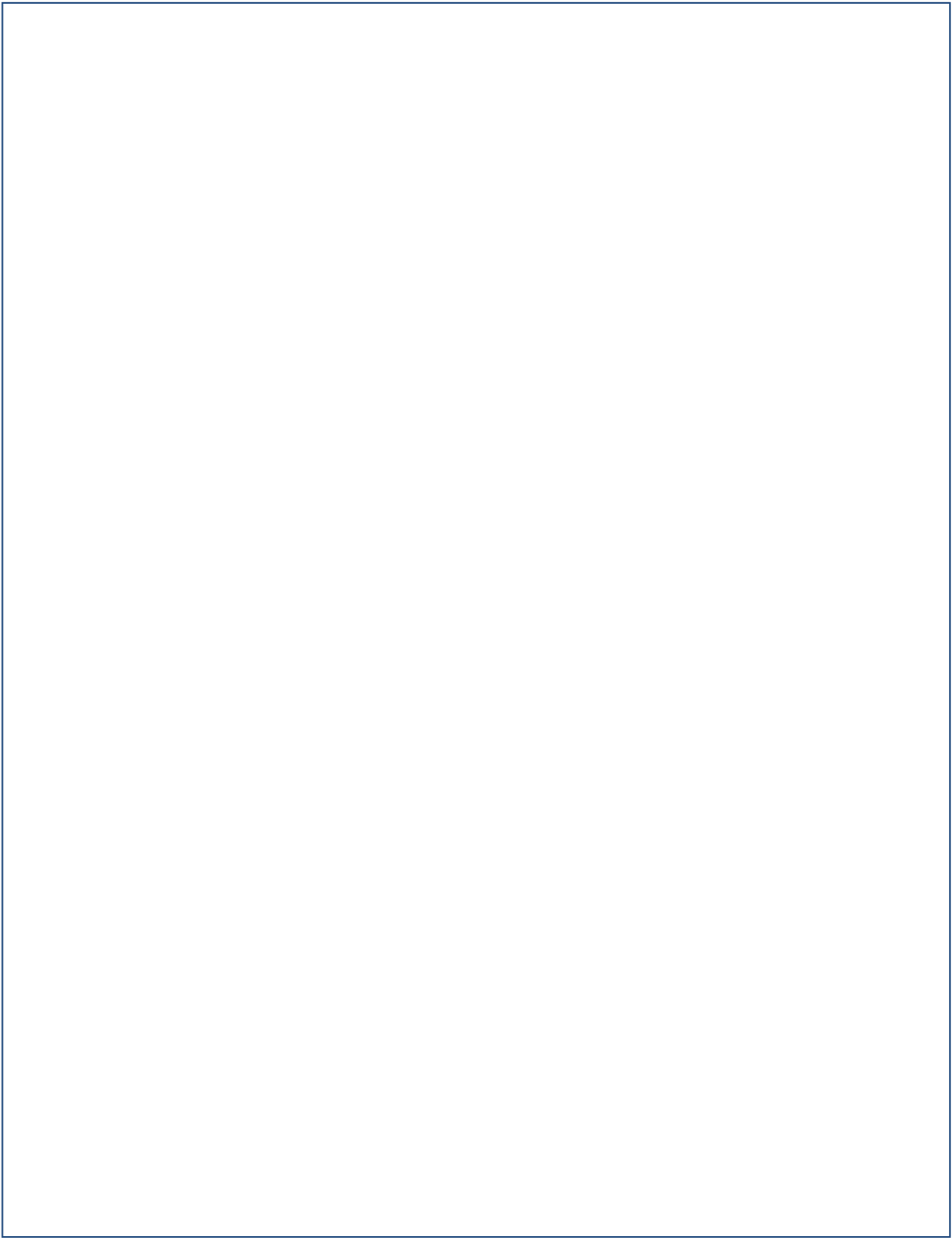












ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-looking statements

Certain information and statements included in this quarterly report on Form 10-Q, including, without limitation, statements containing the words "forecast," "guidance," "goals," "projects," "estimates," "anticipates," "believes," "expects," "intends," "may," "plans," "seeks," "should," "targets," or "will," or the negative of those words or similar words, constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements involve inherent risks and uncertainties regarding events, conditions, and financial trends that may affect our future plans of operations, business strategy, results of operations, and financial position. A number of important factors could cause actual results to differ materially from those included within or contemplated by the forward-looking statements, including, but not limited to, the following:

- Operating factors, such as a failure to operate our business successfully in comparison to market expectations or in comparison to our competitors, our inability to obtain capital when desired or refinance debt maturities when desired, and/or a failure to maintain our status as a REIT for federal tax purposes;
- Market and industry factors, such as adverse developments concerning the life science industry and/or our tenants;
- Government factors, such as any unfavorable effects resulting from federal, state, local, and/or foreign government policies, laws, and/or funding levels;
- Global factors, such as negative economic, social, political, financial, credit market, banking conditions, and/or regional armed hostilities; and
- Other factors, such as climate change, cyber intrusions, and/or changes in laws, regulations, and financial accounting standards.

This list of risks and uncertainties is not exhaustive. Additional information regarding risk factors that may affect us is included under Part I, "Item 1A. Risk factors"; and "Item 7. Management's discussion and analysis of financial condition and results of operations" in our annual report on Form 10-K for the year ended December 31, 2023 and under respective sections in this quarterly report on Form 10-Q. Readers of this quarterly report on Form 10-Q should also read our other documents filed publicly with the SEC for further discussion regarding such factors.

Overview

We are a Maryland corporation formed in October 1994 that has elected to be taxed as a REIT for federal income tax purposes. Alexandria Real Estate Equities, Inc. (NYSE: ARE), an S&P 500® company, is a best-in-class, mission-driven life science REIT making a positive and lasting impact on the world. As the pioneer of the life science real estate niche with our founding in 1994, Alexandria is the preeminent and longest-tenured owner, operator, and developer of collaborative life science mega campuses in AAA innovation cluster locations, including Greater Boston, the San Francisco Bay Area, San Diego, Seattle, Maryland, Research Triangle, and New York City. As of June 30, 2024, Alexandria has a total market capitalization of \$32.5 billion and an asset base in North America that includes 42.1 million RSF of operating properties and 5.3 million RSF of Class A/A+ properties undergoing construction and one committed near-term project expected to commence construction in the next two years. Alexandria has a longstanding and proven track record of developing Class A/A+ properties clustered in life science mega campuses that provide our innovative tenants with highly dynamic and collaborative environments that enhance their ability to successfully recruit and retain world-class talent and inspire productivity, efficiency, creativity, and success. Alexandria also provides strategic capital to transformative life science companies through our venture capital platform. We believe our unique business model and diligent underwriting ensure a high-quality and diverse tenant base that results in higher occupancy levels, longer lease terms, higher rental income, higher returns, and greater long-term asset value.

As of June 30, 2024:

- Investment-grade or publicly traded large cap tenants represented 53% of our annual rental revenue;
- Approximately 96% of our leases (on an annual rental revenue basis) contained effective annual rent escalations approximating 3.0% that were either fixed or indexed based on a consumer price index or other index;
- Approximately 94% of our leases (on an annual rental revenue basis) were triple net leases, which require tenants to pay substantially all real estate taxes, insurance, utilities, repairs and maintenance, common area expenses, and other operating expenses (including increases thereto) in addition to base rent; and
- Approximately 93% of our leases (on an annual rental revenue basis) provided for the recapture of capital expenditures (such as HVAC maintenance and/or replacement, roof replacement, and parking lot resurfacing) that we believe would typically be borne by the landlord in traditional office leases.

Our primary business objective is to maximize long-term asset value and stockholder returns based on a multifaceted platform of internal and external growth. A key element of our strategy is our unique focus on Class A/A+ properties located in collaborative life science mega campuses in AAA innovation clusters. Our mega campuses are designed for scalability, offering our tenants a clear path for growth, including through our future developments and redevelopments. Strategically located near top academic medical institutions and equipped with curated amenities, services, and transit access, our mega campuses are designed to support our tenants in attracting and retaining top talent, which we believe is a key driver of tenant demand for our properties. Our strategy also includes drawing upon our deep and broad real estate and life science relationships in order to identify and attract new and leading tenants and to source additional value-creation real estate.

Executive summary

Operating results

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to Alexandria's common stockholders – diluted:				
<i>In millions</i>	\$ 42.9	\$ 87.3	\$ 209.8	\$ 162.5
<i>Per share</i>	\$ 0.25	\$ 0.51	\$ 1.22	\$ 0.95
Funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted:				
<i>In millions</i>	\$ 405.5	\$ 382.4	\$ 809.4	\$ 756.1
<i>Per share</i>	\$ 2.36	\$ 2.24	\$ 4.71	\$ 4.43

For additional information, refer to "Funds from operations and funds from operations, as adjusted, attributable to Alexandria

Real Estate Equities, Inc.'s common stockholders" under "Definitions and reconciliations" and to the tabular presentation of these items in "Results of operations" in Item 2.

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An operationally excellent, industry-leading REIT with a high-quality, diverse client base to support growing revenues, stable cash flows, and strong margins.

(As of June 30, 2024, unless stated otherwise)

Percentage of annual rental revenue in effect from mega campuses	74%
Percentage of annual rental revenue in effect from investment-grade or publicly traded large cap tenants	53%

Sustained strength in tenant collections:

Tenant receivables as a percentage of rental revenues for the three months ended June 30, 2024	0.9 %
July 2024 tenant rents and receivables collected as of the date of this report	99.7%
Tenant rents and receivables for the three months ended June 30, 2024 collected as of the date of this report	99.9%

Occupancy of operating properties in North America	94.6%
Adjusted EBITDA margin for the three months ended June 30, 2024	72%
Percentage of leases containing annual rent escalations	96%

Weighted-average remaining lease term:

Top 20 tenants	9.4	years
All tenants	7.4	years

Strong leasing volume and solid rental rate increases

- Strong leasing volume aggregating 1.1 million RSF for the three months ended June 30, 2024.
- Solid rental rate increases of 7.4% and 3.7% (cash basis) for the three months ended June 30, 2024 and 26.2% and 15.0% (cash basis) for the six months ended June 30, 2024.
- 79% of our leasing activity during the last twelve months was generated from our existing tenant base.

	June 30, 2024	
	Three Months Ended	Six Months Ended
Total leasing activity – RSF	1,114,001	2,256,858
Leasing of development and redevelopment space – RSF	340,989	441,221
Lease renewals and re-leasing of space:		
RSF (included in total leasing activity above)	589,650	1,584,420
Rental rate increase	7.4%	26.2%
Rental rate increase (cash basis)	3.7%	15.0%

Continued solid net operating income and internal growth

- Total revenue growth
- \$766.7 million, up 7.4%, for the three months ended June 30, 2024, compared to \$713.9 million for the three months ended June 30, 2023.
- \$1.5 billion, up 8.6%, for the six months ended June 30, 2024, compared to \$1.4 billion for the six months ended June 30, 2023.
- Net operating income (cash basis) of \$1.9 billion for the three months ended June 30, 2024 annualized, increased by \$122.7 million, or 6.9%, compared to the three months ended June 30, 2023 annualized. Refer to "Net operating income, net operating income (cash basis), and operating margin" under "Definitions and reconciliations" in Item 2 for a reconciliation of our net income to net operating income (cash basis).

Strong and flexible balance sheet with significant liquidity; top 10% credit rating ranking among all publicly traded U.S. REITs

- As of June 30, 2024, our credit ratings from S&P Global Ratings and Moody's Investors Service were BBB+ and Baa1, respectively, which rank in the top 10% among all publicly traded U.S. REITs.
- Net debt and preferred stock to Adjusted EBITDA of 5.4x and fixed-charge coverage ratio of 4.5x for the three months ended June 30, 2024 annualized.
- Significant liquidity of \$5.6 billion.
- 32% of our total debt matures in 2049 and beyond.
- 13.0 years weighted-average remaining term of debt.
- 97.3% of our debt has a fixed rate.
- Total debt and preferred stock to gross assets of 29%.
- \$1.1 billion of expected capital contribution commitments from existing consolidated real estate joint venture partners to fund construction from July 1, 2024 through 2027.

Consistent dividend strategy with a focus on retaining significant net cash flows from operating activities after dividends for reinvestment

- Common stock dividend declared for the three months ended June 30, 2024 of \$1.30 per common share aggregating \$5.08 per common share for the twelve months ended June 30, 2024, up 24 cents, or 5%, over the twelve months ended June 30, 2023.
- Dividend yield of 4.4% as of June 30, 2024.
- Dividend payout ratio of 55% for the three months ended June 30, 2024.
- Average annual dividend per-share growth of 5% from 2020 through the three months ended June 30, 2024 annualized.
- Significant net cash flows from operating activities after dividends retained for reinvestment aggregating \$2.1 billion for the years ended December 31, 2020 through 2023 and including the midpoint of our 2024 guidance range for net cash provided by operating activities after dividends.

Ongoing execution of Alexandria's 2024 capital strategy

We expect to continue pursuing our strategy to fund a significant portion of our capital requirements for the year ending December 31, 2024 with dispositions and sales of partial interests and are actively pursuing several dispositions and partial interest sale opportunities.

(in millions)

Completed dispositions of 100% interest in properties not integral to our mega campus strategy	\$	77	(1)
Pending transactions subject to letters of intent or purchase and sale agreement negotiations		807	
Forward equity sales agreements expected to be settled in 2024		27	
		911	
Additional targeted dispositions, sales of partial interests, and common equity		639	
2024 guidance midpoint for dispositions, sales of partial interests, and common equity	\$	1,550	

(1) Refer to "Dispositions and sales of partial interests" in Item 2 for additional details.

Strong balance sheet management

Key capital metrics as of or for the three months ended June 30, 2024

	June 30, 2024		Target for Fourth Quarter of 2024 Annualized
	Quarter	Trailing	
	Annualized	12 Months	
Net debt and preferred stock to Adjusted EBITDA	5.4x	5.6x	Less than or equal to 5.1x
Fixed-charge coverage ratio	4.5x	4.6x	Greater than or equal to 4.5x

- \$32.5 billion in total market capitalization.
- \$20.1 billion in total equity capitalization, which ranks in the top 10% among all publicly traded U.S. REITs.
- As of June 30, 2024, our non-real estate investments aggregated \$1.5 billion:
- Unrealized gains presented in our consolidated balance sheet were \$159.8 million, comprising gross unrealized gains and losses aggregating \$284.2 million and \$124.4 million, respectively.
- Investment loss of \$43.7 million for the three months ended June 30, 2024 presented in our consolidated statement of operations consisted of \$33.4 million of realized gains, offset by \$12.8 million of impairment charges and \$64.2 million of unrealized losses. Investment loss of \$0.4 million for the six months ended June 30, 2024 presented in our consolidated statement of operations consisted of \$62.2 million of realized gains, offset by impairment charges of \$27.5 million and \$35.1 million of unrealized losses.

Key capital events

•In July 2024, we executed an agreement with the lender group to amend and restate our unsecured senior line of credit to, among other changes, extend the maturity date from January 22, 2028 to January 22, 2030, including extension options that we control. We expect that the amendment and restatement will become effective in September 2024 upon the satisfaction of certain conditions.

•During the three months ended June 30, 2024, we entered into new forward equity sales agreements aggregating \$27.8 million to sell 230 thousand shares of common stock under our ATM program at an average price of \$122.32 (before underwriting discounts). We expect to settle these forward equity sales agreements in 2024. As of June 30, 2024 and as of the date of this report, the remaining aggregate amount available under our ATM program for future sales of common stock was \$1.47 billion.

External growth and investments in real estate

Alexandria's highly leased value-creation pipeline delivered incremental annual net operating income of \$16 million, commencing during the three months ended June 30, 2024, and is expected to deliver incremental annual net operating income aggregating \$480 million by the first quarter of 2028

•During the three months ended June 30, 2024, we placed into service development and redevelopment projects aggregating 284,982 RSF that are 100% leased across multiple submarkets and delivered incremental annual net operating income of \$16 million. Deliveries during the three months ended June 30, 2024 included:

•195,435 and 25,655 RSF at 9810 Darnestown Road and 9808 Medical Center Drive, respectively, located on the Alexandria Center[®] for Life Science – Shady Grove mega campus in our Rockville submarket.

•Annual net operating income (cash basis) is expected to increase by \$80 million upon the burn-off of initial free rent, with a weighted-average burn-off period of approximately seven months, from recently delivered projects.

•69% of the RSF in our total value-creation pipeline is within our mega campuses.

Development and Redevelopment Projects

	Incremental Annual Net Operating Income	RSF	Leased/ Negotiating Percentage
<i>(dollars in millions)</i>			
Placed into service:			
Three months ended March 31, 2024	\$ 26	343,445	100%
Three months ended June 30, 2024	16	284,982	100
Total placed into service during six months ended June 30, 2024	\$ 42	628,427	100%
Expected to be placed into service ⁽¹⁾ :			
Third quarter of 2024 through fourth quarter of 2025	\$ 187 ⁽²⁾	5,432,915	61%
First quarter of 2026 through first quarter of 2028	293		⁽³⁾
	\$ 480		

(1)Represents expected incremental annual net operating income to be placed into service from deliveries of projects undergoing construction and one committed near-term project expected to commence construction in the next two years.

(2)Includes 1.5 million RSF that is expected to stabilize through 2025 and is 87% leased, and partial deliveries through fourth quarter of 2025 from projects expected to stabilize in 2026 and beyond. In addition to the projects represented, we are evaluating one priority anticipated development project that could commence active construction in the second half of 2024 and may have initial delivery in 2025. Refer to the initial and stabilized occupancy years under "New Class A/A+" development and redevelopment properties: current projects" in Item 2 for additional details.

(3)71% of the leased RSF of our value-creation projects was generated from our existing tenant base.

RECENTLY RELEASED

2023 CORPORATE RESPONSIBILITY REPORT

To download, please visit the
Corporate Responsibility page of our
company website at www.are.com.



ALEXANDRIA'S HIGHLY IMPACTFUL CORPORATE RESPONSIBILITY PILLARS

Developing and implementing collaborative and innovative solutions to some of the nation's most pressing challenges



↑ Accelerating medical innovation to save lives



↑ Harnessing agtech to combat hunger and improve nutrition

↑ Prioritizing the mental health crisis



↑ Revolutionizing addiction treatment



← Approaching homelessness as a healthcare problem, not a housing issue



← Supporting our military, our veterans, and their families

↓ Building principled leaders through education



↑ Inspiring future generations with the stories and values of our nation's heroes

Same Property Net
Operating Income Growth

Rental Rate Growth:
Renewed/Re-Leased Space

Margins⁽¹⁾

Favorable Lease Structure⁽²⁾

Operating

Adjusted EBITDA

Strategic Lease Structure by Owner and Operator of

Stable Cash Flows From Our High-Quality and Diverse Mix of
Approximately 800 Tenants

Investment-Grade or Publicly Traded
Large Cap Tenants

92%

of ARE's Top 20 Tenant
Annual Rental Revenue

53%

Percentage of ARE's
Annual Rental Revenue

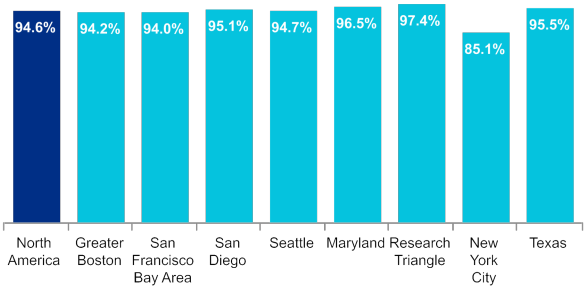
of ARE's Annual
Rental Revenue

Solid Historical Occupancy of 96% Over Past 10 Years⁽³⁾ From
Historically Strong Demand for Our Class A/A+ Properties in AAA Locations

Mega Campuses

Occupancy Across Key Locations

Percentage of ARE's
Annual Rental Revenue



(4)

Long-Duration Lease Terms

9.4 Years

Top 20 Tenants

7.4 Years

All Tenants

Weighted-Average Remaining Term⁽¹⁾

Sustained Strength in Tenant Collections⁽²⁾

99.9%

For the Three Months Ended
June 30, 2024

99.7%

July 2024

⁽¹⁾Based on annual rental revenue in effect as of June 30, 2024.
⁽²⁾Represents the portion of total receivables billed for each period collected through the date of this report.

Leasing
The following table summarizes our leasing activity at our properties:

	Three Months Ended		Six Months Ended		Year Ended	
	June 30, 2024		June 30, 2024		December 31, 2023	
	Including	Cash Basis	Including	Cash Basis	Including	Cash Basis
	Straight-Line Rent		Straight-Line Rent		Straight-Line Rent	
(Dollars per RSF)						
Leasing activity:						
Renewed/re-leased space ⁽¹⁾						
Rental rate changes	7.4%	(2)	3.7%	(2)	26.2%	15.0%
					29.4%	15.8%
New rates	\$46.56		\$47.92		\$69.43	\$52.35
Expiring rates	\$43.34		\$46.23		\$55.02	\$40.46
RSF	589,650			1,584,420		3,046,386
Tenant improvements/ leasing commissions	\$31.83			\$25.32		\$26.09
Weighted-average lease term	4.4 years			8.0 years		8.7 years
Developed/redeveloped/ previously vacant space leased ⁽³⁾						
New rates	\$67.96		\$65.59		\$68.85	\$66.73
					\$66.73	\$65.66
RSF	524,351			672,438		1,259,686
Weighted-average lease term	7.4 years			7.2 years		13.8 years
Leasing activity summary (totals):						
New rates	\$57.55		\$56.99		\$69.26	\$56.09
					\$67.78	\$53.33
RSF	1,114,001			2,256,858		4,306,072
Weighted-average lease term	6.6 years			7.7 years		11.3 years

Lease expirations:

Summary of contractual lease expirations

The following table summarizes the contractual lease expirations at our properties as of June 30, 2024:

Year	RSF	Percentage of Occupied RSF	Annual Rental Revenue (per RSF) ⁽¹⁾	Percentage of Annual Rental Revenue
2024 ⁽²⁾	1,629,725	4.1%	\$ 52.61	3.9%
2025	3,969,159	10.1%	\$ 52.32	9.4%
2026	2,741,258	6.9%	\$ 52.81	6.6%
2027	3,155,424	8.0%	\$ 52.84	7.6%
2028	4,697,787	11.9%	\$ 51.91	11.1%
2029	2,519,629	6.4%	\$ 51.26	5.9%
2030	2,732,244	6.9%	\$ 46.39	5.8%
2031	3,655,986	9.3%	\$ 54.89	9.1%
2032	1,078,558	2.7%	\$ 59.67	2.9%
2033	2,872,541	7.3%	\$ 51.57	6.7%
Thereafter	10,398,273	26.4%	\$ 65.96	31.0%

(1)Represents amounts in effect as of June 30, 2024.

(2)Excludes month-to-month leases aggregating 129,549 RSF as of June 30, 2024.

The following tables present our lease expirations by market for the remainder of 2024 and for 2025 as of June 30, 2024:

2024 Contractual Lease Expirations (in RSF)						
Market	Leased	Negotiating/ Anticipating	Targeted for Future Development/Redevelopment ⁽¹⁾		Remaining Expiring Leases ⁽²⁾	Annual Rental Revenue (per RSF) ⁽⁴⁾
			Committed	Future		
			Near-Term/ Priority Anticipated			
Greater Boston	14,075	57,179		104,500	210,588	\$ 78.66
San Francisco Bay Area	—	58,517	107,250	—	252,300	55.48
San Diego	27,119	—	—	226,144	17,408	29.33
Seattle	18,107	—	—	—	111,263	20.78
Maryland	—	—	—	—	10,919	5.62
Research Triangle	—	10,478	—	—	18,439	37.70
New York City	—	5,896	—	—	355,792 ⁽⁵⁾	53.71
Texas	—	—	—	—	—	—
Canada	13,321	—	—	—	—	26.58
Non-cluster/other markets	—	—	—	—	10,430	57.02
Total	72,622	132,070	107,250	330,644	987,139	\$ 52.61
Percentage of expiring leases	4%	8%	7%	20%	61%	100%

2025 Contractual Lease Expirations (in RSF)						
Market	Leased	Negotiating/ Anticipating	Targeted for Future Development/ Redevelopment ⁽¹⁾		Remaining Expiring Leases ⁽⁶⁾	Annual Rental Revenue (per RSF) ⁽⁴⁾
Greater Boston	44,332	38,705	25,312	890,639 ⁽⁷⁾	998,988	\$ 78.18
San Francisco Bay Area	35,797	83,980	—	491,082	610,859	71.91
San Diego	22,324	28,854	269,048	257,832	578,058	27.46
Seattle	—	14,058	50,552	215,294	279,904	31.76
Maryland	35,055	—	—	185,357	220,412	28.41
Research Triangle	—	—	—	320,957	320,957	51.34
New York City	—	—	—	67,215	67,215	106.25
Texas	—	357,136	198,972	247,246	803,354	36.27
Canada	—	—	—	88,412	88,412	20.31
Non-cluster/other markets	—	—	—	1,000	1,000	49.20
Total	137,508	522,733	543,884	2,765,034	3,969,159	\$ 52.32
Percentage of expiring leases	3%	13%	14%	70%	100%	

(1)Primarily represents assets that were recently acquired for future value-creation opportunities, for which we expect, subject to market conditions and leasing, to commence first-time conversion from non-laboratory space to laboratory space, or to commence future ground-up development. As of June 30, 2024, annual rental revenue from these leases expiring in 2024 and 2025 is \$42.98 per RSF and \$32.71 per RSF, respectively. The weighted-average expiration date of these leases expiring in 2024 and 2025 is September 29, 2024 and January 12, 2025, respectively. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional details, including value-creation square feet currently included in rental properties.

(2)Excluding the expiration described in footnote 5, the largest remaining contractual lease expiration in 2024 is 97,702 RSF in our Mission Bay submarket, where we are working to retain the current tenant.

(3)Excludes month-to-month leases aggregating 129,549 RSF as of June 30, 2024.

(4)Represents amounts in effect as of June 30, 2024.

(5)Includes 349,947 RSF at 219 East 42nd Street that was classified as held for sale as of June 30, 2024 and was sold in July 2024.

(6)Key remaining expiring leases in 2025 include 600,477 RSF in three submarkets with a weighted-average expiration date of February 1, 2025 and annual rental revenue as of June 30, 2024 aggregating approximately \$37 million comprised of the following: (i) 248,700 RSF at our Alexandria Technology Square® mega campus in our

Cambridge submarket, of which 171,945 RSF is expected to be repositioned from single-tenancy to multi-tenancy, and we are evaluating options to reposition the remaining 76,755 RSF; (ii) 247,246 RSF of industrial and R&D space in our Austin submarket for which we are evaluating options to market for re-lease or reposition the space; and (iii) 104,531 RSF in our Research Triangle market that is currently being marketed for re-lease. We expect downtime on these spaces to range from 12 to 24 months on a weighted average basis.

(7)Includes 816,048 RSF of contractual lease expirations in our Cambridge/Inner Suburbs submarket. Refer to footnote 6 for additional details.

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Top 20 tenants

92% of Top 20 Tenant Annual Rental Revenue Is From Investment-Grade or Publicly Traded Large Cap Tenants⁽¹⁾

Our properties are leased to a high-quality and diverse group of tenants, with no individual tenant accounting for more than 5.7% of our annual rental revenue in effect as of June 30, 2024. The following table sets forth information regarding leases with our 20 largest tenants in North America based upon annual rental revenue in effect as of June 30, 2024 (dollars in thousands, except average market cap amounts):

Tenant	Remaining Lease Term ⁽¹⁾ (in Years)	Aggregate RSF	Annual Rental Revenue ⁽¹⁾	Percentage of Annual Rental Revenue ⁽¹⁾	Investment-Grade Credit Ratings		Average Market Cap ⁽¹⁾ (in billions)
					Moody's	S&P	
1 Moderna, Inc.	12.9	1,385,536	\$ 127,122	5.7%	—	—	\$ 40.5
2 Eli Lilly and Company	8.6	1,134,349	92,931	4.2	A2	A+	\$ 620.0
3 Bristol-Myers Squibb Company	6.6	999,379	76,363	3.4	A2	A+	\$ 107.4
4 Takeda Pharmaceutical Company Limited	10.9	549,759	47,899	2.2	Baa2	BBB+	\$ 45.4
5 Roche	5.8	770,279	45,888	2.1	Aa2	AA	\$ 224.0
6 Illumina, Inc.	6.6	955,669	41,588	1.9	Baa3	BBB	\$ 21.4
7 Alphabet Inc.	3.0	724,223	39,155	1.8	Aa2	AA+	\$ 1,805.5
8 Zseventy bio, Inc. ⁽²⁾	9.2	312,805	33,543	1.5	—	—	\$ 0.2
9 Novartis AG	4.1	450,563	30,969	1.4	A1	AA-	\$ 227.3
10 Harvard University	6.3	343,858	28,872	1.3	Aaa	AAA	\$ —
11 Cloud Software Group, Inc.	2.7 ⁽³⁾	292,013	28,537	1.3	—	—	\$ —
12 United States Government	6.1	429,359	28,491	1.3	Aaa	AA+	\$ —
13 Uber Technologies, Inc.	58.3 ⁽⁴⁾	1,009,188	27,765	1.3	—	—	\$ 123.5
14 AstraZeneca PLC	5.3	450,848	27,156	1.2	A3	A	\$ 213.0
15 Pfizer Inc.	0.7 ⁽⁵⁾	504,716	23,730	1.1	A1	A+	\$ 171.0
16 Sanofi	6.5	267,278	21,444	1.0	A1	AA	\$ 126.0
17 Merck & Co., Inc.	9.0	337,703	21,401	1.0	A1	A+	\$ 293.8
18 Amgen Inc.	8.5	428,227	21,314	1.0	Baa1	—	\$ 148.0
19 New York University	7.6	218,983	21,056	0.9	Aa2	AA-	\$ —
20 Massachusetts Institute of Technology	5.0	246,725	20,527	0.9	Aaa	AAA	\$ —
Total/weighted-average	9.4 ⁽⁴⁾	11,811,460	\$ 805,751	36.5%			

Annual rental revenue and RSF include 100% of each property managed by us in North America. Refer to "Annual rental revenue" and "Investment-grade or publicly traded large cap tenants" under "Definitions and reconciliations" in Item 2 for additional details, including our methodologies of calculating annual rental revenue from unconsolidated real estate joint ventures and average market capitalization, respectively.

(1)Based on annual rental revenue in effect as of June 30, 2024.

(2)As of March 31, 2024, Zseventy bio, Inc. held \$181.4 million of cash, cash equivalents, and marketable securities. In March 2024, Regeneron Pharmaceuticals, Inc., a publicly traded biotechnology company with investment-grade credit ratings of Baa1 and BBB+ assigned by Moody's and S&P, respectively, entered into a sublease for approximately 195,000 RSF, or 69.6% of our annual rental revenue generated from Zseventy bio as of June 30, 2024. Additionally, 90.2% of the annual rental revenue generated by Zseventy bio is guaranteed by another related public biotechnology company.

(3)Consists of one lease at a property acquired in 2022 with future development and redevelopment opportunities. This lease with Cloud Software Group, Inc. (formerly known as TIBCO Software, Inc.) was in place when we acquired the property.

(4)Includes (i) ground leases for land at 1455 and 1515 Third Street (two buildings aggregating 422,990 RSF) and (ii) leases at 1655 and 1725 Third Street (two buildings aggregating 586,208 RSF) in our Mission Bay submarket owned by our unconsolidated real estate joint venture in which we have an ownership interest of 10%. Annual rental revenue is presented using 100% of the annual rental revenue from our consolidated properties and our share of annual rental revenue from our unconsolidated real estate joint ventures. Refer to footnote 1 for additional details. Excluding these ground leases, the weighted-average remaining lease term for our top 20 tenants was 8.0 years as of June 30, 2024.

(5)Primarily relates to one office building in our New York City submarket aggregating 349,947 RSF with a contractual lease expiration in July 2024, which was classified as held for sale as of June 30, 2024 and sold in July 2024.

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Locations of properties

The locations of our properties are diversified among a number of Class A/A+ assets strategically clustered in life science mega campuses in AAA innovation cluster markets. The following table sets forth the total RSF, number of properties, and annual rental revenue in effect as of June 30, 2024 in each of our markets in North America (dollars in thousands, except per RSF amounts):

Market	RSF			Total	% of Total	Number of Properties	Annual Rental Revenue		
	Operating	Development	Redevelopment				Total	% of Total	Per RSF
Greater Boston	10,751,016	764,036	1,638,878 ⁽¹⁾	13,153,930	28%	73	\$ 848,799	38%	\$ 83.84
San Francisco Bay Area	7,863,964	498,142	282,054	8,644,160	18	66	449,633	20	65.52
San Diego	7,757,132	1,186,104	—	8,943,236	19	88	328,872	15	44.60
Seattle	3,188,135	31,270	34,306	3,253,711	7	44	138,136	6	45.73
Maryland	3,804,438	292,946	—	4,097,384	9	51	135,978	6	37.45
Research Triangle	3,923,169	—	—	3,923,169	8	40	123,315	6	32.27
New York City	922,477	—	—	922,477	2	4	72,885	3	92.89
Texas	1,845,159	—	73,298	1,918,457	4	15	57,830	3	32.83
Canada	933,660	—	139,311	1,072,971	2	12	20,353	1	22.98
Non-cluster/other markets	347,806	—	—	347,806	1	10	15,180	1	57.70
Properties held for sale	808,692	—	—	808,692	2	5	25,994	1	N/A
North America	42,145,648	2,772,498	2,167,847	47,085,993	100%	408	\$ 2,216,975	100%	\$ 56.87
	4,940,345								

(1)Primarily includes our active redevelopment projects aggregating 716,604 RSF at 40, 50, and 60 Sylvan Road and 840 Winter Street located on the Alexandria Center[®] for Life Science – Waltham mega campus, which are 43% leased/negotiating on a combined basis. This mega campus project is expected to capture demand in our Route 128 submarket.

Summary of occupancy percentages in North America

The following table sets forth the occupancy percentages for our operating properties and our operating and redevelopment

properties in each of our North America markets, excluding properties held for sale, as of the following dates:

Market	Operating Properties			Operating and Redevelopment Properties		
	6/30/24	3/31/24	6/30/23	6/30/24	3/31/24	6/30/23
Greater Boston	94.2%	94.5%	92.5%	81.7%	83.3%	83.2%
San Francisco Bay Area	94.0	94.4	95.5	90.7	91.2	91.9
San Diego	95.1	95.2	92.8	95.1	95.2	92.8
Seattle	94.7	94.9	95.1	93.7	93.9	89.5
Maryland	96.5	95.4	96.2	96.5	95.4	94.9
Research Triangle	97.4	97.8	94.3	97.4	97.8	94.3
New York City	85.1	(1) 84.4	88.9	85.1	84.4	88.9
Texas	95.5	95.1	95.1	91.8	91.5	91.0
Subtotal	94.7	94.9	93.8	90.2	90.6	89.8
Canada	94.9	91.8	87.3	82.5	77.8	69.2
Non-cluster/other markets	75.6	75.4	81.3	75.6	75.4	81.3
North America	94.6%	94.6%	93.6%	89.9%	90.2%	89.2%

(1)The Alexandria Center[®] for Life Science – New York City mega campus is 95.5% occupied as of June 30, 2024. Occupancy percentage in our New York City market reflects vacancy at the Alexandria Center[®] for Life Science – Long Island City property, which was 41.7% occupied as of June 30, 2024.

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Investments in real estate

A key component of our business model is our disciplined allocation of capital to the development and redevelopment of new Class A/A+ properties, and property enhancements identified during the underwriting of certain acquired properties, located in collaborative life science mega campuses in AAA innovation clusters. These projects are focused on providing high-quality, generic, and reusable spaces that meet the real estate requirements of a wide range of tenants. Upon completion, each value-creation project is expected to generate increases in rental income, net operating income, and cash flows. Our development and redevelopment projects are generally in locations that are highly desirable to high-quality entities, which we believe results in higher occupancy levels, longer lease terms, higher rental income, higher returns, and greater long-term asset value. Our pre-construction activities are undertaken in order to prepare the property for its intended use and include entitlements, permitting, design, site work, and other activities preceding commencement of construction of aboveground building improvements.

Our investments in real estate consisted of the following as of June 30, 2024 (dollars in thousands):

	Operating	Development and Redevelopment					
		Active and Near-Term Construction		Future Opportunities Subject to Market Conditions and Leasing			Total
		Under Construction	Committed Near Term	Priority Anticipated	Future	Subtotal	
		61% Leased/ Negotiating	51% Leased/ Negotiating				
Square footage							
Operating	41,336,956	—	—	—	—	—	41,336,956
New Class A/A+ development and redevelopment properties	—	4,940,345	492,570	2,670,922	27,261,766	35,365,603	35,365,603
Value-creation square feet currently included in rental properties ⁽²⁾	—	—	(159,884)	(309,148)	(2,938,815)	(3,407,847)	(3,407,847)
Total square footage, excluding properties held for sale	41,336,956	4,940,345	332,686	2,361,774	24,322,951	31,957,756	73,294,712
Properties held for sale	808,692	—	—	—	—	—	808,692
Total square footage	42,145,648	4,940,345	332,686	2,361,774	24,322,951	31,957,756	74,103,404
Investments in real estate							
Gross book value as of June 30, 2024 ⁽³⁾	\$ 29,178,679	\$ 3,888,714	\$ 58,751	\$ 762,507	\$ 4,242,602	\$ 8,952,574	\$ 38,131,253

(1)Represents one committed near-term project expected to commence construction during the next two years after June 30, 2024.

(2)Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional details, including value-creation square feet currently included in rental properties.

(3)Balances exclude accumulated depreciation and our share of the cost basis associated with our properties held by our unconsolidated real estate joint ventures, which is classified as investments in unconsolidated real estate joint ventures in our consolidated balance sheets.

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Our real estate asset acquisitions during the six months ended June 30, 2024 and pending as of the date of this report consisted of the following (dollars in thousands):

Property	Submarket/Market	Date of Purchase	Operating Occupancy	Future Development RSF ⁽⁴⁾	Purchase Price
Completed during the three months ended March 31, 2024:					
285, 299, 307, and 345 Dorchester Avenue (60% interest in consolidated JV) ⁽²⁾	Seaport Innovation District/Greater Boston	1/30/24	N/A	1,040,000	\$ 155,321
Other ⁽³⁾					39,490
					194,811
Completed during the three months ended June 30, 2024:					
Other					7,000
					201,811
Pending acquisitions subject to signed letters of intent or purchase and sale agreements					47,600
					\$ 249,411
2024 guidance range				\$250,000 – \$750,000	

(1)We expect to provide total estimated costs and related yields for development and redevelopment projects in the future, subsequent to the commencement of construction.

(2)Refer to Note 4 – “Consolidated and unconsolidated real estate joint ventures” to our unaudited consolidated financial statements in Item 1 for additional details.

(3)Includes a payment of \$35.3 million to redeem our partner's partial ownership interest in a consolidated real estate joint venture in our Greater Boston market, pursuant to our partner's notification of their intent to exercise their put option received in December 2023 and settled in January 2024.

Acquisitions

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Our completed dispositions of and sales of partial interests in real estate assets during the six months ended June 30, 2024 and pending as of the date of this report consisted of the following (dollars in thousands):

Property	Submarket/Market	Date of Sale	Interest Sold	RSF	Sales Price
Six months ended June 30, 2024:					
Dispositions of 100% interests in properties not integral to our mega campus strategy					
99 A Street ⁽¹⁾	Seaport Innovation District/Greater Boston	3/8/24	100%	235,000	\$ 13,350
Other					3,863
					17,213
Completed in July 2024:					
Other ⁽²⁾					60,000
					77,213
Pending transactions subject to letters of intent or purchase and sale agreement negotiations					806,728
					\$ 883,941
2024 guidance range for dispositions, sales of partial interests, and common equity				\$1,050,000 – \$2,050,000	

(1)We completed the sale during the three months ended March 31, 2024 and recognized no gain or loss. Refer to Note 3 – “Investments in real estate” to our unaudited consolidated financial statements in Item 1 for additional information.

(2)The disposition completed in July 2024 was leased to a single tenant with a July 2024 lease expiration and had annual net operating income of \$18.6 million based upon three months ended June 30, 2024 annualized. This asset was previously considered to be a potential development project upon expiration of an in-place non-laboratory space lease in July 2024.

Dispositions and sales of partial interests

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ALEXANDRIA'S VISIBILITY OF FUTURE GROWTH IN ANNUAL NET OPERATING INCOME FROM DEVELOPMENT AND REDEVELOPMENT DELIVERIES

\$480 MILLION⁽¹⁾

Placed Into Service		Expected to Be Placed Into Service ⁽²⁾	
1H24	2Q24	3Q24-4Q25	1Q26-1Q28
\$42M	\$16M	\$187M⁽³⁾	\$293M
628,427 RSF	284,982 RSF	Aggregating 5.4M RSF	
100% Leased		61% Leased/Negotiating	

Refer to "Net operating income" under "Definitions and reconciliations" in Item 2 for additional details, including its reconciliation from the most directly comparable financial measures presented in accordance with GAAP.

(1)Our share of incremental annual net operating income from development and redevelopment projects expected to be placed into service primarily commencing from 3Q24 through 1Q28 is projected to be \$380 million.

(2)Represents expected incremental annual net operating income to be placed into service from deliveries of projects undergoing construction and one committed near-term project expected to commence construction in the next two years.

(3)Includes 1.5 million RSF that is expected to stabilize through 2025 and is 87% leased, and partial deliveries through 4Q25 from projects expected to stabilize in 2026 and beyond. In addition to the projects represented, we are evaluating one priority anticipated development project that could commence active construction in the second half of 2024 and may have initial delivery in 2025. Refer to the initial and stabilized occupancy years under "New Class A/A+ development and redevelopment properties"

The following table presents value-creation development and redevelopment of new Class A/A+ properties placed into service during the six months ended June 30, 2024 (dollars in thousands):

Incremental Annual Net Operating Income Generated From 1H24 Deliveries Aggregated \$42 Million, Including \$16 Million in 2Q24

500 North Beacon Street and 4 Kingsbury Avenue ⁽¹⁾	1150 Eastlake Avenue East	9810 Darnestown Road	9808 Medical Center Drive
Greater Boston/ Cambridge/Inner Suburbs	Seattle/Lake Union	Maryland/Rockville	Maryland/Rockville
138,537 RSF	280,361 RSF	195,435 RSF	52,115 RSF
100% Occupancy	100% Occupancy	100% Occupancy	100% Occupancy
			











Property/Market/Submarket	2Q24 Delivery Date ⁽²⁾	Our Ownership Interest	RSF Placed in Service				Occupancy Percentage ⁽³⁾	Total Project		Unlevered Yields	
			Prior to 1/1/24	1Q24	2Q24	Total				Initial Stabilized	Initial Stabilized (Cash Basis)
								RSF	Investment		
Development projects											
99 Coolidge Avenue/Greater Boston/Cambridge/Inner Suburbs	N/A	75.0%	43,568	72,846	—	116,414	100%	320,809	\$ 468,000	7.1%	7.0%
500 North Beacon Street and 4 Kingsbury Avenue/Greater Boston/Cambridge/Inner Suburbs	5/10/24	100%	—	100,624	37,913	138,537	100%	248,018	427,000	6.2	5.5
1150 Eastlake Avenue East/Seattle/Lake Union	4/13/24	100%	278,282	—	2,079	280,361	100%	311,631	443,000	6.6	6.7
9810 Darnestown Road/Maryland/Rockville	4/1/24	100%	—	—	195,435	195,435	100%	195,435	135,000	7.1	6.2
9808 Medical Center Drive/Maryland/Rockville	6/18/24	100%	26,460	—	25,655	52,115	100%	95,061	113,000	5.5	5.5
Redevelopment projects											
651 Gateway Boulevard/San Francisco Bay Area/South San Francisco	N/A	50.0%	—	44,652	—	44,652	100%	326,706	487,000	5.0	5.1
Alexandria Center® for Advanced Technologies – Monte Villa Parkway/Seattle/Bothell	N/A	100%	65,086	115,598	—	180,684	100%	460,934	229,000	6.3	6.2
Canada	4/17/24	100%	44,862	9,725	23,900	78,487	100%	250,790	113,000	6.4	6.3
Weighted average/total	4/21/24		458,258	343,445	284,982	1,086,685		2,209,384	\$ 2,415,000	6.2%	6.1%

(1)Image represents 500 North Beacon Street on the Arsenal on the Charles mega campus.

(2)Represents the average delivery date for deliveries that occurred during the three months ended June 30, 2024, weighted by annual rental revenue.

(3)Occupancy relates to total operating RSF placed in service as of the most recent delivery.

New Class A/A+ development and redevelopment properties: recent deliveries

99 Coolidge Avenue	500 North Beacon Street and 4 Kingsbury Avenue ⁽¹⁾	311 Arsenal Street	201 Brookline Avenue	401 Park Drive
Greater Boston/ Cambridge/Inner Suburbs 204,395 RSF 36% Leased	Greater Boston/ Cambridge/Inner Suburbs 109,481 RSF 92% Leased/Negotiating	Greater Boston/ Cambridge/Inner Suburbs 308,446 RSF 21% Leased	Greater Boston/Fenway 58,149 RSF 99% Leased/Negotiating	Greater Boston/Fenway 159,959 RSF 14% Leased
				
421 Park Drive	40, 50, and 60 Sylvan Road ⁽²⁾	840 Winter Street	1450 Owens Street ⁽³⁾	651 Gateway Boulevard
Greater Boston/Fenway 392,011 RSF 13% Leased	Greater Boston/Route 128 576,924 RSF 29% Leased	Greater Boston/Route 128 139,680 RSF 100% Leased	San Francisco Bay Area/ Mission Bay 212,796 RSF —% Leased/Negotiating	San Francisco Bay Area/ South San Francisco 282,054 RSF 21% Leased
				






(1)Image represents 500 North Beacon Street on the Arsenal on the Charles mega campus.

(2)Image represents 60 Sylvan Road on the Alexandria Center® for Life Science – Waltham mega campus. The project is expected to capture demand in our Route 128 submarket.

(3)Image represents a single- or multi-tenant project expanding our existing Alexandria Center® for Science and Technology – Mission Bay mega campus, where our joint venture partner will fund 100% of the construction cost until it attains an ownership interest of 75%, after which it will contribute its respective share of additional capital. We are currently marketing the space for lease and have initial interest from publicly traded biotechnology and institutional tenants.

New Class A/A+ development and redevelopment properties: current projects

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230 Harriet Tubman Way	10935, 10945, and 10955 Alexandria Way ⁽¹⁾	4135 Campus Point Court	4155 Campus Point Court	10075 Barnes Canyon Road
San Francisco Bay Area/ South San Francisco 285,346 RSF 100% Leased	San Diego/Torrey Pines 334,996 RSF 100% Leased	San Diego/ University Town Center 426,927 RSF 100% Leased	San Diego/ University Town Center 171,102 RSF 100% Leased	San Diego/Sorrento Mesa 253,079 RSF 70% Leased
				

1150 Eastlake Avenue East	Alexandria Center® for Advanced Technologies – Monte Villa Parkway ⁽²⁾	9820 Darnestown Road	9808 Medical Center Drive	8800 Technology Forest Place
Seattle/Lake Union	Seattle/Bothell	Maryland/Rockville	Maryland/Rockville	Texas/Greater Houston
31,270 RSF 100% Leased	34,306 RSF 98% Leased	250,000 RSF 100% Leased	42,946 RSF 69% Leased	73,298 RSF 41% Leased
				

(1)Image represents 10955 Alexandria Way on the One Alexandria Square mega campus.
(2)Image represents 3755 Monte Villa Parkway.

New Class A/A+ development and redevelopment properties: current projects (continued)

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The following tables set forth a summary of our new Class A/A+ development and redevelopment properties under construction and pre-leased/negotiating near-term projects as of June 30, 2024 (dollars in thousands):

June 30, 2024 (dollars in thousands).

Property/Market/Submarket	Dev/Redev	Square Footage			Percentage		Occupancy ⁽¹⁾	
		In Service	CIP	Total	Leased	Leased/ Negotiating	Initial	Stabilized
Under construction								
2024 and 2025 stabilization								
99 Coolidge Avenue/Greater Boston/Cambridge/Inner Suburbs	Dev	116,414	204,395	320,809	36%	36%	4Q23	2025
500 North Beacon Street and 4 Kingsbury Avenue/Greater Boston/ Cambridge/Inner Suburbs	Dev	138,537	109,481	248,018	85	92	1Q24	2025
201 Brookline Avenue/Greater Boston/Fenway	Dev	451,967	58,149	510,116	98	99	3Q22	4Q24
840 Winter Street/Greater Boston/Route 128	Redev	28,534	139,680	168,214	100	100	4Q24	2025
230 Harriet Tubman Way/San Francisco Bay Area/South San Francisco	Dev	—	285,346	285,346	100	100	1Q25	1Q25
4155 Campus Point Court/San Diego/University Town Center	Dev	—	171,102	171,102	100	100	4Q24	4Q24
1150 Eastlake Avenue East/Seattle/Lake Union	Dev	280,361	31,270	311,631	100	100	4Q23	3Q24
Alexandria Center® for Advanced Technologies – Monte Villa Parkway/Seattle/Bothell	Redev	426,628	34,306	460,934	98	98	1Q23	4Q24
9820 Darnestown Road/Maryland/Rockville	Dev	—	250,000	250,000	100	100	4Q24	4Q24
9808 Medical Center Drive/Maryland/Rockville	Dev	52,115	42,946	95,061	69	69	3Q23	4Q24
8800 Technology Forest Place/Texas/Greater Houston	Redev	50,094	73,298	123,392	41	41	2Q23	2025
Canada	Redev	111,479	139,311	250,790	73	73	3Q23	2025
		1,656,129	1,539,284	3,195,413	87	87		
2026 and beyond stabilization								
311 Arsenal Street/Greater Boston/Cambridge/Inner Suburbs	Redev	82,216 ⁽²⁾	308,446	390,662	21	21	2027	2027
401 Park Drive/Greater Boston/Fenway	Redev	—	159,959	159,959	14	14	2024	2026
421 Park Drive/Greater Boston/Fenway	Dev	—	392,011	392,011	13	13	2026	2027
40, 50, and 60 Sylvan Road/Greater Boston/Route 128	Redev	—	576,924	576,924	29	29	2025	2027
Other/Greater Boston	Redev	—	453,869	453,869	—	—	⁽³⁾ 2027	2027
1450 Owens Street/San Francisco Bay Area/Mission Bay	Dev	—	212,796	212,796	—	—	⁽⁴⁾ 2025	2026
651 Gateway Boulevard/San Francisco Bay Area/South San Francisco	Redev	44,652	282,054	326,706	21	21	1Q24	2026
10935, 10945, and 10955 Alexandria Way/San Diego/Torrey Pines	Dev	—	334,996	334,996	100	100	4Q24	2026
4135 Campus Point Court/San Diego/University Town Center	Dev	—	426,927	426,927	100	100	2026	2026
10075 Barnes Canyon Road/San Diego/Sorrento Mesa	Dev	—	253,079	253,079	70	70	2025	2026
		126,868	3,401,061	3,527,929	38	38		
		1,782,997	4,940,345	6,723,342	61	61		
Committed near-term project expected to commence construction in the next two years								
4165 Campus Point Court/San Diego/University Town Center	Dev	—	492,570	492,570	—	51		
Total		1,782,997	5,432,915	7,215,912	57%	61%		

(1)Initial occupancy dates are subject to leasing and/or market conditions. Stabilized occupancy may vary depending on single tenancy versus multi-tenancy. Multi-tenant projects may increase in occupancy over a period of time.

(2)We expect to redevelop an additional 25,312 RSF of space occupied as of June 30, 2024 into laboratory space upon expiration of the existing leases through the second half of 2025. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information.

(3)Represents a project focused on demand from our existing tenants in our adjacent properties/campuses and that will also address demand from other non-Alexandria properties/campuses.

(4)Represents a single- or multi-tenant project expanding our existing mega campus, where our joint venture partner will fund 100% of the construction cost until it attains an ownership interest of 75%, after which it will contribute its respective share of additional capital. We are currently marketing the space for lease and have initial interest from publicly traded biotechnology and institutional tenants.

New Class A/A+ development and redevelopment properties: current projects (continued)

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Property/Market/Submarket	Our Ownership Interest	At 100%				Unlevered Yields	
		In Service	CIP	Cost to Complete	Total at Completion	Initial Stabilized	Initial Stabilized (Cash Basis)
Under construction							
2024 and 2025 stabilization							
99 Coolidge Avenue/Greater Boston/Cambridge/Inner Suburbs	75.0%	\$ 135,922	\$ 184,887	\$ 147,191	\$ 468,000	7.1%	7.0%
500 North Beacon Street and 4 Kingsbury Avenue/Greater Boston/ Cambridge/Inner Suburbs	100%	279,029	110,110	37,861	427,000	6.2%	5.5%
201 Brookline Avenue/Greater Boston/Fenway	99.0%	664,823	88,711	21,466	775,000	7.2%	6.5%
840 Winter Street/Greater Boston/Route 128	100%	13,651	184,050	39,299	237,000	7.6%	6.5%
230 Harriet Tubman Way/San Francisco Bay Area/South San Francisco	47.7%	—	312,344	197,656	510,000	7.4%	6.4%
4155 Campus Point Court/San Diego/University Town Center	55.0%	—	124,823	48,177	173,000	7.4%	6.5%
1150 Eastlake Avenue East/Seattle/Lake Union	100%	373,827	45,984	23,189	443,000	6.6%	6.7%
Alexandria Center® for Advanced Technologies – Monte Villa Parkway/Seattle/Bothell	100%	193,641	11,144	24,215	229,000	6.3%	6.2%
9820 Darnestown Road/Maryland/Rockville	100%	—	161,736	15,264	177,000	6.3%	5.6%
9808 Medical Center Drive/Maryland/Rockville	100%	63,410	47,451	2,139	113,000	5.5%	5.5%
8800 Technology Forest Place/Texas/Greater Houston	100%	57,055	45,377	9,568	112,000	6.3%	6.0%
Canada	100%	49,303	44,036	19,661	113,000	6.4%	6.3%
		1,830,661	1,360,653				
2026 and beyond stabilization ⁽¹⁾							
311 Arsenal Street/Greater Boston/Cambridge/Inner Suburbs	100%	60,555	228,799	TBD			
401 Park Drive/Greater Boston/Fenway	100%	—	178,178				
421 Park Drive/Greater Boston/Fenway	99.7%	—	376,163				
40, 50, and 60 Sylvan Road/Greater Boston/Route 128	100%	—	419,034				
Other/Greater Boston	100%	—	141,776				
1450 Owens Street/San Francisco Bay Area/Mission Bay	26.3%	—	230,909	151,894	487,000	5.0%	5.1%
651 Gateway Boulevard/San Francisco Bay Area/South San Francisco	50.0%	59,265	275,841				
10935, 10945, and 10955 Alexandria Way/San Diego/Torrey Pines	100%	—	283,079				
4135 Campus Point Court/San Diego/University Town Center	55.0%	—	236,595	TBD	503,000	6.2%	5.8%
10075 Barnes Canyon Road/San Diego/Sorrento Mesa	50.0%	—	157,687				
		119,820	2,528,061	163,313	321,000	5.5%	5.7%
		1,950,481	3,888,714				
Committed near-term project expected to commence construction in the next two years							
4165 Campus Point Court/San Diego/University Town Center	55.0%	—	58,751	TBD			
Total		\$ 1,950,481	\$ 3,947,465	\$ 3,840,000 ⁽²⁾	\$ 9,740,000 ⁽²⁾		
Our share of investment ⁽²⁾⁽³⁾		\$ 1,880,000	\$ 3,170,000	\$ 3,040,000	\$ 8,090,000		

Refer to "Initial stabilized yield (unlevered)" under "Definitions and reconciliations" in Item 2 for additional information.
(1)We expect to provide total estimated costs and related yields for each project with estimated stabilization in 2026 and beyond over the next several quarters.
(2)Represents dollar amount rounded to the nearest \$10 million and includes preliminary estimated amounts for projects listed as TBD.
(3)Represents our share of investment based on our ownership percentage upon completion of development or redevelopment projects.

New Class A/A+ development and redevelopment properties: current projects (continued)

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69% of Our Total Value-Creation Pipeline RSF Is Within Our Mega Campuses

The following table summarizes the key information for all our development and redevelopment projects in North America as of June 30, 2024 (dollars in thousands):

Market Property/Submarket	Our Ownership Interest	Book Value	Square Footage				Total ⁽¹⁾
			Development and Redevelopment				
			Active and Near-Term Construction		Future Opportunities Subject to Market Conditions and Leasing		
			Under Construction	Committed Near Term	Priority Anticipated	Future	
Greater Boston							
Mega Campus: The Arsenal on the Charles/Cambridge/Inner Suburbs	100%	\$ 350,306	417,927	—	25,312	34,157	477,396
311 Arsenal Street, 500 North Beacon Street, and 4 Kingsbury Avenue							
99 Coolidge Avenue/Cambridge/Inner Suburbs	75.0%	184,887	204,395	—	—	—	204,395
Mega Campus: Alexandria Center® for Life Science – Fenway/ Fenway	⁽²⁾	643,052	610,119	—	—	—	610,119
201 Brookline Avenue and 401 and 421 Park Drive							
Mega Campus: Alexandria Center® for Life Science – Waltham/ Route 128	100%	665,082	716,604	—	—	515,000	1,231,604
40, 50, and 60 Sylvan Road, 35 Gatehouse Drive, and 840 Winter Street							
Mega Campus: Alexandria Center® at Kendall Square/ Cambridge	100%	124,868	—	—	—	216,455	216,455
100 Edwin H. Land Boulevard							
Mega Campus: Alexandria Technology Square®/Cambridge	100%	7,881	—	—	—	100,000	100,000
Mega Campus: 480 Arsenal Way and 446, 458, 500, and 550 Arsenal Street/Cambridge/Inner Suburbs	100%	85,126	—	—	—	902,000	902,000
446, 458, 500, and 550 Arsenal Street							
Mega Campus: 285, 299, 307, and 345 Dorchester Avenue/ Seaport Innovation District	60.0%	283,744	—	—	—	1,040,000	1,040,000
10 Necco Street/Seaport Innovation District	100%	104,966	—	—	—	175,000	175,000
Mega Campus: One Moderna Way/Route 128	100%	26,500	—	—	—	1,085,000	1,085,000
215 Presidential Way/Route 128	100%	6,816	—	—	—	112,000	112,000
Other value-creation projects	⁽³⁾	295,006	453,869	—	—	1,323,541	1,777,410
		\$ 2,778,234	2,402,914	—	25,312	5,503,153	7,931,379

Refer to "Mega campus" under "Definitions and reconciliations" in Item 2 for additional information.
(1)Represents total square footage upon completion of development or redevelopment of one or more new Class A/A+ properties. Square footage presented includes the RSF of buildings currently in operation at properties that also have future development or redevelopment opportunities. Upon expiration of existing in-place leases, we have the intent to demolish or redevelop the existing property. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information, including value-creation square feet currently included in rental properties.
(2)We have a 99.0% interest in 201 Brookline Avenue aggregating 58,149 RSF, a 100% interest in 401 Park Drive aggregating 159,959 RSF, and a 99.7% interest in 421 Park Drive aggregating 392,011 RSF.
(3)Includes a property in which we own a partial interest through a real estate joint venture. Refer to Note 4 – "Consolidated and unconsolidated real estate joint ventures" to our unaudited consolidated financial statements in Item 1 for additional details.

Market Property/Submarket	Our Ownership Interest	Book Value	Square Footage				Total ⁽¹⁾
			Development and Redevelopment				
			Active and Near-Term Construction		Future Opportunities Subject to Market Conditions and Leasing		
			Under Construction	Committed Near Term	Priority Anticipated	Future	
San Francisco Bay Area							
Mega Campus: Alexandria Center® for Science and Technology – Mission Bay/Mission Bay 1450 Owens Street	26.3%	\$ 230,909	212,796	—	—	—	212,796
Alexandria Center® for Life Science – Millbrae/South San Francisco 230 Harriet Tubman Way, 201 and 231 Adrian Road, and 6 and 30 Rollins Road	47.7%	469,434	285,346	—	198,188	150,213	633,747
Mega Campus: Alexandria Technology Center® – Gateway/ South San Francisco 651 Gateway Boulevard	50.0%	302,398	282,054	—	—	291,000	573,054
Mega Campus: Alexandria Center® for Advanced Technologies – Tanforan/South San Francisco 1122, 1150, and 1178 El Camino Real	100%	388,661	—	—	150,000	1,780,000	1,930,000
Mega Campus: Alexandria Center® for Advanced Technologies – South San Francisco/South San Francisco 211 ⁽²⁾ and 269 East Grand Avenue	100%	6,655	—	—	107,250	90,000	197,250
Mega Campus: Alexandria Center® for Life Science – San Carlos/Greater Stanford 960 Industrial Road, 987 and 1075 Commercial Street, and 888 Bransten Road	100%	435,269	—	—	105,000	1,392,830	1,497,830
3825 and 3875 Fabian Way/Greater Stanford	100%	151,762	—	—	—	478,000	478,000
2100, 2200, 2300, and 2400 Geng Road/Greater Stanford	100%	35,759	—	—	—	240,000	240,000
901 California Avenue/Greater Stanford	100%	18,640	—	—	—	56,924	56,924
Mega Campus: 88 Bluxome Street/SoMa	100%	388,020	—	—	—	1,070,925	1,070,925
Other value-creation projects	100%	—	—	—	—	25,000	25,000
		\$ 2,427,507	780,196	—	560,438	5,574,892	6,915,526

Refer to "Mega campus" under "Definitions and reconciliations" in Item 2 for additional information.

(1)Represents total square footage upon completion of development or redevelopment of one or more new Class A/A+ properties. Square footage presented includes the RSF of buildings currently in operation at properties that also have future development or redevelopment opportunities. Upon expiration of existing in-place leases, we have the intent to demolish or redevelop the existing property. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information, including value-creation square feet currently included in rental properties.

(2)We own a partial interest in this property through a real estate joint venture. Refer to Note 4 – "Consolidated and unconsolidated real estate joint ventures" to our unaudited consolidated financial statements in Item 1 for additional details.

Market Property/Submarket	Our Ownership Interest	Book Value	Square Footage				Total ⁽¹⁾
			Development and Redevelopment				
			Active and Near-Term Construction		Future Opportunities Subject to Market Conditions and Leasing		
			Under Construction	Committed Near Term	Priority Anticipated	Future	
San Diego							
Mega Campus: One Alexandria Square/Torrey Pines 10935, 10945, and 10955 Alexandria Way and 10975 and 10995 Torreyana Road	100%	\$ 339,673	334,996	—	—	125,280	460,276
Mega Campus: Campus Point by Alexandria/University Town Center 10010 ⁽²⁾ , 10140 ⁽²⁾ , and 10260 Campus Point Drive and 4135, 4155, 4161, 4165, and 4275 ⁽²⁾ Campus Point Court	55.0%	584,337	598,029	492,570	—	650,000	1,740,599
Mega Campus: SD Tech by Alexandria/Sorrento Mesa 9805 Scranton Road and 10065 and 10075 Barnes Canyon Road	50.0%	283,420	253,079	—	250,000	243,845	746,924
11255 and 11355 North Torrey Pines Road/Torrey Pines	100%	146,905	—	—	153,000	62,000	215,000
ARE Towne Centre/University Town Center	100%	19,163	—	—	230,000	—	230,000
9363, 9373, and 9393 Towne Centre Drive							
Costa Verde by Alexandria/University Town Center 8410-8750 Genesee Avenue and 4282 Esplanade Court	100%	135,662	—	—	—	537,000	537,000
Mega Campus: 5200 Illumina Way/University Town Center 9625 Towne Centre Drive/University Town Center	51.0%	17,443	—	—	—	451,832	451,832
Mega Campus: Sequence District by Alexandria/Sorrento Mesa 6260, 6290, 6310, 6340, 6350, and 6450 Sequence Drive	30.0%	837	—	—	—	100,000	100,000
Scripps Science Park by Alexandria/Sorrento Mesa 10048, 10219, 10256, and 10260 Meanley Drive and 10277 Scripps Ranch Boulevard	100%	46,323	—	—	—	1,798,915	1,798,915
Pacific Technology Park/Sorrento Mesa 9444 Waples Street	100%	118,800	—	—	—	598,349	598,349
4025, 4031, 4045, and 4075 Sorrento Valley Boulevard/Sorrento Valley	50.0%	23,845	—	—	—	149,000	149,000
Other value-creation projects	100%	43,064	—	—	—	247,000	247,000
	100%	74,588	—	—	—	475,000	475,000
		\$ 1,834,060	1,186,104	492,570	633,000	5,438,221	7,749,895

Refer to "Mega campus" under "Definitions and reconciliations" in Item 2 for additional information.

(1)Represents total square footage upon completion of development or redevelopment of one or more new Class A/A+ properties. Square footage presented includes the RSF of buildings currently in operation at properties that also have future development or redevelopment opportunities. Upon expiration of existing in-place leases, we have the intent to demolish or redevelop the existing property. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information, including value-creation square feet currently included in rental properties.

(2)We have a 100% interest in this property.

New Class A/A+ development and redevelopment properties: summary of pipeline (continued)

Market Property/Submarket	Our Ownership Interest	Book Value	Square Footage				Total ⁽¹⁾	
			Development and Redevelopment					
			Active and Near-Term Construction		Future Opportunities Subject to Market Conditions and Leasing			
			Under Construction	Committed Near Term	Priority Anticipated	Future		
Seattle								
Mega Campus: Alexandria Center® for Life Science – Eastlake/ Lake Union 1150 Eastlake Avenue East	100%	\$ 45,984	31,270	—	—	—	31,270	
Alexandria Center® for Advanced Technologies – Monte Villa Parkway/Bothell 3301 Monte Villa Parkway	100%	11,144	34,306	—	50,552	—	84,858	
Mega Campus: Alexandria Center® for Life Science – South Lake Union/Lake Union 601 and 701 Dexter Avenue North and 800 Mercer Street	⁽²⁾	452,222	—	—	1,095,586	188,400	1,283,986	
830 and 1010 4th Avenue South/SoDo	100%	58,530	—	—	—	597,313	597,313	
Mega Campus: Alexandria Center® for Advanced Technologies – Canyon Park/Bothell 21660 20th Avenue Southeast	100%	16,891	—	—	—	230,000	230,000	
Other value-creation projects	100%	140,480	—	—	—	706,087	706,087	
		725,251	65,576	—	1,146,138	1,721,800	2,933,514	
Maryland								
Mega Campus: Alexandria Center® for Life Science – Shady Grove/Rockville 9808 Medical Center Drive and 9820 and 9830 Darnestown Road	100%	230,578	292,946	—	—	296,000	588,946	
		230,578	292,946	—	—	296,000	588,946	
Research Triangle								
Mega Campus: Alexandria Center® for Advanced Technologies – Research Triangle/Research Triangle 4 and 12 Davis Drive	100%	101,026	—	—	180,000	990,000	1,170,000	
Mega Campus: Alexandria Center® for Life Science – Durham/ Research Triangle 41 Moore Drive	100%	174,404	—	—	—	2,210,000	2,210,000	
Mega Campus: Alexandria Center® for NextGen Medicines/ Research Triangle 3029 East Cornwallis Road	100%	\$ 106,777	—	—	—	1,055,000	1,055,000	

Refer to "Mega campus" under "Definitions and reconciliations" in Item 2 for additional information.

(1)Represents total square footage upon completion of development or redevelopment of one or more new Class A/A+ properties. Square footage presented includes the RSF of buildings currently in operation at properties that also have future development or redevelopment opportunities. Upon expiration of existing in-place leases, we have the intent to demolish or redevelop the existing property. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information, including value-creation square feet currently included in rental properties.

(2)We have a 100% interest in 601 and 701 Dexter Avenue North aggregating 414,986 RSF and a 60% interest in the priority anticipated development project at 800 Mercer Street aggregating 869,000 RSF.

New Class A/A+ development and redevelopment properties: summary of pipeline (continued)

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Market Property/Submarket	Our Ownership Interest	Book Value	Square Footage				Total ⁽¹⁾
			Development and Redevelopment				
			Active and Near-Term Construction		Future Opportunities Subject to Market Conditions and Leasing		
			Under Construction	Committed Near Term	Priority Anticipated	Future	
Research Triangle (continued)							
Mega Campus: Alexandria Center® for Sustainable Technologies/Research Triangle	100%	\$ 52,777	—	—	—	750,000	750,000
120 TW Alexander Drive, 2752 East NC Highway 54, and 10 South Triangle Drive							
100 Capitola Drive/Research Triangle	100%	—	—	—	—	65,965	65,965
Other value-creation projects	100%	4,185	—	—	—	76,262	76,262
		439,169	—	—	180,000	5,147,227	5,327,227
New York City							
Mega Campus: Alexandria Center® for Life Science – New York City/New York City	100%	161,482	—	—	—	550,000 ⁽²⁾	550,000
		161,482	—	—	—	550,000	550,000
Texas							
Alexandria Center® for Advanced Technologies at The Woodlands/ Greater Houston	100%	48,250	73,298	—	—	116,405	189,703
8800 Technology Forest Place							
1001 Trinity Street and 1020 Red River Street/Austin	100%	9,929	—	—	126,034	123,976	250,010
Other value-creation projects	100%	135,323	—	—	—	1,694,000	1,694,000
		193,502	73,298	—	126,034	1,934,381	2,133,713
Canada							
Other value-creation projects	100%	44,036	139,311	—	—	371,743	511,054
	100%	118,755	—	—	—	724,349	724,349
Total pipeline as of June 30, 2024		\$ 8,952,574 ⁽³⁾	4,940,345	492,570	2,670,922	27,261,766	35,365,603

Refer to "Mega campus" under "Definitions and reconciliations" in Item 2 for additional information.

(1)Total square footage includes 3,407,847 RSF of buildings currently in operation that we expect to demolish or redevelop and commence future construction. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information, including value-creation square feet currently included in rental properties.

(2)Pursuant to an option agreement, we are currently negotiating a long-term ground lease with the City of New York for the future site of a new life science building aggregating approximately 550,000 SF.

(3)Includes \$3.9 billion of projects that are currently under construction and are 61% leased/negotiating. We also expect to commence construction of one committed near-term project aggregating \$58.8 million, which is 51% leased/negotiating, in the next two years after June 30, 2024.

New Class A/A+ development and redevelopment properties: summary of pipeline (continued)

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Results of operations

We present a tabular comparison of items, whether gain or loss, that may facilitate a high-level understanding of our results and provide context for the disclosures included in our annual report on Form 10-K for the year ended December 31, 2023 and our subsequent quarterly reports on Form 10-Q. We believe that such tabular presentation promotes a better understanding for investors of the corporate-level decisions made and activities performed that significantly affect comparison of our operating results from period to period. We also believe that this tabular presentation will supplement for investors an understanding of our disclosures and real estate operating results. Gains or losses on sales of real estate and impairments of assets classified as held for sale are related to corporate-level decisions to dispose of real estate. Gains or losses on early extinguishment of debt are related to corporate-level financing decisions focused on our capital structure strategy. Significant realized and unrealized gains or losses on non-real estate investments, impairments of real estate and non-real estate investments, and acceleration of stock compensation expense due to the resignations of executive officers are not related to the operating performance of our real estate assets as they result from strategic, corporate-level non-real estate investment decisions and external market conditions. Impairments of non-real estate investments are not related to the operating performance of our real estate as they represent the write-down of non-real estate investments when their fair values decrease below their respective carrying values due to changes in general market or other conditions outside of our control. Significant items, whether a gain or loss, included in the tabular disclosure for current periods are described in further detail in Item 2. Key items included in net income attributable to Alexandria's common stockholders for the three and six months ended June 30, 2024 and 2023 and the related per share amounts were as follows (in millions, except per share amounts):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
	Amount		Per Share – Diluted		Amount		Per Share – Diluted	
Unrealized losses on non-real estate investments	\$ (64.2)	\$ (77.9)	\$ (0.37)	\$ (0.46)	\$ (35.1)	\$ (143.8)	\$ (0.20)	\$ (0.84)
Gain on sales of real estate	—	214.8	—	1.26	0.4	214.8	—	1.26
Impairment of non-real estate investments	(12.8)	(23.0)	(0.08)	(0.13)	(27.5)	(23.0)	(0.16)	(0.13)
Impairment of real estate	(30.8)	(168.6)	(0.18)	(0.99)	(30.8)	(168.6)	(0.18)	(0.99)
Total	\$ (107.8)	\$ (54.7)	\$ (0.63)	\$ (0.32)	\$ (93.0)	\$ (120.6)	\$ (0.54)	\$ (0.70)

Refer to Note 3 – “Investments in real estate” and Note 7 – “Investments” to our unaudited consolidated financial statements in Item 1 for additional information.

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Same properties

We supplement an evaluation of our results of operations with an evaluation of operating performance of certain of our properties, referred to as “Same Properties.” For additional information on the determination of our Same Properties portfolio, refer to “Same property comparisons” under “Definitions and reconciliations” in Item 2. The following table presents information regarding our Same Properties for the three and six months ended June 30, 2024:

	June 30, 2024	
	Three Months Ended	Six Months Ended
Percentage change in net operating income over comparable period from prior year	1.5%	1.1%
Percentage change in net operating income (cash basis) over comparable period from prior year	3.9%	3.7%
Operating margin	70%	70%
Number of Same Properties	350	346
RSF	35,626,897	34,775,838
Occupancy – current-period average	94.6%	94.2%
Occupancy – same-period prior-year average	94.4%	94.6%

The following table reconciles the number of Same Properties to total properties for the six months ended June 30, 2024:

Development – under construction	Properties
201 Brookline Avenue	1
1150 Eastlake Avenue East	1
9820 Darnestown Road	1
99 Coolidge Avenue	1
500 North Beacon Street and 4 Kingsbury Avenue	2
9808 Medical Center Drive	1
1450 Owens Street	1
230 Harriet Tubman Way	1
4155 Campus Point Court	1
10935, 10945, and 10955 Alexandria Way	3
10075 Barnes Canyon Road	1
421 Park Drive	1
4135 Campus Point Court	1
	16
Development – placed into service after January 1, 2023	Properties
751 Gateway Boulevard	1
15 Necco Street	1
325 Binney Street	1
6040 George Watts Hill Drive	1
9810 Darnestown Road	1
	5
Redevelopment – under construction	Properties
840 Winter Street	1
40, 50, and 60 Sylvan Road	3
Alexandria Center® for Advanced Technologies – Monte Villa Parkway	6
651 Gateway Boulevard	1
401 Park Drive	1
8800 Technology Forest Place	1
311 Arsenal Street	1
Canada	4
Other	2
	20
Redevelopment – placed into service after January 1, 2023	Properties
20400 Century Boulevard	1
140 First Street	1
2400 Ellis Road, 40 Moore Drive, and 14 TW Alexander	3

Comparison of results for the three months ended June 30, 2024 to the three months ended June 30, 2023

The following table presents a comparison of the components of net operating income for our Same Properties and Non-Same

Properties for the three months ended June 30, 2024, compared to the three months ended June 30, 2023 (dollars in thousands). Refer to "Definitions and reconciliations" in Item 2 for definitions of "Tenant recoveries" and "Net operating income" and their reconciliations from the most directly comparable financial measures presented in accordance with GAAP, income from rentals and net income, respectively.

	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Income from rentals:				
Same Properties	\$ 464,917	\$ 454,603	\$ 10,314	2.3%
Non-Same Properties	111,918	83,286	28,632	34.4
Rental revenues	576,835	537,889	38,946	7.2
Same Properties	156,945	153,802	3,143	2.0
Non-Same Properties	21,382	12,648	8,734	69.1
Tenant recoveries	178,327	166,450	11,877	7.1
Income from rentals	755,162	704,339	50,823	7.2
Same Properties	377	300	77	25.7
Non-Same Properties	11,195	9,261	1,934	20.9
Other income	11,572	9,561	2,011	21.0
Same Properties	622,239	608,705	13,534	2.2
Non-Same Properties	144,495	105,195	39,300	37.4
Total revenues	766,734	713,900	52,834	7.4
Same Properties	185,721	178,544	7,177	4.0
Non-Same Properties	31,533	33,290	(1,757)	(5.3)
Rental operations	217,254	211,834	5,420	2.6
Same Properties	436,518	430,161	6,357	1.5
Non-Same Properties	112,962	71,905	41,057	57.1
Net operating income	\$ 549,480	\$ 502,066	\$ 47,414	9.4%
Net operating income – Same Properties	\$ 436,518	\$ 430,161	\$ 6,357	1.5%
Straight-line rent revenue	(17,856)	(26,981)	9,125	(33.8)
Amortization of acquired below-market leases	(15,910)	(15,619)	(291)	1.9
Net operating income – Same Properties (cash basis)	\$ 402,752	\$ 387,561	\$ 15,191	3.9%

Income from rentals

Total income from rentals for the three months ended June 30, 2024 increased by \$50.8 million, or 7.2%, to \$755.2 million, compared to \$704.3 million for the three months ended June 30, 2023, as a result of an increase in rental revenues and tenant recoveries, as discussed below.

Rental revenues

Total rental revenues for the three months ended June 30, 2024 increased by \$38.9 million, or 7.2%, to \$576.8 million, compared to \$537.9 million for the three months ended June 30, 2023. The increase was primarily due to an increase in rental revenues from our Non-Same Properties related to 2.7 million RSF of development and redevelopment projects placed into service subsequent to April 1, 2023 and four operating properties aggregating 486,610 RSF acquired subsequent to April 1, 2023. Rental revenues from our Same Properties for the three months ended June 30, 2024 increased by \$10.3 million, or 2.3%, to \$464.9 million, compared to \$454.6 million for the three months ended June 30, 2023. The increase was primarily due to rental rate increases on lease renewals and re-leasing of space since April 1, 2023.

Tenant recoveries

Tenant recoveries for the three months ended June 30, 2024 increased by \$11.9 million, or 7.1%, to \$178.3 million, compared to \$166.5 million for the three months ended June 30, 2023. This increase was primarily from our Non-Same Properties related to our development and redevelopment projects placed into service and properties acquired subsequent to April 1, 2023, as discussed above under "Rental revenues."

Same Properties' tenant recoveries for the three months ended June 30, 2024 increased by \$3.1 million, or 2.0%, to \$156.9 million, compared to \$153.8 million for the three months ended June 30, 2023, primarily due to higher operating expenses during the three months ended June 30, 2024, as discussed under "Rental operations" below. As of June 30, 2024, 94% of our leases (on an annual rental revenue basis) were triple net leases, which require tenants to pay substantially all real estate taxes, insurance, utilities, repairs and maintenance, common area expenses, and other operating expenses (including increases thereto) in addition to base rent.

Rental operations

Total rental operating expenses for the three months ended June 30, 2024 increased by \$5.4 million, or 2.6%, to \$217.3 million, compared to \$211.8 million for the three months ended June 30, 2023. The increase was primarily due to incremental expenses related to our Same Properties, as discussed below.

Same Properties' rental operating expenses increased by \$7.2 million, or 4.0%, to \$185.7 million during the three months ended June 30, 2024, compared to \$178.5 million for the three months ended June 30, 2023, primarily as the result of increases in (i) utility expenses aggregating \$4.2 million, due to higher rates, and (ii) property taxes aggregating \$3.3 million, primarily due to annual regulatory increases of up to 2% in California and increases from reassessments in values due to sales of partial interests.

Depreciation and amortization

Depreciation and amortization expense for the three months ended June 30, 2024 increased by \$17.2 million, or 6.3%, to \$290.7 million, compared to \$273.6 million for the three months ended June 30, 2023. The increase was primarily due to additional depreciation from development and redevelopment projects placed into service and properties acquired, as discussed above under

"Rental revenues."

General and administrative expenses

General and administrative expenses for the three months ended June 30, 2024 decreased by \$1.3 million, or 2.7%, to \$44.6 million, compared to \$45.9 million for the three months ended June 30, 2023. The decrease was primarily due to reduction in compensation costs due to the resignations of two of our executive officers in the second half of 2023. As a percentage of net operating income, our general and administrative expenses for the trailing twelve months ended June 30, 2024 and 2023 were 9.2% and 9.7%, respectively.

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Interest expense

Interest expense for the three months ended June 30, 2024 and 2023 consisted of the following (dollars in thousands):

Component	Three Months Ended June 30,		
	2024	2023	Change
Gross interest	\$ 126,828	\$ 108,746	\$ 18,082
Capitalized interest	(81,039)	(91,674)	10,635
Interest expense	\$ 45,789	\$ 17,072	\$ 28,717
Average debt balance outstanding ⁽¹⁾	\$ 12,454,474	\$ 11,346,604	\$ 1,107,870
Weighted-average annual interest rate ⁽²⁾	4.1%	3.8%	0.3%

(1)Represents the average debt balance outstanding during the respective periods.

(2)Represents annualized total interest incurred divided by the average debt balance outstanding during the respective periods.

The net change in interest expense during the three months ended June 30, 2024, compared to the three months ended June 30, 2023, resulted from the following (dollars in thousands):

Component	Interest Rate ⁽¹⁾	Effective Date	Change
Increases in interest incurred due to:			
Issuances of debt:			
\$600 million of unsecured senior notes payable due 2054	5.71%	February 2024	\$ 8,440
\$400 million of unsecured senior notes payable due 2036	5.38%	February 2024	5,264
Increases in construction borrowings and interest rates under secured notes payable	8.14%		1,145
Higher average outstanding balances and/or rate increases on borrowings under commercial paper program and unsecured senior line of credit			2,382
Other increase in interest			851
Change in gross interest			18,082
Decrease in capitalized interest			10,635
Total change in interest expense			\$ 28,717

(1)Represents the weighted-average interest rate as of the end of the applicable period, including amortization of loan fees, amortization of debt premiums (discounts), and other bank fees.

Impairment of real estate

In 2020 and 2022, we executed purchase agreements for two potential acquisitions in our Greater Boston market, which aggregated 1.4 million of future development RSF. The total purchase price aggregated \$366.8 million, and we initially expected to close these acquisitions after 2024. Our intent for each site included the demolition of existing buildings upon expiration of the existing in-place leases and the development of life science properties. During the three months ended June 30, 2024, we decided to no longer proceed with these acquisitions as a result of the current macroeconomic environment that negatively impacted the financial outlooks for these projects. As a result, we recognized impairment charges aggregating \$30.8 million, primarily consisting of the pre-acquisition costs related to these potential acquisitions.

During the three months ended June 30, 2023, we recognized real estate impairment charges aggregating \$168.6 million, primarily to reduce the carrying amount of a three-building office campus in our Route 128 submarket to its current fair value less costs to sell.

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Investment loss

During the three months ended June 30, 2024, we recognized investment loss aggregating \$43.7 million. This loss consisted of unrealized losses of \$20.2 million primarily resulting from the decrease in fair values of our investments in publicly traded entities and a \$44.1 million resulting from reclassifications of unrealized gains recognized in prior periods into realized gains upon the sales of investments during the three months ended June 30, 2024. The investment loss also included realized gains of \$33.4 million, partially offset by impairment charges of \$12.8 million primarily related to two non-real estate investments in privately held entities that do not report NAV.

During the three months ended June 30, 2023, we recognized an investment loss aggregating \$78.3 million, which consisted of \$77.9 million of unrealized losses and \$371 thousand of realized losses.

For more information about our investments, refer to Note 7 – "Investments" to our unaudited consolidated financial statements in Item 1. For our impairments accounting policy, refer to "Investments" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements in Item 1.

Gain on sales of real estate

During the three months ended June 30, 2023, we recognized \$214.8 million of gains related to the completion of six real estate dispositions. The gains were classified in gain on sales of real estate within our consolidated statements of operations for the three months ended June 30, 2023.

Other comprehensive loss

Total other comprehensive loss for the three months ended June 30, 2024 decreased by \$7.8 million to aggregate net unrealized losses of \$3.9 million, compared to net unrealized gains of \$3.9 million for the three months ended June 30, 2023, primarily in connection with the foreign currency translation related to our operations in Canada.

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Comparison of results for the six months ended June 30, 2024 to the six months ended June 30, 2023

The following table presents a comparison of the components of net operating income for our Same Properties and Non-Same Properties for the six months ended June 30, 2024, compared to the six months ended June 30, 2023 (dollars in thousands). Refer to "Definitions and reconciliations" in Item 2 for definitions of "Tenant recoveries" and "Net operating income" and their reconciliations from the most directly comparable financial measures presented in accordance with GAAP, income from rentals and net income, respectively.

	Six Months Ended June 30,			
	2024	2023	\$ Change	% Change
Income from rentals:				
Same Properties	\$ 910,423	\$ 893,008	\$ 17,415	2.0%
Non-Same Properties	247,812	163,183	84,629	51.9
Rental revenues	1,158,235	1,056,191	102,044	9.7
Same Properties	311,894	303,702	8,192	2.7
Non-Same Properties	40,584	32,395	8,189	25.3
Tenant recoveries	352,478	336,097	16,381	4.9
Income from rentals	1,510,713	1,392,288	118,425	8.5
Same Properties	715	737	(22)	(3.0)
Non-Same Properties	24,414	21,670	2,744	12.7
Other income	25,129	22,407	2,722	12.1
Same Properties	1,223,032	1,197,447	25,585	2.1
Non-Same Properties	312,810	217,248	95,562	44.0
Total revenues	1,535,842	1,414,695	121,147	8.6
Same Properties	366,985	350,672	16,313	4.7
Non-Same Properties	68,583	68,095	488	0.7
Rental operations	435,568	418,767	16,801	4.0
Same Properties	856,047	846,775	9,272	1.1
Non-Same Properties	244,227	149,153	95,074	63.7
Net operating income	\$ 1,100,274	\$ 995,928	\$ 104,346	10.5%
Net operating income – Same Properties	\$ 856,047	\$ 846,775	\$ 9,272	1.1%
Straight-line rent revenue	(32,773)	(51,793)	19,020	(36.7)
Amortization of acquired below-market leases	(30,910)	(30,758)	(152)	0.5
Net operating income – Same Properties (cash basis)	\$ 792,364	\$ 764,224	\$ 28,140	3.7%

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Income from rentals

Total income from rentals for the six months ended June 30, 2024 increased by \$118.4 million, or 8.5%, to \$1.5 billion, compared to \$1.4 billion for the six months ended June 30, 2023, as a result of increase in rental revenues and tenant recoveries, as discussed below.

Rental revenues

Total rental revenues for the six months ended June 30, 2024 increased by \$102.0 million, or 9.7%, to \$1.2 billion, compared to \$1.1 billion for the six months ended June 30, 2023. The increase was primarily due to an increase in rental revenues from our Non-Same Properties related to 3.9 million RSF of development and redevelopment projects placed into service subsequent to January 1, 2023 and five operating properties aggregating 734,353 RSF acquired subsequent to January 1, 2023.

Rental revenues from our Same Properties for the six months ended June 30, 2024 increased by \$17.4 million, or 2.0%, to \$910.4 million, compared to \$893.0 million for the six months ended June 30, 2023. The increase was primarily due to rental rate increases on lease renewals and re-leasing of space since January 1, 2023.

Tenant recoveries

Tenant recoveries for the six months ended June 30, 2024 increased by \$16.4 million, or 4.9%, to \$352.5 million, compared to

\$336.1 million for the six months ended June 30, 2023. This increase was partially from our Non-Same Properties related to our development and redevelopment projects placed into service and properties acquired subsequent to January 1, 2023, as discussed above under "Rental revenues."

Same Properties' tenant recoveries for the six months ended June 30, 2024 increased by \$8.2 million, or 2.7%, to \$311.9 million, compared to \$303.7 million for the six months ended June 30, 2023, primarily due to higher operating expenses during the six months ended June 30, 2024, as discussed under "Rental operations" below. As of June 30, 2024, 94% of our leases (on an annual rental revenue basis) were triple net leases, which require tenants to pay substantially all real estate taxes, insurance, utilities, repairs and maintenance, common area expenses, and other operating expenses (including increases thereto) in addition to base rent.

Rental operations

Total rental operating expenses for the six months ended June 30, 2024 increased by \$16.8 million, or 4.0%, to \$435.6 million, compared to \$418.8 million for the six months ended June 30, 2023, primarily due to the increase in our Same Properties' rental operating expenses consisting of (i) the increase in property taxes aggregating \$6.5 million, primarily due to annual regulatory increases of up to 2% in California and increases from reassessments in values due to sales of partial interests, (ii) the increase in utilities expenses aggregating \$3.3 million, primarily due to higher rates; and (iii) the increase in property insurance expenses aggregating \$3.0 million, primarily due to higher insurance premiums.

Depreciation and amortization

Depreciation and amortization expense for the six months ended June 30, 2024 increased by \$39.4 million, or 7.3%, to \$578.3 million, compared to \$538.9 million for the six months ended June 30, 2023. The increase was primarily due to additional depreciation from development and redevelopment projects placed into service and properties acquired, as discussed above under

"Rental revenues."

General and administrative expenses

General and administrative expenses for the six months ended June 30, 2024 decreased by \$2.4 million, or 2.5%, to \$91.7 million, compared to \$94.1 million for the six months ended June 30, 2023. The decrease was primarily due to reduction in compensation costs due to the resignations of two of our executive officers in the second half of 2023. As a percentage of net operating income, our general and administrative expenses for the trailing twelve months ended June 30, 2024 and 2023 were 9.2% and 9.7%, respectively.

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Interest expense

Interest expense for the six months ended June 30, 2024 and 2023 consisted of the following (dollars in thousands):
Six Months Ended June 30,

Component	2024	2023	Change
Gross interest	\$ 249,508	\$ 209,570	\$ 39,938
Capitalized interest	(162,879)	(178,744)	15,865
Interest expense	\$ 86,629	\$ 30,826	\$ 55,803
Average debt balance outstanding ⁽¹⁾	\$ 12,260,781	\$ 11,001,895	\$ 1,258,886
Weighted-average annual interest rate ⁽²⁾	4.1%	3.8%	0.3%

(1)Represents the average debt balance outstanding during the respective periods.

(2)Represents annualized total interest incurred divided by the average debt balance outstanding during the respective periods.

The net change in interest expense during the six months ended June 30, 2024, compared to the six months ended June 30, 2023, resulted from the following (dollars in thousands):

Component	Interest Rate ⁽¹⁾	Effective Date	Change
Increases in interest incurred due to:			
Issuances of debt:			
\$500 million of unsecured senior notes payable due 2053	5.26%	February 2023	\$ 3,225
\$500 million of unsecured senior notes payable due 2035	4.88%	February 2023	2,982
\$600 million of unsecured senior notes payable due 2054	5.71%	February 2024	12,754
\$400 million of unsecured senior notes payable due 2036	5.38%	February 2024	7,954
Increases in construction borrowings and interest rates under secured notes payable	8.14%		2,531
Higher average outstanding balances and/or rate increases on borrowings under commercial paper program and unsecured senior line of credit			8,801
Other increase in interest			1,691
Change in gross interest			39,938
Decrease in capitalized interest			15,865
Total change in interest expense			\$ 55,803

(1)Represents the weighted-average interest rate as of the end of the applicable period, including amortization of loan fees, amortization of debt premiums (discounts), and other bank fees.

Impairment of real estate

In 2020 and 2022, we executed purchase agreements for two potential acquisitions in our Greater Boston market, which aggregated 1.4 million of future development RSF. The total purchase price aggregated \$366.8 million, and we initially expected to close these acquisitions after 2024. Our intent for each site included the demolition of existing buildings upon expiration of the existing in-place leases and the development of life science properties. During the three months ended June 30, 2024, we decided to no longer proceed with these acquisitions as a result of the current macroeconomic environment that negatively impacted the financial outlooks for these projects. As a result, we recognized impairment charges aggregating \$30.8 million, primarily consisting of the pre-acquisition

costs related to these potential acquisitions.

During the six months ended June 30, 2023, we recognized real estate impairment charges aggregating \$168.6 million, primarily to reduce the carrying amount of a three-building office campus in our Route 128 submarket to its current fair value less costs to sell.

For more information, refer to "Sales of real estate assets and impairment charges" in Note 3 – "Investments in real estate" to our unaudited consolidated financial statements in Item 1.

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Investment loss

During the six months ended June 30, 2024, we recognized an investment loss aggregating \$376 thousand. This loss consisted of unrealized losses primarily resulting from the reclassifications of unrealized gains of \$35.1 million recognized in prior periods into realized gains upon the realization of investments during the six months ended June 30, 2024. The investment loss also included realized gains of \$62.2 million, partially offset by impairment charges of \$27.5 million primarily related to non-real estate investments in privately held entities that do not report NAV.

During the six months ended June 30, 2023, we recognized investment loss aggregating \$123.4 million, which consisted of \$20.4 million of realized gains and \$143.8 million of unrealized losses.

For more information about our investments, refer to Note 7 – "Investments" to our unaudited consolidated financial statements in Item 1. For our impairments accounting policy, refer to "Investments" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements in Item 1.

Gain on sales of real estate

During the six months ended June 30, 2023, we recognized \$214.8 million of gains related to the dispositions of six real estate assets. The gains were classified in gain on sales of real estate within our consolidated statement of operations for the six months ended June 30, 2023.

Other comprehensive loss

Total other comprehensive loss for the six months ended June 30, 2024 decreased by \$16.0 million to aggregate net unrealized losses of \$11.8 million, compared to net unrealized gains of \$4.2 million for the six months ended June 30, 2023, primarily in connection with the foreign currency translation related to our operations in Canada.

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Summary of capital expenditures

Our construction spending for the six months ended June 30, 2024 and projected spending for the year ending December 31, 2024 consisted of the following (in thousands):

	Six Months Ended June 30, 2024	Projected Midpoint for the Year Ending December 31, 2024
Construction of Class A/A+ properties:		
Active construction projects		
Under construction and committed near-term projects ⁽¹⁾ and projects expected to commence active construction in 2024 ⁽²⁾	\$ 888,641	\$ 1,778,000
Future pipeline pre-construction		
Primarily mega campus expansion pre-construction work (entitlement, design, and site work)	257,218	652,000
Revenue- and non-revenue-enhancing capital expenditures	115,659	250,000
Construction spend (before contributions from noncontrolling interests)	1,261,518	2,680,000
Contributions from noncontrolling interests (consolidated real estate joint ventures)	(176,497)	(430,000) ⁽³⁾
Total construction spending	\$ 1,085,021	\$ 2,250,000
2024 guidance range		\$1,950,000 – \$2,550,000

(1)Includes projects under construction aggregating 4.9 million RSF and one committed near-term project aggregating 492,570 RSF expected to commence construction during the next two years after June 30, 2024, which are 61% leased/negotiating and expected to generate \$480 million in incremental annual net operating income primarily commencing from the third quarter of 2024 through the first quarter of 2028.

(2)Includes certain priority anticipated development and redevelopment projects expected to commence active construction in 2024, subject to market conditions and leasing. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional details, including value-creation square feet currently included in rental properties.

(3)Represents contractual capital commitments expected from existing consolidated real estate joint venture partners to fund construction.

Projected capital contributions from partners in consolidated real estate joint ventures to fund construction

The following table summarizes projected capital contributions from partners in our existing consolidated joint ventures to fund construction through 2027 (in thousands):

Projected timing	Amount ⁽¹⁾
July 1, 2024 through December 31, 2024	\$ 253,503
2025 through 2027	804,528
Total	\$ 1,058,031

(1)Represents reductions to our consolidated construction spending.

Capitalization of interest

Our construction spending includes capitalized interest. The table below provides key categories of interest capitalized during the six months ended June 30, 2024:

	Six Months Ended June 30, 2024		Upon Completion of Construction		
	Average Real Estate Basis Capitalized	Percentage of Total Capitalized Interest	RSF	Potential Growth in Operating RSF	
Construction of Class A/A+ properties:					
Active construction projects					
Under construction and committed near-term projects	\$ 2,723,268	34%	5,432,915	77%	
Future pipeline pre-construction					
Priority anticipated projects	624,317 ⁽¹⁾	8	2,670,922		
Primarily mega campus expansion pre-construction work (entitlement, design, and site work)	3,579,182 ⁽¹⁾	44	27,261,766		
Smaller redevelopments and repositioning capital projects	1,123,183	14	N/A		
	\$ 8,049,950	100%	35,365,603		

(1)Average real estate basis capitalized related to our future pipeline pre-construction includes 32% from four key active and future value-creation projects on mega campuses.

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Projected results

We present updated guidance for EPS attributable to Alexandria's common stockholders – diluted, funds from operations per share attributable to Alexandria's common stockholders – diluted, and funds from operations per share attributable to Alexandria's common stockholders – diluted, as adjusted, based on our current view of existing market conditions and other assumptions for the year ending December 31, 2024 as set forth in the tables below. The tables below also provide a reconciliation of EPS attributable to Alexandria's common stockholders – diluted, the most directly comparable financial measure presented in accordance with GAAP, to funds from operations per share and funds from operations per share, as adjusted, non-GAAP measures, and other key assumptions included in our updated guidance for the year ending December 31, 2024. There can be no assurance that actual amounts will not be materially higher or lower than these expectations. Refer to our discussion of "Forward-looking statements" at the beginning of this Item 2.

Projected 2024 Earnings per Share and Funds From Operations per Share Attributable to Alexandria's Common Stockholders – Diluted	As of 7/22/24	As of 4/22/24
Earnings per share ⁽¹⁾	\$2.98 to \$3.10	\$3.60 to \$3.72
Depreciation and amortization of real estate assets	5.95	5.95
Impairment of real estate – rental properties and land	0.01	—
Allocation of unvested restricted stock awards	(0.05)	(0.06)
Funds from operations per share ⁽²⁾	\$8.89 to \$9.01	\$9.49 to \$9.61
Unrealized losses (gains) on non-real estate investments	0.20	(0.17)
Impairment of non-real estate investments	0.16	0.09
Impairment of real estate	0.17	—
Allocation to unvested restricted stock awards	(0.01)	—
Funds from operations per share, as adjusted ⁽²⁾	\$9.41 to \$9.53	\$9.41 to \$9.53
Midpoint	\$9.47	\$9.47

(1)Excludes unrealized gains or losses on non-real estate investments after June 30, 2024 that are required to be recognized in earnings and are excluded from funds from operations per share, as adjusted.

(2)Refer to "Definitions and reconciliations" in Item 2 for additional information.

Key Assumptions ⁽¹⁾ (Dollars in millions)	2024 Guidance	
	Low	High
Occupancy percentage for operating properties in North America as of December 31, 2024	94.6%	95.6%
Lease renewals and re-leasing of space:		
Rental rate increases	11.0%	19.0%
Rental rate increases (cash basis)	5.0%	13.0%
Same property performance:		
Net operating income increases	0.5%	2.5%
Net operating income increases (cash basis)	3.0%	5.0%
Straight-line rent revenue	\$ 169	\$ 184
General and administrative expenses	\$ 181	\$ 191
Capitalization of interest	\$ 325	\$ 355
Interest expense	\$ 154	\$ 184
Realized gains on non-real estate investments ⁽²⁾	\$ 95	\$ 125

(1)Our assumptions presented in the table above are subject to a number of variables and uncertainties, including those discussed as “Forward-looking statements” under Part I, “Item 1A. Risk factors”; and “Item 7. Management’s discussion and analysis of financial condition and results of operations” of our annual report on Form 10-K for the year ended December 31, 2023, as well as in “Item 1A. Risk factors” within “Part II – Other information” of this quarterly report on Form 10-Q. To the extent our full-year earnings guidance is updated during the year, we will provide additional disclosure supporting reasons for any significant changes to such guidance.

(2)Represents realized gains and losses included in funds from operations per share – diluted, as adjusted, and excludes significant impairments realized on non-real estate investments, if any. Refer to Note 7 – “Investments” to our unaudited consolidated financial statements in Item 1 for additional details.

Key Credit Metric Targets⁽¹⁾

Net debt and preferred stock to Adjusted EBITDA – fourth quarter of 2024 annualized	Less than or equal to 5.1x
Fixed-charge coverage ratio – fourth quarter of 2024 annualized	Greater than or equal to 4.5x

(1)Refer to “Definitions and reconciliations” in Item 2 for additional information.
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Consolidated and unconsolidated real estate joint ventures

We present components of balance sheet and operating results information for the noncontrolling interest share of our consolidated real estate joint ventures and for our share of investments in unconsolidated real estate joint ventures to help investors estimate balance sheet and operating results information related to our partially owned entities. These amounts are estimated by computing, for each joint venture that we consolidate in our financial statements, the noncontrolling interest percentage of each financial item to arrive at the cumulative noncontrolling interest share of each component presented. In addition, for our real estate joint ventures that we do not control and do not consolidate, we apply our economic ownership percentage to the unconsolidated real estate joint ventures to arrive at our proportionate share of each component presented. Refer to Note 4 – “Consolidated and unconsolidated real estate joint ventures” to our unaudited consolidated financial statements in Item 1 for further discussion.

Consolidated Real Estate Joint Ventures

Property/Market/Submarket	Noncontrolling ⁽¹⁾ Interest Share	Operating RSF at 100%
50 and 60 Binney Street/Greater Boston/Cambridge/Inner Suburbs	66.0%	532,395
75/125 Binney Street/Greater Boston/Cambridge/Inner Suburbs	60.0%	388,269
100 and 225 Binney Street and 300 Third Street/Greater Boston/Cambridge/Inner Suburbs	70.0%	870,106
99 Coolidge Avenue/Greater Boston/Cambridge/Inner Suburbs	25.0%	116,414 ⁽²⁾
15 Necco Street/Greater Boston/Seaport Innovation District	43.3%	345,996
285, 299, 307, and 345 Dorchester Avenue/Greater Boston/Seaport Innovation District	40.0%	— ⁽²⁾
Alexandria Center® for Science and Technology – Mission Bay/San Francisco Bay Area/ Mission Bay ⁽³⁾	75.0%	999,866
1450 Owens Street/San Francisco Bay Area/Mission Bay	73.7% ⁽⁴⁾	— ⁽²⁾
601, 611, 651 ⁽²⁾ , 681, 685, and 701 Gateway Boulevard/San Francisco Bay Area/ South San Francisco	50.0%	831,326
751 Gateway Boulevard/San Francisco Bay Area/South San Francisco	49.0%	230,592
211 ⁽²⁾ and 213 East Grand Avenue/San Francisco Bay Area/South San Francisco	70.0%	300,930
500 Forbes Boulevard/San Francisco Bay Area/South San Francisco	90.0%	155,685
Alexandria Center® for Life Science – Millbrae/San Francisco Bay Area/South San Francisco	52.3%	— ⁽²⁾
3215 Merryfield Row/San Diego/Torrey Pines	70.0%	170,523
Campus Point by Alexandria/San Diego/University Town Center ⁽⁵⁾	45.0%	1,342,164
5200 Illumina Way/San Diego/University Town Center	49.0%	792,687
9625 Towne Centre Drive/San Diego/University Town Center	70.0%	163,648
SD Tech by Alexandria/San Diego/Sorrento Mesa ⁽⁶⁾	50.0%	884,270
Pacific Technology Park/San Diego/Sorrento Mesa	50.0%	544,352
Summers Ridge Science Park/San Diego/Sorrento Mesa ⁽⁷⁾	70.0%	316,531
1201 and 1208 Eastlake Avenue East and 199 East Blaine Street/Seattle/Lake Union	70.0%	321,115
400 Dexter Avenue North/Seattle/Lake Union	70.0%	290,754
800 Mercer Street/Seattle/Lake Union	40.0%	— ⁽²⁾

Unconsolidated Real Estate Joint Ventures

Property/Market/Submarket	Our Ownership Share ⁽⁸⁾	Operating RSF at 100%
1655 and 1725 Third Street/San Francisco Bay Area/Mission Bay	10.0%	586,208
1401/1413 Research Boulevard/Maryland/Rockville	65.0% ⁽⁹⁾	— ⁽¹⁰⁾
1450 Research Boulevard/Maryland/Rockville	73.2% ⁽⁹⁾	42,679
101 West Dickman Street/Maryland/Beltsville	58.2% ⁽⁹⁾	135,423

Refer to “Joint venture financial information” under “Definitions and reconciliations” in Item 2 for additional details.

(1)In addition to the consolidated real estate joint ventures listed, various joint venture partners hold insignificant noncontrolling interests in three other real estate joint ventures in North America.

(2)Represents a property currently under construction or in our value-creation pipeline. Refer to “New Class A/A+ development and redevelopment properties” in Item 2 for additional details.

(3)Includes 409 and 499 Illinois Street, 1500 and 1700 Owens Street, and 455 Mission Bay Boulevard South.

(4)During the six months ended June 30, 2024, our equity ownership decreased from 40.6% to 26.3% based on continued funding of construction costs by our joint venture partner and a reallocation of equity to our joint venture partner of \$30.2 million from us. The noncontrolling interest share of our joint venture partner is anticipated to increase to 75% and ours to decrease to 25% as our partner contributes additional equity to fund the construction of the project.

(5)Includes 10210, 10260, 10290, and 10300 Campus Point Drive and 4110, 4135, 4155, 4161, 4165, 4224, and 4242 Campus Point Court.

(6)Includes 9605, 9645, 9675, 9685, 9725, 9735, 9805, 9808, 9855, and 9868 Scranton Road and 10055, 10065, and 10075 Barnes Canyon Road.

(7)Includes 9965, 9975, 9985, and 9995 Summers Ridge Road.

(8)In addition to the unconsolidated real estate joint ventures listed, we hold an interest in one other insignificant unconsolidated real estate joint venture in North America.

(9)Represents a joint venture with a local real estate operator in which our joint venture partner manages the day-to-day activities that significantly affect the economic performance of the joint venture.

(10)Represents a joint venture with a distinguished retail real estate developer for a retail shopping center aggregating 84,837 RSF.

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The following table presents key terms related to our unconsolidated real estate joint ventures’ secured loans as of June 30,

2024 (dollars in thousands):

	Maturity Date	Stated Rate	Interest Rate ⁽¹⁾	At 100% Aggregate Commitment	Debt Balance ⁽²⁾	Our Share
Unconsolidated Joint Venture						
1401/1413 Research Boulevard	12/23/24	2.70%	3.31%	\$ 28,500	\$ 28,417	65.0%
1655 and 1725 Third Street	3/10/25 ⁽³⁾	4.50%	4.57%	600,000	599,718	10.0%
101 West Dickman Street	11/10/26	SOFR+1.95%	7.39% ⁽⁴⁾	26,750	18,558	58.2%
1450 Research Boulevard	12/10/26	SOFR+1.95%	7.45% ⁽⁴⁾	13,000	8,598	73.2%
				<u>\$ 668,250</u>	<u>\$ 655,291</u>	

(1)Includes interest expense and amortization of loan fees.

(2)Represents outstanding principal, net of unamortized deferred financing costs, as of June 30, 2024.

(3)The unconsolidated joint venture is early in the process of working with prospective lenders to refinance this secured non-recourse loan. In the event that all or a portion of the debt cannot be refinanced, we may consider contributing additional equity into this unconsolidated joint venture. As of June 30, 2024, our investment in this unconsolidated real estate joint venture was \$11.2 million.

(4)This loan is subject to a fixed SOFR floor of 0.75%.

The following tables present information related to the operating results and financial positions of our consolidated and

unconsolidated real estate joint ventures as of and for the three and six months ended June 30, 2024 (in thousands):

	Noncontrolling Interest Share of Consolidated Real Estate Joint Ventures		Our Share of Unconsolidated Real Estate Joint Ventures	
	June 30, 2024		June 30, 2024	
	Three Months Ended	Six Months Ended	Three Months Ended	Six Months Ended
Total revenues	\$ 111,210	\$ 222,307	\$ 3,156	\$ 6,331
Rental operations	(31,443)	(62,312)	(995)	(2,019)
	79,767	159,995	2,161	4,312
General and administrative	(1,004)	(1,682)	(30)	(70)
Interest	(253)	(469)	(933)	(1,855)
Depreciation and amortization of real estate assets	(31,364)	(62,268)	(1,068)	(2,102)
Fixed returns allocated to redeemable noncontrolling interests ⁽¹⁾	201	402	—	—
	<u>\$ 47,347</u>	<u>\$ 95,978</u>	<u>\$ 130</u>	<u>\$ 285</u>
Straight-line rent and below-market lease revenue	\$ 6,225	\$ 15,534	\$ 248	\$ 530
Funds from operations ⁽²⁾	\$ 78,711	\$ 158,246	\$ 1,198	\$ 2,387

Refer to "Joint venture financial information" under "Definitions and reconciliations" in Item 2 for additional details.

(1)Represents an allocation of joint venture earnings to redeemable noncontrolling interests primarily in one property in our South San Francisco submarket. These redeemable noncontrolling interests earn a fixed return on their investment rather than participate in the operating results of the property.

(2)Refer to "Funds from operations and funds from operations, as adjusted, attributable to Alexandria Real Estate Equities, Inc.'s common stockholders" under "Definitions and reconciliations" in Item 2 for the definition and its reconciliation from the most directly comparable financial measure presented in accordance with GAAP.

As of June 30, 2024

	Noncontrolling Interest Share of Consolidated Real Estate Joint Ventures	Our Share of Unconsolidated Real Estate Joint Ventures
Investments in real estate	\$ 4,157,101	\$ 124,994
Cash, cash equivalents, and restricted cash	132,692	4,128
Other assets	431,584	12,752
Secured notes payable	(33,581)	(95,547)
Other liabilities	(279,550)	(5,792)
Redeemable noncontrolling interests	(16,440)	—
	<u>\$ 4,391,806</u>	<u>\$ 40,535</u>

During the six months ended June 30, 2024 and 2023, our consolidated real estate joint ventures distributed an aggregate of \$119.9 million and \$134.6 million, respectively, to our joint venture partners. Refer to our consolidated statements of cash flows and Note 4 – "Consolidated and unconsolidated real estate joint ventures" to our unaudited consolidated financial statements in Item 1 for additional information.

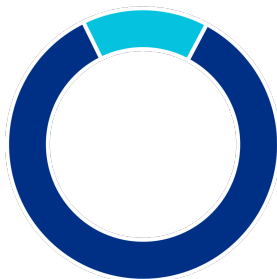
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Investments

We hold investments in publicly traded companies and privately held entities primarily involved in the life science industry. The tables below summarize components of our investment income (loss) and non-real estate investments (in thousands). Refer to Note 7 – "Investments" to our unaudited consolidated financial statements in Item 1 for additional information.

	June 30, 2024		Year Ended December 31, 2023	
	Three Months Ended	Six Months Ended		
Realized gains	\$ 20,578 ⁽¹⁾	\$ 34,704 ⁽¹⁾	\$ 6,078 ⁽²⁾	
Unrealized losses	(64,238) ⁽³⁾	(35,080) ⁽⁴⁾	(201,475) ⁽⁵⁾	
Investment loss	<u>\$ (43,660)</u>	<u>\$ (376)</u>	<u>\$ (195,397)</u>	

	June 30, 2024			December 31, 2023	
Investments	Cost	Unrealized Gains	Unrealized Losses	Carrying Amount	Carrying Amount
Publicly traded companies	\$ 201,321	\$ 42,052	\$ (90,182)	\$ 153,191	\$ 159,566
Entities that report NAV	510,335	162,559	(33,254)	639,640	671,532
Entities that do not report NAV:					
Entities with observable price changes	94,509	79,609	(1,007)	173,111	174,268
Entities without observable price changes	389,124	—	—	389,124	368,654
Investments accounted for under the equity method	N/A	N/A	N/A	139,282	75,498
June 30, 2024	<u>\$ 1,195,289 ⁽⁶⁾</u>	<u>\$ 284,220</u>	<u>\$ (124,443)</u>	<u>\$ 1,494,348</u>	<u>\$ 1,449,518</u>
December 31, 2023	<u>\$ 1,177,072</u>	<u>\$ 320,445</u>	<u>\$ (123,497)</u>	<u>\$ 1,449,518</u>	



Liquidity
Liquidity

\$5.6B

(In millions)

Availability under our unsecured senior line of credit, net of amounts outstanding under our commercial paper program	\$ 4,800
Outstanding forward equity sales agreements ⁽¹⁾	27
Cash, cash equivalents, and restricted cash	566
Availability under our secured construction loan	61
Investments in publicly traded companies	153
Liquidity as of June 30, 2024	<u>\$ 5,607</u>

(1)Represents expected net proceeds from the future settlement of 230 thousand shares of common stock under forward equity sales agreements after underwriter discounts.

We expect to meet certain long-term liquidity requirements, such as requirements for development, redevelopment, other construction projects, capital improvements, tenant improvements, property acquisitions, leasing costs, non-revenue-enhancing capital expenditures, scheduled debt maturities, distributions to noncontrolling interests, and payment of dividends through net cash provided by operating activities, periodic asset sales, strategic real estate joint ventures, long-term secured and unsecured indebtedness, borrowings under our unsecured senior line of credit, issuances under our commercial paper program, and issuances of additional debt and/or equity securities.

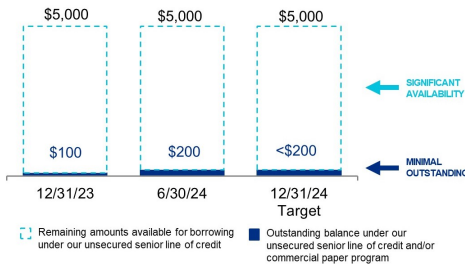
We also expect to continue meeting our short-term liquidity and capital requirements, as further detailed in this section, generally through our working capital and net cash provided by operating activities. We believe that the net cash provided by operating activities will continue to be sufficient to enable us to make the distributions necessary to continue qualifying as a REIT.

For additional information on our liquidity requirements related to our contractual obligations and commitments, refer to Note 5 – “Leases” and Note 10 – “Secured and unsecured senior debt” to our unaudited consolidated financial statements in Item 1. Over the next several years, our balance sheet, capital structure, and liquidity objectives are as follows:

- Retain cash flows from operating activities after payment of dividends and distributions to noncontrolling interests for investment in development and redevelopment projects and/or acquisitions;
- Maintain significant balance sheet liquidity;
- Improve credit profile and relative long-term cost of capital;
- Maintain diverse sources of capital, including sources from net cash provided by operating activities, unsecured debt, secured debt, selective real estate asset sales, strategic real estate joint ventures, non-real estate investment sales, and common stock;
- Maintain commitment to long-term capital to fund growth;
- Maintain prudent laddering of debt maturities;
- Maintain solid credit metrics;
- Prudently manage variable-rate debt exposure;
- Maintain a large, unencumbered asset pool to provide financial flexibility;
- Fund common stock dividends and distributions to noncontrolling interests from net cash provided by operating activities;
- Manage a disciplined level of value-creation projects as a percentage of our gross real estate assets; and
- Maintain high levels of pre-leasing and percentage leased in value-creation projects.

Minimal Outstanding Borrowings and
Significant Availability on
Unsecured Senior Line of Credit

(in millions)



The following table presents the availability under our unsecured senior line of credit, net of amounts outstanding under our commercial paper program; outstanding forward equity sales agreements; cash, cash equivalents, and restricted cash; availability under our secured construction loan; and investments in publicly traded companies as of June 30, 2024 (in thousands):

Description	Stated Rate	Aggregate Commitments	Outstanding Balance ⁽¹⁾	Remaining Commitments/Liquidity
Availability under our unsecured senior line of credit, net of amounts outstanding under our commercial paper program	SOFR+0.855%	\$ 5,000,000	\$ 199,552	\$ 4,800,000
Outstanding forward equity sales agreements ⁽²⁾				27,488
Cash, cash equivalents, and restricted cash				565,853
Construction loan	SOFR+2.70%	\$ 195,300	\$ 134,323	60,652
Investments in publicly traded companies				153,191
Liquidity as of June 30, 2024				\$ 5,607,184

(1)Represents outstanding principal, net of unamortized deferred financing costs, as of June 30, 2024.

(2)Represents expected net proceeds from the future settlement of 230 thousand shares of common stock under forward equity sales agreements after underwriter discounts.

Cash, cash equivalents, and restricted cash

As of June 30, 2024 and December 31, 2023, we had \$565.9 million and \$660.8 million, respectively, of cash, cash equivalents, and restricted cash. We expect existing cash, cash equivalents, and restricted cash, net cash provided by operating activities, proceeds from real estate asset sales, sales of partial interests, strategic real estate joint ventures, non-real estate investment sales, borrowings under our unsecured senior line of credit, issuances under our commercial paper program, issuances of unsecured senior notes payable, borrowings under our secured construction loans, and issuances of common stock to continue to be sufficient to fund our operating activities and cash commitments for investing and financing activities, such as regular quarterly dividends, distributions to noncontrolling interests, scheduled debt repayments, acquisitions, and certain capital expenditures, including expenditures related to construction activities.

Cash flows

We report and analyze our cash flows based on operating activities, investing activities, and financing activities. The following table summarizes changes in our cash flows for the six months ended June 30, 2024 and 2023 (in thousands):

	Six Months Ended June 30,		Change
	2024	2023	
Net cash provided by operating activities	\$ 752,954	\$ 784,043	\$ (31,089)
Net cash used in investing activities	\$ (1,468,479)	\$ (1,434,101)	\$ (34,378)
Net cash provided by financing activities	\$ 620,460	\$ 752,558	\$ (132,098)

Operating activities

Cash flows provided by operating activities are primarily dependent upon the occupancy level of our asset base, the rental rates of our leases, the collectibility of rent and recovery of operating expenses from our tenants, the timing of completion of development and redevelopment projects, and the timing of acquisitions and dispositions of operating properties. Net cash provided by operating activities for the six months ended June 30, 2024 decreased by \$31.1 million to \$753.0 million, compared to \$784.0 million for the six months ended June 30, 2023, primarily as a result of fluctuations in working capital due to timing differences.

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Investing activities

Cash used in investing activities for the six months ended June 30, 2024 and 2023 consisted of the following (in thousands):

	Six Months Ended June 30,		Increase (Decrease)
	2024	2023	
Sources of cash from investing activities:			
Proceeds from sales of real estate	\$ 16,670	\$ 592,630	\$ (575,960)
Sales of and distributions from non-real estate investments	86,008	109,335	(23,327)
Change in escrow deposits	—	13,663	(13,663)
	102,678	715,628	(612,950)
Uses of cash for investing activities:			
Purchases of real estate	201,049	233,317	(32,268)
Additions to real estate	1,241,214	1,812,241	(571,027)
Change in escrow deposits	2,473	—	2,473
Investments in unconsolidated real estate joint ventures	3,713	332	3,381
Additions to non-real estate investments	122,708	103,839	18,869
	1,571,157	2,149,729	(578,572)
Net cash used in investing activities	\$ 1,468,479	\$ 1,434,101	\$ 34,378

The increase in net cash used in investing activities for the six months ended June 30, 2024, compared to the six months ended June 30, 2023, was primarily due to a decrease in cash used for real estate purchases and additions, partially offset by lower proceeds from sales of real estate. Refer to Note 3 – "Investments in real estate" to our unaudited consolidated financial statements in

Item 1 for additional information.

Financing activities

Cash flows provided by financing activities for the six months ended June 30, 2024 and 2023 consisted of the following (in thousands):

	Six Months Ended June 30,		
	2024	2023	Change
Borrowings under secured notes payable	\$ 14,974	\$ 32,550	\$ (17,576)
Proceeds from issuance of unsecured senior notes payable	998,806	996,205	2,601
Borrowings under unsecured senior line of credit	—	375,000	(375,000)
Repayments of borrowings under unsecured senior line of credit	—	(375,000)	375,000
Proceeds from issuances under commercial paper program	5,006,950	1,705,000	3,301,950
Repayments of borrowings under commercial paper program	(4,906,950)	(1,705,000)	(3,201,950)
Payments of loan fees	(10,118)	(10,113)	(5)
Changes related to debt	1,103,662	1,018,642	85,020
Contributions from and sales of noncontrolling interests	159,644	299,531	(139,887)
Distributions to and purchases of noncontrolling interests	(171,871)	(134,617)	(37,254)
Dividends on common stock	(443,958)	(418,477)	(25,481)
Taxes paid related to net settlement of equity awards	(27,017)	(12,521)	(14,496)
Net cash provided by financing activities	\$ 620,460	\$ 752,558	\$ (132,098)

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Capital resources

We expect that our principal liquidity needs for the year ending December 31, 2024 will be satisfied by the following multiple sources of capital, as shown in the table below. There can be no assurance that our sources and uses of capital will not be materially higher or lower than these expectations.

Key Sources and Uses of Capital

(In millions)

Key Sources and Uses of Capital (In millions)	2024 Guidance			Certain Completed Items
	Range		Midpoint	
Sources of capital:				
Incremental debt	\$ 885	\$ 885	\$ 885	See below
Net cash provided by operating activities after dividends	400	500	450	
Dispositions, sales of partial interests, and common equity ⁽¹⁾	1,050	2,050	1,550	⁽¹⁾
Total sources of capital	<u>\$ 2,335</u>	<u>\$ 3,435</u>	<u>\$ 2,885</u>	
Uses of capital:				
Construction	\$ 1,950	\$ 2,550	\$ 2,250	
Acquisitions	250	750	500	\$ 202
Ground lease prepayment ⁽²⁾	135	135	135	
Total uses of capital	<u>\$ 2,335</u>	<u>\$ 3,435</u>	<u>\$ 2,885</u>	
Incremental debt (included above):				
Issuance of unsecured senior notes payable ⁽³⁾	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000 ⁽³⁾
Unsecured senior line of credit, commercial paper program, and other	(115)	(115)	(115)	
Incremental debt	<u>\$ 885</u>	<u>\$ 885</u>	<u>\$ 885</u>	

(1)Refer to "Dispositions and sales of partial interests" in Item 2 for additional detail. We expect to continue pursuing our strategy to fund a significant portion of our capital requirements for the year ending December 31, 2024 with dispositions and sales of partial interests in properties not integral to our mega campus strategy and are actively pursuing several dispositions and partial interest sale opportunities. As of the date of this report, we completed dispositions aggregating \$77.2 million, have additional pending transactions subject to letters of intent or purchase and sale agreement negotiations aggregating \$806.7 million, and entered into new forward equity sales agreements aggregating \$27.8 million, which, in aggregate, represents 59% of the \$1.55 billion midpoint of our guidance range.

(2)Refer to Note 16 – "Subsequent events" to our unaudited consolidated financial statements in Item 1 for additional information.

(3)Represents \$1.0 billion of unsecured senior notes payable issued in February 2024. Subject to market conditions, we may seek additional opportunities in 2024 to fund the repayment of our \$600.0 million of 3.45% unsecured senior notes payable due on April 30, 2025 through issuance of additional unsecured senior notes payable, which is not assumed in our current 2024 guidance.

The key assumptions behind the sources and uses of capital in the table above include a favorable real estate transaction and capital market environments, performance of our core operating properties, lease-up and delivery of current and future development and redevelopment projects, and leasing activity. Our expected sources and uses of capital are subject to a number of variables and uncertainties, including those discussed as "Forward-looking statements" under Part I; "Item 1A. Risk factors"; and "Item 7. Management's discussion and analysis of financial condition and results of operations" of our annual report on Form 10-K for the year ended December 31, 2023; as well as in "Item 1A. Risk factors" within "Part II – Other information" of this quarterly report on Form 10-Q. We expect to update our forecast for key sources and uses of capital on a quarterly basis.

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Sources of capital

Net cash provided by operating activities after dividends

We expect to retain \$400 million to \$500 million of net cash flows from operating activities after payment of common stock dividends, and distributions to noncontrolling interests for the year ending December 31, 2024. For purposes of this calculation, changes in operating assets and liabilities are excluded as they represent timing differences. For the year ending December 31, 2024, we expect our recently delivered projects, our highly pre-leased value-creation projects expected to be delivered, contributions from Same Properties, and recently acquired income-producing properties to contribute increases in income from rentals, net operating income, and cash flows. We anticipate contractual near-term growth in annual net operating income (cash basis) of \$80 million related to the commencement of contractual rents on the projects recently placed into service that are near the end of their initial free rent period. Refer to "Cash flows" in Item 2 for a discussion of cash flows provided by operating activities for the six months ended June 30, 2024.

Debt

We expect to fund a portion of our capital needs for 2024 from issuances under our commercial paper program, issuances of unsecured senior notes payable, borrowings under our unsecured senior line of credit, and borrowings under our secured construction loan.

As of June 30, 2024, our unsecured senior line of credit had aggregate commitments of \$5.0 billion and bore an interest rate of SOFR plus 0.855%. In addition to the cost of borrowing, the unsecured senior line of credit is subject to an annual facility fee of 0.145% based on the aggregate commitments outstanding. Based upon our ability to achieve certain annual sustainability targets, the interest rate and facility fee rate are also subject to upward or downward adjustments of up to four basis points with respect to the interest rate and up to one basis point with respect to the facility fee rate.

Based on certain sustainability metrics achieved in accordance with the terms of our unsecured senior line of credit agreement, the borrowing rate was reduced for a one-year period by two basis points to SOFR plus 0.855%, from SOFR plus 0.875%, and the facility fee was reduced by 0.5 basis point to 0.145% from 0.15%. As of June 30, 2024, we had no outstanding balance on our unsecured line of credit.

In July 2024, we executed an agreement with the lender group to amend and restate our unsecured senior line of credit to, among other changes, extend the maturity date from January 22, 2028 to January 22, 2030, including extension options that we control. We expect that the amendment and restatement will become effective in September 2024 upon the satisfaction of certain conditions. Our commercial paper program provides us with the ability to issue up to \$2.5 billion of commercial paper notes with a maturity of generally 30 days or less and with a maximum maturity of 397 days from the date of issuance. Our commercial paper program is backed by our unsecured senior line of credit, and at all times we expect to retain a minimum undrawn amount of borrowing capacity under our unsecured senior line of credit equal to any outstanding balance under our commercial paper program. We use borrowings under the program to fund short-term capital needs. The notes issued under our commercial paper program are sold under customary terms in the commercial paper market. They are typically issued at a discount to par, representing a yield to maturity dictated by market conditions at the time of issuance. In the event we are unable to issue commercial paper notes or refinance outstanding commercial paper notes under terms equal to or more favorable than those under the unsecured senior line of credit, we expect to borrow under the unsecured senior line of credit. The commercial paper notes sold during the six months ended June 30, 2024 were issued at a weighted-average yield to maturity of 5.59%. As of June 30, 2024, we had an outstanding balance of \$199.6 million under our commercial paper program with a weighted-average interest rate of 5.57%.

In February 2024, we issued \$1.0 billion of unsecured senior notes payable with a weighted-average interest rate of 5.48% and a weighted-average maturity of 23.1 years. The unsecured senior notes consisted of \$400.0 million of 5.25% unsecured senior notes due 2036 and \$600.0 million of 5.625% unsecured senior notes due 2054.

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The following table presents our average debt outstanding and weighted-average interest rates during the three and six months ended June 30, 2024 (dollars in thousands):

	Average Debt Outstanding		Weighted-Average Interest Rate	
	June 30, 2024		June 30, 2024	
	Three Months Ended	Six Months Ended	Three Months Ended	Six Months Ended
Long-term fixed-rate debt	\$ 12,171,633	\$ 11,927,318	3.79%	3.75%
Short-term variable-rate unsecured senior line of credit and commercial paper program debt	335,917	433,681	5.56	5.61
Blended average interest rate	12,507,550	12,360,999	3.84	3.82
Loan fee amortization and annual facility fee related to unsecured senior line of credit	N/A	N/A	0.12	0.12
Total/weighted average	\$ 12,507,550	\$ 12,360,999	3.96%	3.94%

Real estate dispositions, sales of partial interests, and issuances of common equity

We expect to continue to focus on the disciplined execution of select sales of real estate. Future sales will provide an important source of capital to fund a portion of pending and recently completed acquisitions and our highly leased value-creation development and redevelopment projects, and also provide significant capital for growth. In addition, we may also consider additional sales of partial

interests in core Class A/A+ properties and/or development projects. For the year ending December 31, 2024, we expect real estate dispositions, sales of partial interests, and issuances of common equity to range from \$1.1 billion to \$2.1 billion. The amount of asset sales necessary to meet our forecasted sources of capital will vary depending upon the amount of EBITDA associated with the assets sold.

Refer to Note 3 – “Investments in real estate,” Note 4 – “Consolidated and unconsolidated real estate joint ventures,” and Note 13 – “Stockholders’ equity” to our unaudited consolidated financial statements in Item 1 and to “Dispositions and sales of partial interests” in Item 2 for additional information on our real estate dispositions and sales of partial interests.

As a REIT, we are generally subject to a 100% tax on the net income from real estate asset sales that the IRS characterizes as “prohibited transactions.” We do not expect our sales will be categorized as prohibited transactions. However, unless we meet certain “safe harbor” requirements, whether a real estate asset sale is a “prohibited transaction” will be based on the facts and circumstances of the sale. Our real estate asset sales may not always meet such “safe harbor” requirements. Refer to “Item 1A. Risk factors” of our annual report on Form 10-K for the year ended December 31, 2023 for additional information about the “prohibited transaction” tax.

Common equity transactions

During the three months ended June 30, 2024, we entered into new forward equity sales agreements aggregating \$27.8 million to sell 230 thousand shares of common stock under our ATM program at an average price of \$122.32 (before underwriting discounts). We expect to settle these forward equity sales agreements in 2024. As of June 30, 2024, the remaining aggregate amount available under our ATM program for future sales of common stock was \$1.47 billion.

Other sources

As a well-known seasoned issuer, we may, from time to time, issue securities at our discretion based on our needs and market conditions, including, as necessary, to balance our use of incremental debt capital.

Additionally, we, together with joint venture partners, hold interests in real estate joint ventures that we consolidate in our financial statements. These existing joint ventures provide significant equity capital to fund a portion of our future construction spend, and our joint venture partners may also contribute equity into these entities for financing-related activities. From July 1, 2024 through December 31, 2027, we expect to receive capital contributions aggregating \$1.1 billion from existing consolidated real estate joint venture partners to fund construction. During the year ending December 31, 2024, contributions from noncontrolling interests from existing joint venture partners are expected to aggregate \$430.0 million.

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Uses of capital

Summary of capital expenditures

One of our primary uses of capital relates to the development, redevelopment, pre-construction, and construction of properties.

We currently have projects in our value-creation pipeline aggregating 5.3 million RSF of Class A/A+ properties undergoing construction and one committed near-term project expected to commence construction in the next two years, and 2.4 million RSF of priority anticipated development and redevelopment projects. We incur capitalized construction costs related to development, redevelopment, pre-construction, and other construction activities. We also incur additional capitalized project costs, including interest, property taxes, insurance, and other costs directly related and essential to the development, redevelopment, pre-construction, or construction of a project, during periods when activities necessary to prepare an asset for its intended use are in progress. Refer to “New Class A/A+ development and redevelopment properties: current projects” and “Summary of capital expenditures” in Item 2 for more information on our capital expenditures.

We capitalize interest cost as a cost of the project only during the period in which activities necessary to prepare an asset for its intended use are ongoing, provided that expenditures for the asset have been made and interest cost has been incurred. Capitalized interest for the six months ended June 30, 2024 and 2023 of \$162.9 million and \$178.7 million, respectively, was classified in investments in real estate in our consolidated balance sheets. The decrease in capitalized interest was related to a lower weighted-average capitalized cost basis of \$8.0 billion for the six months ended June 30, 2024, as compared to \$9.4 billion for the six months ended June 30, 2023, partially offset by an increase in weighted-average interest rate used to capitalize interest to 3.94% for the six months ended June 30, 2024 from 3.73% for the six months ended June 30, 2023.

Property taxes, insurance on real estate, and indirect project costs, such as construction, administration, legal fees, and office costs that clearly relate to projects under development or construction, are capitalized as incurred during the period an asset is undergoing activities to prepare it for its intended use. We capitalized payroll and other indirect costs related to development, redevelopment, pre-construction, and construction projects, aggregating \$52.1 million and \$50.3 million, and property taxes, insurance on real estate, and indirect project costs aggregating \$63.0 million and \$63.0 million during the six months ended June 30, 2024 and 2023, respectively.

Our capitalized costs for the six months ended June 30, 2024, compared to the same period in 2023, were consistent primarily due to relative consistency in the size of our value-creation pipeline during these periods. Pre-construction activities include entitlements, permitting, design, site work, and other activities preceding commencement of construction of aboveground building improvements. The advancement of pre-construction efforts is focused on reducing the time required to deliver projects to prospective tenants. These critical activities add significant value for future ground-up development and are required for the vertical construction of buildings. Should we cease activities necessary to prepare an asset for its intended use, the interest, taxes, insurance, and certain other direct and indirect project costs related to the asset would be expensed as incurred. Expenditures for repairs and maintenance are expensed as incurred.

Fluctuations in our development, redevelopment, and construction activities could result in significant changes to total expenses and net income. For example, had we experienced a 10% reduction in development, redevelopment, and construction activities without a corresponding decrease in indirect project costs, including interest and payroll, total expenses would have increased by approximately \$27.8 million for the six months ended June 30, 2024.

We use third-party brokers to assist in our leasing activity, who are paid on a contingent basis upon successful leasing. We are required to capitalize initial direct costs related to successful leasing transactions that result directly from and are essential to the lease transaction and would not have been incurred had that lease transaction not been successfully executed. During the six months ended June 30, 2024, we capitalized total initial direct leasing costs of \$47.0 million. Costs that we incur to negotiate or arrange a lease regardless of its outcome, such as fixed employee compensation, tax, or legal advice to negotiate lease terms, and other costs, are expensed as incurred.

Acquisitions

During the six months ended June 30, 2024, the purchase price of our completed acquisitions aggregated \$201.8 million. As of June 30, 2024, the total purchase price of our pending acquisitions under executed letters of intent or purchase and sale agreements that are expected to be completed in 2024 aggregated \$47.6 million. For the year ending December 31, 2024, we expect real estate acquisitions to range from \$250 million to \$750 million.

Refer to “Acquisitions” in Note 3 – “Investments in real estate” and to Note 4 – “Consolidated and unconsolidated real estate joint ventures” to our unaudited consolidated financial statements in Item 1, and “Acquisitions” in Item 2 for information on our acquisitions.

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Dividends

During the six months ended June 30, 2024 and 2023, we paid common stock dividends of \$444.0 million and \$418.5 million, respectively. The increase of \$25.5 million in dividends paid on our common stock during the six months ended June 30, 2024, compared to the six months ended June 30, 2023, was primarily due to an increase in the number of common shares outstanding subsequent to January 1, 2023 as a result of settled forward equity sales agreements, and an increase in the related dividends paid to \$2.54 per common share during the six months ended June 30, 2024 from \$2.42 per common share during the six months ended June 30, 2023.

Secured notes payable

Secured notes payable as of June 30, 2024 consisted of three notes secured by two properties. Our secured notes payable typically require monthly payments of principal and interest and had a weighted-average interest rate of approximately 8.13%. As of June 30, 2024, the total book value of our investments in real estate securing debt was approximately \$356.9 million. As of June 30, 2024, our secured notes payable, including unamortized discounts and deferred financing costs, comprised approximately \$619 thousand and \$134.3 million of fixed-rate debt and unhedged variable-rate debt, respectively.

As of June 30, 2024, our unconsolidated real estate joint venture, in which we hold a 10% ownership interest, located at 1655 and 1725 Third Street in our Mission Bay submarket, has a \$600.0 million secured loan outstanding maturing on March 10, 2025. The unconsolidated real estate joint venture is early in the process of working with prospective lenders to refinance this debt. In the event that all or a portion of the debt cannot be refinanced, we may consider contributing additional equity into this unconsolidated real estate joint venture.

Unsecured senior notes payable and unsecured senior line of credit

The requirements of, and our actual performance with respect to, the key financial covenants under our unsecured senior notes payable as of June 30, 2024 were as follows:

Covenant Ratios ⁽¹⁾	Requirement	June 30, 2024
Total Debt to Total Assets	Less than or equal to 60%	30%
Secured Debt to Total Assets	Less than or equal to 40%	0.3%
Consolidated EBITDA ⁽²⁾ to Interest Expense	Greater than or equal to 1.5x	13.2x
Unencumbered Total Asset Value to Unsecured Debt	Greater than or equal to 150%	328%

(1) All covenant ratio titles utilize terms as defined in the respective debt agreements.

(2) The calculation of consolidated EBITDA is based on the definitions contained in our loan agreements and is not directly comparable to the computation of EBITDA as described in Exchange Act Release No. 47226.

In addition, the terms of the indentures, among other things, limit the ability of the Company, Alexandria Real Estate Equities, L.P., and the Company's subsidiaries to (i) consummate a merger, or consolidate or sell all or substantially all of the Company's assets, and (ii) incur certain secured or unsecured indebtedness.

The requirements of, and our actual performance with respect to, the key financial covenants under our unsecured senior line of credit as of June 30, 2024 were as follows:

Covenant Ratios ⁽¹⁾	Requirement	June 30, 2024
Leverage Ratio	Less than or equal to 60.0%	29.2%
Secured Debt Ratio	Less than or equal to 45.0%	0.2%
Fixed-Charge Coverage Ratio	Greater than or equal to 1.50x	4.01x
Unsecured Interest Coverage Ratio	Greater than or equal to 1.75x	15.84x

(1) All covenant ratio titles utilize terms as defined in the credit agreement.

Estimated interest payments

Estimated interest payments on our fixed-rate debt are calculated based upon contractual interest rates, including interest payment dates and scheduled maturity dates. As of June 30, 2024, 97.3% of our debt was fixed-rate debt. For additional information regarding our debt, refer to Note 10 – "Secured and unsecured senior debt" to our unaudited consolidated financial statements in Item 1.

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Ground lease obligations

Ground lease obligations as of June 30, 2024 included leases for 36 of our properties and accounted for approximately 9% of our total number of properties.

Among these 36 properties, 17 properties are subject to ground leases with a weighted-average remaining lease term of 42 years, including extension options that we are reasonably certain to exercise. These leases are with a single lessor in our Greater Stanford submarket, with whom we have extended three ground leases over the past 10 years.

Our remaining 19 properties subject to ground leases are located across multiple submarkets and have remaining lease terms ranging from approximately 41 to 98 years. The weighted-average remaining lease term of these ground leases is 69 years, including extension options that we are reasonably certain to exercise.

In many cases, we seek to extend our ground leases well ahead of their scheduled contractual expirations. If we are successful in extending ground leases, we could see significant up-front or increased recurring future payments to the ground lessor and/or increased ground lease expense, which may require us to increase our capital funding needs.

Operating lease agreements

As of June 30, 2024, the remaining contractual payments under ground and office lease agreements in which we are the lessee aggregated \$811.0 million and \$26.1 million, respectively. We are required to recognize a right-of-use asset and a related liability

to account for our future obligations under operating lease arrangements in which we are the lessee. The operating lease liability is measured based on the present value of the remaining lease payments, including payments during the term under our extension options that we are reasonably certain to exercise. The right-of-use asset is equal to the corresponding operating lease liability, adjusted for the initial direct leasing cost and any other consideration exchanged with the landlord prior to the commencement of the lease, as well as adjustments to reflect favorable or unfavorable terms of an acquired lease when compared with market terms at the time of acquisition. As of June 30, 2024, the present value of the remaining contractual payments aggregating \$837.1 million under our operating lease agreements, including our extension options that we are reasonably certain to exercise, was \$379.2 million, which was classified in accounts payable, accrued expenses, and other liabilities in our consolidated balance sheets. As of June 30, 2024, the weighted-average remaining lease term of operating leases in which we are the lessee was approximately 41 years, including extension options that we are reasonably certain to exercise, and the weighted-average discount rate was 4.6%. Our corresponding operating lease right-of-use assets, adjusted for initial direct leasing costs and other consideration exchanged with the landlord prior to the commencement of the lease, aggregated \$510.1 million. We classify the right-of-use asset in other assets in our consolidated balance sheets. Refer to "Lease accounting" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements in Item 1 for additional information.

In July 2024, we executed an amendment to our existing ground lease agreement at the Alexandria Technology Square® mega campus aggregating 1.2 million RSF in our Cambridge submarket to extend the term by 24 years from January 1, 2065 to December 31, 2088. The amendment requires that we prepay our entire rent obligation for the extended lease term aggregating \$270.0 million in two equal installments during the fourth quarter of 2024 and the first quarter of 2025. This amount will be amortized on a straight-line basis over the remaining lease term from July 2024 through December 2088, and the amended operating lease will result in an incremental annual rent expense of approximately \$3.6 million.

Alexandria Technology Square® is a foundational mega campus in the heart of the global life science ecosystem in Cambridge and is the Greater Boston base of operations of key strategic tenants such as Novartis AG, GlaxoSmithKline plc, Massachusetts Institute of Technology, and Mass General Brigham. Securing this ground lease through December 2088 significantly enhances the long-term value of our investment in this critical mega campus.

Commitments

As of June 30, 2024, remaining aggregate costs under contract for the construction of properties undergoing development, redevelopment, and improvements under the terms of leases approximated \$1.5 billion. In addition, we may be required to incur construction costs associated with future development projects aggregating 643,331 RSF pursuant to an agreement whereby our counterparty may elect to execute future lease agreements on mutually agreeable terms. We expect payments for these obligations to occur over one to three years, subject to capital planning adjustments from time to time. We may have the ability to cease the construction of certain projects, which would result in the reduction of our commitments.

As of June 30, 2024, the purchase price of pending acquisitions expected to be completed in 2024, which are under executed letters of intent or purchase and sale agreements, aggregated \$47.6 million. In addition, we have letters of credit and performance obligations aggregating \$29.5 million primarily related to our development and redevelopment projects.

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We are committed to funding approximately \$432.3 million related to our non-real estate investments. These funding commitments are primarily associated with our investments in privately held entities that report NAV and expire at various dates over the next 12 years, with a weighted-average expiration of 8.3 years as of June 30, 2024.

Exposure to environmental liabilities

In connection with the acquisition of all of our properties, we have obtained Phase I environmental assessments to ascertain the existence of any environmental liabilities or other issues. The Phase I environmental assessments of our properties have not revealed any environmental liabilities that we believe would have a material adverse effect on our financial condition or results of operations taken as a whole, nor are we aware of any material environmental liabilities that have occurred since the Phase I environmental assessments were completed. In addition, we carry a policy of pollution legal liability insurance covering exposure to certain environmental losses at substantially all of our properties.

Foreign currency translation gains and losses

The following table presents the change in accumulated other comprehensive loss attributable to Alexandria Real Estate Equities, Inc.'s stockholders during the six months ended June 30, 2024 primarily due to the changes in the foreign exchange rates for our real estate investments in Canada (in thousands). We reclassify unrealized foreign currency translation gains and losses into net income as we dispose of these holdings.

	Total
Balance as of December 31, 2023	\$ (15,896)
Other comprehensive loss before reclassifications	(11,814)
Net other comprehensive loss	(11,814)
Balance as of June 30, 2024	\$ (27,710)

Inflation

As of June 30, 2024, approximately 94% of our leases (on an annual rental revenue basis) were triple net leases, which require tenants to pay substantially all real estate taxes, insurance, utilities, repairs and maintenance, common area expenses, and other operating expenses (including increases thereto) in addition to base rent. Approximately 96% of our leases (on an annual rental revenue basis) contained effective annual rent escalations that were either fixed (generally ranging from 3.0% to 3.5%) or indexed based on a consumer price index or other indices. Accordingly, we do not believe that our cash flows or earnings from real estate operations are subject to significant risks from inflation. A period of inflation, however, could cause an increase in the cost of our variable-rate borrowings, including borrowings under our unsecured senior line of credit and commercial paper program, issuances of unsecured senior notes payable, and borrowings under our secured construction loans, and secured loans held by our unconsolidated real estate joint ventures.

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Issuer and guarantor subsidiary summarized financial information

Alexandria Real Estate Equities, Inc. (the "Issuer") has sold certain debt securities registered under the Securities Act of 1933, as amended, that are fully and unconditionally guaranteed by Alexandria Real Estate Equities, L.P. (the "LP" or the "Guarantor Subsidiary"), an indirectly 100% owned subsidiary of the Issuer. The Issuer's other subsidiaries, including, but not limited to, the subsidiaries that own substantially all of its real estate (collectively, the "Combined Non-Guarantor Subsidiaries"), will not provide a guarantee of such securities, including the subsidiaries that are partially or 100% owned by the LP. The following summarized financial information presents, on a combined basis, balance sheet information as of June 30, 2024 and December 31, 2023, and results of operations and comprehensive income for the six months ended June 30, 2024 and year ended December 31, 2023 for the Issuer and the Guarantor Subsidiary. The information presented below excludes eliminations necessary to arrive at the information on a consolidated basis. In presenting the summarized financial statements, the equity method of accounting has been applied to (i) the Issuer's interests in the Guarantor Subsidiary, (ii) the Guarantor Subsidiary's interests in the Combined Non-Guarantor Subsidiaries, and (iii) the Combined Non-Guarantor Subsidiaries' interests in the Guarantor Subsidiary, where applicable, even though all such subsidiaries meet the requirements to be consolidated under GAAP. All assets and liabilities have been allocated to the Issuer and the Guarantor Subsidiary generally based on legal entity ownership.

The following tables present combined summarized financial information as of June 30, 2024 and December 31, 2023 and for the six months ended June 30, 2024 and year ended December 31, 2023 for the Issuer and Guarantor Subsidiary. Amounts provided do not represent our total consolidated amounts (in thousands):

	June 30, 2024	December 31, 2023
Assets:		
Cash, cash equivalents, and restricted cash	\$ 181,951	\$ 210,755
Other assets	123,797	115,373
Total assets	\$ 305,748	\$ 326,128
Liabilities:		
Unsecured senior notes payable	\$ 12,089,561	\$ 11,096,028
Unsecured senior line of credit and commercial paper	199,552	99,952
Other liabilities	531,118	504,659
Total liabilities	\$ 12,820,231	\$ 11,700,639
Income Statement		
	Six Months Ended June 30, 2024	Year Ended December 31, 2023
Total revenues	\$ 30,900	\$ 54,230
Total expenses	(176,987)	(273,990)
Net loss	(146,087)	(219,760)
Net income attributable to unvested restricted stock awards	(7,444)	(11,195)
Net loss attributable to Alexandria Real Estate Equities, Inc.'s common stockholders	\$ (153,531)	\$ (230,955)

As of June 30, 2024, 393 of our 408 properties were held indirectly by the REIT's wholly owned consolidated subsidiary, Alexandria Real Estate Equities, L.P.

Critical accounting estimates

Refer to our annual report on Form 10-K for the year ended December 31, 2023 for a discussion of our critical accounting estimates related to recognition of real estate acquired, impairment of long-lived assets, impairment of non-real estate investments, and monitoring of tenant credit quality.

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Definitions and reconciliations

This section contains additional information on certain non-GAAP financial measures, including reconciliations to the most directly comparable financial measure calculated and presented in accordance with GAAP and the reasons why we use these supplemental measures of performance and believe they provide useful information to investors, as well as the definitions of other terms used in this report.

Funds from operations and funds from operations, as adjusted, attributable to Alexandria Real Estate Equities, Inc.'s common stockholders

GAAP-basis accounting for real estate assets utilizes historical cost accounting and assumes that real estate values diminish over time. In an effort to overcome the difference between real estate values and historical cost accounting for real estate assets, the

Nareit Board of Governors established funds from operations as an improved measurement tool. Since its introduction, funds from operations has become a widely used non-GAAP financial measure among equity REITs. We believe that funds from operations is helpful to investors as an additional measure of the performance of an equity REIT. Moreover, we believe that funds from operations, as adjusted, allows investors to compare our performance to the performance of other real estate companies on a consistent basis, without having to account for differences recognized because of real estate acquisition and disposition decisions, financing decisions, capital structure, capital market transactions, variances resulting from the volatility of market conditions outside of our control, or other corporate activities that may not be representative of the operating performance of our properties.

The 2018 White Paper published by the Nareit Board of Governors (the "Nareit White Paper") defines funds from operations as net income (computed in accordance with GAAP), excluding gains or losses on sales of real estate, and impairments of real estate, plus depreciation and amortization of operating real estate assets, and after adjustments for our share of consolidated and unconsolidated partnerships and real estate joint ventures. Impairments represent the write-down of assets when fair value over the recoverability period is less than the carrying value due to changes in general market conditions and do not necessarily reflect the operating performance of the properties during the corresponding period.

We compute funds from operations, as adjusted, as funds from operations calculated in accordance with the Nareit White Paper, excluding significant gains, losses, and impairments realized on non-real estate investments, unrealized gains or losses on non-real estate investments, impairment of real estate primarily consisting of pre-acquisition costs incurred in connection with acquisitions we decided to no longer pursue, gains or losses on early extinguishment of debt, significant termination fees, acceleration of stock compensation expense due to the resignations of executive officers, deal costs, the income tax effect related to such items, and the amount of such items that is allocable to our unvested restricted stock awards. We compute the amount that is allocable to our unvested restricted stock awards using the two-class method. Under the two-class method, we allocate net income (after amounts attributable to noncontrolling interests) to common stockholders and to unvested restricted stock awards by applying the respective weighted-average shares outstanding during each quarter-to-date and year-to-date period. This may result in a difference of the summation of the quarter-to-date and year-to-date amounts. Neither funds from operations nor funds from operations, as adjusted, should be considered as alternatives to net income (determined in accordance with GAAP) as indications of financial performance, or to cash flows from operating activities (determined in accordance with GAAP) as measures of liquidity, nor are they indicative of the availability of funds for our cash needs, including our ability to make distributions.

The following table reconciles net income to funds from operations for the share of consolidated real estate joint ventures attributable to noncontrolling interests and our share of unconsolidated real estate joint ventures for the three and six months ended June 30, 2024 (in thousands):

	Noncontrolling Interest Share of Consolidated Real Estate Joint Ventures		Our Share of Unconsolidated Real Estate Joint Ventures	
	June 30, 2024		June 30, 2024	
	Three Months Ended	Six Months Ended	Three Months Ended	Six Months Ended
Net income	\$ 47,347	\$ 95,978	\$ 130	\$ 285
Depreciation and amortization of real estate assets	31,364	62,268	1,068	2,102
Funds from operations	\$ 78,711	\$ 158,246	\$ 1,198	\$ 2,387

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The following tables present a reconciliation of net income attributable to Alexandria Real Estate Equities, Inc.'s common stockholders, the most directly comparable financial measure presented in accordance with GAAP, including our share of amounts from consolidated and unconsolidated real estate joint ventures, to funds from operations attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted, and funds from operations attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted, as adjusted, and the related per share amounts for the three and six months ended June 30, 2024 and 2023 (in thousands, except per share amounts). Per share amounts may not add due to rounding.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – basic and diluted	\$ 42,917	\$ 87,260	\$ 209,803	\$ 162,516
Depreciation and amortization of real estate assets	288,118	270,026	573,068	532,150
Noncontrolling share of depreciation and amortization from consolidated real estate JVs	(31,364)	(28,220)	(62,268)	(56,398)
Our share of depreciation and amortization from unconsolidated real estate JVs	1,068	855	2,102	1,714
Gain on sales of real estate	—	(214,810)	(392)	(214,810)
Impairment of real estate – rental properties and land	2,182	166,602	2,182	166,602
Allocation to unvested restricted stock awards	(1,305)	(872)	(4,736)	(2,220)
Funds from operations attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted ⁽¹⁾	301,616	280,841	719,759	589,554
Unrealized losses on non-real estate investments	64,238	77,897	35,080	143,752
Impairment of non-real estate investments	12,788 ⁽²⁾	22,953	27,486	22,953
Impairment of real estate	28,581 ⁽³⁾	1,973	28,581	1,973
Allocation to unvested restricted stock awards	(1,738)	(1,285)	(1,528)	(2,164)
Funds from operations attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted, as adjusted	\$ 405,485	\$ 382,379	\$ 809,378	\$ 756,068

⁽¹⁾Calculated in accordance with standards established by the Nareit Board of Governors.

⁽²⁾Related to non-real estate investments in privately held entities that do not report NAV. Refer to Note 7 – "Investments" to our unaudited consolidated financial statements in Item 1 for additional information.

⁽³⁾Refer to "Sales of real estate assets and impairment charges" in Note 3 – "Investments in real estate" to our unaudited consolidated financial statements in Item 1 for additional information.

(Per share)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted	\$ 0.25	\$ 0.51	\$ 1.22	\$ 0.95
Depreciation and amortization of real estate assets	1.50	1.42	2.98	2.80
Gain on sales of real estate	—	(1.26)	—	(1.26)
Impairment of real estate – rental properties and land	0.01	0.98	0.01	0.98
Allocation to unvested restricted stock awards	(0.01)	(0.01)	(0.02)	(0.02)
Funds from operations per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted	1.75	1.64	4.19	3.45
Unrealized losses on non-real estate investments	0.37	0.46	0.20	0.84
Impairment of non-real estate investments	0.08	0.13	0.16	0.13
Impairment of real estate	0.17	0.02	0.17	0.02
Allocation to unvested restricted stock awards	(0.01)	(0.01)	(0.01)	(0.01)
Funds from operations per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted, as adjusted	\$ 2.36	\$ 2.24	\$ 4.71	\$ 4.43
Weighted-average shares of common stock outstanding – diluted ⁽¹⁾	172,013	170,864	171,981	170,824

(1) Refer to "Weighted-average shares of common stock outstanding – diluted" in this section for additional information.

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Adjusted EBITDA and Adjusted EBITDA margin

We use Adjusted EBITDA as a supplemental performance measure of our operations, for financial and operational decision-making, and as a supplemental means of evaluating period-to-period comparisons on a consistent basis. Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation, and amortization ("EBITDA"), excluding stock compensation expense, gains or losses on early extinguishment of debt, gains or losses on sales of real estate, impairments of real estate, and significant termination fees. Adjusted EBITDA also excludes unrealized gains or losses and significant realized gains or losses and impairments that result from our non-real estate investments. These non-real estate investment amounts are classified in our consolidated statements of operations outside of total revenues.

We believe Adjusted EBITDA provides investors with relevant and useful information as it allows investors to evaluate the operating performance of our business activities without having to account for differences recognized because of investing and financing decisions related to our real estate and non-real estate investments, our capital structure, capital market transactions, and variances resulting from the volatility of market conditions outside of our control. For example, we exclude gains or losses on the early extinguishment of debt to allow investors to measure our performance independent of our indebtedness and capital structure. We believe that adjusting for the effects of impairments and gains or losses on sales of real estate, significant impairments and realized gains or losses on non-real estate investments, and significant termination fees allows investors to evaluate performance from period to period on a consistent basis without having to account for differences recognized because of investing and financing decisions related to our real estate and non-real estate investments or other corporate activities that may not be representative of the operating performance of our properties.

In addition, we believe that excluding charges related to stock compensation and unrealized gains or losses facilitates for investors a comparison of our business activities across periods without the volatility resulting from market forces outside of our control. Adjusted EBITDA has limitations as a measure of our performance. Adjusted EBITDA does not reflect our historical expenditures or future requirements for capital expenditures or contractual commitments. While Adjusted EBITDA is a relevant measure of performance, it does not represent net income (loss) or cash flows from operations calculated and presented in accordance with GAAP, and it should not be considered as an alternative to those indicators in evaluating performance or liquidity.

In order to calculate the Adjusted EBITDA margin, we divide Adjusted EBITDA by total revenues as presented in our consolidated statements of operations. We believe that this supplemental performance measure provides investors with additional useful information regarding the profitability of our operating activities.

We are not able to forecast fourth quarter net income without unreasonable effort and therefore do not provide a reconciliation for Adjusted EBITDA on a forward-looking basis. This is due to the inherent difficulty of forecasting the timing and/or amount of items that depend on market conditions outside of our control, including the timing of dispositions, capital events, and financing decisions, as well as quarterly components such as gain on sales of real estate, unrealized gains or losses on non-real estate investments, impairment of real estate, and impairment of non-real estate investments. Our attempt to predict these amounts may produce significant but inaccurate estimates, which would be potentially misleading for our investors.

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The following table reconciles net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, to Adjusted EBITDA and calculates the Adjusted EBITDA margin for the three and six months ended June 30, 2024 and 2023 (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	\$ 94,049	\$ 133,705	\$ 313,225	\$ 255,398
Interest expense	45,789	17,072	86,629	30,826
Income taxes	1,182	2,251	2,946	3,382
Depreciation and amortization	290,720	273,555	578,274	538,857
Stock compensation expense	14,507	15,492	31,632	31,978
Gain on sales of real estate	—	(214,810)	(392)	(214,810)
Unrealized losses on non-real estate investments	64,238	77,897	35,080	143,752
Impairment of real estate	30,763	168,575	30,763	168,575
Impairment of non-real estate investments	12,788	22,953	27,486	22,953
Adjusted EBITDA	\$ 554,036	\$ 496,690	\$ 1,105,643	\$ 980,911
Total revenues	\$ 766,734	\$ 713,900	\$ 1,535,842	\$ 1,414,695
Adjusted EBITDA margin	72%	70%	72%	69%
<u>Annual rental revenue</u>				

Annual rental revenue represents the annualized fixed base rental obligations, calculated in accordance with GAAP, for leases in effect as of the end of the period, related to our operating RSF. Annual rental revenue is presented using 100% of the annual rental revenue from our consolidated properties and our share of annual rental revenue for our unconsolidated real estate joint ventures. Annual rental revenue per RSF is computed by dividing annual rental revenue by the sum of 100% of the RSF of our consolidated properties and our share of the RSF of properties held in unconsolidated real estate joint ventures. As of June 30, 2024, approximately 94% of our leases (on an annual rental revenue basis) were triple net leases, which require tenants to pay substantially all real estate taxes, insurance, utilities, repairs and maintenance, common area expenses, and other operating expenses (including increases thereto) in addition to base rent. Annual rental revenue excludes these operating expenses recovered from our tenants. Amounts recovered from our tenants related to these operating expenses, along with base rent, are classified in income from rentals in our consolidated statements of operations.

Capitalization rates

Capitalization rates are calculated based on net operating income and net operating income (cash basis) annualized, excluding lease termination fees, on stabilized operating assets for the quarter preceding the date on which the property is sold, or near-term prospective net operating income.

Capitalized interest

We capitalize interest cost as a cost of a project during periods for which activities necessary to develop, redevelop, or reposition a project for its intended use are ongoing, provided that expenditures for the asset have been made and interest cost has been incurred. Activities necessary to develop, redevelop, or reposition a project include pre-construction activities such as entitlements, permitting, design, site work, and other activities preceding commencement of construction of aboveground building improvements. The advancement of pre-construction efforts is focused on reducing the time required to deliver projects to prospective tenants. These critical activities add significant value for future ground-up development and are required for the vertical construction of buildings. If we cease activities necessary to prepare a project for its intended use, interest costs related to such project are expensed as incurred.

Cash interest

Cash interest is equal to interest expense calculated in accordance with GAAP plus capitalized interest, less amortization of loan fees and debt premiums (discounts). Refer to "Fixed-charge coverage ratio" in this section for a reconciliation of interest expense, the most directly comparable financial measure calculated and presented in accordance with GAAP, to cash interest.

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Class A/A+ properties and AAA locations

Class A/A+ properties are properties clustered in AAA locations that provide innovative tenants with highly dynamic and collaborative environments that enhance their ability to successfully recruit and retain world-class talent and inspire productivity, efficiency, creativity, and success. Class A/A+ properties generally command higher annual rental rates than other classes of similar properties. AAA locations are in close proximity to concentrations of specialized skills, knowledge, institutions, and related businesses.

Development, redevelopment, and pre-construction

A key component of our business model is our disciplined allocation of capital to the development and redevelopment of new Class A/A+ properties, and property enhancements identified during the underwriting of certain acquired properties, located in collaborative life science mega campuses in AAA innovation clusters. These projects are generally focused on providing high-quality, generic, and reusable spaces that meet the real estate requirements of a wide range of tenants. Upon completion, each value-creation project is expected to generate increases in rental income, net operating income, and cash flows. Our development and redevelopment projects are generally in locations that are highly desirable to high-quality entities, which we believe results in higher occupancy levels, longer lease terms, higher rental income, higher returns, and greater long-term asset value.

Development projects generally consist of the ground-up development of generic and reusable laboratory facilities.

Redevelopment projects consist of the permanent change in use of acquired office, warehouse, or shell space into laboratory space.

We generally will not commence new development projects for aboveground construction of new Class A/A+ laboratory space without first securing significant pre-leasing for such space, except when there is solid market demand for high-quality Class A/A+ properties.

Priority anticipated projects are those most likely to commence future ground-up development or first-time conversion from non-laboratory space to laboratory space prior to our other future projects, pending market conditions and leasing negotiations.

Pre-construction activities include entitlements, permitting, design, site work, and other activities preceding commencement of construction of aboveground building improvements. The advancement of pre-construction efforts is focused on reducing the time required to deliver projects to prospective tenants. These critical activities add significant value for future ground-up development and are required for the vertical construction of buildings. Ultimately, these projects will provide high-quality facilities and are expected to generate significant revenue and cash flows.

Development, redevelopment, and pre-construction spending also includes the following costs: (i) amounts to bring certain acquired properties up to market standard and/or other costs identified during the acquisition process (generally within two years of acquisition) and (ii) permanent conversion of space for highly flexible, move-in-ready laboratory space to foster the growth of promising early- and growth-stage life science companies.

Revenue-enhancing and repositioning capital expenditures represent spending to reposition or significantly change the use of a property, including through improvement in the asset quality from Class B to Class A/A+.

Non-revenue-enhancing capital expenditures represent costs required to maintain the current revenues of a stabilized property, including the associated costs for renewed and re-leased space.

Dividend payout ratio (common stock)

Dividend payout ratio (common stock) is the ratio of the absolute dollar amount of dividends on our common stock (shares of common stock outstanding on the respective record dates multiplied by the related dividend per share) to funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted.

Dividend yield

Dividend yield for the quarter represents the annualized quarter dividend divided by the closing common stock price at the end of the quarter.
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Fixed-charge coverage ratio

Fixed-charge coverage ratio is a non-GAAP financial measure representing the ratio of Adjusted EBITDA to cash interest and fixed charges. We believe that this ratio is useful to investors as a supplemental measure of our ability to satisfy fixed financing obligations and preferred stock dividends. Cash interest is equal to interest expense calculated in accordance with GAAP plus capitalized interest, less amortization of loan fees and debt premiums (discounts).

The following table reconciles interest expense, the most directly comparable financial measure calculated and presented in accordance with GAAP, to cash interest and computes fixed-charge coverage ratio for the three and six months ended June 30, 2024 and 2023 (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Adjusted EBITDA	\$ 554,036	\$ 496,690	\$ 1,105,643	\$ 980,911
Interest expense	\$ 45,789	\$ 17,072	\$ 86,629	\$ 30,826
Capitalized interest	81,039	91,674	162,879	178,744
Amortization of loan fees	(4,146)	(3,729)	(8,288)	(7,368)
Amortization of debt discounts	(328)	(304)	(646)	(592)
Cash interest and fixed charges	\$ 122,354	\$ 104,713	\$ 240,574	\$ 201,610

Fixed-charge coverage ratio:

– quarter annualized	4.5x	4.7x	4.6x	4.9x
– trailing 12 months	4.6x	4.9x	4.6x	4.9x

We are not able to forecast fourth quarter net income without unreasonable effort and therefore do not provide a reconciliation for fixed-charge coverage ratio on a forward-looking basis. This is due to the inherent difficulty of forecasting the timing and/or amount of items that depend on market conditions outside of our control, including the timing of dispositions, capital events, and financing decisions, as well as quarterly components such as gain on sales of real estate, unrealized gains or losses on non-real estate investments, impairment of real estate, and impairment of non-real estate investments. Our attempt to predict these amounts may produce significant but inaccurate estimates, which would be potentially misleading for our investors.

Gross assets

Gross assets are calculated as total assets plus accumulated depreciation as of June 30, 2024 and December 31, 2023 (in thousands):

	June 30, 2024	December 31, 2023
Total assets	\$ 37,847,865	\$ 36,771,402
Accumulated depreciation	5,457,414	4,985,019
Gross assets	\$ 43,305,279	\$ 41,756,421

Initial stabilized yield (unlevered)

Initial stabilized yield is calculated as the estimated amounts of net operating income at stabilization divided by our investment in the property. Our initial stabilized yield excludes the benefit of leverage. Our cash rents related to our value-creation projects are generally expected to increase over time due to contractual annual rent escalations. Our estimates for initial stabilized yields, initial stabilized yields (cash basis), and total costs at completion represent our initial estimates at the commencement of the project. We expect to update this information upon completion of the project, or sooner if there are significant changes to the expected project yields or costs.

- Initial stabilized yield reflects rental income, including contractual rent escalations and any rent concessions over the term(s) of the lease(s), calculated on a straight-line basis.
- Initial stabilized yield (cash basis) reflects cash rents at the stabilization date after initial rental concessions, if any, have elapsed and our total cash investment in the property.

Investment-grade or publicly traded large cap tenants

Investment-grade or publicly traded large cap tenants represent tenants that are investment-grade rated or publicly traded companies with an average daily market capitalization greater than \$10 billion for the twelve months ended June 30, 2024, as reported by Bloomberg Professional Services. Credit ratings from Moody's Investors Service and S&P Global Ratings reflect credit ratings of the tenant's parent entity, and there can be no assurance that a tenant's parent entity will satisfy the tenant's lease obligation upon such tenant's default. We monitor the credit quality and related material changes of our tenants. Material changes that cause a tenant's market capitalization to decrease below \$10 billion, which are not immediately reflected in the twelve-month average, may result in their exclusion from this measure.

Investments in real estate

The following table presents our value-creation pipeline of new Class A/A+ development and redevelopment projects, excluding properties held for sale, as a percentage of gross assets as of June 30, 2024:

	Percentage of Gross Assets
Under construction projects and one committed near-term project expected to commence construction in the next two years (61% leased/negotiating)	9%
Income-producing/potential cash flows/covered land play ⁽¹⁾	7%
Land	5%

⁽¹⁾Includes projects with existing buildings that are generating or can generate operating cash flows. Also includes development rights associated with existing operating campuses. These projects aggregated 1.0% of annual rental revenue as of June 30, 2024 and are included in our industry mix chart as targeted for a future change in use. Refer to "High-quality and diverse client base" in Item 2 for additional information.

The square footage presented in the table below is classified as operating as of June 30, 2024. These lease expirations or vacant space at recently acquired properties represent future opportunities for which we have the intent, subject to market conditions and leasing, to commence first-time conversion from non-laboratory space to laboratory space, or to commence future ground-up development:

	Dev/Redev	RSF of Lease Expirations Targeted for Development and Redevelopment			
Property/Submarket		2024	2025	Thereafter ⁽¹⁾	Total
Committed near-term project:					
4161 Campus Point Court/University Town Center	Dev	—	159,884	—	159,884
Priority anticipated projects:					
311 Arsenal Street/Cambridge/Inner Suburbs	Redev	—	25,312	—	25,312
269 East Grand Avenue/South San Francisco	Redev	107,250	—	—	107,250
3301 Monte Villa Parkway/Bothell	Redev	—	50,552	—	50,552
1020 Red River Street/Austin	Redev	—	126,034	—	126,034
		107,250	201,898	—	309,148
Future projects:					
100 Edwin H. Land Boulevard/Cambridge	Dev	104,500	—	—	104,500
446, 458, 500, and 550 Arsenal Street/Cambridge/Inner Suburbs	Dev	—	—	376,698	376,698
Other/Greater Boston	Redev	—	—	167,549	167,549
1122 and 1150 El Camino Real/South San Francisco	Dev	—	—	375,232	375,232
3875 Fabian Way/Greater Stanford	Dev	—	—	228,000	228,000
2100, 2200, and 2400 Geng Road/Greater Stanford	Dev	—	—	78,501	78,501
960 Industrial Road/Greater Stanford	Dev	—	—	112,590	112,590
Campus Point by Alexandria/University Town Center	Dev	226,144	109,164	—	335,308
Sequence District by Alexandria/Sorrento Mesa	Dev/Redev	—	—	686,290	686,290
830 4th Avenue South/SoDo	Dev	—	—	42,380	42,380
Other/Seattle	Dev	—	—	76,559	76,559
100 Capitola Drive/Research Triangle	Dev	—	—	34,527	34,527
1001 Trinity Street/Austin	Dev	—	72,938	—	72,938
Canada	Redev	—	—	247,743	247,743
		330,644	182,102	2,426,069	2,938,815
		437,894	543,884	2,426,069	3,407,847

Joint venture financial information

We present components of balance sheet and operating results information related to our real estate joint ventures, which are not presented, or intended to be presented, in accordance with GAAP. We present the proportionate share of certain financial line items as follows: (i) for each real estate joint venture that we consolidate in our financial statements, which are controlled by us through contractual rights or majority voting rights, but of which we own less than 100%, we apply the noncontrolling interest economic ownership percentage to each financial item to arrive at the amount of such cumulative noncontrolling interest share of each component presented; and (ii) for each real estate joint venture that we do not control and do not consolidate, and are instead controlled jointly or by our joint venture partners through contractual rights or majority voting rights, we apply our economic ownership percentage to each financial item to arrive at our proportionate share of each component presented.

The components of balance sheet and operating results information related to our real estate joint ventures do not represent our legal claim to those items. For each entity that we do not wholly own, the joint venture agreement generally determines what equity holders can receive upon capital events, such as sales or refinancing, or in the event of a liquidation. Equity holders are normally entitled to their respective legal ownership of any residual cash from a joint venture only after all liabilities, priority distributions, and claims have been repaid or satisfied.

We believe that this information can help investors estimate the balance sheet and operating results information related to our partially owned entities. Presenting this information provides a perspective not immediately available from consolidated financial statements and one that can supplement an understanding of the joint venture assets, liabilities, revenues, and expenses included in our consolidated results.

The components of balance sheet and operating results information related to our real estate joint ventures are limited as an analytical tool as the overall economic ownership interest does not represent our legal claim to each of our joint ventures' assets, liabilities, or results of operations. In addition, joint venture financial information may include financial information related to the unconsolidated real estate joint ventures that we do not control. We believe that in order to facilitate for investors a clear understanding of our operating results and our total assets and liabilities, joint venture financial information should be examined in conjunction with our consolidated statements of operations and balance sheets. Joint venture financial information should not be considered an alternative to our consolidated financial statements, which are presented and prepared in accordance with GAAP.

Mega campus

Mega campuses are cluster campuses that consist of approximately 1 million RSF or more, including operating, active development/redevelopment, and land RSF less operating RSF expected to be demolished. The following table reconciles our annual rental revenue and value-creation pipeline RSF as of June 30, 2024 (dollars in thousands):

	Annual Rental Revenue	Value-Creation Pipeline RSF
Mega campus	\$ 1,649,514	21,944,200
Non-mega campus	567,461	10,013,556
Total	\$ 2,216,975	31,957,756

Mega campus as a percentage of annual rental revenue and of total value-creation pipeline RSF	74%	69%
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Net cash provided by operating activities after dividends

Net cash provided by operating activities after dividends includes the deduction for distributions to noncontrolling interests. For purposes of this calculation, changes in operating assets and liabilities are excluded as they represent timing differences.

Net debt and preferred stock to Adjusted EBITDA

Net debt and preferred stock to Adjusted EBITDA is a non-GAAP financial measure that we believe is useful to investors as a supplemental measure of evaluating our balance sheet leverage. Net debt and preferred stock is equal to the sum of total consolidated debt less cash, cash equivalents, and restricted cash, plus preferred stock outstanding as of the end of the period. Refer to "Adjusted EBITDA and Adjusted EBITDA margin" in this section for further information on the calculation of Adjusted EBITDA.

We are not able to forecast fourth quarter net income without unreasonable effort and therefore do not provide a reconciliation for net debt and preferred stock to Adjusted EBITDA on a forward-looking basis. This is due to the inherent difficulty of forecasting the timing and/or amount of items that depend on market conditions outside of our control, including the timing of dispositions, capital events, and financing decisions, as well as quarterly components such as gain on sales of real estate, unrealized gains or losses on non-real estate investments, impairment of real estate, and impairment of non-real estate investments. Our attempt to predict these amounts may produce significant but inaccurate estimates, which would be potentially misleading for our investors.

The following table reconciles debt to net debt and preferred stock and computes the ratio to Adjusted EBITDA as of June 30, 2024 and December 31, 2023 (dollars in thousands):

	June 30, 2024	December 31, 2023
Secured notes payable	\$ 134,942	\$ 119,662
Unsecured senior notes payable	12,089,561	11,096,028
Unsecured senior line of credit and commercial paper	199,552	99,952
Unamortized deferred financing costs	81,942	76,329
Cash and cash equivalents	(561,021)	(618,190)
Restricted cash	(4,832)	(42,581)
Preferred stock	—	—
Net debt and preferred stock	\$ 11,940,144	\$ 10,731,200
Adjusted EBITDA:		
– quarter annualized	\$ 2,216,144	\$ 2,094,988
– trailing 12 months	\$ 2,122,250	\$ 1,997,518
Net debt and preferred stock to Adjusted EBITDA:		
– quarter annualized	5.4x	5.1x
– trailing 12 months	5.6x	5.4x

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Net operating income, net operating income (cash basis), and operating margin

The following table reconciles net income to net operating income and net operating income (cash basis) and computes operating margin for the three and six months ended June 30, 2024 and 2023 (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	\$ 94,049	\$ 133,705	\$ 313,225	\$ 255,398
Equity in earnings of unconsolidated real estate joint ventures	(130)	(181)	(285)	(375)
General and administrative expenses	44,629	45,882	91,684	94,078
Interest expense	45,789	17,072	86,629	30,826
Depreciation and amortization	290,720	273,555	578,274	538,857
Impairment of real estate	30,763	168,575	30,763	168,575
Gain on sales of real estate	—	(214,810)	(392)	(214,810)
Investment loss	43,660	78,268	376	123,379
Net operating income	549,480	502,066	1,100,274	995,928
Straight-line rent revenue	(48,338)	(29,335)	(96,589)	(62,526)
Amortization of acquired below-market leases	(22,515)	(24,789)	(52,855)	(46,425)
Net operating income (cash basis)	\$ 478,627	\$ 447,942	\$ 950,830	\$ 886,977
Net operating income (cash basis) – annualized	\$ 1,914,508	\$ 1,791,768	\$ 1,901,660	\$ 1,773,954
Net operating income (from above)	\$ 549,480	\$ 502,066	\$ 1,100,274	\$ 995,928
Total revenues	\$ 766,734	\$ 713,900	\$ 1,535,842	\$ 1,414,695
Operating margin	72%	70%	72%	70%

Net operating income is a non-GAAP financial measure calculated as net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, excluding equity in the earnings of our unconsolidated real estate joint ventures, general and administrative expenses, interest expense, depreciation and amortization, impairments of real estate, gains or losses on early extinguishment of debt, gains or losses on sales of real estate, and investment income or loss. We believe net operating income provides useful information to investors regarding our financial condition and results of operations because it primarily reflects those income and expense items that are incurred at the property level. Therefore, we believe net operating income is a useful measure for investors to evaluate the operating performance of our consolidated real estate assets. Net operating income on a cash basis is net operating income adjusted to exclude the effect of straight-line rent and amortization of acquired above- and below-market lease revenue adjustments required by GAAP. We believe that net operating income on a cash basis is helpful to investors as an additional measure of operating performance because it eliminates straight-line rent revenue and the amortization of acquired above- and below-market leases.

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Furthermore, we believe net operating income is useful to investors as a performance measure of our consolidated properties because, when compared across periods, net operating income reflects trends in occupancy rates, rental rates, and operating costs, which provide a perspective not immediately apparent from net income or loss. Net operating income can be used to measure the initial stabilized yields of our properties by calculating net operating income generated by a property divided by our investment in the property. Net operating income excludes certain components from net income in order to provide results that are more closely related to the results of operations of our properties. For example, interest expense is not necessarily linked to the operating performance of a real estate asset and is often incurred at the corporate level rather than at the property level. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort comparability of operating performance at the property level. Impairments of real estate have been excluded in deriving net operating income because we do not consider impairments of real estate to be property-level operating expenses. Impairments of real estate relate to changes in the values of our assets and do not reflect the current operating performance with respect to related revenues or expenses. Our impairments of real estate represent the write-down in the value of the assets to the estimated fair value less cost to sell. These impairments result from investing decisions or a deterioration in market conditions. We also exclude realized and unrealized investment gain or loss, which results from investment decisions that occur at the corporate level related to non-real estate investments in publicly traded companies and certain privately held entities. Therefore, we do not consider these activities to be an indication of operating performance of our real estate assets at the property level. Our calculation of net operating income also excludes charges incurred from changes in certain financing decisions, such as losses on early extinguishment of debt, as these charges often relate to corporate strategy. Property operating expenses included in determining net operating income primarily consist of costs that are related to our operating properties, such as utilities, repairs, and maintenance; rental expense related to ground leases; contracted services, such as janitorial, engineering, and landscaping; property taxes and insurance; and property-level salaries. General and administrative expenses consist primarily of accounting and corporate compensation, corporate insurance, professional fees, rent, and supplies that are incurred as part of corporate office management. We calculate operating margin as net operating income divided by total revenues.

We believe that in order to facilitate for investors a clear understanding of our operating results, net operating income should be examined in conjunction with net income or loss as presented in our consolidated statements of operations. Net operating income should not be considered as an alternative to net income or loss as an indication of our performance, nor as an alternative to cash flows as a measure of our liquidity or our ability to make distributions.

Operating statistics

We present certain operating statistics related to our properties, including number of properties, RSF, occupancy percentage, leasing activity, and contractual lease expirations as of the end of the period. We believe these measures are useful to investors because they facilitate an understanding of certain trends for our properties. We compute the number of properties, RSF, occupancy percentage, leasing activity, and contractual lease expirations at 100% for all properties in which we have an investment, including properties owned by our consolidated and unconsolidated real estate joint ventures. For operating metrics based on annual rental revenue, refer to “Annual rental revenue” in this section.

Same property comparisons

As a result of changes within our total property portfolio during the comparative periods presented, including changes from assets acquired or sold, properties placed into development or redevelopment, and development or redevelopment properties recently placed into service, the consolidated total income from rentals, as well as rental operating expenses in our operating results, can show significant changes from period to period. In order to supplement an evaluation of our results of operations over a given quarterly or annual period, we analyze the operating performance for all consolidated properties that were fully operating for the entirety of the comparative periods presented, referred to as same properties. We separately present quarterly and year-to-date same property results to align with the interim financial information required by the SEC in our management’s discussion and analysis of our financial condition and results of operations. These same properties are analyzed separately from properties acquired subsequent to the first day in the earliest comparable quarterly or year-to-date period presented, properties that underwent development or redevelopment at any time during the comparative periods, unconsolidated real estate joint ventures, properties classified as held for sale, and corporate entities (legal entities performing general and administrative functions), which are excluded from same property results. Additionally, termination fees, if any, are excluded from the results of same properties. Refer to “Same properties” in Item 2 for additional information.

Stabilized occupancy date

The stabilized occupancy date represents the estimated date on which the project is expected to reach occupancy of 95% or greater.

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Tenant recoveries

Tenant recoveries represent revenues comprising reimbursement of real estate taxes, insurance, utilities, repairs and maintenance, common area expenses, and other operating expenses and earned in the period during which the applicable expenses are incurred and the tenant's obligation to reimburse us arises.

We classify rental revenues and tenant recoveries generated through the leasing of real estate assets within revenues in income from rentals in our consolidated statements of operations. We provide investors with a separate presentation of rental revenues and tenant recoveries in "Results of operations" in Item 2 because we believe it promotes investors' understanding of our operating results. We believe that the presentation of tenant recoveries is useful to investors as a supplemental measure of our ability to recover operating expenses under our triple net leases, including recoveries of utilities, repairs and maintenance, insurance, property taxes, common area expenses, and other operating expenses, and of our ability to mitigate the effect to net income for any significant variability to components of our operating expenses.

The following table reconciles income from rentals to tenant recoveries for the three and six months ended June 30, 2024 and 2023 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Income from rentals	\$ 755,162	\$ 704,339	\$ 1,510,713	\$ 1,392,288
Rental revenues	(576,835)	(537,889)	(1,158,235)	(1,056,191)
Tenant recoveries	\$ 178,327	\$ 166,450	\$ 352,478	\$ 336,097

Total equity capitalization

Total equity capitalization is equal to the outstanding shares of common stock multiplied by the closing price on the last trading day at the end of each period presented.

Total market capitalization

Total market capitalization is equal to the sum of total equity capitalization and total debt.

Unencumbered net operating income as a percentage of total net operating income

Unencumbered net operating income as a percentage of total net operating income is a non-GAAP financial measure that we believe is useful to investors as a performance measure of the results of operations of our unencumbered real estate assets as it reflects those income and expense items that are incurred at the unencumbered property level. Unencumbered net operating income is derived from assets classified in continuing operations, which are not subject to any mortgage, deed of trust, lien, or other security interest, as of the period for which income is presented.

The following table summarizes unencumbered net operating income as a percentage of total net operating income for the three and six months ended June 30, 2024 and 2023 (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Unencumbered net operating income	\$ 544,268	\$ 500,923	\$ 1,091,098	\$ 993,783
Encumbered net operating income	5,212	1,143	9,176	2,145
Total net operating income	\$ 549,480	\$ 502,066	\$ 1,100,274	\$ 995,928
Unencumbered net operating income as a percentage of total net operating income	99.1%	99.8%	99.2%	99.8%

Weighted-average shares of common stock outstanding – diluted

From time to time, we enter into capital market transactions, including forward equity sales agreements ("Forward Agreements"), to fund acquisitions, to fund construction of our highly leased development and redevelopment projects, and for general working capital purposes. We are required to consider the potential dilutive effect of our Forward Agreements under the treasury stock method while the Forward Agreements are outstanding. As of June 30, 2024, we had Forward Agreements outstanding to sell an aggregate of 230 thousand shares of common stock. Refer to Note 13 – "Stockholders' equity" to our unaudited consolidated financial statements in Item 1 for additional information.

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The weighted-average shares of common stock outstanding used in calculating EPS – diluted, funds from operations per share – diluted, and funds from operations per share – diluted, as adjusted, for the three and six months ended June 30, 2024 and 2023 are calculated as follows. Also shown are the weighted-average unvested shares associated with restricted stock awards used in calculating the amounts allocable to unvested stock award holders for each of the respective periods presented below (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Basic shares for earnings per share	172,013	170,864	171,981	170,824
Forward Agreements	—	—	—	—
Diluted shares for earnings per share	172,013	170,864	171,981	170,824
Basic shares for funds from operations per share and funds from operations per share, as adjusted	172,013	170,864	171,981	170,824
Forward Agreements	—	—	—	—
Diluted shares for funds from operations per share and funds from operations per share, as adjusted	172,013	170,864	171,981	170,824
Weighted-average unvested restricted shares used in calculating the allocations of net income, funds from operations, and funds from operations, as adjusted	2,878	2,163	2,933	2,219

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest rate risk

The primary market risk to which we believe we may be exposed is interest rate risk, which may result from many factors, including government monetary and tax policies, domestic and international economic and political considerations, and other factors that are beyond our control.

In order to modify and manage the interest rate characteristics of our outstanding debt and to limit the effects of interest rate risks on our operations, we may utilize a variety of financial instruments, including interest rate hedge agreements, caps, floors, and other interest rate exchange contracts. The use of these types of instruments to hedge a portion of our exposure to changes in interest rates may carry additional risks, such as counterparty credit risk and the legal enforceability of hedge agreements. As of June 30, 2024, we did not have any outstanding interest rate hedge agreements.

Our future earnings and fair values relating to our outstanding debt are primarily dependent upon prevalent market rates of interest. The following tables illustrate the effect of a 1% change in interest rates, assuming a zero percent interest rate floor, on our fixed- and variable-rate debt as of June 30, 2024 (in thousands):
Annualized effect on future earnings due to variable-rate debt:

Rate increase of 1%	\$	(653)
Rate decrease of 1%	\$	653

Effect on fair value of total consolidated debt:

Rate increase of 1%	\$	(774,018)
Rate decrease of 1%	\$	885,119

These amounts are determined by considering the effect of the hypothetical interest rates on our borrowings as of June 30, 2024. These analyses do not consider the effects of the reduced level of overall economic activity that could exist in such an environment. Furthermore, in the event of a change of such magnitude, we would consider taking actions to further mitigate our exposure to the change. Because of the uncertainty of the specific actions that would be taken and their possible effects, the sensitivity analyses assume no changes in our capital structure.

Equity price risk

We have exposure to equity price market risk because we hold equity investments in publicly traded companies and privately held entities. All of our investments in actively traded public companies are reflected in our consolidated balance sheets at fair value. Our investments in privately held entities that report NAV per share are measured at fair value using NAV as a practical expedient to fair value. Our equity investments in privately held entities that do not report NAV per share are measured at cost less impairments, adjusted for observable price changes during the period. Changes in fair value of public investments, changes in NAV per share reported by privately held entities, and observable price changes of privately held entities that do not report NAV per share are classified as investment income in our consolidated statements of operations. There is no assurance that future declines in value will not have a material adverse effect on our future results of operations. The following table illustrates the effect that a 10% change in the value of our equity investments would have on earnings as of June 30, 2024 (in thousands):

Equity price risk:		
Fair value increase of 10%	\$	149,435
Fair value decrease of 10%	\$	(149,435)

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Foreign currency exchange rate risk

We have exposure to foreign currency exchange rate risk related to our subsidiaries operating in Canada. The functional currencies of our foreign subsidiaries are the local currencies in each respective country. Gains or losses resulting from the translation of our foreign subsidiaries' balance sheets and statements of operations are classified in accumulated other comprehensive income (loss) as a separate component of total equity and are excluded from net income (loss). Gains or losses will be reflected in our consolidated statements of operations when there is a sale or partial sale of our investment in these operations or upon a complete or substantially complete liquidation of the investment. The following tables illustrate the effect that a 10% change in foreign currency rates relative to the U.S. dollar would have on our potential future earnings and on the fair value of our net investment in foreign subsidiaries based on our current operating assets outside the U.S. as of June 30, 2024 (in thousands):

Effect on potential future earnings due to foreign currency exchange rate:

Rate increase of 10%	\$	71
Rate decrease of 10%	\$	(71)

Effect on the fair value of net investment in foreign subsidiaries due to foreign currency exchange rate:

Rate increase of 10%	\$	39,090
Rate decrease of 10%	\$	(39,090)

The sensitivity analyses assume a parallel shift of all foreign currency exchange rates with respect to the U.S. dollar; however, foreign currency exchange rates do not typically move in such a manner, and actual results may differ materially.

Our exposure to market risk elements for the six months ended June 30, 2024 was consistent with the risk elements presented above, including the effects of changes in interest rates, equity prices, and foreign currency exchange rates.

ITEM 4. CONTROLS AND PROCEDURES**Evaluation of disclosure controls and procedures**

As of June 30, 2024, we had performed an evaluation, under the supervision of our principal executive officers and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures. These controls and procedures have been designed to ensure that information required for disclosure is recorded, processed, summarized, and reported within the requisite time periods. Based on our evaluation, the principal executive officers and principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2024.

Changes in internal control over financial reporting

There has not been any change in our internal control over financial reporting during the three months ended June 30, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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PART II – OTHER INFORMATION**ITEM 1A. RISK FACTORS**

In addition to the information set forth in this quarterly report on Form 10-Q, one should also carefully review and consider the information contained in the other reports and periodic filings that we make with the SEC, including, without limitation, the information contained under the caption "Item 1A. Risk factors" in our annual report on Form 10-K for the year ended December 31, 2023. Those risk factors could materially affect our business, financial condition, and results of operations. The risks that we describe in our public filings are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we presently deem to be immaterial, also may materially adversely affect our business, financial condition, and results of operations.

There have been no material changes in our risk factors from those disclosed under the caption "Item 1A. Risk factors" in our annual report on Form 10-K for the year ended December 31, 2023, except for the following updates:

The use of artificial intelligence presents risks and challenges that may adversely impact our business and

operating results or that of our tenants and vendors or may adversely impact the requirements and demand for life science laboratory space as a whole.

We may adopt and integrate generative artificial intelligence and machine learning (collectively, "AI") tools into our operations to enhance efficiencies and streamline existing systems. However, the deployment and maintenance of AI tools may entail substantial risks. While these tools hold promise in optimizing processes and driving efficiencies, as with many technological innovations, they also pose inherent risks. These include, but are not limited to, the potential for inaccuracy, bias, intellectual property infringement, or misappropriation, as well as concerns regarding data privacy and cybersecurity. Moreover, the use of AI may introduce errors or inadequacies that are not easily detectable. Deficiencies, inaccuracies, or biases in the data used for AI training, or in the content, analyses, or recommendations generated by AI applications, may adversely affect our business, financial condition, and results of operations. The legal landscape surrounding AI is evolving and remains uncertain. It is unknown how the development of laws in this area could impact our business and our ability to enforce our proprietary rights or protect against infringement of those rights.

Potential risks from the use of AI by our tenants

The integration of AI technologies in the life science industry presents both significant opportunities and inherent risks. AI predictive models have the potential to enhance the accuracy and usefulness of simulation models and be utilized broadly across various stages of drug development. However, the adoption of AI also introduces a complex risk landscape similar to those described above that must be navigated with caution.

Moreover, the adoption of AI by our tenants may lead to infrastructure requirements that our buildings currently do not accommodate, such as increased power needs due to high-performance computing. Infrastructure upgrades may necessitate substantial capital expenditures and could potentially impact the environmental footprint of our building operations.

Potential risks from the use of AI by our investors, analysts, and other market participants

The increasing use of AI by investors, analysts, and other market participants for processing, summarizing, and interpreting financial and other information, including that in our annual reports on Form 10-K, quarterly reports on Form 10-Q, and other public disclosures, poses potential risks. While AI could improve efficiencies in data analysis, AI could also inaccurately interpret or summarize information due to algorithmic limitations or misinterpretation of complex financial concepts. These misinterpretations could be further exacerbated by the potential for AI to overlook additional disclosures in various report sections, such as the Management's Discussion and Analysis of Financial Condition and Results of Operations or Risk Factors section within our annual reports on Form 10-K and/or quarterly reports on Form 10-Q.

Our status as a REIT introduces unique financial metrics, such as funds from operations and fund from operations, as adjusted, which represent widely used non-GAAP financial performance measures of equity REITs. Inadequate AI training on the aspects unique to our industry could lead to inaccurate interpretations of these financial measures, particularly when comparing our performance against non-REIT entities. Furthermore, rules and regulations requiring REITs to distribute at least 90% of REIT taxable income to stockholders result in a substantial reliance on debt and equity financing by REITs. Without adequate training, these unique aspects might not be properly accounted for by AI and could lead to misinterpretations of our financial metrics, such as net debt and preferred stock to Adjusted EBITDA, resulting in inaccurate conclusions and misleading investment recommendations.

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Additionally, current inconsistencies in the use, calculation, and presentation of non-GAAP measures among public companies may lead to AI's inaccurate interpretations and comparisons of these measures. Without appropriate adjustments for these divergences, AI may generate erroneous comparisons with peer companies, distorting the view of our operational performance and profitability, which could lead to misguided investor conclusions about our competitive position among other companies.

Other challenges associated with AI use may include:

- Inadequate interpretation of real estate market nuances, including geographic and property-type differences, and property quality.
- Overemphasis on quantitative data, which overlooks qualitative factors like management's expertise, background, and tenure; and company strategy, credit rating, track record, and market reputation.
- Reliance on historical data, which may not reliably predict future performance in the dynamic real estate sector.
- Current limited capability of AI in making nuanced judgments, particularly in understanding market trends, uncertainties, and investor sentiment.

We are committed to the highest levels of transparency, integrity, and accountability in our public disclosures.

However, we have no control over the processing or interpretation of this information by third-party AI tools. Incorrect AI interpretations could significantly impact investment decisions, which may adversely affect our stock price, investor confidence, and our reputation. Additionally, the time and resources needed to address and remediate public misconceptions could distract from our business activities, which may further exacerbate the potential negative impact.

Potential risks of use of AI by vendors

Our vendors may incorporate AI tools into their products or services without our knowledge, and the providers of these tools may not meet existing or rapidly evolving regulatory or industry standards with respect to privacy and data protection. Consequently, this may inhibit our or our vendors' ability to uphold an appropriate level of service, data privacy, and overall experience. Bad actors around the world use increasingly sophisticated methods, including the use of AI, to engage in illegal activities involving the theft and misuse of personal information, confidential information, and intellectual property. If we, our vendors, or other third parties with which we conduct business experience an actual or perceived breach of privacy or security incident due to the use of AI, we may be adversely impacted, lose valuable intellectual property or confidential information, and incur harm to our reputation and the public perception of the effectiveness of our security measures.

Potential risk of use of AI by cybercriminals

As AI technologies become more advanced, cybercriminals may develop more sophisticated attack methods. Such methods may include the use of AI to automate and enhance phishing schemes, advance malware, and carry out more effective cyberattacks. The AI-driven cyber threats could be harder to detect and counteract, which may pose significant risks to our data security and the integrity of our systems. If such AI-enhanced cyberattacks are successful, they could lead to substantial data breaches, loss of sensitive information, and significant financial and reputational damage.

The realization of any of the aforementioned risks could have a material adverse impact on our revenues, net operating income; our results of operations, funds from operations, operating margins, occupancy, EPS, FFO per share; our overall business; and the market value of our common stock. Any of the outcomes described above could cause damage to us, our tenants, and vendors and adversely impact our business or that of our tenants and vendors. Furthermore, these risks, combined with an uncertain regulatory environment, may result in reputational harm, legal liability, governmental or regulatory scrutiny, or other adverse consequences to our business operations.

ITEM 5. OTHER INFORMATION

Disclosure of 10b5-1 plans

None

of our officers or directors had any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" in effect at any time during the three months ended June 30, 2024.

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ITEM 6. EXHIBITS

Exhibit Number	Exhibit Title	Incorporated by Reference to:	Date Filed
3.1*	Articles of Amendment and Restatement of the Company, dated May 21, 1997	Form 10-Q	August 14, 1997
3.2*	Certificate of Correction of the Company, dated June 20, 1997	Form 10-Q	August 14, 1997
3.3*	Articles of Amendment of the Company, effective as of May 10, 2017	Form 8-K	May 12, 2017
3.4*	Articles of Amendment of the Company, effective as of May 18, 2022	Form 8-K	May 19, 2022
3.5*	Articles Supplementary, dated June 9, 1999, relating to the 9.50% Series A Cumulative Redeemable Preferred Stock	Form 10-Q	August 13, 1999
3.6*	Articles Supplementary, dated February 10, 2000, relating to the election to be subject to Subtitle 8 of Title 3 of the Maryland General Corporation Law	Form 8-K	February 10, 2000
3.7*	Articles Supplementary, dated February 10, 2000, relating to the Series A Junior Participating Preferred Stock	Form 8-K	February 10, 2000
3.8*	Articles Supplementary, dated January 18, 2002, relating to the 9.10% Series B Cumulative Redeemable Preferred Stock	Form 8-A	January 18, 2002
3.9*	Articles Supplementary, dated June 22, 2004, relating to the 8.375% Series C Cumulative Redeemable Preferred Stock	Form 8-A	June 28, 2004
3.10*	Articles Supplementary, dated March 25, 2008, relating to the 7.00% Series D Cumulative Convertible Preferred Stock	Form 8-K	March 25, 2008
3.11*	Articles Supplementary, dated March 12, 2012, relating to the 6.45% Series E Cumulative Redeemable Preferred Stock	Form 8-K	March 14, 2012
3.12*	Articles Supplementary, effective as of May 10, 2017, relating to Reclassified Preferred Stock	Form 8-K	May 12, 2017
3.13*	Amended and Restated Bylaws of the Company (Amended September 21, 2023)	Form 8-K	September 21, 2023
10.1*	Amended and Restated 1997 Stock Award and Incentive Plan of the Company	Form 8-K	May 16, 2024
22.1	List of Guarantor Subsidiaries of the Company	N/A	Filed herewith
31.1	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	N/A	Filed herewith
31.2	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	N/A	Filed herewith
31.3	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	N/A	Filed herewith
32.0	Certification of Principal Executive Officers and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	N/A	Filed herewith
101.1	The following materials from the Company's quarterly report on Form 10-Q for the quarterly period ended June 30, 2024, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of June 30, 2024 and December 31, 2023 (unaudited), (ii) Consolidated Statements of Operations for the three and six months ended June 30, 2024 and 2023 (unaudited), (iii) Consolidated Statements of Comprehensive Income for the three and six months ended June 30, 2024 and 2023 (unaudited), (iv) Consolidated Statements of Changes in Stockholders' Equity and Noncontrolling Interests for the three and six months ended June 30, 2024 and 2023 (unaudited), (v) Consolidated Statements of Cash Flows for the three and six months ended June 30, 2024 and 2023 (unaudited), and (vi) Notes to Consolidated Financial Statements (unaudited)	N/A	Filed herewith
104	Cover Page Interactive Data File, the cover page from this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 is formatted in Inline XBRL and contained in Exhibit 101.1	N/A	Filed herewith

(*) Incorporated by reference.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on July 22, 2024.

/s/ Joel S. Marcus

Joel S. Marcus
Executive Chairman
(Principal Executive Officer)

/s/ Peter M. Moglia

Peter M. Moglia
Chief Executive Officer and Chief Investment Officer
(Principal Executive Officer)

/s/ Marc E. Binda

Marc E. Binda
Chief Financial Officer and Treasurer
(Principal Financial Officer)

List of Guarantor Subsidiaries of Alexandria Real Estate Equities, Inc.

The following subsidiary was, as of June 30, 2024, a guarantor of the registrant's 3.45% Senior Notes due 2025, 4.30% Senior Notes due 2026, 3.80% Senior Notes due 2026, 3.95% Senior Notes due 2027, 3.95% Senior Notes due 2028, 4.50% Senior Notes due 2029, 2.75% Senior Notes due 2029, 4.70% Senior Notes due 2030, 4.90% Senior Notes due 2030, 3.375% Senior Notes due 2031, 2.00% Senior Notes due 2032, 1.875% Senior Notes due 2033, 2.95% Senior Notes due 2034, 4.75% Senior Notes due 2035, 5.25% Senior Notes due 2036, 4.85% Senior Notes due 2049, 4.00% Senior Notes due 2050, 3.00% Senior Notes due 2051, 3.55% Senior Notes due 2052, 5.15% Senior Notes due 2053, and 5.625% Senior Notes due 2054.

Name of Subsidiary	Jurisdiction of Organization
Alexandria Real Estate Equities, L.P.	Delaware

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joel S. Marcus, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alexandria Real Estate Equities, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 22, 2024

/s/ Joel S. Marcus

Joel S. Marcus

Executive Chairman

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Peter M. Moglia, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alexandria Real Estate Equities, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 22, 2024

/s/ Peter M. Moglia

Peter M. Moglia

Chief Executive Officer and Chief Investment Officer

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Marc E. Binda, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alexandria Real Estate Equities, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 22, 2024

/s/ Marc E. Binda

Marc E. Binda

Chief Financial Officer and Treasurer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICERS AND PRINCIPAL FINANCIAL OFFICER

PURSUANT TO

18 U.S.C. SECTION 1350.

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Joel S. Marcus, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Alexandria Real Estate Equities, Inc. for the quarter ended June 30, 2024, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Alexandria Real Estate Equities, Inc.

Date: July 22, 2024

/s/ Joel S. Marcus

Joel S. Marcus

Executive Chairman

I, Peter M. Moglia, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Alexandria Real Estate Equities, Inc. for the quarter ended June 30, 2024, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Alexandria Real Estate Equities, Inc.

Date: July 22, 2024

/s/ Peter M. Moglia

Peter M. Moglia

Chief Executive Officer and Chief Investment Officer

I, Marc E. Binda, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Alexandria Real Estate Equities, Inc. for the quarter ended June 30, 2024, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Alexandria Real Estate Equities, Inc.

Date: July 22, 2024

/s/ Marc E. Binda

Marc E. Binda

Chief Financial Officer and Treasurer