

**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 September 30, 2025

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)

Maryland

95-4502084

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	ARE	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Smaller reporting company

Accelerated filer

Emerging growth company

Non-accelerated filer

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 15, 2025, 172,825,059 shares of common stock, par value \$0.01 per share, were outstanding.

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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
CAD	Canadian Dollar
CIP	Construction in Progress
EPS	Earnings per Share
FASB	Financial Accounting Standards Board
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
USD	U.S. Dollar
VIE	Variable Interest Entity

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

Alexandria Real Estate Equities, Inc.
Consolidated Balance Sheets
(In thousands)

	September 30, 2025 <i>(Unaudited)</i>	December 31, 2024
Assets		
Investments in real estate	\$ 31,743,917	\$ 32,110,039
Investments in unconsolidated real estate joint ventures	39,601	39,873
Cash and cash equivalents	579,474	552,146
Restricted cash	4,705	7,701
Tenant receivables	6,409	6,409
Deferred rent	1,257,378	1,187,031
Deferred leasing costs	505,241	485,959
Investments	1,537,638	1,476,985
Other assets	1,700,785	1,661,306
Total assets	\$ 37,375,148	\$ 37,527,449
Liabilities, Noncontrolling Interests, and Equity		
Secured notes payable	\$ —	\$ 149,909
Unsecured senior notes payable	12,044,999	12,094,465
Unsecured senior line of credit and commercial paper	1,548,542	—
Accounts payable, accrued expenses, and other liabilities	2,432,726	2,654,351
Dividends payable	230,603	230,263
Total liabilities	16,256,870	15,128,988
Commitments and contingencies		
Redeemable noncontrolling interests	58,662	19,972
Alexandria Real Estate Equities, Inc.'s stockholders' equity:		
Common stock	1,703	1,722
Additional paid-in capital	16,669,802	17,933,572
Accumulated other comprehensive loss	(32,203)	(46,252)
Alexandria Real Estate Equities, Inc.'s stockholders' equity	16,639,302	17,889,042
Noncontrolling interests	4,420,314	4,489,447
Total equity	21,059,616	22,378,489
Total liabilities, noncontrolling interests, and equity	\$ 37,375,148	\$ 37,527,449

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Consolidated Statements of Operations
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenues:				
Income from rentals	\$ 735,849	\$ 775,744	\$ 2,216,303	\$ 2,286,457
Other income	16,095	15,863	55,839	40,992
Total revenues	751,944	791,607	2,272,142	2,327,449
Expenses:				
Rental operations	239,234	233,265	690,062	668,833
General and administrative	29,224	43,945	89,027	135,629
Interest	54,852	43,550	161,024	130,179
Depreciation and amortization	340,230	293,998	1,028,415	872,272
Impairment of real estate	323,870	5,741	485,630	36,504
Loss on early extinguishment of debt	107	—	107	—
Total expenses	987,517	620,499	2,454,265	1,843,417
Equity in earnings (losses) of unconsolidated real estate joint ventures	201	139	(9,327)	424
Investment income (loss)	28,161	15,242	(52,453)	14,866
Gain on sales of real estate	9,366	27,114	22,531	27,506
Net (loss) income	(197,845)	213,603	(221,372)	526,828
Net income attributable to noncontrolling interests	(34,909)	(45,656)	(127,323)	(141,634)
Net (loss) income attributable to Alexandria Real Estate Equities, Inc.'s stockholders	(232,754)	167,947	(348,695)	385,194
Net income attributable to unvested restricted stock awards	(2,183)	(3,273)	(7,452)	(10,717)
Net (loss) income attributable to Alexandria Real Estate Equities, Inc.'s common stockholders	\$ (234,937)	\$ 164,674	\$ (356,147)	\$ 374,477
Net (loss) income per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders:				
Basic	\$ (1.38)	\$ 0.96	\$ (2.09)	\$ 2.18
Diluted	\$ (1.38)	\$ 0.96	\$ (2.09)	\$ 2.18

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Consolidated Statements of Comprehensive Income
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income	\$ (197,845)	\$ 213,603	\$ (221,372)	\$ 526,828
Other comprehensive (loss) income				
Unrealized (losses) gains on foreign currency translation:				
Unrealized gains related to net investment hedge	2,970	—	2,970	—
Unrealized foreign currency translation (losses) gains arising during the period	(7,758)	5,056	11,079	(6,758)
Reclassification adjustment for losses included in net income	—	125	—	125
Unrealized (losses) gains on foreign currency translation, net	(4,788)	5,181	14,049	(6,633)
Total other comprehensive (loss) income	(4,788)	5,181	14,049	(6,633)
Comprehensive (loss) income	(202,633)	218,784	(207,323)	520,195
Less: comprehensive income attributable to noncontrolling interests	(34,909)	(45,656)	(127,323)	(141,634)
Comprehensive (loss) income attributable to Alexandria Real Estate Equities, Inc.'s stockholders	<u>\$ (237,542)</u>	<u>\$ 173,128</u>	<u>\$ (334,646)</u>	<u>\$ 378,561</u>

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Consolidated Statement of Changes in Stockholders' Equity and Noncontrolling Interests
(Dollars in thousands)
(Unaudited)

Alexandria Real Estate Equities, Inc.'s Stockholders' Equity

	Number of Common Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
Balance as of June 30, 2025	170,146,069	\$ 1,701	\$17,200,949	\$ —	\$ (27,415)	\$ 4,554,156	\$ 21,729,391	\$ 9,612
Net (loss) income	—	—	—	(232,754)	—	34,368	(198,386)	541
Total other comprehensive loss	—	—	—	—	(4,788)	—	(4,788)	—
Contributions from and sales of noncontrolling interests	—	—	—	—	—	36,107	36,107	—
Distributions to and redemption of noncontrolling interests	—	—	(66,317)	—	—	(175,607)	(241,924)	(201)
Transfer of noncontrolling interests	—	—	—	—	—	(48,710)	(48,710)	48,710
Reallocation of capital to joint venture partner	—	—	(20,000)	—	—	20,000	—	—
Issuance pursuant to stock plan	321,057	4	26,995	—	—	—	26,999	—
Taxes related to net settlement of equity awards	(128,046)	(2)	(10,944)	—	—	—	(10,946)	—
Dividends declared on common stock (\$1.32 per share)	—	—	—	(228,127)	—	—	(228,127)	—
Reclassification of distributions and net loss	—	—	(460,881)	460,881	—	—	—	—
Balance as of September 30, 2025	<u>170,339,080</u>	<u>\$ 1,703</u>	<u>\$16,669,802</u>	<u>\$ —</u>	<u>\$ (32,203)</u>	<u>\$ 4,420,314</u>	<u>\$ 21,059,616</u>	<u>\$ 58,662</u>

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Consolidated Statement of Changes in Stockholders' Equity and Noncontrolling Interests
(Dollars in thousands)
(Unaudited)

Alexandria Real Estate Equities, Inc.'s Stockholders' Equity

	Number of Common Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
Balance as of June 30, 2024	172,017,674	\$ 1,720	\$18,284,611	\$ —	\$ (27,710)	\$ 4,391,806	\$ 22,650,427	\$ 16,440
Net income	—	—	—	167,947	—	45,385	213,332	271
Total other comprehensive income	—	—	—	—	5,181	—	5,181	—
Contributions from and sales of noncontrolling interests	—	—	490	—	—	91,118	91,608	—
Distributions to and redemption of noncontrolling interests	—	—	—	—	—	(59,000)	(59,000)	(201)
Issuance pursuant to stock plan	376,781	4	31,235	—	—	—	31,239	—
Taxes related to net settlement of equity awards	(150,054)	(2)	(18,654)	—	—	—	(18,656)	—
Dividends declared on common stock (\$1.30 per share)	—	—	—	(227,191)	—	—	(227,191)	—
Reclassification of distributions in excess of earnings	—	—	(59,244)	59,244	—	—	—	—
Balance as of September 30, 2024	<u>172,244,401</u>	<u>\$ 1,722</u>	<u>\$18,238,438</u>	<u>\$ —</u>	<u>\$ (22,529)</u>	<u>\$ 4,469,309</u>	<u>\$ 22,686,940</u>	<u>\$ 16,510</u>

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Consolidated Statement of Changes in Stockholders' Equity and Noncontrolling Interests
(Dollars in thousands)
(Unaudited)

Alexandria Real Estate Equities, Inc.'s Stockholders' Equity

	Number of Common Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
Balance as of December 31, 2024	172,203,443	\$ 1,722	\$ 17,933,572	\$ —	\$ (46,252)	\$ 4,489,447	\$ 22,378,489	\$ 19,972
Net (loss) income	—	—	—	(348,695)	—	126,311	(222,384)	1,012
Total other comprehensive income	—	—	—	—	14,049	—	14,049	—
Contributions from and sales of noncontrolling interests	—	—	73	—	—	132,089	132,162	—
Distributions to and redemption of noncontrolling interests	—	—	(73,365)	—	—	(298,823)	(372,188)	(11,032)
Transfer of noncontrolling interests	—	—	—	—	—	(48,710)	(48,710)	48,710
Reallocation of capital to joint venture partner	—	—	(20,000)	—	—	20,000	—	—
Issuance pursuant to stock plan	472,123	5	87,526	—	—	—	87,531	—
Taxes related to net settlement of equity awards	(184,193)	(2)	(16,372)	—	—	—	(16,374)	—
Repurchase of common stock	(2,152,293)	(22)	(208,165)	—	—	—	(208,187)	—
Dividends declared on common stock (\$3.96 per share)	—	—	—	(684,772)	—	—	(684,772)	—
Reclassification of distributions and net loss	—	—	(1,033,467)	1,033,467	—	—	—	—
Balance as of September 30, 2025	<u>170,339,080</u>	<u>\$ 1,703</u>	<u>\$ 16,669,802</u>	<u>\$ —</u>	<u>\$ (32,203)</u>	<u>\$ 4,420,314</u>	<u>\$ 21,059,616</u>	<u>\$ 58,662</u>

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Consolidated Statement of Changes in Stockholders' Equity and Noncontrolling Interests
(Dollars in thousands)
(Unaudited)

Alexandria Real Estate Equities, Inc.'s Stockholders' Equity

	Number of Common Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
Balance as of December 31, 2023	171,910,599	\$ 1,719	\$ 18,485,352	\$ —	\$ (15,896)	\$ 4,135,338	\$ 22,606,513	\$ 16,480
Net income	—	—	—	385,194	—	140,820	526,014	814
Total other comprehensive loss	—	—	—	—	(6,633)	—	(6,633)	—
Contributions from and sales of noncontrolling interests	—	—	8,190	—	—	350,003	358,193	—
Distributions to and redemption of noncontrolling interests	—	—	(8,084)	—	—	(186,787)	(194,871)	(1,034)
Transfer of noncontrolling interests	—	—	—	—	—	(250)	(250)	250
Reallocation of capital to joint venture partner	—	—	(30,185)	—	—	30,185	—	—
Issuance pursuant to stock plan	555,959	6	101,302	—	—	—	101,308	—
Taxes related to net settlement of equity awards	(222,157)	(3)	(26,598)	—	—	—	(26,601)	—
Dividends declared on common stock (\$3.87 per share)	—	—	—	(676,733)	—	—	(676,733)	—
Reclassification of distributions in excess of earnings	—	—	(291,539)	291,539	—	—	—	—
Balance as of September 30, 2024	<u>172,244,401</u>	<u>\$ 1,722</u>	<u>\$ 18,238,438</u>	<u>\$ —</u>	<u>\$ (22,529)</u>	<u>\$ 4,469,309</u>	<u>\$ 22,686,940</u>	<u>\$ 16,510</u>

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
Operating Activities:		
Net (loss) income	\$ (221,372)	\$ 526,828
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	1,028,415	872,272
Impairment of real estate	485,630	36,504
Gain on sales of real estate	(22,531)	(27,506)
Loss on early extinguishment of debt	107	—
Equity in losses (earnings) of unconsolidated real estate joint ventures	9,327	(424)
Distributions of earnings from unconsolidated real estate joint ventures	1,749	2,637
Amortization of loan fees	13,811	12,510
Amortization of debt discounts	1,009	976
Amortization of acquired above- and below-market leases	(31,874)	(70,167)
Deferred rent	(59,380)	(125,676)
Stock compensation expense	32,887	47,157
Investment loss (income)	52,453	(14,866)
Changes in operating assets and liabilities:		
Tenant receivables	12	1,216
Deferred leasing costs	(64,259)	(74,608)
Other assets	(37,647)	(36,334)
Accounts payable, accrued expenses, and other liabilities	(86,669)	79,827
Net cash provided by operating activities	1,101,668	1,230,346
Investing Activities:		
Proceeds from sales of real estate	227,105	229,790
Additions to real estate	(1,538,613)	(1,932,351)
Purchases of real estate	—	(201,049)
Change in escrow deposits	(7,364)	(5,512)
Investments in unconsolidated real estate joint ventures	(11,239)	(4,039)
Return of capital from unconsolidated real estate joint ventures	458	—
Additions to non-real estate investments	(184,952)	(185,560)
Sales of and distributions from non-real estate investments	77,067	141,762
Net cash used in investing activities	\$ (1,437,538)	\$ (1,956,959)

Alexandria Real Estate Equities, Inc.
Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
Financing Activities:		
Borrowings under secured note payable	\$ 4,031	\$ 24,853
Repayments of borrowings from secured notes payable	(154,212)	(32)
Proceeds from issuance of unsecured senior notes payable	548,532	998,806
Repayment of unsecured senior notes payable	(600,000)	—
Proceeds from issuances under commercial paper program	15,378,015	7,935,600
Repayments of borrowings under commercial paper program	(13,828,015)	(7,580,600)
Payments of loan fees	(5,307)	(36,366)
Taxes paid related to net settlement of equity awards	(17,207)	(45,670)
Repurchase of common stock	(208,187)	—
Dividends on common stock	(684,419)	(671,366)
Contributions from and sales of noncontrolling interests	132,162	251,252
Distributions to and purchases of noncontrolling interests	(204,543)	(231,072)
Net cash provided by financing activities	<u>360,850</u>	<u>645,405</u>
Effect of foreign exchange rate changes on cash and cash equivalents	(648)	74
Net increase (decrease) in cash, cash equivalents, and restricted cash	24,332	(81,134)
Cash, cash equivalents, and restricted cash as of the beginning of period	559,847	660,771
Cash, cash equivalents, and restricted cash as of the end of period	<u>\$ 584,179</u>	<u>\$ 579,637</u>
Supplemental Disclosure and Non-Cash Investing and Financing Activities:		
Cash paid during the period for interest, net of interest capitalized	\$ 128,808	\$ 87,660
Accrued construction for current-period additions to real estate	\$ 233,622	\$ 419,072
Transfer of real estate assets and/or equipment from tenants	\$ 171,153	\$ 107,562
Notes receivable issued in connection with sales of real estate	\$ 91,000	\$ —
Derecognition of net investment in real estate from sales-type lease	\$ 4,677	\$ —
Contribution of assets from and issuance of noncontrolling interest to real estate joint venture partner	\$ —	\$ 106,941
Reallocation of additional paid-in capital to consolidated joint venture partner's noncontrolling interest	\$ 20,000	\$ 30,185
Initial recognition of right-of-use asset and lease liability	\$ —	\$ 265,110
Exchange of joint venture interests ⁽¹⁾ :		
Disposition of our interest in Pacific Technology Park	\$ 82,392	\$ —
Acquisition of our partner's noncontrolling interest in 199 East Blaine Street	\$ 96,543	\$ —

(1) Refer to Note 4 – “Consolidated and unconsolidated real estate joint ventures” for additional information.

The accompanying notes are an integral part of these consolidated financial statements.

Alexandria Real Estate Equities, Inc.
Notes to Consolidated Financial Statements
(Unaudited)

1. ORGANIZATION AND BASIS OF PRESENTATION

Alexandria Real Estate Equities, Inc. (NYSE: ARE), an S&P 500® life science REIT, is the pioneer of the life science real estate niche since its founding in 1994. Alexandria is the preeminent and longest-tenured owner, operator, and developer of collaborative Megacampus™ ecosystems in AAA life science innovation cluster locations, including Greater Boston, the San Francisco Bay Area, San Diego, Seattle, Maryland, Research Triangle, and New York City. As of September 30, 2025, Alexandria has a total market capitalization of \$27.8 billion and an asset base in North America that includes 39.1 million RSF of operating properties and 4.2 million RSF of Class A/A+ properties undergoing construction and one 100% pre-leased committed near-term project expected to commence construction in the next year. As used in this quarterly report on Form 10-Q, references to the “Company,” “Alexandria,” “ARE,” “we,” “us,” and “our” refer to Alexandria Real Estate Equities, Inc. and its consolidated subsidiaries. The accompanying unaudited consolidated financial statements include the accounts of Alexandria Real Estate Equities, Inc. and its consolidated subsidiaries. All significant intercompany balances and transactions have been eliminated.

We have prepared the accompanying interim consolidated financial statements in accordance with GAAP and in conformity with the rules and regulations of the SEC. In our opinion, these interim consolidated financial statements presented herein reflect all adjustments, of a normal recurring nature, that are necessary to fairly present the interim consolidated financial statements. The results of operations for the interim period are not necessarily indicative of the results that may be expected for the year ending December 31, 2025. These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto included in our annual report on Form 10-K for the year ended December 31, 2024. Any references to our total market capitalization, number or quality of buildings or tenants, quality of location, square footage, number of leases, or occupancy percentage, and any amounts derived from these values in these notes to consolidated financial statements are outside the scope of our independent registered public accounting firm’s procedures.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidation

On an ongoing basis, as circumstances indicate the need for reconsideration, we evaluate each legal entity that is not wholly owned by us in accordance with the consolidation accounting guidance. Our evaluation considers all of our variable interests, including equity ownership, as well as fees paid to us for our involvement in the management of each partially owned entity. To fall within the scope of the consolidation guidance, an entity must meet both of the following criteria:

- The entity has a legal structure that has been established to conduct business activities and to hold assets; such entity can be in the form of a partnership, limited liability company, or corporation, among others; and
- We have a variable interest in the legal entity — i.e., variable interests that are contractual, such as equity ownership, or other financial interests that change with changes in the fair value of the entity’s net assets.

If an entity does not meet both criteria above, we apply other accounting literature, such as the equity method of accounting. If an entity does meet both criteria above, we evaluate such entity for consolidation under either the variable interest model if the legal entity meets any of the characteristics below to qualify as a VIE, or under the voting model for all other legal entities that are not VIEs.

A legal entity is determined to be a VIE if it has any of the following three characteristics:

- 1) The entity does not have sufficient equity to finance its activities without additional subordinated financial support;
- 2) The entity is established with non-substantive voting rights (i.e., the entity deprives the majority economic interest holder(s) of voting rights); or
- 3) The equity holders, as a group, lack the characteristics of a controlling financial interest. Equity holders meet this criterion if they lack any of the following:
 - The power, through voting rights or similar rights, to direct the activities of the entity that most significantly influence the entity’s economic performance, as evidenced by:
 - Substantive participating rights in day-to-day management of the entity’s activities; or
 - Substantive kick-out rights over the party responsible for significant decisions;
 - The obligation to absorb the entity’s expected losses; or
 - The right to receive the entity’s expected residual returns.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For an entity, including our real estate joint ventures, structured as a limited partnership or a limited liability company, our evaluation of whether the equity holders (equity partners other than the general partner or the managing member of a joint venture) lack the characteristics of a controlling financial interest includes the evaluation of whether the limited partners or non-managing members (the noncontrolling equity holders) lack both substantive participating rights and substantive kick-out rights, defined as follows:

- Participating rights provide the noncontrolling equity holders the ability to direct significant financial and operating decisions made in the ordinary course of business that most significantly influence the entity's economic performance.
- Kick-out rights allow the noncontrolling equity holders to remove the general partner or managing member without cause.

If we conclude that any of the three characteristics of a VIE are met, including that the equity holders lack the characteristics of a controlling financial interest because they lack both substantive participating rights and substantive kick-out rights, we conclude that the entity is a VIE and evaluate it for consolidation under the variable interest model.

Variable interest model

If an entity is determined to be a VIE, we evaluate whether we are the primary beneficiary. The primary beneficiary analysis is a qualitative analysis based on power and benefits. We consolidate a VIE if we have both power and benefits — that is, (i) we have the power to direct the activities of a VIE that most significantly influence the VIE's economic performance (power) and (ii) we have the obligation to absorb losses of or the right to receive benefits from the VIE that could potentially be significant to the VIE (benefits). We consolidate VIEs whenever we determine that we are the primary beneficiary. Refer to Note 4 – “Consolidated and unconsolidated real estate joint ventures” and Note 7 – “Investments” to our unaudited consolidated financial statements for information on specific entities that qualify as VIEs. If we have a variable interest in a VIE but are not the primary beneficiary, we account for our investment using the equity method.

Voting model

If a legal entity fails to meet any of the three characteristics of a VIE (i.e., insufficiency of equity, existence of non-substantive voting rights, or lack of a controlling financial interest), we then evaluate such entity under the voting model. Under the voting model, we consolidate the entity if we determine that we, directly or indirectly, have greater than 50% of the voting shares (or own a majority of the limited partnership's kick-out rights through voting interests), and that other equity holders do not have substantive participating rights. Refer to Note 4 – “Consolidated and unconsolidated real estate joint ventures” to our unaudited consolidated financial statements for information on specific joint ventures that qualify for evaluation under the voting model.

Noncontrolling interests in consolidated real estate joint ventures

Noncontrolling interests represent the third-party interests in consolidated real estate joint ventures in which we have a controlling interest. Certain of our noncontrolling interests have the right to require us to redeem their ownership interests in the respective entities. We classify the ownership interests in these entities as redeemable noncontrolling interests outside of total equity in our consolidated balance sheets. Redeemable noncontrolling interests are adjusted for additional contributions and distributions, the proportionate share of net earnings or losses, and other comprehensive income or loss. If the amount of a redeemable noncontrolling interest is less than the maximum redemption value at the balance sheet date, such amount is adjusted to the maximum redemption value. Subsequent declines in the redemption value are recognized only to the extent that previous increases have been recognized.

Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, and equity; the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements; and the amounts of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in real estate

Evaluation of business combination or asset acquisition

We evaluate each acquisition of real estate or in-substance real estate (including equity interests in entities that predominantly hold real estate assets) to determine whether the integrated set of assets and activities acquired meets the definition of a business and needs to be accounted for as a business combination. An acquisition of an integrated set of assets and activities that does not meet the definition of a business is accounted for as an asset acquisition. If either of the following criteria is met, the integrated set of assets and activities acquired would not qualify as a business:

- Substantially all of the fair value of the gross assets acquired is concentrated in either a single identifiable asset or a group of similar identifiable assets; or
- The integrated set of assets and activities is lacking, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs (i.e., revenue generated before and after the transaction).

An acquired process is considered substantive if:

- The process includes an organized workforce (or includes an acquired contract that provides access to an organized workforce) that is skilled, knowledgeable, and experienced in performing the process;
- The process cannot be replaced without significant cost, effort, or delay; or
- The process is considered unique or scarce.

Generally, our acquisitions of real estate or in-substance real estate do not meet the definition of a business because substantially all of the fair value is concentrated in a single identifiable asset or group of similar identifiable assets (i.e., land, buildings, and related intangible assets) or because the acquisition does not include a substantive process in the form of an acquired workforce or an acquired contract that cannot be replaced without significant cost, effort, or delay. When evaluating acquired service or management contracts, we consider the nature of the services performed, the terms of the contract relative to similar arm's-length contracts, and the availability of comparable vendors in evaluating whether the acquired contract constitutes a substantive process.

Recognition of real estate acquired

We evaluate each acquisition of real estate or in-substance real estate (including equity interests in entities that predominantly hold real estate assets) to determine whether the integrated set of assets and activities acquired meets the definition of a business and needs to be accounted for as a business combination. An acquisition of an integrated set of assets and activities that does not meet the definition of a business is accounted for as an asset acquisition.

For acquisitions of real estate or in-substance real estate that are accounted for as business combinations, we allocate the acquisition consideration (excluding acquisition costs) to the assets acquired, liabilities assumed, noncontrolling interests, and previously existing ownership interests at fair value as of the acquisition date. Assets include intangible assets such as tenant relationships, acquired in-place leases, and favorable intangibles associated with in-place leases in which we are the lessor. Liabilities include unfavorable intangibles associated with in-place leases in which we are the lessor. In addition, for acquired in-place finance or operating leases in which we are the lessee, acquisition consideration is allocated to lease liabilities and related right-of-use assets, adjusted to reflect favorable or unfavorable terms of the lease when compared with market terms. Any excess (deficit) of the consideration transferred relative to the fair value of the net assets acquired is accounted for as goodwill (bargain purchase gain). Acquisition costs related to business combinations are expensed as incurred.

Generally, we expect that acquisitions of real estate or in-substance real estate will not meet the definition of a business because substantially all of the fair value is concentrated in a single identifiable asset or group of similar identifiable assets (i.e., land, buildings, and related intangible assets). The accounting model for asset acquisitions is similar to the accounting model for business combinations, except that the acquisition consideration (including acquisition costs) is allocated to the individual assets acquired and liabilities assumed on a relative fair value basis. Any excess (deficit) of the consideration transferred relative to the sum of the fair value of the assets acquired and liabilities assumed is allocated to the individual assets and liabilities based on their relative fair values. As a result, asset acquisitions do not result in the recognition of goodwill or a bargain purchase gain. Incremental and external direct acquisition costs related to acquisitions of real estate or in-substance real estate (such as legal and other third-party services) are capitalized.

We exercise judgment to determine the key assumptions used to allocate the purchase price of real estate acquired among its components. The allocation of the consideration to the various components of properties acquired during the year can have an effect on our net income due to the useful depreciable and amortizable lives applicable to each component and the recognition of the related depreciation and amortization expense in our consolidated statements of operations. We apply judgment in utilizing available comparable market information to assess relative fair value. We assess the relative fair values of tangible and intangible assets and liabilities based on available comparable market information, including estimated replacement costs, rental rates, and recent market transactions. In addition, we may use estimated cash flow projections that utilize appropriate discount and capitalization rates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates of future cash flows are based on a number of factors, including the historical operating results, known and anticipated trends, and market/economic conditions that may affect the property.

The value of tangible assets acquired is based upon our estimation of fair value on an “as if vacant” basis. The value of acquired in-place leases includes the estimated costs during the hypothetical lease-up period and other costs that would have been incurred in the execution of similar leases under the market conditions at the acquisition date of the acquired in-place lease. If there is a bargain fixed-rate renewal option for the period beyond the noncancelable lease term of an in-place lease, we evaluate intangible factors, such as the business conditions in the industry in which the lessee operates, the economic conditions in the area in which the property is located, and the ability of the lessee to sublease the property during the renewal term, in order to determine the likelihood that the lessee will renew. When we determine that there is reasonable assurance that such bargain purchase option will be exercised, we consider the option in determining the intangible value of such lease and its related amortization period. We also recognize the relative fair values of assets acquired, the liabilities assumed, and any noncontrolling interest in acquisitions of less than a 100% interest when the acquisition constitutes a change in control of the acquired entity.

Depreciation and amortization

The values allocated to buildings and building improvements, land improvements, tenant improvements, and equipment are depreciated on a straight-line basis. For buildings and building improvements, we depreciate using the shorter of the respective ground lease terms or their estimated useful lives, not to exceed 40 years. Land improvements are depreciated over their estimated useful lives, not to exceed 20 years. Tenant improvements are depreciated over their respective lease terms or estimated useful lives, and equipment is depreciated over the shorter of the lease term or its estimated useful life. The values of the right-of-use assets are amortized on a straight-line basis over the remaining terms of each related lease. The values of acquired in-place leases and associated favorable intangibles (i.e., acquired above-market leases) are classified in other assets in our consolidated balance sheets and are amortized over the remaining terms of the related leases as a reduction of income from rentals in our consolidated statements of operations. The values of unfavorable intangibles (i.e., acquired below-market leases) associated with acquired in-place leases are classified in accounts payable, accrued expenses, and other liabilities in our consolidated balance sheets and are amortized over the remaining terms of the related leases as an increase in income from rentals in our consolidated statements of operations.

Capitalized project costs

We capitalize project costs, including pre-construction costs, interest, property taxes, insurance, and other costs directly related and essential to the development, redevelopment, pre-construction, or construction of a project. Capitalization of development, redevelopment, pre-construction, and construction costs is required while activities are ongoing to prepare an asset for its intended use. Fluctuations in our development, redevelopment, pre-construction, and construction activities could result in significant changes to total expenses and net income. Costs incurred after a project is substantially complete and ready for its intended use are expensed as incurred. Should development, redevelopment, pre-construction, or construction activity cease, interest, property taxes, insurance, and certain other costs would no longer be eligible for capitalization and would be expensed as incurred. Expenditures for repairs and maintenance are expensed as incurred.

Real estate sales

A property is classified as held for sale when all of the following criteria for a plan of sale have been met: (i) management, having the authority to approve the action, commits to a plan to sell the property; (ii) the property is available for immediate sale in its present condition, subject only to terms that are usual and customary; (iii) an active program to locate a buyer and other actions required to complete the plan to sell have been initiated; (iv) the sale of the property is probable and is expected to be completed within one year; (v) the property is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and (vi) actions necessary to complete the plan of sale indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Depreciation of assets ceases upon designation of a property as held for sale.

If the disposal of a property represents a strategic shift that has (or will have) a major effect on our operations or financial results, such as (i) a major line of business, (ii) a major geographic area, (iii) a major equity method investment, or (iv) other major parts of an entity, then the operations of the property, including any interest expense directly attributable to it, are classified as discontinued operations in our consolidated statements of operations, and amounts for all prior periods presented are reclassified from continuing operations to discontinued operations. The disposal of an individual property generally will not represent a strategic shift and therefore will typically not meet the criteria for classification as a discontinued operation.

We recognize gains or losses on real estate sales in accordance with the accounting standard on the derecognition of nonfinancial assets arising from contracts with noncustomers. Our ordinary output activities consist of the leasing of space to our tenants in our operating properties, not the sales of real estate. Therefore, sales of real estate (in which we are the seller) qualify as contracts with noncustomers. In our transactions with noncustomers, we apply certain recognition and measurement principles consistent with our method of recognizing revenue arising from contracts with customers. Derecognition of the asset is based on the transfer of control. If a real estate sales contract includes our ongoing involvement with the property, then we evaluate each promised good or service under the contract to determine whether it represents a separate performance obligation, constitutes a guarantee, or

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

prevents the transfer of control. If a good or service is considered a separate performance obligation, an allocated portion of the transaction price is recognized as revenue as we transfer the related good or service to the buyer.

The recognition of gain or loss on the sale of a partial interest also depends on whether we retain a controlling or noncontrolling interest in the property. If we retain a controlling interest in the property upon completion of the sale, we continue to reflect the asset at its book value, record a noncontrolling interest for the book value of the partial interest sold, and recognize additional paid-in capital for the difference between the consideration received and the partial interest at book value. Conversely, if we retain a noncontrolling interest upon completion of the sale of a partial interest of real estate, we recognize a gain or loss as if 100% of the asset were sold.

Impairment of long-lived assets

Prior to and subsequent to the end of each quarter, we review current activities and changes in the business conditions of all of our long-lived assets to determine the existence of any triggering events or impairment indicators requiring an impairment analysis. If triggering events or impairment indicators are identified, we review an estimate of the future undiscounted cash flows, including, if necessary, a probability-weighted approach if multiple outcomes are under consideration.

Long-lived assets to be held and used, including our rental properties, CIP, land held for development, right-of-use assets related to operating leases in which we are the lessee, and intangibles, are individually evaluated for impairment when conditions exist that may indicate that the carrying amount of a long-lived asset may not be recoverable. The carrying amount of a long-lived asset to be held and used is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Triggering events or impairment indicators for long-lived assets to be held and used are assessed by project and include significant fluctuations in estimated net operating income, occupancy changes, significant near-term lease expirations, current and historical operating and/or cash flow losses, construction costs, estimated completion dates, rental rates, and other market factors. We assess the expected undiscounted cash flows based upon numerous factors, including, but not limited to, projected rental rates, estimated exit capitalization rates, and anticipated construction costs for projects under construction, which are based on available market information, current and historical operating results, known trends, current market/economic conditions that may affect the asset, and our assumptions about the use of the asset, including, if necessary, a probability-weighted approach if multiple outcomes are under consideration.

Upon determination that an impairment has occurred, a write-down is recognized to reduce the carrying amount of the asset to its estimated fair value. If an impairment charge is not required to be recognized, the recognition of depreciation or amortization is adjusted prospectively, as necessary, to reduce the carrying amount of the asset to its estimated disposition value over the remaining period that the asset is expected to be held and used. We may adjust depreciation of properties that are expected to be disposed of or redeveloped prior to the end of their useful lives.

We use the held for sale impairment model for our properties classified as held for sale, which is different from the held and used impairment model. Under the held for sale impairment model, an impairment charge is recognized if the carrying amount of the long-lived asset classified as held for sale exceeds its fair value less cost to sell. Because of these two different models, it is possible for a long-lived asset previously classified as held and used to require the recognition of an impairment charge upon classification as held for sale.

International operations

In addition to operating properties in the U.S., we have 11 properties in Canada. The functional currency for our subsidiaries operating in the U.S. is the U.S. dollar. The local currency of a foreign subsidiary serves as its functional currency. The assets and liabilities of our foreign subsidiaries are translated into U.S. dollars at the exchange rate in effect as of the financial statement date. Revenue and expense accounts of our foreign subsidiaries are translated using the weighted-average exchange rate for the periods presented. Gains or losses resulting from the translation are classified in accumulated other comprehensive income (loss) as a separate component of total equity and are excluded from net income (loss).

Whenever a foreign investment meets the criteria for classification as held for sale, we evaluate the recoverability of the investment under the held for sale impairment model. We may recognize an impairment charge if the carrying amount of the investment exceeds its fair value less cost to sell. In determining an investment's carrying amount, we consider its net book value and any cumulative unrealized foreign currency translation adjustment related to the investment.

The appropriate amounts of foreign exchange rate gains or losses classified in accumulated other comprehensive income (loss) are reclassified to net income (loss) when realized upon the sale of our investment or upon the complete or substantially complete liquidation of our investment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

We hold investments in publicly traded companies and privately held entities primarily involved in the life science industry. As a REIT, we generally limit our ownership of each individual entity's voting stock to less than 10%. We evaluate each investment to determine whether we have the ability to exercise significant influence, but not control, over an investee. We evaluate investments in which our ownership is equal to or greater than 20%, but less than or equal to 50%, of an investee's voting stock with a presumption that we have this ability. For our investments in limited partnerships that maintain specific ownership accounts, we presume that such ability exists when our ownership interest exceeds 3% to 5%. In addition to our ownership interest, we consider whether we have a board seat or whether we participate in the investee's policymaking process, among other criteria, to determine if we have the ability to exert significant influence, but not control, over an investee. If we determine that we have such ability, we account for the investment under the equity method, as described below. From time to time, we may hold equity investments in publicly traded companies that are subject to temporary contractual sale restrictions. We do not recognize a discount related to a contractual sale restriction.

Investments accounted for under the equity method

Under the equity method of accounting, we initially recognize our investment at cost and subsequently adjust the carrying amount of the investment for our share of earnings or losses reported by the investee, distributions received, and other-than-temporary impairments. For additional information about our investments accounted for under the equity method, refer to Note 7 – "Investments" to our unaudited consolidated financial statements.

Investments that do not qualify for the equity method of accounting

For investees over which we determine that we do not have the ability to exercise significant influence or control, we account for each investment depending on whether it is an investment in a (i) publicly traded company, (ii) privately held entity that reports NAV per share, or (iii) privately held entity that does not report NAV per share, as described below.

Investments in publicly traded companies

Our investments in publicly traded companies are classified as investments with readily determinable fair values and are presented at fair value in our consolidated balance sheets, with changes in fair value classified in investment income (loss) in our consolidated statements of operations. The fair values for our investments in publicly traded companies are determined based on sales prices or quotes available on securities exchanges.

Investments in privately held companies

Our investments in privately held entities without readily determinable fair values consist of (i) investments in privately held entities that report NAV per share and (ii) investments in privately held entities that do not report NAV per share. These investments are accounted for as follows:

Investments in privately held entities that report NAV per share

Investments in privately held entities that report NAV per share, such as our privately held investments in limited partnerships, are presented at fair value using NAV as a practical expedient, with changes in fair value classified in investment income (loss) in our consolidated statements of operations. We use NAV per share reported by limited partnerships generally without adjustment, unless we are aware of information indicating that the NAV reported by a limited partnership does not accurately reflect the fair value of the investment at our reporting date.

Investments in privately held entities that do not report NAV per share

Investments in privately held entities that do not report NAV per share are accounted for using a measurement alternative under which these investments are measured at cost, adjusted for observable price changes and impairments, with changes classified in investment income (loss) in our consolidated statements of operations.

An observable price arises from an orderly transaction for an identical or similar investment of the same issuer, which is observed by an investor without expending undue cost and effort. Observable price changes result from, among other things, equity transactions of the same issuer executed during the reporting period, including subsequent equity offerings or other reported equity transactions related to the same issuer. To determine whether these transactions are indicative of an observable price change, we evaluate, among other factors, whether these transactions have similar rights and obligations, including voting rights, distribution preferences, and conversion rights to the investments we hold.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment evaluation of equity method investments and investments in privately held entities that do not report NAV per share

We monitor equity method investments and investments in privately held entities that do not report NAV per share for new developments, including operating results, prospects and results of clinical trials, new product initiatives, new collaborative agreements, capital-raising events, and merger and acquisition activities. These investments are evaluated on the basis of a qualitative assessment for indicators of impairment by monitoring the presence of the following triggering events or impairment indicators:

- (i) a significant deterioration in the earnings performance, credit rating, asset quality, or business prospects of the investee;
- (ii) a significant adverse change in the regulatory, economic, or technological environment of the investee;
- (iii) a significant adverse change in the general market condition, including the research and development of technology and products that the investee is bringing or attempting to bring to the market;
- (iv) significant concerns about the investee's ability to continue as a going concern; and/or
- (v) a decision by investors to cease providing support or reduce their financial commitment to the investee.

If such indicators are present, we are required to estimate the investment's fair value and immediately recognize an impairment charge in an amount equal to the investment's carrying value in excess of its estimated fair value.

Investment income/loss recognition and classification

We recognize both realized and unrealized gains and losses in our consolidated statements of operations, classified in investment income (loss) in our consolidated statements of operations. Unrealized gains and losses represent:

- (i) changes in fair value for investments in publicly traded companies;
- (ii) changes in NAV for investments in privately held entities that report NAV per share;
- (iii) observable price changes for investments in privately held entities that do not report NAV per share; and
- (iv) our share of unrealized gains or losses reported by our equity method investees.

Realized gains and losses on our investments represent the difference between proceeds received upon disposition of investments and their historical or adjusted cost basis. For our equity method investments, realized gains and losses represent our share of realized gains or losses reported by the investee. Impairments are realized losses, which result in an adjusted cost basis, and represent charges to reduce the carrying values of investments in privately held entities that do not report NAV per share and equity method investments, if impairments are deemed other than temporary, to their estimated fair value.

Revenues

The table below provides details of our consolidated total revenues for the three and nine months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Income from rentals:				
Revenues subject to the lease accounting standard:				
Operating leases	\$ 722,643	\$ 763,947	\$ 2,176,999	\$ 2,255,634
Direct financing and sales-type leases	1,409	665	3,308	1,986
Revenues subject to the lease accounting standard	724,052	764,612	2,180,307	2,257,620
Revenues subject to the revenue recognition accounting standard	11,797	11,132	35,996	28,837
Income from rentals	735,849	775,744	2,216,303	2,286,457
Other income	16,095	15,863	55,839	40,992
Total revenues	\$ 751,944	\$ 791,607	\$ 2,272,142	\$ 2,327,449

During the three and nine months ended September 30, 2025, revenues that were subject to the lease accounting standard aggregated \$724.1 million and \$2.2 billion, respectively, and represented 96.3% and 96.0% of our total revenues. During the three and nine months ended September 30, 2024, revenues that were subject to the lease accounting standard aggregated \$764.6 million and \$2.3 billion, respectively, and represented 96.6% and 97.0% of our total revenues. Our other income consisted primarily of management fees and interest income earned during each period presented. For a detailed discussion related to our revenue streams, refer to "Lease accounting" and "Recognition of revenue arising from contracts with customers" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Lease accounting

Definition and classification of a lease

When we enter into a contract or amend an existing contract, we evaluate whether the contract meets the definition of a lease. To meet the definition of a lease, the contract must meet all three criteria:

- (i) One party (lessor) must hold an identified asset;
- (ii) The counterparty (lessee) must have the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of the contract; and
- (iii) The counterparty (lessee) must have the right to direct the use of the identified asset throughout the period of the contract.

We classify our leases as either finance leases or operating leases if we are the lessee, or sales-type, direct financing, or operating leases if we are the lessor. We use the following criteria to determine if a lease is a finance lease (as a lessee) or sales-type or direct financing lease (as a lessor):

- (i) Ownership is transferred from lessor to lessee by the end of the lease term;
- (ii) An option to purchase is reasonably certain to be exercised;
- (iii) The lease term is for the major part of the underlying asset's remaining economic life;
- (iv) The present value of lease payments equals or exceeds substantially all of the fair value of the underlying asset; or
- (v) The underlying asset is specialized and is expected to have no alternative use at the end of the lease term.

If we meet any of the above criteria, we account for the lease as a finance, a sales-type, or a direct financing lease. If we do not meet any of the criteria, we account for the lease as an operating lease.

A lease is accounted for as a sales-type lease if it is considered to transfer control of the underlying asset to the lessee. A lease is accounted for as a direct financing lease if risks and rewards are conveyed without the transfer of control, which is normally indicated by the existence of a residual value guarantee from an unrelated third party other than the lessee.

This classification will determine the method of recognition of the lease:

- For an operating lease, we recognize income from rentals if we are the lessor, or rental operations expense if we are the lessee, over the term of the lease on a straight-line basis.
- For a sales-type lease or a direct financing lease, we recognize the income from rentals, or for a finance lease, we recognize rental operations expense, over the term of the lease using the effective interest method.
- At inception of a sales-type lease or a direct financing lease, if we determine the fair value of the leased property is lower than its carrying amount, we recognize a selling loss immediately at lease commencement. If fair value exceeds the carrying amount of a lease, a gain is recognized at lease commencement on a sales-type lease. For a direct financing lease, a gain is deferred at lease commencement and amortized over the lease term.

Lessor accounting

Costs to execute leases

We capitalize initial direct costs, which represent only incremental costs to execute a lease that would not have been incurred if the lease had not been obtained. Costs that we incur to negotiate or arrange a lease, regardless of its outcome, such as for fixed employee compensation, tax or legal advice to negotiate lease terms, and other costs, are expensed as incurred.

Operating leases

We account for the revenue from our lease contracts by utilizing the single component accounting policy. This policy requires us to account for, by class of underlying asset, the lease component and nonlease component(s) associated with each lease as a single component if two criteria are met:

- (i) The timing and pattern of transfer of the lease component and the nonlease component(s) are the same; and
- (ii) The lease component would be classified as an operating lease if it were accounted for separately.

Lease components consist primarily of fixed rental payments, which represent scheduled rental amounts due under our leases, and contingent rental payments. Nonlease components consist primarily of tenant recoveries representing reimbursements of rental operating expenses under our triple net lease structure, including recoveries for property taxes, insurance, utilities, repairs and maintenance, and common area expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

If the lease component is the predominant component, we account for all revenues under such lease as a single component in accordance with the lease accounting standard. Conversely, if the nonlease component is the predominant component, all revenues under such lease are accounted for in accordance with the revenue recognition accounting standard. Our operating leases qualify for the single component accounting, and the lease component in each of our leases is predominant. Therefore, we account for all revenues from our operating leases under the lease accounting standard and classify these revenues as income from rentals in our consolidated statements of operations.

We commence recognition of income from rentals related to the operating leases at the date the property is ready for its intended use by the tenant and the tenant takes possession or controls the physical use of the leased asset. When a lease includes construction of improvements, we determine whether the improvements are landlord or tenant assets. In determining if the improvements are landlord or tenant improvements, we consider various factors, including, but not limited to, the following:

- Which party retains legal title to the improvements upon lease expiration;
- Whether the improvements are expected to have significant residual value at the end of the lease term;
- Whether the improvements are unique to the tenant;
- What happens to the improvements upon lease expiration (i.e., whether they are removed or preserved for the landlord);
- Which party bears all costs of the improvements (including the risk of cost overruns); and
- Which party supervises the construction of the improvements.

If the improvements are landlord assets, we capitalize such improvements. If the improvements are tenant assets, we do not capitalize these assets. Improvements that qualify as tenant assets, if funded by us, are accounted for as lease incentives and amortized as a reduction of revenue over the term of the lease. If the tenant funds improvements without reimbursement from us, and we determine these improvements to be landlord assets, we consider the amount associated with the improvements to be non-cash lease payments, which are recognized as incremental revenue over the term of the lease.

Income from rentals related to fixed rental payments under operating leases is recognized on a straight-line basis over the respective operating lease terms. We classify amounts expected to be received in later periods as deferred rent in our consolidated balance sheets. Amounts received currently but recognized as revenue in future periods are classified in accounts payable, accrued expenses, and other liabilities in our consolidated balance sheets.

Income from rentals related to variable payments includes tenant recoveries and contingent rental payments. Tenant recoveries, including reimbursements of utilities, repairs and maintenance, common area expenses, real estate taxes and insurance, and other operating expenses, are recognized as revenue in the period during which the applicable expenses are incurred and the tenant's obligation to reimburse us arises. Income from rentals related to other variable payments is recognized when associated contingencies are removed.

We assess collectibility from our tenants of future lease payments for each of our operating leases. If we determine that collectibility is probable, we recognize income from rentals based on the methodology described above. If we determine that collectibility is not probable, we recognize an adjustment to lower our income from rentals. Furthermore, we may recognize a general allowance at a portfolio level (not the individual level) if we do not expect to collect future lease payments in full.

For each lease for which we determine that collectibility of future lease payments is not probable, we cease the recognition of income from rentals on a straight-line basis and limit the recognition of income to the lesser of payments collected from the lessee or lease income that would have been recognized on a straight-line basis. We do not resume straight-line recognition of income from rentals for these leases until we determine that the collectibility of future payments related to these leases is probable. We also record a general allowance related to the deferred rent balances that at the portfolio level (not the individual level) are not expected to be collected in full through the lease term. As of September 30, 2025 and December 31, 2024, our general allowance balance aggregated \$14.3 million and \$21.3 million, respectively.

Direct financing and sales-type leases

Income from rentals related to direct financing and sales-type leases is recognized over the lease term using the effective interest rate method. At lease commencement, we derecognize the underlying asset classified within investments in real estate and record net investment in a lease within other assets in our consolidated balance sheets. This initial net investment is determined by aggregating the present values of the total future lease payments and the estimated residual value of the property, less any unearned income related to a direct financing lease. Over the lease term, the investment in the lease accretes in value, producing a constant periodic rate of return on the net investment in the lease. Income from these leases is classified in income from rentals in our consolidated statements of operations. Our net investment is reduced over time as lease payments are received.

We evaluate our net investment in direct financing and sales-type leases for impairment under the current expected credit losses accounting standard. For additional information, refer to "Provision for expected credit losses" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

As a lessor, we classify a lease with variable lease payments that do not depend on an index or a rate as an operating lease on the commencement date of the lease if both of the following criteria are met:

- (i) The lease would have been classified as a sales-type lease or direct financing lease under the current lease accounting standard; and
- (ii) The sales-type lease or direct financing lease classification would have resulted in a selling loss at lease commencement.

We do not derecognize the underlying asset and do not recognize a loss upon lease commencement but continue to depreciate the underlying asset over its useful life.

Lessee accounting

We have operating lease agreements in which we are the lessee consisting of ground and office leases. At the lease commencement date (or at the acquisition date if the lease is acquired as part of a real estate acquisition), we are required to recognize a liability to account for our future obligations under these operating leases, and a corresponding right-of-use asset.

The lease liability is measured based on the present value of the future lease payments, including payments during the term under our extension options that we are reasonably certain to exercise. The present value of the future lease payments is calculated for each operating lease using each respective remaining lease term and a corresponding estimated incremental borrowing rate, which is the interest rate that we estimate we would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments. Subsequently, the lease liability is accreted by applying a discount rate established at the lease commencement date to the lease liability balance as of the beginning of the period and is reduced by the payments made during the period. We classify the operating lease liability in accounts payable, accrued expenses, and other liabilities in our consolidated balance sheets.

The right-of-use asset is measured based on the corresponding lease liability, adjusted for initial direct leasing costs 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. Subsequently, the right-of-use asset is amortized on a straight-line basis during the lease term. We classify the right-of-use asset in other assets in our consolidated balance sheets.

Recognition of revenue arising from contracts with customers

We recognize revenues associated with transactions arising from contracts with customers, excluding revenues subject to the lease accounting standard discussed in "Lease accounting" above, in accordance with the revenue recognition accounting standard. A customer is distinguished from a noncustomer by the nature of the goods or services that are transferred. Customers are provided with goods or services that are generated by a company's ordinary output activities, whereas noncustomers are provided with nonfinancial assets that are outside of a company's ordinary output activities.

We generally recognize revenue representing the transfer of goods and services to customers in an amount that reflects the consideration to which we expect to be entitled in the exchange. In order to determine the recognition of revenue from customer contracts, we use a five-step model to (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, including variable consideration to the extent that it is probable that a significant future reversal will not occur, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when (or as) we satisfy the performance obligation.

We identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time, based on when control of goods and services transfers to a customer. We consider whether we control the goods or services prior to the transfer to the customer in order to determine whether we should account for the arrangement as a principal or agent. If we determine that we control the goods or services provided to the customer, then we are the principal to the transaction, and we recognize the gross amount of consideration expected in the exchange. If we simply arrange but do not control the goods or services being transferred to the customer, then we are considered to be an agent to the transaction, and we recognize the net amount of consideration we are entitled to retain in the exchange.

Total revenues subject to the revenue recognition accounting standard and classified within income from rentals in our consolidated statements of operations for the three and nine months ended September 30, 2025 included \$11.8 million and \$36.0 million, respectively, primarily related to short-term parking revenues associated with long-term lease agreements. Short-term parking revenues do not qualify for the single component accounting policy, as discussed in "Lessor accounting" in Note 2 – "Summary of significant accounting policies," due to the difference in the timing and pattern of transfer of our parking service obligations and associated lease components within the same lease agreement. We recognize short-term parking revenues in accordance with the revenue recognition accounting standard when the service is provided and the performance obligation is satisfied, which normally occurs at a point in time.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Monitoring of tenant credit quality

During the term of each lease, we monitor the credit quality and any related material changes of our tenants by (i) monitoring the credit rating of tenants that are rated by a nationally recognized credit rating agency, (ii) reviewing financial statements of the tenants that are publicly available or that are required to be delivered to us pursuant to the applicable lease, (iii) monitoring news reports regarding our tenants and their respective businesses, and (iv) monitoring the timeliness of lease payments.

Notes receivable

We carry notes receivable at amortized cost, adjusted for an estimated provision for expected credit losses. Interest income on notes receivable is recognized using the effective interest rate method and is classified within other income in our consolidated statements of operations. Direct costs incurred in originating notes, along with any premium or discount, are deferred and amortized as an adjustment to interest income over the note's term using the effective interest rate method. Notes receivable are classified within other assets in our consolidated balance sheets. Refer to Note 8 – "Other assets" to our unaudited consolidated financial statements for additional details.

Provision for expected credit losses

We are required to estimate and recognize lifetime expected losses, rather than incurred losses, for most financial assets measured at amortized cost and certain other instruments, including trade, notes, and other receivables (excluding receivables arising from operating leases), loans, held-to-maturity debt securities, net investments in leases arising from sales-type and direct financing leases, and off-balance-sheet credit exposures (e.g., loan commitments). The recognition of such expected losses, even if the expected risk of credit loss is remote, typically results in earlier recognition of credit losses. At each reporting date, we reassess our provision for expected credit losses, and, if necessary, we recognize an adjustment for our current estimate of expected credit losses. Refer to Note 5 – "Leases" and Note 8 – "Other assets" to our unaudited consolidated financial statements for additional details.

An assessment of the collectibility of operating lease payments and the recognition of an adjustment to lease income based on this assessment is governed by the lease accounting standard discussed in "Lease accounting" earlier in Note 2 — "Summary of significant accounting policies" to our unaudited consolidated financial statements.

Income taxes

We are organized and operate as a REIT pursuant to the Internal Revenue Code (the "Code"). Under the Code, a REIT that distributes at least 90% of its REIT taxable income to its stockholders annually (excluding net capital gains) and meets certain other conditions is not subject to federal income tax on its distributed taxable income, but could be subject to certain federal, foreign, state, and local taxes. We distribute 100% of our taxable income annually; therefore, a provision for federal income taxes is not required. In addition to our REIT returns, we file federal, foreign, state, and local tax returns for our subsidiaries. We file with jurisdictions located in the U.S., Canada, and other international locations. Our tax returns are subject to routine examination in various jurisdictions for the 2019 through 2024 calendar years.

Employee and non-employee share-based payments

We have implemented an entity-wide accounting policy to account for forfeitures related to unmet service conditions of share-based awards granted to employees and non-employees when they occur. Under this policy, when forfeitures occur, any previously recognized expense related to those forfeited awards is reversed in the period of forfeiture.

Our employee and non-employee share-based awards are measured at fair value on the grant date and recognized over the recipient's required service period. For share-based awards with performance conditions, we continue to assess the probability of achieving the performance conditions and recognize expense only when it becomes probable that the performance targets will be met. Conversely, for share-based awards with market conditions, expense is recognized regardless of whether the market condition is met.

Dividends paid on share-based awards with nonforfeitable dividends are initially classified in retained earnings and reclassified to compensation cost only if the underlying awards are forfeited. Conversely, for share-based awards with forfeitable dividends, declared dividends are initially classified in retained earnings and in dividends payable within our consolidated balance sheets. If the underlying awards are forfeited, the corresponding accrued dividend is reversed in the period of forfeiture. Upon vesting of the underlying share-based awards with forfeitable dividends, the accumulated dividend payment is made and the dividend payable liability is settled.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Forward equity sales agreements

From time to time, we enter into forward equity sales agreements and account for them in accordance with the accounting guidance governing financial instruments and derivatives. Under the accounting guidance, our forward equity sales agreements are not deemed to be liabilities as they do not embody obligations to repurchase our shares, nor do they embody obligations to issue a variable number of shares for which the monetary value is predominantly fixed, varied with something other than the fair value of our shares, or varied inversely in relation to our shares. We also evaluate whether the agreements meet the derivatives and hedging guidance scope exception to be accounted for as equity instruments. Our forward equity sales agreements are classified as equity contracts based on the following assessment: (i) none of the agreements' exercise contingencies are based on observable markets or indices besides those related to the market for our own stock price and operations; and (ii) none of the settlement provisions preclude the agreements from being indexed to our own stock.

Hedge accounting

From time to time, we utilize derivative instruments to manage our exposure to certain risks. We are exposed to foreign currency exchange rate risk related to our ongoing business operations in Canada. To mitigate the impact of fluctuations in the USD-CAD exchange rate associated with our net investment in Canada, we use cross-currency swap agreements designated and qualifying as net investment hedges under applicable derivatives and hedging standards.

We designate the USD-CAD cross-currency swap agreements as net investment hedges using the spot method to assess hedge effectiveness. The spot component represents changes in fair value attributable to movements in the USD-CAD spot exchange rate, which reflects the market exchange rate between the two currencies as of each reporting date. Changes in the fair value of the designated spot component are recorded in other comprehensive income (loss) as part of the foreign currency translation adjustment, to the extent the relationship is highly effective, until the net investment is sold or substantially liquidated. The related amounts due from or due to counterparties are included in other assets or in accounts payable, accrued expenses, and other liabilities, respectively, within our consolidated balance sheets.

We have elected to account for the forward points (the portion of the derivative's fair value attributable to the difference between the forward exchange rate and spot exchange rate) as an excluded component in accordance with applicable derivatives and hedging accounting standards. The excluded component is recognized over the life of the cross-currency swap agreements using a systematic and rational basis (as interest settlements occur) and is classified within other income in our consolidated statement of operations.

Issuer and guarantor subsidiaries of guaranteed securities

Generally, a parent entity of an issuer that holds guaranteed securities must provide separate subsidiary issuer or guarantor financial statements, unless it qualifies for disclosure exceptions. A parent entity may be eligible for disclosure exceptions if it meets the following criteria:

- (i) The subsidiary issuer or guarantor is a consolidated subsidiary of the parent company, and
- (ii) The subsidiary issues a registered security that is:
 - issued jointly and severally with the parent company, or
 - fully and unconditionally guaranteed by the parent company.

A parent entity that meets the above criteria may instead present summarized financial information ("alternative disclosures") either within the consolidated financial statements or in "Item 2. Management's discussion and analysis of financial condition and results of operations" ("Item 2"). We evaluated the criteria and determined that we are eligible for the disclosure exceptions, which allow us to provide alternative disclosures; as such, we present alternative disclosures in Item 2.

Loan fees

Fees incurred in obtaining long-term financing are capitalized and classified with the corresponding debt instrument appearing on our consolidated balance sheets. Loan fees related to our unsecured senior line of credit are capitalized and classified within other assets. Capitalized amounts are amortized over the term of the related loan, and the amortization is classified in interest expense in our consolidated statements of operations.

Distributions from equity method investments

We use the "nature of the distribution" approach to determine the classification within our consolidated statements of cash flows of cash distributions received from equity method investments, including our unconsolidated real estate joint ventures and equity method non-real estate investments. Under this approach, distributions are classified based on the nature of the underlying activity that generated the cash distributions. If we lack the information necessary to apply this approach in the future, we will be required to apply the "cumulative earnings" approach as an accounting change on a retrospective basis. Under the cumulative earnings approach, distributions up to the amount of cumulative equity in earnings recognized are classified as cash inflows from operating activities, and those in excess of that amount are classified as cash inflows from investing activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted cash

We present cash and cash equivalents separately from restricted cash within our consolidated balance sheets. However, we include restricted cash with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown in the consolidated statements of cash flows. We provide a reconciliation between the consolidated balance sheets and the consolidated statements of cash flows, which is required when the balance includes greater than one line item for cash, cash equivalents, and restricted cash. We also provide a disclosure of the nature of the restrictions related to material restricted cash balances.

Recent accounting pronouncements

On November 4, 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which will require entities to provide enhanced disclosures related to certain expense categories included in income statement line items. The ASU aims to increase transparency and provide investors with additional detailed information about the nature of expenses reported on the face of the income statement. The new standard does not change the requirements for the presentation of expenses on the face of the income statement.

Under this ASU, entities are required to disaggregate, in a tabular format, expense line items presented on the face of the income statement — excluding earnings or losses from equity method investments — if they include any of the following expense categories: purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depreciation or depletion. For any remaining items within each relevant expense line item, entities must provide a qualitative description of the nature of those expenses. The new ASU is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. We expect to adopt this ASU on January 1, 2027. Although the adoption is not expected to have an impact on our financial statements, it is expected to result in incremental disclosures within the footnotes to our consolidated financial statements.

3. INVESTMENTS IN REAL ESTATE

Our consolidated investments in real estate consisted of the following as of September 30, 2025 and December 31, 2024 (in thousands):

	September 30, 2025	December 31, 2024
Rental properties:		
Land (related to rental properties)	\$ 3,242,824	\$ 3,863,027
Buildings and building improvements	20,715,991	20,377,935
Other improvements	4,609,447	4,354,785
Rental properties	<u>28,568,262</u>	<u>28,595,747</u>
Current and future development and redevelopment projects	<u>8,596,264</u>	<u>8,618,727</u>
Gross investments in real estate	37,164,526	37,214,474
Less: accumulated depreciation	(6,120,878)	(5,477,082)
Investments in real estate assets held for sale ⁽¹⁾	<u>700,269</u>	<u>372,647</u>
Investments in real estate	<u>\$ 31,743,917</u>	<u>\$ 32,110,039</u>

(1) Refer to "Assets held for sale" below.

Assets held for sale

As of September 30, 2025, we had 14 operating properties aggregating 1.8 million RSF and land parcels aggregating 939,756 SF that were classified as held for sale.

The disposal of properties classified as held for sale does not represent a strategic shift that has (or will have) a major effect on our operations or financial results and therefore does not meet the criteria for classification as a discontinued operation. We cease depreciation of our properties upon their classification as held for sale.

The following is a summary of net assets as of September 30, 2025 and December 31, 2024 for our real estate investments that were classified as held for sale as of each respective date (in thousands):

	September 30, 2025	December 31, 2024
Investments in real estate	\$ 700,269	\$ 372,647
Other assets	<u>84,515</u>	<u>9,488</u>
Total assets	784,784	382,135
Total liabilities	(20,028)	(13,462)
Total accumulated other comprehensive income	<u>1,877</u>	<u>2,584</u>
Net assets classified as held for sale	<u>\$ 766,633</u>	<u>\$ 371,257</u>

For additional information, refer to "Real estate sales" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements.

3. INVESTMENTS IN REAL ESTATE (continued)

Sales of real estate assets and impairment of real estate

Our completed dispositions of real estate assets during the nine months ended September 30, 2025 consisted of the following (dollars in thousands):

Property	Submarket/Market	Date of Sale	Interest Sold	Square Footage		Sales Price	Gain on Sales of Real Estate
				Operating	Land and Future		
Costa Verde by Alexandria	University Town Center/San Diego	1/31/25	100%	8,730	537,000	\$ 124,000 ⁽¹⁾	\$ —
Pacific Technology Park ⁽²⁾	Sorrento Mesa/San Diego	9/9/25	50%	544,352	—	96,000 ⁽²⁾	9,290
5505 Morehouse Drive	Sorrento Mesa/San Diego	8/26/25	100%	79,945	—	45,000	—
2425 Garcia Avenue and 2400/2450 Bayshore Parkway	Greater Stanford/San Francisco Bay Area	6/30/25	100%	95,901	—	11,000	—
Land parcel	Texas	5/7/25	100%	—	1,350,000	73,287	—
Other	Various					87,584	13,241
						<u>\$ 436,871</u> ⁽³⁾	<u>\$ 22,531</u>

- (1) As part of the transaction, we provided \$91.0 million of seller financing during the three months ended March 31, 2025. This note receivable is classified within "Other assets" in our consolidated balance sheet. Refer to Note 8 – "Other assets" to our unaudited consolidated financial statements for additional information.
- (2) \$94.4 million of the sales price represents non-cash consideration. Refer to "Pacific Technology Park and 199 East Blaine Street" in Note 4 – "Consolidated and unconsolidated real estate joint ventures" to our unaudited consolidated financial statements for additional information regarding this sale.
- (3) Represents the aggregate contractual sales price of our dispositions, which differs from the sum of amounts disclosed in our consolidated statement of cash flows under "Investing activities" (proceeds from sales of real estate), "Financing activities" (contributions from and sales of noncontrolling interests), and "Supplemental disclosure and non-cash investing and financing activities" (non-cash sales) primarily due to the timing of payment, closing costs, and other sales adjustments such as prorations of rents and expenses.

Impairment of real estate

During the nine months ended September 30, 2025, we recognized impairment charges aggregating \$485.6 million, classified in impairment of real estate in our consolidated statement of operations, primarily related to the following assets:

- Impairment charge of \$206.2 million was recognized to reduce the carrying amount of a non-Megacampus property aggregating 179,100 RSF in Long Island City, a non-core location within our New York City submarket, to its estimated fair value less costs to sell of approximately \$31.1 million upon meeting the criteria for classification as held for sale. This property met the held for sale criteria in September 2025, when we committed to dispose of it following our reevaluation of its alignment with our Megacampus strategy and decided to allocate sales proceeds toward other projects with higher value-creation opportunities. As of September 30, 2025, the property is 52% occupied. We expect to complete the sale of this property within the next 12 months.
- Impairment charge of \$43.4 million was recognized to reduce the carrying amount of a retail shopping center aggregating 249,275 RSF with a future development opportunity aggregating 281,592 SF in our Cambridge/Inner Suburbs submarket of Greater Boston to its estimated fair value less costs to sell of approximately \$96.3 million upon meeting the criteria for classification as held for sale. This property met the held for sale criteria in September 2025 upon our commitment to dispose of this asset and allocate sales proceeds toward other projects with higher value-creation opportunities and our obtaining of all required approvals to sell. In October 2025, we completed the sale of this asset, with no gain or loss recognized upon sale.
- Impairment charge of \$47.3 million was recognized to reduce the carrying amount of land parcels aggregating 374,349 SF in a non-cluster/other market to its estimated fair value less costs to sell of approximately \$28.9 million upon meeting the criteria for classification as held for sale. The held for sale criteria were met in June 2025 upon our decision to dispose of this asset. In September 2025, we completed the sale, with no gain or loss recognized upon sale.
- Impairment charge of \$42.8 million was recognized to reduce the carrying amount of an office property aggregating 182,276 RSF in Carlsbad, San Diego to its estimated fair value less costs to sell. This property met the criteria for classification as held for sale in April 2025 upon our commitment to sell, at which time we recognized an impairment of \$35.4 million based on negotiations with a potential buyer at that time. In September 2025, we recognized an additional impairment charge of \$7.3 million to adjust the asset's carrying amount to the currently negotiated reduced sales price less costs to sell of approximately \$61.8 million. We expect to complete this sale within the next 12 months.
- Impairment charge of \$32.2 million was recognized during the three months ended March 31, 2025 related to a ground lease entered into in 2021 for a future development opportunity in the San Francisco Bay Area market. Refer to "Lessee operating costs" in Note 5 – "Leases" to our unaudited consolidated financial statements for additional information.

3. INVESTMENTS IN REAL ESTATE (continued)

- Impairment charge of \$31.8 million was recognized to reduce the carrying amount of one vacant property aggregating 104,531 RSF in the Research Triangle market to its estimated fair value less costs to sell of approximately \$1.2 million upon meeting the criteria for classification as held for sale in September 2025. The held for sale criteria were met upon our decision to sell this asset, due to its noncontiguous location relative to most other properties on the Alexandria Center® for Sustainable Technologies Megacampus, and to allocate the sales proceeds, and other capital necessary to lease the property, toward other projects with greater value-creation opportunities. We expect to complete the sale within the next 12 months.
- Impairment charge of \$27.8 million was recognized to reduce the carrying amounts of land parcels aggregating 154,308 SF on a non-Megacampus in our Sorrento Mesa submarket of San Diego to their estimated fair values less costs to sell of approximately \$13.9 million upon meeting the criteria for classification as held for sale in September 2025. These assets met the criteria for classification as held for sale upon our reevaluation of their alignment with our Megacampus strategy and our decision to reallocate capital toward our other projects with greater value-creation opportunities. We expect to complete the sale of these assets within the next 12 months.
- Impairment charge of \$17.3 million was recognized to reduce the carrying amounts of two operating properties aggregating 210,481 RSF in our Sorrento Mesa submarket of San Diego to their estimated fair values less costs to sell of approximately \$112.3 million upon meeting the criteria for classification as held for sale. The held for sale criteria were met in June 2025 upon our commitment to dispose of these properties. In August 2025, we completed the sale of one of the properties aggregating 79,945 RSF for a sales price of \$45.0 million, with no gain or loss recognized upon sale. We expect to complete the sale of the remaining property within the next 12 months.

Other

In 2006, ARE-East River Science Park, LLC, a subsidiary of Alexandria Real Estate Equities, Inc., was granted an option to incorporate a land parcel adjacent to and north of the Alexandria Center® for Life Science – New York City (“ACLS-NYC”) campus (“Option Parcel”) into the existing ground lease of that campus. The Option Parcel will allow ARE-East River Science Park, LLC to develop a future world-class life science building within the ACLS-NYC campus. ARE-East River Science Park, LLC’s investment in pre-construction costs related to the development of the Option Parcel, including costs related to design, engineering, environmental, survey/title, and permitting and legal costs, aggregated \$175.7 million as of September 30, 2025.

On August 6, 2024, ARE-East River Science Park, LLC filed a lawsuit in the United States District Court for the Southern District of New York against its landlord, New York City Health + Hospitals Corporation (“H+H”), and the New York City Economic Development Corporation (“EDC”). On January 24, 2025, ARE-East River Science Park, LLC filed a first amended complaint. The lawsuit alleges two principal claims against H+H and EDC: fraud in the inducement, and, in the alternative, breach of contract in violation of the implied covenant of good faith and fair dealing. As alleged in the complaint, ARE-East River Science Park, LLC’s claims arise from H+H’s and EDC’s misrepresentations and concealment of material facts in connection with a floodwall, which H+H and EDC are seeking to require ARE-East River Science Park, LLC to integrate into the development of the Option Parcel. ARE-East River Science Park, LLC alleges that H+H’s and EDC’s misconduct have prevented it from commencing the development of the Option Parcel. In light of the pending litigation, the closing date for our option and thus the commencement date for construction of the third tower at the campus are presently indeterminate. Among other things, ARE-East River Science Park, LLC is seeking significant damages and equitable relief from the court to confirm our understanding that the option is in full force and effect.

This matter exposes us to potential losses ranging from zero to the full amount of our investment in the project aggregating \$175.7 million as of September 30, 2025, depending on any collection of damages and/or the ability to develop the project. We performed a probability-weighted recoverability analysis based on estimates of various possible outcomes and determined no impairment was present as of September 30, 2025.

4. CONSOLIDATED AND UNCONSOLIDATED REAL ESTATE JOINT VENTURES

From time to time, we enter into joint venture agreements through which we own a partial interest in real estate entities that own, develop, and operate real estate properties. As of September 30, 2025, our real estate joint ventures held the following properties:

Property ⁽¹⁾	Market	Submarket	Our Ownership Interest
<i>Consolidated real estate joint ventures⁽²⁾:</i>			
50 and 60 Binney Street	Greater Boston	Cambridge/Inner Suburbs	34.0%
75/125 Binney Street	Greater Boston	Cambridge/Inner Suburbs	40.0%
100 and 225 Binney Street and 300 Third Street	Greater Boston	Cambridge/Inner Suburbs	30.0%
15 Necco Street	Greater Boston	Seaport Innovation District	56.7%
285, 299, 307, and 345 Dorchester Avenue	Greater Boston	Seaport Innovation District	60.0%
Alexandria Center [®] for Science and Technology – Mission Bay ⁽³⁾	San Francisco Bay Area	Mission Bay	25.0%
601, 611, 651, 681, 685, and 701 Gateway Boulevard	San Francisco Bay Area	South San Francisco	50.0%
751 Gateway Boulevard	San Francisco Bay Area	South San Francisco	51.0%
211 and 213 East Grand Avenue	San Francisco Bay Area	South San Francisco	30.0%
500 Forbes Boulevard	San Francisco Bay Area	South San Francisco	10.0%
Alexandria Center [®] for Life Science – Millbrae	San Francisco Bay Area	South San Francisco	48.5%
3215 Merryfield Row	San Diego	Torrey Pines	30.0%
Campus Point by Alexandria ⁽⁴⁾	San Diego	University Town Center	55.0% ⁽⁵⁾
5200 Illumina Way	San Diego	University Town Center	51.0%
9625 Towne Centre Drive	San Diego	University Town Center	30.0%
SD Tech by Alexandria ⁽⁶⁾	San Diego	Sorrento Mesa	50.0%
Summers Ridge Science Park ⁽⁷⁾	San Diego	Sorrento Mesa	30.0%
1201 and 1208 Eastlake Avenue East	Seattle	Lake Union	30.0%
400 Dexter Avenue North	Seattle	Lake Union	30.0%
800 Mercer Street	Seattle	Lake Union	60.0%
<i>Unconsolidated real estate joint ventures⁽⁸⁾:</i>			
1655 and 1725 Third Street	San Francisco Bay Area	Mission Bay	10.0%
1450 Research Boulevard	Maryland	Rockville	73.2% ⁽⁹⁾
101 West Dickman Street	Maryland	Beltsville	58.4% ⁽⁹⁾

(1) Refer to the table on the next page that shows the categorization of our real estate joint ventures under the consolidation framework.

(2) In addition to the real estate joint ventures listed, we have one consolidated real estate joint venture in Greater Boston market in which a partner holds a \$48.7 million redeemable noncontrolling interest earning a fixed return.

(3) Includes 409 and 499 Illinois, 1450, 1500, and 1700 Owens Street, and 455 Mission Bay Boulevard South.

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

(5) The noncontrolling interest share of our joint venture partner is anticipated to decrease to 25%, as we expect to fund the majority of future construction costs at the campus until our ownership interest increases to 75%, after which future capital would be contributed pro rata with our partner.

(6) Includes 9605, 9645, 9675, 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 real estate joint ventures listed, we hold an interest in one insignificant unconsolidated real estate joint venture.

(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.

Our consolidation policy is described under “Consolidation” in Note 2 – “Summary of significant accounting policies” to our unaudited consolidated financial statements. Consolidation accounting is highly technical, but its framework is primarily based on the controlling financial interests and benefits of the joint ventures. We generally consolidate a joint venture that is a legal entity that we control (i.e., we have the power to direct the activities of the joint venture that most significantly affect its economic performance) through contractual rights, regardless of our ownership interest, and where we determine that we have benefits through the allocation of earnings or losses and fees paid to us that could be significant to the joint venture (the “VIE model”).

4. CONSOLIDATED AND UNCONSOLIDATED REAL ESTATE JOINT VENTURES (continued)

We also generally consolidate joint ventures when we have a controlling financial interest through voting rights and where our voting interest is greater than 50% (the “voting model”). Voting interest differs from ownership interest for some joint ventures. We account for joint ventures that do not meet the consolidation criteria under the equity method of accounting by recognizing our share of income and losses.

The table below shows the categorization of our real estate joint ventures under the consolidation framework:

Property ⁽¹⁾	Consolidation Model	Voting Interest	Consolidation Analysis	Conclusion
50 and 60 Binney Street 75/125 Binney Street 100 and 225 Binney Street and 300 Third Street 15 Necco Street 285, 299, 307, and 345 Dorchester Avenue Alexandria Center® for Science and Technology – Mission Bay 601, 611, 651, 681, 685, and 701 Gateway Boulevard 751 Gateway Boulevard 211 and 213 East Grand Avenue 500 Forbes Boulevard Alexandria Center® for Life Science – Millbrae 3215 Merryfield Row Campus Point by Alexandria 5200 Illumina Way 9625 Towne Centre Drive SD Tech by Alexandria Summers Ridge Science Park 1201 and 1208 Eastlake Avenue East 400 Dexter Avenue North 800 Mercer Street 1450 Research Boulevard 101 West Dickman Street	VIE model	Not applicable under VIE model	<p>We have:</p> <p>(i) The power to direct the activities of the joint venture that most significantly affect its economic performance; and</p> <p>(ii) Benefits that can be significant to the joint venture.</p> <p>Therefore, we are the primary beneficiary of each VIE</p>	Consolidated
1655 and 1725 Third Street	Voting model	Does not exceed 50%	<p>We do not control the joint venture and are therefore not the primary beneficiary.</p> <p>Our voting interest is 50% or less.</p>	Equity method of accounting

(1) In addition to the real estate joint ventures listed, we have one real estate joint venture that we control and consolidate under the VIE model, in which the partner holds a \$48.7 million redeemable noncontrolling interest earning a fixed preferred return. We also hold an interest in one insignificant unconsolidated real estate joint venture.

99 Coolidge Avenue

In July 2025, we amended the agreement for our consolidated real estate joint venture at 99 Coolidge Avenue in our Cambridge/Inner Suburbs submarket. Pursuant to the amended agreement, the carrying amount of our partner’s noncontrolling interest was adjusted from \$42.0 million to \$48.7 million. We continued to control and consolidate the joint venture. Accordingly, we accounted for the \$6.7 million adjustment as an equity transaction and recognized it in additional paid-in capital.

Pursuant to the amended agreement, our partner’s noncontrolling interest was converted into a \$48.7 million redeemable noncontrolling interest that accrues a fixed 4.05% annual preferred return (“distributions”) and no longer participates in the joint venture’s earnings or distributions in excess of preferred return. Further, under the amended agreement, our partner has a put option beginning January 2026 to require us to purchase its preferred interest for \$48.7 million plus any unpaid distributions. As of September 30, 2025, the contractual preferred interest amount of \$48.7 million and accrued distribution of \$340 thousand were classified as redeemable noncontrolling interests within temporary equity in our consolidated balance sheet and consolidated statement of stockholders equity.

4. CONSOLIDATED AND UNCONSOLIDATED REAL ESTATE JOINT VENTURES (continued)

Pacific Technology Park and 199 East Blaine Street

Prior to September 2025, we had two consolidated real estate joint ventures with one partner through its affiliates: (i) a joint venture that owned Pacific Technology Park, a non-Megacampus of five non-laboratory properties aggregating 544,352 RSF in our Sorrento Mesa submarket, in which we had a 50% ownership interest and our partner held the remaining 50% ownership interest, and (ii) a joint venture that owned a laboratory building at 199 East Blaine Street, aggregating 115,084 RSF on the Alexandria Center® for Life Science – Eastlake Megacampus in our Lake Union submarket, in which we had a 30% ownership interest and our partner held the remaining 70% ownership interest.

In September 2025, we completed the following transaction with our partner through its affiliates:

- (i) We sold our 50% controlling interest in the consolidated joint venture that owned Pacific Technology Park for a sales price of \$96.0 million. In connection with this disposition, we derecognized our partner's noncontrolling interest of \$82.4 million and recognized a gain on sale of real estate of \$9.3 million in our consolidated statements of operations for the three and nine months ended September 30, 2025; and
- (ii) We acquired our partner's 70% noncontrolling interest at 199 East Blaine Street for a purchase price of \$94.4 million. We accounted for this acquisition as an equity transaction, with the \$66.3 million excess of the purchase price over the \$30.3 million book value of the noncontrolling interest acquired less costs to sell, recognized in additional paid-in capital and no gain or loss recognized in earnings.

As a result of this transaction, we received proceeds of \$1.6 million. As of September 30, 2025, we own 100% of 199 East Blaine Street and no longer have an ownership interest in Pacific Technology Park.

Consolidated VIEs' balance sheet information

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 spending, and our joint venture partners may also contribute equity into these entities for financing-related activities.

The table below aggregates the balance sheet information of our consolidated VIEs (in thousands):

	September 30, 2025	December 31, 2024
Investments in real estate	\$ 7,570,226	\$ 8,917,718
Cash and cash equivalents	298,135	335,223
Other assets	778,271	777,033
Total assets	<u>\$ 8,646,632</u>	<u>\$ 10,029,974</u>
Secured note payable	\$ —	\$ 149,321
Other liabilities	424,752	626,460
Total liabilities	424,752	775,781
Redeemable noncontrolling interests	49,050	10,360
Alexandria Real Estate Equities, Inc.'s share of equity	3,752,516	4,754,386
Noncontrolling interests' share of equity	4,420,314	4,489,447
Total liabilities and equity	<u>\$ 8,646,632</u>	<u>\$ 10,029,974</u>

In determining whether to aggregate the balance sheet information of consolidated VIEs, we considered the similarity of each VIE, including the primary purpose of these entities to own, manage, operate, and lease real estate properties owned by the VIEs, and the similar nature of our involvement in each VIE as a managing member. Due to the similarity of the characteristics, we present the balance sheet information of these entities on an aggregated basis. None of our consolidated VIEs' assets have restrictions that limit their use to settle specific obligations of the VIE. Other than a put option described in "99 Coolidge Avenue" above, there are no creditors or other partners of our consolidated VIEs that have recourse to our general credit, and our maximum exposure to our consolidated VIEs is limited to our variable interests in each VIE.

4. CONSOLIDATED AND UNCONSOLIDATED REAL ESTATE JOINT VENTURES (continued)

Noncontrolling interests in consolidated real estate joint ventures

Noncontrolling interests represent the third-party interests in consolidated joint ventures in which we have a controlling interest. Noncontrolling interests are adjusted for additional contributions and distributions, the proportionate share of the net earnings or losses, and other comprehensive income or loss. Distributions, profits, and losses related to these entities are allocated in accordance with the respective operating agreements. During the nine months ended September 30, 2025 and 2024, we distributed \$186.8 million and \$179.1 million, respectively, to our consolidated real estate joint venture partners.

In March 2025, we redeemed our partner's entire noncontrolling interests in three real estate joint ventures in the Greater Boston market, with a book value aggregating \$10.4 million, and recognized \$7.0 million of consideration in excess of the book value in additional paid-in capital.

Unconsolidated real estate joint ventures

Our maximum exposure to our unconsolidated VIEs is limited to our investment in each VIE, except for our 1450 Research Boulevard and 101 West Dickman Street unconsolidated real estate joint ventures in which we guarantee up to \$6.7 million of the outstanding balance related to each VIE's secured loan. Our investments in unconsolidated real estate joint ventures, accounted for under the equity method and classified in investments in unconsolidated real estate joint ventures in our consolidated balance sheets, consisted of the following as of September 30, 2025 and December 31, 2024 (in thousands):

Property	September 30, 2025	December 31, 2024
1655 and 1725 Third Street	\$ 19,904	\$ 10,574
1450 Research Boulevard	8,355	9,193
101 West Dickman Street	9,717	9,749
Other	1,625	10,357
	<u>\$ 39,601</u>	<u>\$ 39,873</u>

Below are key terms of unconsolidated real estate joint ventures' secured loans as of September 30, 2025 (dollars in thousands):

Unconsolidated Joint Venture	Maturity Date	Stated Rate	Interest Rate ⁽¹⁾	At 100%		Our Share
				Aggregate Commitment	Debt Balance ⁽²⁾	
101 West Dickman Street	10/29/26	SOFR+1.95% ⁽³⁾	6.20%	\$ 26,750	\$ 18,999	58.4%
1450 Research Boulevard	12/6/26	SOFR+1.95% ⁽³⁾	6.26%	13,000	8,932	73.2%
1655 and 1725 Third Street ⁽⁴⁾	2/10/35	6.37%	6.44%	500,000	496,794	10.0%
				<u>\$ 539,750</u>	<u>\$ 524,725</u>	

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

(2) Represents outstanding principal, net of unamortized deferred financing costs, as of September 30, 2025.

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

(4) During the three months ended March 31, 2025, the unconsolidated real estate joint venture refinanced \$500 million of its \$600 million existing fixed-rate debt with a new secured note payable maturing in 2035. The remaining debt balance of approximately \$100 million was repaid through contributions from the unconsolidated joint venture partners, including our share of \$10.8 million.

5. LEASES

Refer to “Lease accounting” in Note 2 – “Summary of significant accounting policies” to our unaudited consolidated financial statements for information about lease accounting standards that set principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a lease agreement (i.e., lessees and lessors).

Leases in which we are the lessor

As of September 30, 2025, we had 375 properties aggregating 39.1 million operating RSF in key cluster locations, including Greater Boston, the San Francisco Bay Area, San Diego, Seattle, Maryland, Research Triangle, and New York City. We primarily focus on developing Class A/A+ properties in AAA life science innovation cluster locations that offer the scale and strategic design integral to our Megacampus strategy. Strategically located near top academic and medical research institutions and equipped with curated amenities and services, and convenient access to transit, our Megacampus ecosystems 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.

As of September 30, 2025, all leases in which we are the lessor were classified as operating leases, with the exception of one direct financing and one sales-type lease. Our leases are described below.

Operating leases

As of September 30, 2025, our 375 properties were subject to operating lease agreements. Seven of these properties are subject to operating lease agreements that each contain a purchase option as described below:

- (i) Two of these properties, representing two land parcels in the San Francisco Bay Area market, are subject to lease agreements that each contain an option for the lessee to purchase the underlying asset from us at fair market value during each of the 30-day periods commencing on the dates that are 15 years, 30 years, and 74.5 years after the rent commencement date of October 1, 2017. The remaining lease term related to each of the two land parcels is 67.2 years.
- (ii) Two operating properties in our Seattle market, held by a consolidated real estate joint venture, are subject to purchase options held by our partner in this joint venture, which is also a tenant at these properties. One purchase option allows our partner to purchase our 30% interest in one property for \$40.0 million in 2031. Contingent upon the exercise of this option, the second purchase option allows our partner to purchase our 30% interest in one property for \$69.1 million in 2034. Our partner’s remaining lease terms for these operating leases are 5.4 years and 19.0 years, respectively.
- (iii) Three properties subject to operating lease agreements contain purchase options with a weighted-average (based on property RSF) exercise date in October 2027.

Certain operating leases contain options for the tenant to extend their lease at prevailing market rates at the time of expiration. In addition, certain operating leases contain an early termination option that requires advance notification and payment of an early termination fee by the tenant.

At the commencement of each lease, we establish the lease term comprising the noncancelable period for each lease together with periods covered by options to extend or terminate the lease that we determine the lessee is reasonably certain to exercise. Our assessment of whether a lessee is reasonably certain to exercise or not exercise an option considers all economic factors relevant to the assessment, including property-based, market-based, and tenant-based factors. We do not reassess the lease term or a lessee option to purchase the underlying asset unless there is a lease modification that is not accounted for as a separate contract.

Future lease payments to be received under the terms of our operating lease agreements, excluding expense reimbursements, in effect as of September 30, 2025 are outlined in the table below (in thousands):

Year	Amount
2025	\$ 452,603
2026	1,702,409
2027	1,564,917
2028	1,429,284
2029	1,329,387
Thereafter	8,457,826
Total	<u>\$ 14,936,426</u>

Refer to Note 3 – “Investments in real estate” to our unaudited consolidated financial statements for additional information about our owned real estate assets, which are the underlying assets under our operating leases.

5. LEASES (continued)

Direct financing and sales-type leases

As of September 30, 2025, we have one direct financing lease agreement, with a net investment balance of \$42.0 million, for a parking structure with a remaining lease term of 67.2 years. The lessee has an option to purchase the underlying asset at fair market value during each of the 30-day periods commencing on the dates that are 15 years, 30 years, and 74.5 years after the rent commencement date of October 1, 2017.

As of September 30, 2025, we also have one sales-type lease for a property in the Seattle market. As of September 30, 2025, the net investment in this lease is \$15.9 million. Upon recognition of the sales-type lease during the three months ended March 31, 2025, we recognized a gain on sale of real estate aggregating \$12.7 million classified in gain on sales of real estate within our unaudited consolidated statement of operations for the nine months ended September 30, 2025. At the end of the lease term in March 2026, the property under this lease transfers to the tenant for the sales price of approximately \$18.0 million.

As of September 30, 2025, our estimated provision for expected credit loss related to our direct financing lease and sales-type lease aggregated \$2.2 million, which was predominantly related to our direct financing lease. We estimate the provision for expected credit loss related to our direct financing lease using a probability of default methodology, which incorporates the borrower's investment-grade credit rating from S&P Global Ratings, to evaluate the probability of default. Additionally, we incorporate the projected value of the real estate securing the investments to estimate potential recoveries in the event of default, among other inputs. The estimate of the expected credit loss related to our sales-type lease estimate was determined using historical industry losses and transaction-specific information, including the estimated fair value of the underlying real estate asset securing this transaction, the short-term nature of this lease, and other available information. For further details, refer to "Provision for expected credit losses" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements.

The components of our aggregate net investment in our direct financing and sales-type leases as of September 30, 2025 and December 31, 2024 are summarized in the table below (in thousands):

	September 30, 2025	December 31, 2024
Gross investment in direct financing and sales-type leases	\$ 265,903	\$ 251,405
Less: unearned income on direct financing lease	(205,715)	(207,734)
Less: provision for expected credit losses	(2,217)	(2,168)
Net investment in leases	<u>\$ 57,971</u>	<u>\$ 41,503</u>

Future lease payments to be received under the terms of our direct financing lease and our sales-type lease as of September 30, 2025 are outlined in the table below (in thousands):

Year	Total
2025	\$ 495
2026	18,015
2027	2,097
2028	2,160
2029	2,224
Thereafter	240,912
Total	<u>\$ 265,903</u>

5. LEASES (continued)

Income from rentals

Our income from rentals includes revenue related to agreements for the rental of our real estate, which primarily includes revenues subject to the lease accounting standard and the revenue recognition accounting standard as shown below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Income from rentals:				
Revenues subject to the lease accounting standard:				
Operating leases	\$ 722,643	\$ 763,947	\$ 2,176,999	\$ 2,255,634
Direct financing and sales-type leases	1,409	665	3,308	1,986
Revenues subject to the lease accounting standard	724,052	764,612	2,180,307	2,257,620
Revenues subject to the revenue recognition accounting standard	11,797	11,132	35,996	28,837
Income from rentals	<u>\$ 735,849</u>	<u>\$ 775,744</u>	<u>\$ 2,216,303</u>	<u>\$ 2,286,457</u>

Revenues subject to the revenue recognition accounting standard and classified in income from rentals consist primarily of short-term parking revenues that are not considered lease revenues under the lease accounting standard. Refer to "Revenues" and "Recognition of revenue arising from contracts with customers" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements for additional information.

Residual value risk management strategy

Our leases do not have guarantees of residual value on the underlying assets. We manage risk associated with the residual value of our leased assets by (i) evaluating each potential acquisition of real estate to determine whether it meets our business objective to invest primarily in high-demand markets, (ii) directly managing our leased properties, conducting frequent property inspections, proactively addressing potential maintenance issues, and/or timely resolving any occurring issues, and (iii) carefully selecting our tenants and monitoring their credit quality throughout their respective lease terms.

Leases in which we are the lessee

Operating lease agreements

We have operating lease agreements in which we are the lessee consisting of ground and office leases. Certain of these leases have options to extend or terminate the contract terms upon meeting certain criteria. There are no notable restrictions or covenants imposed by the leases, nor guarantees of residual value.

We recognize a right-of-use asset, which is classified within other assets in our consolidated balance sheets, and a related liability, which is classified within accounts payable, accrued expenses, and other liabilities in our consolidated balance sheets, to account for our future obligations under ground and office lease arrangements in which we are the lessee. Refer to "Lessee accounting" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements.

As of September 30, 2025, the present value of the remaining contractual payments aggregating \$778.8 million under our operating lease agreements, including our extension options that we are reasonably certain to exercise, was \$362.0 million. 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 \$713.4 million. As of September 30, 2025, the weighted-average remaining lease term of operating leases in which we are the lessee was approximately 54 years, including extension options that we are reasonably certain to exercise, and the weighted-average discount rate was 4.7%. The weighted-average discount rate is based on the incremental borrowing rate estimated for each lease, which is the interest rate that we estimate we would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments.

Ground lease obligations as of September 30, 2025 included leases for 31 of our properties, which accounted for approximately 8% of our total number of properties. Excluding one ground lease that expires in 2036 related to one operating property with a net book value of \$5.2 million as of September 30, 2025, our ground lease obligations have remaining lease terms ranging from approximately 29 to 81 years, including extension options that we are reasonably certain to exercise.

5. LEASES (continued)

The reconciliation of future lease payments under noncancelable operating leases in which we are the lessee to the operating lease liability reflected in our unaudited consolidated balance sheet as of September 30, 2025 is in the table below (in thousands):

Year	Total
2025	\$ 5,389
2026	22,768
2027	21,849
2028	21,517
2029	21,025
Thereafter	686,239
Total future payments under our operating leases in which we are the lessee	778,787
Effect of discounting	(416,801)
Operating lease liability	\$ 361,986

Lessee operating costs

Operating lease costs relate to our ground and office leases in which we are the lessee. Ground leases generally require fixed annual rent payments and may also include escalation clauses and renewal options. For the nine months ended September 30, 2025 and 2024, amounts paid and classified as operating activities in our unaudited consolidated statements of cash flows for leases in which we are the lessee aggregated \$165.2 million and \$24.7 million, respectively. The increase is primarily due to the second installment of a ground lease prepayment aggregating \$135.0 million made in January 2025 for a 24-year extension to our existing ground lease agreement at the Alexandria Technology Square® Megacampus in our Cambridge submarket.

Our operating lease obligations related to our office leases have remaining terms of up to 11 years, exclusive of extension options. For the three and nine months ended September 30, 2025 and 2024, our costs of operating leases in which we are the lessee were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Gross operating lease costs	\$ 11,525	\$ 10,701	\$ 36,743	\$ 29,842
Capitalized lease costs	(880)	(521)	(2,293)	(1,567)
Expenses for operating leases in which we are the lessee	\$ 10,645	\$ 10,180	\$ 34,450	\$ 28,275

During the three months ended March 31, 2025, we recognized an impairment charge related to a ground lease entered into in 2021 for a future development opportunity in the San Francisco Bay Area market. Based on our financial outlook for this project, we made the determination to no longer proceed with this project and recognized an impairment charge of \$32.2 million to write off our remaining right-of-use asset balance. As of September 30, 2025 and December 31, 2024, we had no operating lease liability associated with this ground lease, as the related lease obligation had been fully prepaid.

6. CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

Cash, cash equivalents, and restricted cash consisted of the following as of September 30, 2025 and December 31, 2024 (in thousands):

	September 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 579,474	\$ 552,146
Restricted cash:		
Funds held in escrow for real estate acquisitions	—	2,954
Other	4,705	4,747
	4,705	7,701
Total	\$ 584,179	\$ 559,847

7. INVESTMENTS

We hold investments in publicly traded companies and privately held entities primarily involved in the life science industry. As a REIT, we generally limit our ownership of each individual entity's voting stock to less than 10%. We evaluate each investment to determine whether we have the ability to exercise significant influence, but not control, over an investee. We evaluate investments in which our ownership is equal to or greater than 20%, but less than or equal to 50%, of an investee's voting stock with a presumption that we have this ability. For our investments in limited partnerships that maintain specific ownership accounts, we presume that such ability exists when our ownership interest exceeds 3% to 5%. In addition to our ownership interest, we consider whether we have a board seat or whether we participate in the investee's policy-making process, among other criteria, to determine if we have the ability to exert significant influence, but not control, over an investee. If we determine that we have such ability, we account for the investment under the equity method, as described below.

From time to time, we may hold equity investments in publicly traded companies that are subject to temporary contractual sale restrictions. We do not recognize a discount related to such contractual sale restrictions.

Investments accounted for under the equity method

Under the equity method of accounting, we initially recognize our investment at cost and subsequently adjust the carrying amount of the investment for our share of earnings or losses reported by the investee, distributions received, and other-than-temporary impairments.

As of September 30, 2025, we had ten investments in limited partnerships maintaining specific ownership accounts for each investor, which were accounted for under the equity method. These investments aggregated \$326.4 million. Our ownership interest in each of these ten investments was greater than 5%.

Investments that do not qualify for the equity method of accounting

For investees over which we determine that we do not have the ability to exercise significant influence or control, we account for each investment depending on whether it is an investment in a (i) publicly traded company, (ii) privately held entity that reports NAV per share, or (iii) privately held entity that does not report NAV per share, as described below.

Investments in publicly traded companies

Our investments in publicly traded companies are classified as investments with readily determinable fair values and are presented at fair value in our consolidated balance sheets, with changes in fair value classified in investment income (loss) in our consolidated statements of operations. The fair values for our investments in publicly traded companies are determined based on sales prices or quotes available on securities exchanges.

Investments in privately held companies

Our investments in privately held entities without readily determinable fair values consist of (i) investments in privately held entities that report NAV per share and (ii) investments in privately held entities that do not report NAV per share. These investments are accounted for as follows:

Investments in privately held entities that report NAV per share

Investments in privately held entities that report NAV per share, such as our privately held investments in limited partnerships, are presented at fair value using NAV as a practical expedient, with changes in fair value classified in investment income (loss) in our consolidated statements of operations. We use NAV per share reported by limited partnerships generally without adjustment, unless we are aware of information indicating that the NAV reported by a limited partnership does not accurately reflect the fair value of the investment at our reporting date.

Investments in privately held entities that do not report NAV per share

Investments in privately held entities that do not report NAV per share are accounted for using a measurement alternative under which these investments are measured at cost, adjusted for observable price changes and impairments, with changes classified in investment income (loss) in our consolidated statements of operations.

An observable price arises from an orderly transaction for an identical or similar investment of the same issuer, which is observed by an investor without expending undue cost and effort. Observable price changes result from, among other things, equity transactions of the same issuer executed during the reporting period, including subsequent equity offerings or other reported equity transactions related to the same issuer. To determine whether these transactions are indicative of an observable price change, we evaluate, among other factors, whether these transactions have similar rights and obligations, including voting rights, distribution preferences, and conversion rights to the investments we hold.

7. INVESTMENTS (continued)

Impairment evaluation of equity method investments and investments in privately held entities that do not report NAV per share

We monitor equity method investments and investments in privately held entities that do not report NAV per share for new developments, including operating results, prospects and results of clinical trials, new product initiatives, new collaborative agreements, capital-raising events, and merger and acquisition activities. These investments are evaluated on the basis of a qualitative assessment for indicators of impairment by monitoring the presence of the following triggering events or impairment indicators:

- (i) a significant deterioration in the earnings performance, credit rating, asset quality, or business prospects of the investee;
- (ii) a significant adverse change in the regulatory, economic, or technological environment of the investee;
- (iii) a significant adverse change in the general market condition, including the research and development of technology and products that the investee is bringing or attempting to bring to the market;
- (iv) significant concerns about the investee's ability to continue as a going concern; and/or
- (v) a decision by investors to cease providing support or reduce their financial commitment to the investee.

If such indicators are present, we are required to estimate the investment's fair value and immediately recognize an impairment charge in an amount equal to the investment's carrying value in excess of its estimated fair value.

Investment income/loss recognition and classification

We recognize both realized and unrealized gains and losses in our consolidated statements of operations, classified in investment income (loss) in our consolidated statements of operations. Unrealized gains and losses represent:

- (i) changes in fair value for investments in publicly traded companies;
- (ii) changes in NAV for investments in privately held entities that report NAV per share;
- (iii) observable price changes for investments in privately held entities that do not report NAV per share; and
- (iv) our share of unrealized gains or losses reported by our equity method investees.

Realized gains and losses on our investments represent the difference between proceeds received upon disposition of investments and their historical or adjusted cost basis. For our equity method investments, realized gains and losses represent our share of realized gains or losses reported by the investee. Impairments are realized losses, which result in an adjusted cost basis, and represent charges to reduce the carrying values of investments in privately held entities that do not report NAV per share and equity method investments, if impairments are deemed other than temporary, to their estimated fair value.

Funding commitments to investments in privately held entities that report NAV

We are committed to funding approximately \$347.2 million for our investments in privately held entities that report NAV. Our funding commitments expire at various dates over the next 11 years, with a weighted-average expiration of 7.9 years as of September 30, 2025. These investments are not redeemable by us, but we may receive distributions from these investments throughout their terms. Our investments in privately held entities that report NAV generally have expected initial terms in excess of 10 years. The weighted-average remaining term during which these investments are expected to be liquidated was 5.4 years as of September 30, 2025.

The following tables summarize our investments as of September 30, 2025 and December 31, 2024 (in thousands):

	September 30, 2025			
	Cost	Unrealized Gains	Unrealized Losses	Carrying Amount
Publicly traded companies	\$ 197,229	\$ 28,964	\$ (101,901)	\$ 124,292
Entities that report NAV	482,734	98,002	(40,603)	540,133
Entities that do not report NAV:				
Entities with observable price changes	80,454	53,409	(9,614)	124,249
Entities without observable price changes	422,519	—	—	422,519
Investments accounted for under the equity method	N/A	N/A	N/A	326,445
Total investments	\$ 1,182,936	\$ 180,375	\$ (152,118)	\$ 1,537,638

7. INVESTMENTS (continued)

	December 31, 2024			
	Cost	Unrealized Gains	Unrealized Losses	Carrying Amount
Publicly traded companies	\$ 188,653	\$ 24,262	\$ (107,248)	\$ 105,667
Entities that report NAV	518,074	126,077	(34,285)	609,866
Entities that do not report NAV:				
Entities with observable price changes	99,932	77,761	(2,956)	174,737
Entities without observable price changes	400,487	—	—	400,487
Investments accounted for under the equity method	N/A	N/A	N/A	186,228
Total investments	\$ 1,207,146	\$ 228,100	\$ (144,489)	\$ 1,476,985

Cumulative gains and losses (realized and unrealized) on investments in privately held entities that do not report NAV still held as of September 30, 2025 aggregated to a loss of \$112.4 million, which consisted of upward adjustments aggregating \$53.4 million, downward adjustments aggregating \$9.6 million, and impairments aggregating \$156.2 million.

Our investment income (loss) for the three and nine months ended September 30, 2025 and 2024 consisted of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Realized gains	\$ 9,646 ⁽¹⁾	\$ 12,632	\$ 19,115 ⁽¹⁾	\$ 47,336
Unrealized gains (losses)	18,515	2,610	(71,568)	(32,470)
Investment income (loss)	\$ 28,161	\$ 15,242	\$ (52,453)	\$ 14,866

(1) Consists of realized gains of \$34.8 million and \$94.7 million, partially offset by impairment charges of \$25.1 million and \$75.5 million during the three and nine months ended September 30, 2025, respectively.

During the nine months ended September 30, 2025, gains and losses on investments in privately held entities that do not report NAV still held as of September 30, 2025 aggregated to a loss of \$79.1 million, which consisted of upward adjustments aggregating \$14.9 million and downward adjustments and impairments aggregating \$94.0 million.

During the nine months ended September 30, 2024, gains and losses on investments in privately held entities that do not report NAV still held as of September 30, 2024 aggregated to a loss of \$27.3 million, which consisted of upward adjustments aggregating \$17.6 million and downward adjustments and impairments aggregating \$44.9 million.

Unrealized gains or losses related to investments still held (excluding investments accounted for under the equity method) as of September 30, 2025 and 2024 aggregated to a gain of \$16.6 million and \$15.7 million during the nine months ended September 30, 2025 and 2024, respectively.

Our investment loss of \$52.5 million for the nine months ended September 30, 2025 also included \$1.8 million of equity in losses of our equity method investments.

Refer to "Investments" in Note 2 – "Summary of significant accounting policies" to our unaudited consolidated financial statements for additional information.

8. OTHER ASSETS

The following table summarizes the components of other assets as of September 30, 2025 and December 31, 2024 (in thousands):

	September 30, 2025	December 31, 2024
Acquired in-place leases	\$ 235,299	\$ 305,144
Deferred compensation plan	51,470	47,727
Deferred financing costs – unsecured senior line of credit	41,819	49,056
Deposits	28,790	21,768
Furniture, fixtures, equipment, and software	63,245	39,558
Net investment in leases	57,971	41,503
Notes receivable	220,458	120,546
Operating lease right-of-use assets	713,433 ⁽¹⁾	764,472
Other assets	109,789	96,690
Prepaid expenses	47,419	33,567
Property, plant, and equipment	131,092	141,275
Total	\$ 1,700,785	\$ 1,661,306

(1) Refer to “Leases in which we are the lessee” in Note 5 – “Leases” for information about the decrease in this balance since December 31, 2024.

Notes receivable

Our notes receivable as of September 30, 2025 and December 31, 2024 consisted of the following (dollars in thousands):

Notes Receivable	As of September 30, 2025		Balance	December 31, 2024
	Weighted Average			
	Effective Interest Rate	Maturity Date		
Secured by real estate assets in San Diego	10.1%	11/4/28	\$ 203,013	\$ 103,427
Secured by real estate assets in Greater Boston	4.6%	12/16/29	17,918	17,356
Less: provision for expected credit losses			(473)	(237)
Notes receivable			\$ 220,458	\$ 120,546

Our notes receivable represent held-to-maturity debt securities carried at amortized costs and are generally secured by real estate. Under the current expected credit losses accounting standard, we are required to estimate and, if necessary, recognize a provision for expected credit losses related to these notes. We do not have a history of losses on such securities; therefore, we utilize available information on historical losses for the commercial real estate industry. We determine expected credit losses for our notes receivable using historical industry losses and considering loan-specific information, including credit ratings of the borrowers, estimated fair values of underlying real estate assets, loan-to-value ratios, the presence of guarantors, and/or other available information. During the three months ended September 30, 2025, no adjustment to the provision for expected credit losses related to our notes receivable was required. The provision is reevaluated on an ongoing basis, with any necessary adjustments recognized in the corresponding period.

9. FAIR VALUE MEASUREMENTS

We provide fair value information about all financial instruments for which it is practicable to estimate fair value. We measure and disclose the estimated fair value of financial assets and liabilities by utilizing a fair value hierarchy that distinguishes between data obtained from sources independent of the reporting entity and the reporting entity's own assumptions about market participant assumptions. This hierarchy consists of three broad levels, as follows: (i) quoted prices in active markets for identical assets or liabilities (Level 1), (ii) significant other observable inputs (Level 2), and (iii) significant unobservable inputs (Level 3). Significant other observable inputs can include quoted prices for similar assets or liabilities in active markets, as well as inputs that are observable for the asset or liability, such as interest rates, foreign exchange rates, and yield curves. Significant unobservable inputs are typically based on an entity's own assumptions, since there is little, if any, related market activity. In instances in which the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level of input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Assets and liabilities measured at fair value on a recurring basis

The following table sets forth the assets and liabilities that we measure at fair value on a recurring basis by level in the fair value hierarchy as of September 30, 2025 and December 31, 2024 (in thousands). There were no transfers of assets measured at fair value on a recurring basis to or from Level 3 in the fair value hierarchy during the nine months ended September 30, 2025.

Description	Total	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments in publicly traded companies:				
As of September 30, 2025	\$ 124,292	\$ 124,292	\$ —	\$ —
As of December 31, 2024	\$ 105,667	\$ 105,667	\$ —	\$ —
Cross-currency swap agreements:				
As of September 30, 2025	\$ 2,970	\$ —	\$ 2,970	\$ —
As of December 31, 2024	\$ —	\$ —	\$ —	\$ —

Our investments in publicly traded companies represent investments with readily determinable fair values, and are carried at fair value, with changes in fair value classified in investment income (loss) in our consolidated financial statements. We also hold investments in privately held entities, which consist of (i) investments that report NAV and (ii) investments that do not report NAV, as further described below.

Our investments in privately held entities that report NAV, such as our privately held investments in limited partnerships, are carried at fair value using NAV as a practical expedient, with changes in fair value classified in net income. As of September 30, 2025 and December 31, 2024, the carrying values of investments in privately held entities that report NAV aggregated \$540.1 million and \$609.9 million, respectively. These investments are excluded from the fair value hierarchy above as required by the fair value accounting standard. We estimate the fair value of each of our investments in limited partnerships based on the most recent NAV prepared by the general partner and reported by each limited partnership. As a result, the determination of fair values of our investments in privately held entities that report NAV generally does not involve significant estimates, assumptions, or judgments on our part.

Our cross-currency swap agreements are recognized at fair value. Refer to Note 2 – “Summary of significant accounting policies” and Note 11 – “Hedge agreements” to our unaudited consolidated financial statements for additional information.

9. FAIR VALUE MEASUREMENTS (continued)

Assets and liabilities measured at fair value on a nonrecurring basis

The following table sets forth the assets measured at fair value on a nonrecurring basis by level within the fair value hierarchy as of September 30, 2025 and December 31, 2024 (in thousands).

Description	Carrying Amount	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Real estate assets held for sale with carrying values adjusted to fair value less costs to sell:				
As of September 30, 2025	\$ 405,342 ⁽¹⁾	\$ —	\$ —	\$ 405,342 ⁽²⁾
As of December 31, 2024	\$ 322,662 ⁽¹⁾	\$ —	\$ —	\$ 322,662 ⁽²⁾
Investments in privately held entities that do not report NAV:				
As of September 30, 2025	\$ 138,931	\$ —	\$ 124,249 ⁽³⁾	\$ 14,682 ⁽⁴⁾
As of December 31, 2024	\$ 184,236	\$ —	\$ 174,737 ⁽³⁾	\$ 9,499 ⁽⁴⁾

(1) These amounts are included in the total balances of our net assets classified as held for sale aggregating \$766.6 million and \$371.3 million as of September 30, 2025 and December 31, 2024, respectively, disclosed in Note 3 – “Investments in real estate,” and represent assets held for sale as of September 30, 2025 and December 31, 2024, for which impairments were recognized.

(2) These amounts represent the aggregate carrying amounts of assets held for sale after adjustments to their respective fair values less costs to sell based on executed purchase and sale agreements, letters of intent, or valuations provided by third-party real estate brokers.

(3) These amounts represent the total carrying amounts of our equity investments in privately held entities with observable price changes, which are included in the investments balances of \$1.5 billion and \$1.5 billion in our unaudited consolidated balance sheets as of September 30, 2025 and December 31, 2024, respectively, disclosed in Note 7 – “Investments” to our unaudited consolidated financial statements.

(4) These amounts are included in the investments in privately held entities without observable price changes balances aggregating \$422.5 million and \$400.5 million as of September 30, 2025 and December 31, 2024, respectively, disclosed in Note 7 – “Investments” to our unaudited consolidated financial statements. The aforementioned balances represent the carrying amounts of investments in privately held entities that do not report NAV for which impairments have been recognized in accordance with the measurement alternative guidance described in “Investments” in Note 2 – “Summary of significant accounting policies” to our unaudited consolidated financial statements.

Real estate assets classified as held for sale measured at fair value less costs to sell

Our real estate assets classified as held for sale and measured at fair value less costs to sell are presented in the table above. These properties represent a subset of our total real estate assets classified as held for sale as of September 30, 2025 and December 31, 2024. The fair values for these real estate assets were estimated based on executed purchase and sale agreements, letters of intent, or valuations provided by third-party real estate brokers. Refer to “Investments in real estate” in Note 2 – “Summary of significant accounting policies” and “Assets held for sale” in Note 3 – “Investments in real estate” to our unaudited consolidated financial statements for additional information.

Investments in privately held entities that do not report NAV

Our investments in privately held entities that do not report NAV are measured at cost, adjusted for observable price changes and impairments, with changes recognized in net income (loss). These investments are adjusted based on the observable price changes in orderly transactions for the identical or similar investment of the same issuer. Further adjustments are not made until another observable transaction occurs. Therefore, the determination of fair values of our investments in privately held entities that do not report NAV does not involve significant estimates and assumptions or subjective and complex judgments.

We also subject our investments in privately held entities that do not report NAV to a qualitative assessment for indicators of impairment. If indicators of impairment are present, we are required to estimate the investment’s fair value and immediately recognize an impairment charge in an amount equal to the investment’s carrying value in excess of its estimated fair value.

The estimates of fair value typically incorporate valuation techniques that include an income approach reflecting a discounted cash flow analysis, and a market approach that includes a comparative analysis of acquisition multiples and pricing multiples generated by market participants. In certain instances, we may use multiple valuation techniques for a particular investment and estimate its fair value based on an average of multiple valuation results.

Refer to Note 7 – “Investments” to our unaudited consolidated financial statements for additional information.

9. FAIR VALUE MEASUREMENTS (continued)

Assets and liabilities not measured at fair value in the statement of financial position but for which the fair value is disclosed

The fair value of our secured note payable and unsecured senior notes payable, and the amounts outstanding on our unsecured senior line of credit and commercial paper program, were estimated using widely accepted valuation techniques, including discounted cash flow analyses using significant other observable inputs such as available market information on discount and borrowing rates with similar terms, maturities, and credit ratings. Because the valuations of our financial instruments are based on these types of estimates, the actual fair value of our financial instruments may differ materially if our estimates do not prove to be accurate. Additionally, the use of different market assumptions or estimation methods may have a material effect on the estimated fair value amounts.

As of September 30, 2025 and December 31, 2024, the book and estimated fair values of our secured note payable and unsecured senior notes payable and the amounts outstanding under our unsecured senior line of credit and commercial paper program, including the level within the fair value hierarchy for which the estimates were derived, were as follows (in thousands):

	September 30, 2025				
	Book Value	Fair Value Hierarchy			Estimated Fair Value
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Liabilities:					
Secured notes payable	\$ —	\$ —	\$ —	\$ —	\$ —
Unsecured senior notes payable	\$ 12,044,999	\$ —	\$ 10,775,923	\$ —	\$ 10,775,923
Unsecured senior line of credit	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial paper program	\$ 1,548,542	\$ —	\$ 1,548,606	\$ —	\$ 1,548,606

	December 31, 2024				
	Book Value	Fair Value Hierarchy			Estimated Fair Value
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Liabilities:					
Secured notes payable	\$ 149,909	\$ —	\$ 149,413	\$ —	\$ 149,413
Unsecured senior notes payable	\$ 12,094,465	\$ —	\$ 10,472,993	\$ —	\$ 10,472,993
Unsecured senior line of credit	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial paper program	\$ —	\$ —	\$ —	\$ —	\$ —

The carrying values of cash and cash equivalents, restricted cash, tenant receivables, deposits, notes receivable, accounts payable, accrued expenses, and other short-term liabilities approximate their fair value.

10. SECURED AND UNSECURED SENIOR DEBT

The following table summarizes our outstanding indebtedness and respective principal payments remaining as of September 30, 2025 (dollars in thousands):

Debt	Stated Rate	Interest Rate ⁽¹⁾	Maturity Date ⁽²⁾	Principal Payments Remaining for the Periods Ending December 31,						Principal	Unamortized (Deferred Financing Cost), (Discount)/ Premium	Total
				2025	2026	2027	2028	2029	Thereafter			
Unsecured senior line of credit and commercial paper program ⁽³⁾	(3)	4.52% (3)	1/22/30 (3)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,550,000	\$ 1,550,000	\$ (1,458)	\$ 1,548,542
Unsecured senior notes payable	4.30%	4.50	1/15/26	—	300,000	—	—	—	—	300,000	(160)	299,840
Unsecured senior notes payable	3.80%	3.96	4/15/26	—	350,000	—	—	—	—	350,000	(285)	349,715
Unsecured senior notes payable	3.95%	4.13	1/15/27	—	—	350,000	—	—	—	350,000	(684)	349,316
Unsecured senior notes payable	3.95%	4.07	1/15/28	—	—	—	425,000	—	—	425,000	(994)	424,006
Unsecured senior notes payable	4.50%	4.60	7/30/29	—	—	—	—	300,000	—	300,000	(860)	299,140
Unsecured senior notes payable	2.75%	2.87	12/15/29	—	—	—	—	400,000	—	400,000	(1,757)	398,243
Unsecured senior notes payable	4.70%	4.81	7/1/30	—	—	—	—	—	450,000	450,000	(1,779)	448,221
Unsecured senior notes payable	4.90%	5.05	12/15/30	—	—	—	—	—	700,000	700,000	(4,143)	695,857
Unsecured senior notes payable	3.375%	3.48	8/15/31	—	—	—	—	—	750,000	750,000	(3,866)	746,134
Unsecured senior notes payable	2.00%	2.12	5/18/32	—	—	—	—	—	900,000	900,000	(6,275)	893,725
Unsecured senior notes payable	1.875%	1.97	2/1/33	—	—	—	—	—	1,000,000	1,000,000	(6,458)	993,542
Unsecured senior notes payable	2.95%	3.07	3/15/34	—	—	—	—	—	800,000	800,000	(6,668)	793,332
Unsecured senior notes payable	4.75%	4.88	4/15/35	—	—	—	—	—	500,000	500,000	(4,615)	495,385
Unsecured senior notes payable	5.50%	5.66	10/1/35	—	—	—	—	—	550,000	550,000	(6,470)	543,530
Unsecured senior notes payable	5.25%	5.38	5/15/36	—	—	—	—	—	400,000	400,000	(3,853)	396,147
Unsecured senior notes payable	4.85%	4.93	4/15/49	—	—	—	—	—	300,000	300,000	(2,785)	297,215
Unsecured senior notes payable	4.00%	3.91	2/1/50	—	—	—	—	—	700,000	700,000	9,880	709,880
Unsecured senior notes payable	3.00%	3.08	5/18/51	—	—	—	—	—	850,000	850,000	(10,938)	839,062
Unsecured senior notes payable	3.55%	3.63	3/15/52	—	—	—	—	—	1,000,000	1,000,000	(13,339)	986,661
Unsecured senior notes payable	5.15%	5.26	4/15/53	—	—	—	—	—	500,000	500,000	(7,427)	492,573
Unsecured senior notes payable	5.625%	5.71	5/15/54	—	—	—	—	—	600,000	600,000	(6,525)	593,475
Unsecured debt weighted-average interest rate/subtotal		3.97		—	650,000	350,000	425,000	700,000	11,550,000	13,675,000	(81,459)	13,593,541
Weighted-average interest rate/total		3.97%		\$ —	\$ 650,000	\$ 350,000	\$ 425,000	\$ 700,000	\$ 11,550,000	\$ 13,675,000	\$ (81,459)	\$ 13,593,541

(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.

(2) Reflects any extension options that we control.

(3) Refer to footnote 3 on the following page.

10. SECURED AND UNSECURED SENIOR DEBT (continued)

The following table summarizes our unsecured senior debt and amounts outstanding under our unsecured senior line of credit and commercial paper program as of September 30, 2025 (dollars in thousands):

	Fixed-Rate Debt	Variable-Rate Debt	Total	Percentage	Weighted-Average	
					Interest Rate ⁽¹⁾	Remaining Term (in years)
Unsecured senior notes payable	\$ 12,044,999	\$ —	\$ 12,044,999	88.6%	3.90%	12.6
Unsecured senior line of credit and commercial paper program	—	1,548,542	1,548,542 ⁽²⁾	11.4	4.52 ⁽²⁾	4.3 ⁽³⁾
Total/weighted average	\$ 12,044,999	\$ 1,548,542	\$ 13,593,541	100.0%	3.97%	11.6⁽³⁾
Percentage of total debt	88.6%	11.4%	100%			

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

(2) As of September 30, 2025, we had no outstanding balance on our unsecured senior line of credit and \$1.5 billion of commercial paper notes outstanding.

(3) We calculate the weighted-average remaining term of our commercial paper notes by using the maturity date of our unsecured senior line of credit. Using the maturity date of our outstanding commercial paper notes, the consolidated weighted-average maturity of our debt is 11.1 years. The commercial paper notes sold during the nine months ended September 30, 2025 were issued at a weighted-average yield to maturity of 4.64% and had a weighted-average maturity term of 17 days.

Issuance and repayment of unsecured senior notes payable

In February 2025, we issued \$550.0 million of unsecured senior notes payable, due 2035, with an interest rate of 5.50%.

In April 2025, we repaid our 3.45% unsecured senior notes payable aggregating \$600.0 million upon their maturity, using proceeds from our February 2025 unsecured senior notes payable offering, with no gain or loss incurred in connection with this repayment.

\$5.0 billion unsecured senior line of credit

As of September 30, 2025, our unsecured senior line of credit, which matures in 2030, including extension options under our control, 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 metrics, 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 September 30, 2025, we had no outstanding balance on our unsecured line of credit.

\$2.5 billion commercial paper program

Our commercial paper program provides us with the ability to issue up to \$2.5 billion of commercial paper notes that bear interest at short-term fixed rates with a maturity of generally 30 days or less and 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 notes issued under our commercial paper program. We use the net proceeds from the issuances of the notes for general working capital and other general corporate purposes. General corporate purposes may include, but are not limited to, the repayment of other debt and selective development, redevelopment, or acquisition of properties. During the nine months ended September 30, 2025, the commercial paper notes were issued at a weighted-average yield to maturity of 4.64% and had a weighted-average maturity term of 17 days. As of September 30, 2025, we had a \$1.5 billion outstanding balance on our commercial paper program.

Repayment of secured note payable

In August 2025, we repaid a secured construction loan aggregating \$154.6 million with an interest rate of 7.18%, which was related to our development project at 99 Coolidge Avenue in our Cambridge/Inner Suburbs submarket. In connection with the repayment, we recognized a loss on early extinguishment of debt of \$107 thousand for the write-off of unamortized deferred financing costs during the three and nine months ended September 30, 2025.

10. SECURED AND UNSECURED SENIOR DEBT (continued)

Interest expense

The following table summarizes interest expense for the three and nine months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Interest incurred	\$ 140,943	\$ 130,046	\$ 409,603	\$ 379,554
Capitalized interest	(86,091)	(86,496)	(248,579)	(249,375)
Interest expense	<u>\$ 54,852</u>	<u>\$ 43,550</u>	<u>\$ 161,024</u>	<u>\$ 130,179</u>

11. HEDGE AGREEMENTS

We are exposed to foreign currency exchange rate risk related to our ongoing business operations in Canada. To mitigate the impact of fluctuations in the USD–CAD exchange rate, on July 29, 2025, we entered into fixed-to-fixed cross-currency swap agreements designated as net investment hedges, which were deemed effective on the commencement date. The aggregate notional amount of the swaps is CAD \$400.0 million, and the corresponding total USD notional is approximately \$290.3 million based on the fixed contractual USD–CAD exchange rate of 1.38 at inception. Under the terms of the swap agreements, USD fixed interest amounts are payable to us and CAD fixed interest amounts are payable to the counterparty. The swap agreements mature on April 30, 2026. As of September 30, 2025, the hedge relationship remained highly effective. Refer to “Hedge accounting” in Note 2 – “Summary of significant accounting policies” to our unaudited consolidated financial statements for additional information.

The tables below summarize the fair value of our cross-currency swap agreements designated as net investment hedges and the impact on our consolidated financial statements. We did not have any outstanding hedge agreements as of and during the year ended December 31, 2024. Amounts are presented in USD (in thousands).

Fair value of cross-currency swap agreements designated as net investment hedges

Balance Sheet Location	As of September 30, 2025	
	Fair Value – Asset	Notional Amount Outstanding
Other assets	\$ 2,970	\$ 290,317

Effect on consolidated other comprehensive income

	Location in Consolidated Statement of Comprehensive Income	September 30, 2025	
		Three Months Ended	Nine Months Ended
Total unrealized gain recognized in other comprehensive income	Unrealized gains related to net investment hedge	\$ 2,970	\$ 2,970

For the three and nine months ended September 30, 2025, there were no reclassification of gain or loss from accumulated other comprehensive income into net income in connection with our hedge agreements.

Effect on consolidated statements of operations

	Location in Consolidated Statement of Operations	September 30, 2025	
		Three Months Ended	Nine Months Ended
Total gain recognized in net income ⁽¹⁾	Other income	\$ 748	\$ 748

(1) Represents net interest expense settlements and interest rate forward points excluded from assessment of hedge effectiveness. Refer to “Hedge accounting” in Note 2 – “Summary of significant accounting policies” to our unaudited consolidated financial statements for additional information.

12. ACCOUNTS PAYABLE, ACCRUED EXPENSES, AND OTHER LIABILITIES

The following table summarizes the components of accounts payable, accrued expenses, and other liabilities as of September 30, 2025 and December 31, 2024 (in thousands):

	September 30, 2025	December 31, 2024
Accounts payable and accrued expenses	\$ 514,908	\$ 534,803
Accrued construction	306,290	500,890
Acquired below-market leases	145,514	180,407
Conditional asset retirement obligations	45,490	53,968
Deferred rent liabilities	13,366	11,461
Operating lease liability	361,986	507,127
Unearned rent and tenant security deposits	876,854	691,873
Other liabilities	168,318	173,822
Total	<u>\$ 2,432,726</u>	<u>\$ 2,654,351</u>

As of September 30, 2025 and December 31, 2024, our conditional asset retirement obligations liability primarily consisted of the soil and groundwater remediation liabilities associated with certain of our properties. Some of our properties may contain asbestos or may be subjected to other hazardous or toxic substances, which, under certain conditions, requires remediation. We engage independent environmental consultants to conduct Phase I or similar environmental assessments at our properties. This type of assessment generally includes a site inspection, interviews, and a public records review; asbestos, lead-based paint, and mold surveys; subsurface sampling; and other testing. We recognize a liability for the fair value of a conditional asset retirement obligation when the fair value of the liability can be reasonably estimated. In addition, environmental laws and regulations subject our tenants, and potentially us, to liability that may result from our tenants' routine handling of hazardous substances and wastes as part of their operations at our properties. These assessments and investigations of our properties have not to date revealed any additional environmental liability we believe would have a material adverse effect on our business and financial statements or that would require additional disclosures or recognition in our consolidated financial statements.

13. EARNINGS PER SHARE

With respect to dividend rights, we have granted two types of restricted stock awards: (i) restricted stock awards with nonforfeitable dividends and (ii) restricted stock awards with forfeitable dividends.

We account for unvested restricted stock awards (“RSAs”) with nonforfeitable dividends as participating securities and include these securities in the computation of EPS using the two-class method. Under the two-class method, we allocate net income (after amounts attributable to noncontrolling interests) to common stockholders and unvested RSAs with nonforfeitable dividends by using the weighted-average shares of each class outstanding for quarter-to-date and year-to-date periods independently, based on their respective participation rights to dividends declared (or accumulated) and undistributed earnings.

Unvested RSAs with forfeitable dividends do not qualify as participating securities under the two-class method because the dividends are forfeited if the awards do not vest. As a result, undistributed earnings are not allocated to these awards prior to vesting, and these awards have no effect on the computation of basic EPS while unvested. Once these awards vest, they are included in the denominator of basic EPS, weighted for the portion of the reporting period they were vested. Prior to vesting, these awards are included in the denominator of diluted EPS if they are dilutive, which is determined using the treasury stock method. Under this method, incremental shares are calculated as the difference between the total unvested shares and the number of shares that could hypothetically be repurchased using the assumed proceeds (including unrecognized compensation cost related to these awards). These incremental shares are weighted for the portion of the reporting period they were unvested and are included in the diluted EPS denominator only if their inclusion reduces EPS (i.e., if they are not antidilutive).

In addition, from time to time, we enter into forward equity sales agreements. We consider the potential dilution resulting from the forward equity sales agreements on the EPS calculations. At inception, the agreements do not have an effect on the computation of basic EPS as no shares are delivered until settlement. The common shares issued upon the settlement of the forward equity sales agreements, weighted for the period these common shares were outstanding, are included in the denominator of basic EPS. To determine the dilution resulting from the forward equity sales agreements during the period of time prior to settlement, we calculate the number of weighted-average shares outstanding – diluted using the treasury stock method. As of September 30, 2025, no forward equity sales agreements were outstanding.

The table below reconciles the numerators and denominators of the basic and diluted EPS computations for the three and nine months ended September 30, 2025 and 2024 (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income	\$ (197,845)	\$ 213,603	\$ (221,372)	\$ 526,828
Net income attributable to noncontrolling interests	(34,909)	(45,656)	(127,323)	(141,634)
Net income attributable to unvested RSAs with nonforfeitable dividends	(2,183)	(3,273)	(7,452)	(10,717)
Numerator for basic and diluted EPS – net (loss) income attributable to Alexandria Real Estate Equities, Inc.’s common stockholders	<u>\$ (234,937)</u>	<u>\$ 164,674</u>	<u>\$ (356,147)</u>	<u>\$ 374,477</u>
Denominator for basic EPS – weighted-average shares of common stock outstanding	170,181	172,058	170,278	172,007
Dilutive effect of unvested RSAs with forfeitable dividends	—	—	—	—
Denominator for diluted EPS – weighted-average shares of common stock outstanding	<u>170,181</u>	<u>172,058</u>	<u>170,278</u>	<u>172,007</u>
Net (loss) income per share attributable to Alexandria Real Estate Equities, Inc.’s common stockholders:				
Basic	\$ (1.38)	\$ 0.96	\$ (2.09)	\$ 2.18
Diluted	\$ (1.38)	\$ 0.96	\$ (2.09)	\$ 2.18

14. STOCKHOLDERS' EQUITY

Common equity transactions

Common stock repurchase program

Under our common stock repurchase program authorized in December 2024, we may repurchase up to \$500.0 million of our common stock in the open market, in privately negotiated transactions, or otherwise through December 31, 2025.

During the three months ended March 31, 2025, we repurchased 2.2 million shares of common stock under this repurchase program at an average price per share of \$96.71.

No shares were repurchased during the three months ended June 30, and September 30, 2025. As of September 30, 2025, the approximate value of shares that may yet be purchased under this program was \$241.8 million.

ATM common stock offering program

In February 2024, we entered into an ATM common stock offering program that allows us to sell up to an aggregate of \$1.5 billion of our common stock.

During the nine months ended September 30, 2025, we had no activity under our ATM program. As of September 30, 2025, the remaining aggregate amount available under our ATM program for future sales of common stock was \$1.47 billion.

Dividends

During the three months ended March 31, 2025, we declared cash dividends on our common stock aggregating \$228.3 million, or \$1.32 per share.

During the three months ended June 30, 2025, we declared cash dividends on our common stock aggregating \$228.3 million, or \$1.32 per share.

During the three months ended September 30, 2025, we declared cash dividends on our common stock aggregating \$228.1 million, or \$1.32 per share.

Accumulated other comprehensive loss

The change in accumulated other comprehensive loss attributable to Alexandria Real Estate Equities, Inc.'s stockholders during the nine months ended September 30, 2025 was entirely due to net unrealized gains of \$14.0 million on foreign currency translation related to our operations primarily in Canada.

Common stock, preferred stock, and excess stock authorizations

Our charter authorizes the issuance of 400.0 million shares of common stock, of which 170.3 million shares were issued and outstanding as of September 30, 2025. Our charter also authorizes the issuance of up to 100.0 million shares of preferred stock, none of which were issued and outstanding as of September 30, 2025. In addition, 200.0 million shares of "excess stock" (as defined in our charter) are authorized, none of which were issued and outstanding as of September 30, 2025.

15. SEGMENT INFORMATION

We are a life science REIT focused on developing, redeveloping, and operating properties that provide space for lease to tenants primarily in the life science industry. Our properties are leased predominantly through triple-net lease agreements and share key characteristics, including generic and reusable improvements, consistent lease structures, and business strategy. All properties are located within North America, predominantly in the U.S., and operate within a comparable regulatory environment.

Operating segments

Our Chief Operating Decision Maker (“CODM”), represented by our Executive Chairman and our Chief Executive Officer, evaluates operating results at the geographic market level to assess performance and allocate resources. Our operating segments align with our markets, including Greater Boston, the San Francisco Bay Area, San Diego, and Seattle, among others. Regular market performance updates are provided directly to the CODM. These updates include each market’s net operating income (“NOI”), which serves as the profit or loss measure used by the CODM for performance assessment and resource allocation. NOI provides useful information regarding performance of each market as it reflects income and expenses incurred in connection with real estate operations in each market. This metric enables the CODM to evaluate the profitability and performance of each market on a consistent and comparable basis, supporting decisions on capital resource allocation, including in connection with development, redevelopment, acquisition, and disposition activities in each market.

Evaluation of economic similarity and aggregation of operating segments

In accordance with the segment reporting accounting standard, we evaluate the economic similarity of our operating segments. Seven of our nine operating segments exhibit consistent long-term economic characteristics, including similar historical long-term NOI margins, which are also expected to remain similar in the future. Additionally, these markets share similar operational characteristics, including nature of services provided (i.e., leasing, operating, developing, and redeveloping life science properties), tenant base (i.e., a variety of tenants involved in the life science industry), methods of operation (i.e., consistent lease structures, property management practices, and business strategies), nature of the regulatory environment (consistent across North America, where all our operating segments are located). Based on shared economic characteristics, we have aggregated our seven operating segments into one reportable segment for segment reporting purposes. Two of our operating segments, specifically our New York City and Canada markets, do not meet the aggregation criteria and individually do not meet the quantitative thresholds to qualify as reportable segments. Therefore, these operating segments are included in the “all other” category in the tables below.

The following table presents the reportable segment profit or loss measure, NOI, for the three and nine months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Reportable segment revenues:				
Revenues from external customers	\$ 700,635	\$ 733,817	\$ 2,103,291	\$ 2,168,331
Other income	7,764	12,173	24,779	23,526
Reportable segment total revenues	708,399	745,990	2,128,070	2,191,857
Reportable segment total rental operating expenses	(222,441)	(215,563)	(647,279)	(606,584)
Reportable segment net operating income (reportable segment profit or loss)	\$ 485,958	\$ 530,427	\$ 1,480,791	\$ 1,585,273

Significant expenses included in the reportable segment profit or loss measure (i.e., NOI) are represented by the reportable segment total rental operating expenses and are disclosed in the table above. These expenses primarily include property taxes, utilities, repairs and maintenance, engineering, janitorial, and other costs.

15. SEGMENT INFORMATION (continued)

Presented below are reconciliations of the reportable segment total revenues to the consolidated revenues, the reportable segment total rental operating expenses to consolidated rental operations, the reportable segment NOI to the consolidated net income, and the reportable segment investments in real estate assets to the consolidated investments in real estate assets (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<i>Reconciliation of reportable segment revenues to consolidated total revenues:</i>				
Reportable segment total revenues	\$ 708,399	\$ 745,990	\$ 2,128,070	\$ 2,191,857
All other revenues	43,545	45,617	144,072	135,592
Consolidated revenues	<u>\$ 751,944</u>	<u>\$ 791,607</u>	<u>\$ 2,272,142</u>	<u>\$ 2,327,449</u>
<i>Reconciliation of reportable segment total rental operating expenses to consolidated rental operations:</i>				
Reportable segment total rental operating expenses	\$ (222,441)	\$ (215,563)	\$ (647,279)	\$ (606,584)
All other rental operating expenses	(16,793)	(17,702)	(42,783)	(62,249)
Consolidated rental operations	<u>\$ (239,234)</u>	<u>\$ (233,265)</u>	<u>\$ (690,062)</u>	<u>\$ (668,833)</u>
<i>Reconciliation of reportable segment net operating income to consolidated net income:</i>				
Reportable segment net operating income (reportable segment profit or loss)	\$ 485,958	\$ 530,427	\$ 1,480,791	\$ 1,585,273
All other revenues	43,545	45,617	144,072	135,592
All other rental operating expenses	(16,793)	(17,702)	(42,783)	(62,249)
<i>Other items not allocated to segments:</i>				
General and administrative	(29,224)	(43,945)	(89,027)	(135,629)
Interest expense	(54,852)	(43,550)	(161,024)	(130,179)
Depreciation and amortization	(340,230)	(293,998)	(1,028,415)	(872,272)
Impairment of real estate	(323,870)	(5,741)	(485,630)	(36,504)
Loss on early extinguishment of debt	(107)	—	(107)	—
Equity in earnings (losses) of unconsolidated real estate joint ventures	201	139	(9,327)	424
Investment income (loss)	28,161	15,242	(52,453)	14,866
Gain on sale of real estate	9,366	27,114	22,531	27,506
Consolidated net (loss) income	<u>\$ (197,845)</u>	<u>\$ 213,603</u>	<u>\$ (221,372)</u>	<u>\$ 526,828</u>

	September 30, 2025	December 31, 2024
<i>Reconciliation of reportable segment assets to consolidated investments in real estate assets:</i>		
Reportable segment investments in real estate	\$ 30,316,524	\$ 30,393,144
All other investments in real estate	1,427,393	1,716,895
Consolidated investments in real estate	<u>\$ 31,743,917</u>	<u>\$ 32,110,039</u>

16. SUBSEQUENT EVENTS

Sales of real estate in October 2025

In October 2025, we completed the following dispositions:

- A retail shopping center aggregating 249,275 RSF, with future development opportunity aggregating 281,592 SF, at 550 Arsenal Street in our Cambridge/Inner Suburbs submarket of Greater Boston for a sales price of \$99.3 million with no gain or loss recognized.
- Two operating properties aggregating 206,340 RSF in our San Diego and Research Triangle markets for a sales price aggregating \$68.1 million and recognized a gain on sale of real estate of \$4.4 million.

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.

Global trade policies

We have been monitoring and will continue to monitor macroeconomic trends and uncertainties. In particular, we are assessing how recent fluctuations in international trade relations and trade policies could adversely affect our business or the businesses of our tenants.

In early March 2025, the U.S. government imposed or indicated that it would impose a series of tariffs on certain goods from Canada and Mexico as well as raise tariffs on Chinese imports. President Trump has also indicated his intent to impose a "major" pharmaceutical-specific tariff, which could adversely affect our business and/or the business of our tenants. As a result of these developments, the global securities and trade markets have reacted with volatility, and trade tensions remain high.

The imposition of tariffs or the potential future imposition of additional or modified tariffs in the current geopolitical climate could have material adverse effects on the net profitability, revenues, or operations of Alexandria and many other companies. While we are evaluating the potential impacts of such tariffs, as well as our ability to mitigate such impacts, these recent trends may in the meantime interrupt supply chains, fragment international business relationships, and create unknown risks that would thereby affect our or our tenants' business operations.

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, 2024 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. With our founding in 1994, Alexandria pioneered the life science real estate niche. Alexandria is the preeminent and longest-tenured owner, operator, and developer of collaborative Megacampus™ ecosystems in AAA life science innovation cluster locations, including Greater Boston, the San Francisco Bay Area, San Diego, Seattle, Maryland, Research Triangle, and New York City. As of September 30, 2025, Alexandria has a total market capitalization of \$27.8 billion and an asset base in North America that includes 39.1 million RSF of operating properties and 4.2 million RSF of Class A/A+ properties undergoing construction and one 100% pre-leased committed near-term project expected to commence construction in the next year.

We develop dynamic Megacampus ecosystems that enable and inspire some of the world's most brilliant minds and innovative companies to create life-changing scientific and technological innovations. We believe in the utmost professionalism, humility, and teamwork. Our tenants include multinational pharmaceutical companies; life science product, service, and device companies; public and private biotechnology companies; advanced technologies companies; biomedical institutions; U.S. government institutions; and others. Alexandria has a long-standing and proven track record of developing Class A/A+ properties clustered in highly dynamic and collaborative Megacampus environments that enhance our tenants' 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.

As of September 30, 2025:

- Investment-grade or publicly traded large cap tenants represented 53% of our annual rental revenue;
- Approximately 97% of our leases (on an annual rental revenue basis) contained effective annual rent escalations approximating 3% that were either fixed or indexed based on a consumer price index or other index;
- Approximately 91% 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 92% 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; and
- 82% of our leasing activity during the last twelve months was generated from our existing tenant base.

A key element of our business strategy is our unique focus on Class A/A+ properties primarily located in collaborative Megacampus ecosystems in AAA life science innovation clusters. Our Megacampus ecosystems are designed for optionality and scalability, offering our tenants a clear path to address their growth requirements, including through our future developments and redevelopments. Strategically located near top academic and medical research institutions and equipped with curated amenities and services, and convenient access to transit, our Megacampus ecosystems are designed to support our tenants in attracting and retaining top talent and in meeting our tenants' growth needs, which we believe is a key driver of tenant demand for our properties. Our strategy also includes drawing upon our deep, broad, and long-standing real estate and life science industry relationships in order to retain tenants, identify and attract new and leading tenants, and source additional real estate.

Executive summary

Operating results

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income attributable to Alexandria's common stockholders – diluted:				
<i>In millions</i>	\$ (234.9)	\$ 164.7	\$ (356.1)	\$ 374.5
<i>Per share</i>	\$ (1.38)	\$ 0.96	\$ (2.09)	\$ 2.18
Funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted:				
<i>In millions</i>	\$ 377.8	\$ 407.9	\$ 1,166.3	\$ 1,217.3
<i>Per share</i>	\$ 2.22	\$ 2.37	\$ 6.85	\$ 7.08

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.

A sector-leading REIT with a high-quality, diverse tenant base, strong margins, and long lease terms

<i>(As of September 30, 2025, unless stated otherwise)</i>	
Occupancy of operating properties in North America	90.6%
Percentage of total annual rental revenue in effect from Megacampus platform	77%
Percentage of total annual rental revenue in effect from investment-grade or publicly traded large cap tenants	53%
Adjusted EBITDA margin for the three months ended September 30, 2025	71%
Percentage of leases containing annual rent escalations	97%
Weighted-average remaining lease term:	
Top 20 tenants	9.4 years
All tenants	7.5 years
Strong tenant collections for the three months ended September 30, 2025:	
Tenant rents and receivables for the three months ended September 30, 2025 collected as of the date of this report	99.9%

Strong and flexible balance sheet with significant liquidity; top 15% credit rating ranking among all publicly traded U.S. REITs

As of September 30, 2025, unless stated otherwise:

- Net debt and preferred stock to Adjusted EBITDA of 6.1x and fixed-charge coverage ratio of 3.9x for the three months ended September 30, 2025 annualized, with targets for the three months ended December 31, 2025 annualized of 5.5x to 6.0x and 3.6x to 4.1x, respectively.
- Significant liquidity of \$4.2 billion, or 4.2x our debt maturities through 2027.
- Only 7% of our total debt matures through 2027.
- 11.6 years weighted-average remaining term of debt, longest among S&P 500 REITs.
- Since 2021, our quarter-end fixed-rate debt has averaged 96.7%.
- Total debt and preferred stock to gross assets of 31%.
- \$166.9 million of capital contribution commitments from existing consolidated real estate joint venture partners to fund construction from October 1, 2025 through 2027 and beyond.

Solid leasing volume and rental rate increases

- Leasing volume of 1,171,344 RSF during the three months ended September 30, 2025.
 - Includes the largest life science lease in company history with a long-standing multinational pharmaceutical tenant for a 16-year build-to-suit lease expansion aggregating 466,598 RSF on the Campus Point by Alexandria Megacampus in our University Town Center submarket.
 - Leasing of previously vacant space aggregating 256,633 RSF, up 40%, over the quarterly average over the last five quarters.
- Rental rate increases on lease renewals and re-leasing of space of 15.2% and 6.1% (cash basis) for the three months ended September 30, 2025 and 13.6% and 6.8% (cash basis) for the nine months ended September 30, 2025.
- 82% of our leasing activity during the last twelve months was generated from our existing tenant base.

	September 30, 2025	
	Three Months Ended	Nine Months Ended
Lease renewals and re-leasing of space:		
Rental rate increase	15.2%	13.6%
Rental rate increase (cash basis)	6.1%	6.8%
RSF	354,367	1,722,184
Leasing of previously vacant space – RSF	256,633	550,986
Leasing of development and redevelopment space – RSF	560,344	698,542
Total leasing activity – RSF	1,171,344	2,971,712

Key operating metrics

- Total revenues
 - \$751.9 million, down 5.0%, for the three months ended September 30, 2025, compared to \$791.6 million for the three months ended September 30, 2024. Excluding dispositions completed after January 1, 2024, total revenues would have been relatively flat compared to the three months ended September 30, 2025.
 - \$2.3 billion, down 2.4%, for the nine months ended September 30, 2025, compared to \$2.3 billion for the nine months ended September 30, 2024. Excluding dispositions completed after January 1, 2024, total revenues would have increased by 3.0% for the nine months ended September 30, 2025.
- Net operating income (cash basis) of \$1.9 billion for the three months ended September 30, 2025 annualized decreased by \$118.5 million, or 5.8%, compared to the three months ended September 30, 2024 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).
 - Decrease in net operating income (cash basis) includes the impact of operating properties disposed of after January 1, 2024. Excluding these dispositions, net operating income (cash basis) – annualized for the three months ended September 30, 2025, would have decreased by 1.2%, and for the nine months ended September 30, 2025 would have increased by 7.3%, compared to the corresponding periods in 2024.
- Same property net operating income changes
 - (6.0)% and (3.1)% (cash basis) for the three months ended September 30, 2025, compared to the three months ended September 30, 2024.
 - 91.4% same properties’ average occupancy for the three months ended September 30, 2025, compared to 94.8% average occupancy for the three months ended September 30, 2024.
 - (3.1)% and 3.0% (cash basis) for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024.
 - 92.6% same properties’ average occupancy for the nine months ended September 30, 2025, compared to 94.6% average occupancy for the nine months ended September 30, 2024.
- General and administrative expenses
 - \$89.0 million for the nine months ended September 30, 2025, representing cost reductions of \$46.6 million or 34%, compared to the nine months ended September 30, 2024, primarily the result of cost-control and efficiency initiatives related to reducing personnel-related costs and streamlining business processes. Given that some of these cost savings are expected to be temporary in nature, we anticipate approximately half of the cost reductions expected to be achieved in 2025 will continue in 2026.
 - As a percentage of net operating income, our general and administrative expenses for the trailing twelve months ended September 30, 2025 were 5.7% — the lowest level in the past ten years and approximately half the average of other S&P 500 REITs.

Dividend strategy to share net cash flows from operating activities with stockholders while retaining a significant portion for reinvestment

- Common stock dividend declared of \$1.32 per share for the three months ended September 30, 2025, aggregating \$5.28 per common share for the twelve months ended September 30, 2025, up 14 cents, or 2.7%, over the twelve months ended September 30, 2024.
- Dividend yield of 6.3% as of September 30, 2025 and dividend payout ratio of 60% for the three months ended September 30, 2025.
- Significant net cash flows provided by operating activities after dividends retained for reinvestment aggregating \$2.3 billion for the years ended December 31, 2021 through 2024 and the midpoint of our 2025 guidance range.
- In addition, as described in the “Summary of key items that may impact 2026 results” section of “Results of operations” in this Item 2, in light of market and life science industry conditions and our continued focus on capital efficiency, our Board of Directors expects to carefully evaluate our 2026 dividend strategy.

Ongoing execution of Alexandria’s 2025 capital recycling strategy

We expect to fund a significant portion of our capital requirements for the year ending December 31, 2025 through dispositions of non-core assets, land, partial interest sales, and sales to owner/users. We expect dispositions of land to represent 20%–30% of our total dispositions and sales of partial interests in 2025 (dollars in millions):

	Sales Price
Total dispositions completed as of October 27, 2025	\$ 508
Our share of pending transactions subject to non-refundable deposits, signed letters of intent, and/or purchase and sale agreement negotiations	1,032
Our share of completed and pending 2025 dispositions and sales of partial interests	<u>\$ 1,540</u> ⁽¹⁾

(1) Excludes an exchange of partial interests of Pacific Technology Park and 199 East Blaine Street with nominal net cash proceeds. Refer to “Dispositions and sales of partial interests” in Item 2 for additional details.

Leasing progress on temporary vacancy

Operating occupancy as of June 30, 2025	90.8%
Assets with vacancy designated as held for sale during the three months ended September 30, 2025, now excluded from operating occupancy and expected to be sold primarily during the fourth quarter of 2025	0.9
Reduction in occupancy, primarily from lease expirations during the three months ended September 30, 2025	<u>(1.1)</u> ⁽¹⁾
Operating occupancy as of September 30, 2025	90.6
Key vacant space leased with future delivery	<u>1.6</u> ⁽²⁾
Operating occupancy as of September 30, 2025, including leased but not yet delivered space	<u>92.2%</u>

(1) Comprises the following: (i) 0.3% related to lease expirations that became vacant during the three months ended September 30, 2025 and have been re-leased with a future delivery upon completion of construction (and is included in item 2 below); (ii) 0.2% vacancy at one asset in our Greater Stanford submarket, which was recently acquired with the intent to redevelop office to laboratory space but for which we are now evaluating options to reposition for advanced technologies use; and (iii) 0.6% of other occupancy declines, primarily from space that became vacant during the three months ended September 30, 2025 which we are currently marketing. These lease expirations resulting in the 1.1% decline in occupancy previously generated annual rental revenue aggregating approximately \$29.0 million and had a weighted-average lease expiration date at the end of July 2025.

(2) Represents temporary vacancies as of September 30, 2025 aggregating 617,458 RSF, primarily in the Greater Boston, San Francisco Bay Area, San Diego, and Seattle markets, that are leased and expected to be occupied upon completion of building and/or tenant improvements. The weighted-average expected delivery date is approximately May 1, 2026 and the expected annual rental revenue is approximately \$46 million.

Key capital metrics as of or for the three months ended September 30, 2025

- \$27.8 billion in total market capitalization.
- \$14.2 billion in total equity capitalization.
- Non-real estate investments aggregating \$1.5 billion:
 - Unrealized gains presented in our consolidated balance sheet were \$28.3 million, comprising gross unrealized gains and losses aggregating \$180.4 million and \$152.1 million, respectively.
- Investment income of \$28.2 million for the three months ended September 30, 2025 presented in our consolidated statement of operations consisted of \$34.8 million of realized gains, \$18.5 million of unrealized gains, and \$25.1 million of impairment charges.

Key capital events

- In August 2025, we repaid a secured construction loan aggregating \$154.6 million with an interest rate of 7.18%, which was secured by our development project at 99 Coolidge Avenue in our Cambridge/Inner Suburbs submarket. The project is currently 81% leased/negotiating and is expected to be delivered in the fourth quarter of 2026. In connection with the repayment, we recognized a loss on early extinguishment of debt of \$107 thousand for the write-off of unamortized deferred financing costs during the three and nine months ended September 30, 2025.

External growth and investments in real estate

Alexandria's development and redevelopment pipeline delivered incremental annual net operating income of \$16 million, commencing during the three months ended September 30, 2025, with an additional \$111 million of incremental annual net operating income anticipated to deliver by the fourth quarter of 2026 primarily from projects that are 80% leased/negotiating.

- During the three months ended September 30, 2025, we placed into service development projects aggregating 185,517 RSF that are 89% occupied across multiple submarkets and delivered incremental annual net operating income of \$16 million.
 - A significant delivery during the three months ended September 30, 2025 consisted of 122,302 RSF at 10935, 10945, and 10955 Alexandria Way on the One Alexandria Square Megacampus in our Torrey Pines submarket.
- Annual net operating income (cash basis) from recently delivered projects is expected to increase by \$50 million upon the burn-off of initial free rent, which has a weighted-average remaining period of approximately three months.
- During 2025–2026, we expect to deliver annual net operating income representing nearly 8% growth in total net operating income from 2024 from projects that are 85% leased.
- 76% of the RSF in our total development and redevelopment pipeline is within our Megacampus ecosystems.

<i>(dollars in millions)</i>	Incremental Annual Net Operating Income	RSF	Occupied/ Leased/ Negotiating Percentage
Placed into service:			
Six months ended June 30, 2025	\$ 52	527,268	96%
Three months ended September 30, 2025	16	185,517	89
Total placed into service during nine months ended September 30, 2025	\$ 68 ⁽¹⁾	712,785	94%
Expected to be placed into service:			
Fourth quarter of 2025 through fourth quarter of 2026	\$ 111 ⁽²⁾	969,524 ⁽³⁾	80% ⁽⁴⁾

(1) Excludes future incremental annual net operating income from recently delivered spaces aggregating 42,449 RSF that are vacant and/or unleased at delivery.

(2) Includes expected partial deliveries through the fourth quarter of 2026 from projects expected to stabilize in 2027 and beyond, including speculative future leasing that is not yet fully committed. Refer to the initial and stabilized occupancy years under "New Class A/A+ development and redevelopment properties: current projects" in Item 2 for additional information.

(3) Represents the RSF related to projects expected to stabilize by the fourth quarter of 2026. Does not include RSF for partial deliveries through the fourth quarter of 2026 from projects expected to stabilize in 2027 and beyond.

(4) Represents the current leased/negotiating percentage of development and redevelopment projects that are expected to stabilize during the fourth quarter of 2025 through the fourth quarter of 2026.

Trends that may affect our future results

Current identified key market trends and uncertainties that had or may have a negative effect on our business are discussed below. Although we seek to minimize the risks posed by these trends and uncertainties as discussed in the mitigating factors section below, there can be no assurance that these measures will be successful in preventing material impacts on our future results of operations, financial position, and cash flows. Refer to “Item 1A. Risk factors” within “Part II – Other information” of this quarterly report on Form 10-Q and “Item 1A. Risk factors” within Part I in our annual report on Form 10-K for the year ended December 31, 2024 for discussion of additional risks we face.

- **New competitive supply may exert pressure on our rental rates and occupancy, and adversely affect our operating results.**
- During and after the COVID-19 pandemic, the shift toward hybrid and remote work arrangements has led certain office and other real estate companies to repurpose their underutilized office spaces into laboratory facilities. Our success and the success of other laboratory operators have prompted and may continue to prompt new and existing life science developers to commence speculative redevelopment and/or development projects in anticipation of demand for laboratory facilities. These conversion and speculative development projects have contributed to a significant influx of new laboratory properties in key markets such as Boston, San Diego, and the San Francisco Bay Area, heightening competitive pressures and diluting landlords’ pricing power in certain submarkets.
- To remain competitive with the influx of new laboratory properties, we may be required to reduce our rental rates and/or offer more tenant improvement allowances or additional tenant concessions, including free rent, to retain existing tenants, or attract new tenants. Furthermore, our existing operating properties may require additional revenue- and non-revenue-enhancing capital investments earlier than typically expected. The table below reflects a trend of increasing revenue- and non-revenue-enhancing capital expenditures, which include tenant improvement expenditures. The table also presents the trend, on a per RSF basis, for our tenant improvements and leasing commissions, free rent concessions, decreasing growth in rental rates related to our renewed/re-leased spaces, and decreases in our operating occupancy (dollars in thousands, except per RSF amounts):

	Revenue- and Non-Revenue-Enhancing Capital Expenditures	Tenant Improvements/Leasing Commissions per RSF	Free Rent Concessions per Annum (leases executed in trailing 12 months)	Rental Rate Increases (on renewed/re-leased spaces)	Operating Occupancy (as of each period end)
Fiscal year 2023	\$ 260,392	\$ 26.09	0.6 months	29.4%	94.6%
Fiscal year 2024	\$ 273,377	\$ 46.89	0.7 months	16.9%	94.6%
Nine months ended September 30, 2025	\$ 230,867	\$ 66.29	1.2 months	13.6%	90.6%
Midpoint of 2025 guidance range	\$ 415,000		N/A	11.0%	90.8% ⁽¹⁾

(1) Our guidance assumes an approximate 1% benefit related to a range of assets with vacancy that could potentially qualify for held for sale designation during the fourth quarter of 2025. These assets have not yet reached the criteria for held for sale designation as of September 30, 2025.

Additionally, we have leases at 20 properties, primarily located in the Greater Boston, San Francisco Bay Area, and San Diego markets, aggregating 1.2 million RSF with a weighted-average lease expiration date of March 19, 2026. These spaces are expected to become vacant at lease expiration and re-leased to new tenants. We currently expect downtime on the 1.2 million RSF to range from 6 to 24 months on a weighted-average basis. However, given the elevated supply of new laboratory space in these markets, there can be no assurance that we will be able to re-lease some or all of this space on acceptable terms or within anticipated time frames, even at reduced rates.

As of September 30, 2025, we anticipate that 4.2 million RSF of our projects undergoing construction and one 100% pre-leased committed near-term project expected to commence construction in the next year will be placed into service from 2025 through 2028 and will generate \$390 million in future incremental annual net operating income. These projects are 43% leased or under lease negotiations as of September 30, 2025. Additionally, landlord-funded tenant improvement allowances have increased significantly for first-generation space, including development and redevelopment projects, with most space in shell condition requiring landlords to fund the full build-out cost. This trend places additional pressure on projected returns and overall economics. Realization of the aforementioned risks could hinder our ability to secure tenants for the remaining unleased RSF related to these projects at the expected rates, or at all, potentially leading to a shortfall in, or delays in the commencement of, the projected incremental annual net operating income.

- **Unfavorable macroeconomic environment, capital markets, and life science industry fundamentals may negatively impact the value of our real estate and non-real estate portfolios which could result in significant impairments, and may limit our ability to raise capital efficiently to further our business objectives.**

The effective execution of our development and redevelopment activities is contingent on access to capital required to fund projects. The midpoint of our range for 2025 construction spend is \$1.75 billion. This includes significant remaining construction costs to complete our active pipeline, and anticipated increases in both revenue- and non-revenue-enhancing capital expenditures in our operating portfolio. We expect funding for construction spending in 2026 to be similar or slightly higher than the \$1.75 billion midpoint of our guidance range for 2025 construction in order to complete our active construction projects and significant revenue- and non-revenue-enhancing capital expenditures necessary to lease vacant space. Additionally, given the factors previously described which could negatively impact EBITDA, we would require significant equity-type capital to manage our leverage profile.

- **Lower property valuations and increased capitalization rates.** A portion of our projected construction spending and acquisition and other opportunistic uses of capital spending is expected to be funded through dispositions and sales of partial interests in core and non-core real estate assets. Real estate investments are generally less liquid than many other investment types, which can present challenges in selling our properties timely or at desirable prices, especially in an environment of oversupply.

Real estate sales can be particularly challenging given the demand for real estate is impacted by an economic climate marked by ongoing uncertainties around tenant demand for space and elevated interest rates, in addition to those related to oversupply. Although the U.S. Federal Reserve lowered the federal funds target range from 5.25%–5.50% at the end of 2023 to 4.25%–4.50% during 2024, and to 4.00%–4.25% in September 2025, interest rates remain elevated. This could continue to limit access to debt and/or equity financing for prospective buyers of our real estate assets, potentially eliminating their participation in the market or forcing them to seek more expensive alternative funding options. All other aspects being equal, such challenges for buyers lead to an excess of properties available for sale, which exert downward pressure on property valuations and elevate capitalization rates, adversely impacting the sales proceeds we expect from our real estate asset sales.

The new supply, discussed above, combined with high interest rates and reduced market liquidity, has resulted in a prolonged period of lower property valuations and higher capitalization rates, potentially leading to significant additional real estate impairments and making it more challenging to execute asset sales within expected timelines and at favorable pricing. For additional information about our dispositions, refer to “Sales of real estate assets and impairment of real estate” in Note 3 – “Investments in real estate” to our unaudited consolidated financial statements in “Item 1. Financial statements” (“Item 1”) for additional information. In 2025, we expect to complete dispositions and sales of partial interests of approximately \$1.50 billion at the midpoint of our 2025 guidance range. However, we may not be able to achieve this and/or other targets disclosed in our 2025 guidance as a result of the uncertainties discussed in this section as well as in “Item 1A. Risk factors” within “Part II – Other information” of this quarterly report on Form 10-Q and “Item 1A. Risk factors” within Part I in our annual report on Form 10-K for the year ended December 31, 2024.

The table below presents total dispositions and a trend of increasing impairments of real estate and capitalization rates associated with dispositions and sales of partial interests in our real estate assets (dollars in thousands), which is partly attributable to the quality of core and non-core assets we sold during each period. There is no assurance that this upward trend will stabilize or reverse in the future.

	Total Dispositions and Sales of Partial Interests	Impairment of Real Estate	Capitalization Rates ⁽¹⁾	Capitalization Rates (Cash Basis) ⁽¹⁾
2023	\$ 1,314,414	\$ 461,114	6.7%	5.9%
2024	\$ 1,382,453	\$ 223,068	7.7%	6.5%
Nine months ended September 30, 2025	\$ 342,441	\$ 485,630	N/A ⁽²⁾	
Midpoint of 2025 guidance range	\$ 1,500,000	\$ 828,500	N/A	

(1) Capitalization rates are calculated only for stabilized operating assets sold. Refer to “Capitalization rates” under “Definitions and reconciliations” for additional information.

(2) There were no significant stabilized laboratory dispositions completed during the nine months ended September 30, 2025.

The midpoint of our 2025 guidance range for dispositions of real estate assets is \$1.5 billion. As of September 30, 2025, we have completed dispositions aggregating \$340.9 million, and expect to complete an additional \$1.2 billion of dispositions during the fourth quarter of 2025 to achieve the midpoint of our 2025 guidance range. We continue to evaluate a significant number of disposition targets, including non-core operating properties, both stabilized and unstabilized, and land parcels.

Under U.S. GAAP, existing real estate assets are evaluated for impairment upon indication of potential impairment. Impairments of real estate assets held and used are recognized if future undiscounted cash flows, including estimated proceeds from eventual sale of an asset, are less than the carrying amount of the asset. For real estate assets held for sale, impairments are recognized if the expected sales price less costs to sell is less than the carrying amount. For additional information on accounting for real estate impairments, refer to “Impairment of long-lived assets” in Note 2 – “Summary of significant accounting policies” to our unaudited consolidated financial statements.

As of September 30, 2025, we have evaluated a large number of potential disposition targets under a probability-weighted method, including under the held and used and held for sale models. In each case, no impairment charge was required. If these specific assets meet the criteria to be designated as held for sale during the fourth quarter of 2025, we may incur impairments ranging from \$0 to \$685 million.

Our revised 2025 guidance range for impairments of real estate is from \$485.6 million to \$1.17 billion (with a midpoint at \$828.5 million) consisting of \$485.6 million recognized in our consolidated statements of operations during the nine months ended September 30, 2025 and additional potential impairments ranging from \$0 to \$685 million during the fourth quarter of 2025. If these impairments are recognized during the fourth quarter of 2025, they will have a material impact on our net income and earnings per share for the year ending December 31, 2025. However, these impairments will not impact our funds from operations (“FFO”) per share as Nareit requires the add-back of real estate impairment charges. FFO and FFO per share, as adjusted represent non-GAAP measures. For their definitions and reconciliations from the most directly comparable financial measure presented in accordance with GAAP, 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.

We expect a significant source of funding from the sale of non-core assets in 2026. We anticipate an end to our large-scale non-core asset sales program in 2026 or early 2027. As of September 30, 2025, 77% of our annual rental revenue is from our Megacampus™ platform and we expect this percentage to continue to grow over time.

- Increased cost and limited availability of capital. In February 2025, we issued \$550.0 million of unsecured senior notes payable, primarily to refinance our \$600.0 million unsecured senior notes payable that matured in April 2025. Currently, we do not expect to issue any additional new debt in 2025. However, should we encounter difficulties in selling our real estate assets at our targeted prices, we may need to increase our reliance on debt financing to fund our construction projects, which are projected to aggregate approximately \$1.75 billion in construction spending based on the midpoint of our 2025 guidance range. Elevated benchmark interest rates may result in debt funding options that are costlier, less accessible, or even unavailable, potentially limiting our ability to complete our development and redevelopment projects on schedule and thereby delaying our expected incremental annual net operating income generation and negatively affecting our business.

The table below reflects interest rates related to our unsecured senior notes payable issued in 2023, 2024, and in February 2025 (dollars in thousands). There is no assurance that high debt costs will not continue into the future.

	Unsecured Senior Notes Payable Issued	Interest Rate ⁽¹⁾
2023	\$ 1,000,000	5.07%
2024	\$ 1,000,000	5.57%
February 2025 issuance and midpoint of our 2025 guidance	\$ 550,000	5.66%

(1) Includes amortization of loan fees, amortization of debt premiums (discounts), and other bank fees.

- Capitalized Interest. In 2025, our capitalized interest and interest expense are expected to be \$335 million and \$210 million, respectively, each at the midpoints of our 2025 guidance ranges. Our strategic focus is on prioritizing the completion of our projects under construction that are highly leased. Additionally, we invest in our future pipeline with the goals of enhancing value and reducing the timeline to allow for vertical construction. This is in response to our expectation of increased future demand for these projects and is reflected in our expectation for capitalized interest. Refer to “Capitalized interest” under “Definitions and reconciliations” in Item 2 for additional information.

The challenging macroeconomic environment, including the elevated supply of laboratory space, high costs or unavailability of debt, and challenges in obtaining sufficient proceeds from real estate dispositions, as discussed above, have, however, necessitated and may continue to necessitate a reevaluation of our current plans, and lead to a temporary suspension of our construction projects, delay of future projects, or sale of non-income-producing property. This could result in a decline in our capitalized interest for 2025 and beyond below our current projections and a further increase in interest expense recognized in our consolidated statement of operations.

The table below presents gross interest expense, capitalized interest, and interest expense in 2023 and 2024 and projections for 2025 based on the midpoint of our 2025 guidance ranges (in thousands):

	Gross Interest Expense	Capitalized Interest	Interest Expense
2023	\$ 438,182	\$ (363,978)	\$ 74,204
2024	\$ 516,799	\$ (330,961)	\$ 185,838
Midpoint of 2025 guidance range	\$ 545,000	\$ (335,000)	\$ 210,000

In addition to capitalized interest, we incur capitalized projects costs, including property taxes, insurance, and other costs directly related and essential to the construction of Class A/A+ properties. If we cease activities necessary to prepare a project for its intended use, costs related to such project are expensed as incurred.

During the nine months ended September 30, 2025, our average real estate basis capitalized aggregated \$8.2 billion. This includes:

- \$2.8 billion related to development and redevelopment projects under construction and one 100% pre-leased committed near-term project expected to commence construction in the next year;
 - \$1.1 billion related to smaller redevelopments and repositioning capital projects; and
 - \$4.2 billion related to future pipeline projects expected to reach key milestones in the fourth quarter of 2025 and 2026, including various phases of entitlement, design, site work, and other activities necessary to begin aboveground vertical construction, on April 14, 2026, on a weighted-average real estate investment basis. At that time, we may evaluate whether to proceed with additional pre-construction and/or construction activities based on leasing demand and/or market conditions, pause future investments, or consider the potential dispositions of real estate assets.
- *Volatility in non-real estate investments.* We hold strategic investments in publicly traded companies and privately held entities primarily involved in the life science industry. These investments are subject to market and sector-specific risks that can substantially affect their valuation. Like many other industries, the life science industry is susceptible to macroeconomic challenges, such as ongoing economic uncertainty and a tighter capital environment. These factors may lead to increased volatility in the valuation of our non-real estate investments.

In such a challenging environment, distributions from our investments — which we may receive as dividends, as liquidation distributions from our investments in limited partnerships, or as a result of mergers and acquisitions that lead to our privately held investees being acquired by other entities — may be limited and could result in lower realized gains. Moreover, we may face challenges in selling these securities at optimal prices, potentially disrupting our capital strategy. There can be no assurance that we will be able to realize these gains or sustain our historical level of annual realized gains in the future, and in periods with limited or no realized gains, our FFO per share, as adjusted, may be adversely affected.

For the nine months ended September 30, 2025, we recognized \$94.7 million, or an average of approximately \$32 million per quarter, in realized gains on non-real estate investments. The midpoint of our revised guidance range for realized gains on non-real estate investments assumes approximately \$15 million in the fourth quarter of 2025.

The table below presents realized gains, impairments, and unrealized losses on our non-real estate investments (in thousands):

	Non-Real Estate Investments		
	Realized Gains ⁽¹⁾	Impairments	Unrealized Losses
2023	\$ 80,628	\$ 74,550	\$ 201,475
2024	\$ 117,214	\$ 58,090	\$ 112,246
Nine months ended September 30, 2025	\$ 94,650	\$ 75,535	\$ 71,568
Midpoint of 2025 guidance range	\$ 110,000	N/A	

(1) Excludes impairment charges.

Gross unrealized gains related to non-real estate investments held as of September 30, 2025, December 31, 2024, and December 31, 2023 aggregated to \$180.4 million, \$228.1 million, and \$320.4 million, respectively.

Unfavorable market conditions could also indicate potential impairment of our investments in privately held entities that do not report NAV per share and lead to the recognition of additional significant non-real estate impairments.

- ***Government policy and regulatory disruption.*** Recent and ongoing policy actions by the U.S. government have introduced significant volatility and uncertainty into the life science ecosystem, with direct implications for our tenants, non-real estate investments, and overall business. Material developments include workforce reductions at the National Institutes of Health and U.S. Food and Drug Administration, reimbursement cuts at the Centers for Medicare & Medicaid Services, and funding freezes affecting research at certain U.S. research institutions. These changes have led to the suspension of many research projects, delays in regulatory reviews and approvals of drugs and other medical products, and increased barriers to clinical and regulatory progress, including for early-stage life science companies. Moreover, foreign markets, especially China, are rapidly gaining ground as global biotechnology leaders due to their centralized funding and faster regulatory timelines. The U.S. life science industry risks losing its competitive advantage as companies increasingly look abroad to conduct research. Combined with new immigration restrictions that affect international research talent, these policy actions threaten the long-term viability of the U.S. biomedical industry. The cumulative effect of these developments may significantly reduce tenant demand for U.S. life science real estate. At the same time, trade tensions and widespread tariffs may increase the cost of capital and key materials, which could delay or reduce our development pipeline. Refer to “Item 1A. Risk factors” within “Part II – Other information” of this quarterly report on Form 10-Q for more information.

The realization of any of the aforementioned risks could have a material adverse impact on our revenues and operating performance, including but not limited to our income from rentals, net operating income, results of operations, funds from operations, operating margins, initial stabilized yields (unlevered) on new or existing construction projects, occupancy, EPS, FFO per share, FFO per share, as adjusted, and net cash provided by operating activities. These impacts could decrease Adjusted EBITDA, adversely impacting our key metrics such as our Adjusted EBITDA margin and Net Debt and Preferred Stock to Adjusted EBITDA ratio, as well as our credit ratings and credit rating outlooks. To preserve liquidity and mitigate an increase to our Net Debt and Preferred Stock to Adjusted EBITDA ratio that may be caused by potential declines in Adjusted EBITDA, we may seek additional capital through equity offerings, pursue additional sales of real and non-real estate assets, which could be dilutive to existing stockholders. A reduction in earnings and/or net cash provided by operating activities could potentially necessitate or make advisable a reduction in our dividends per share, as determined by our board of directors. Any of the foregoing could further negatively affect our business and the market value of our common stock.

- **Mitigating factors:**

- ***Megacampus strategy: focusing on premier Class A/A+ assets in AAA life science innovation cluster locations.*** Alexandria has established a high-quality Labspace® asset base predominantly concentrated in markets with high barriers to entry. Despite a recent increase in the availability of laboratory space, we expect to continue to benefit from our focus on Class A/A+ assets strategically clustered in Megacampus ecosystems in AAA life science innovation cluster locations in close proximity to top academic and medical research institutions. This proximity is a key driver of tenant demand. These campuses are used in two distinct ways: (i) to house the research operations of our tenants and (ii) to recruit and retain the best talent available from a limited pool, which underscores why their scale, strategic design, and location are critical.

Chief executive officers of life science companies typically anticipate rapid growth upon their companies’ achievement of scientific milestones. Our Megacampus ecosystems, which offer both high visibility and a clear path for growth, are designed for scalability to accommodate our tenants’ growth. Our future developments and redevelopments aggregate 26.4 million RSF as of September 30, 2025, of which 76% is concentrated within our Megacampus ecosystems. Their strategic locations and path for growth serve as powerful incentives for tenants to lease space from us.

Moreover, our tenants recognize that their success is directly linked to their ability to attract and retain personnel to advance their science. With our Megacampus ecosystems, we aim to provide a superior set of amenities, services, and access to transit. With inspiring design and people-centric amenities, we believe these campuses enhance our tenants’ confidence in using these spaces as effective recruiting tools. In contrast, we believe that a significant amount of the competitive supply in the market today consists of isolated facilities that provide operational space but lack the scale and strategic design of our Megacampus ecosystems.

Consequently, we believe an external growth strategy that focuses on the development of new Megacampus ecosystems, and the enhancement of existing ones, serves as our most effective defense against competitive supply. Over the past three decades, we have established a significant market presence in AAA innovation cluster locations, which is challenging to replicate due to the significant time and capital requirement. We believe the focus on our Megacampus strategy will continue to position us favorably over the supply of new competitive laboratory spaces. The strength of this strategy is reflected in the 2025 performance metrics below, achieved despite a challenging macroeconomic environment:

- Leasing volume aggregating 3.0 million RSF for the nine months ended September 30, 2025.
In July 2025, we executed the largest life science lease in company history with a long-standing multinational pharmaceutical tenant for a 16-year build-to-suit lease expansion aggregating 466,598 RSF on the Campus Point by Alexandria Megacampus in our University Town Center submarket.
 - Weighted-average lease term of 12.6 years for leases executed during the nine months ended September 30, 2025.
 - Projects expected to stabilize in 2025 and 2026 are 80% leased/negotiating.
 - Rental rate increases of 13.6% and 6.8% (cash basis) for the nine months ended September 30, 2025.
 - Occupancy of 90.6% as of September 30, 2025.
- ***Strength of our brand.*** As a recognized leader in the life science and real estate sectors, Alexandria has successfully built a diverse and high-quality tenant base. Over the past three decades, we have fostered long-standing relationships and strategic partnerships with our tenants, which have enabled us to maintain strong occupancy, leasing, and growth in net operating income and cash flows and to effectively navigate through various economic cycles. Key indicators of our brand strength include the following:
 - As of September 30, 2025, 82% of our leasing activity during the last twelve months was generated from our existing tenant base.
 - As of September 30, 2025, 90% of our top 20 tenant annual rental revenue is derived from investment-grade or publicly traded large cap companies.
 - Our tenant collections have remained consistently high, averaging 99.8% since the beginning of 2021 through September 30, 2025.
- ***Prudent financial management.*** Our strong and flexible balance sheet and prudent balance sheet management are key factors in our ability to navigate macroeconomic uncertainties and capitalize on new opportunities. The strength of our financial position is highlighted by several key indicators:
 - Our significant liquidity of \$4.2 billion as of September 30, 2025 provides us the flexibility to address our operational needs and to pursue strategic opportunities.
 - We expect to have the ability to self-fund a large portion of our capital requirements through the following sources in 2025:
 - \$475 million in net cash provided by operating activities after dividends at the midpoint of our 2025 guidance range.
 - \$166.9 million in capital contributions to fund construction expected from our existing consolidated real estate joint venture partners from October 1, 2025 through December 31, 2027 and beyond.
 - \$1.50 billion from dispositions and sales of partial interests in real estate assets at the midpoint of our 2025 guidance range.
 - As of September 30, 2025, our credit ratings from S&P Global Ratings and Moody's Ratings were BBB+ and Baa1, respectively, which rank in the top 15% among all publicly traded U.S. REITs.
 - Our net debt and preferred stock to Adjusted EBITDA ratio target is 5.5x to 6.0x for the fourth quarter of 2025 annualized.
 - As of September 30, 2025, our fixed-rate debt represents 88.6% of our total debt, which provides predictability in debt servicing costs. Since 2021, our quarter-end fixed-rate debt has averaged 96.7%.
 - Our debt maturity schedule is well laddered, which provides us with financial flexibility and reduces short-term refinancing risks. As of September 30, 2025, only 7% of our debt matures through 2027.
 - As of September 30, 2025, the weighted-average remaining term of our debt is 11.6 years, longest among S&P 500 REITs, demonstrating our strategic approach to debt management and our focus on maintaining manageable annual debt maturities.
- ***Operational excellence of our team.*** Alexandria focuses on operational excellence in the direct asset management and operations of our LabSpace® asset base. Our team is composed of highly experienced, educated, and professionally credentialed facilities specialists. This expertise is essential in ensuring a secure and efficient environment for groundbreaking scientific research and has been cultivated and maintained over many years.

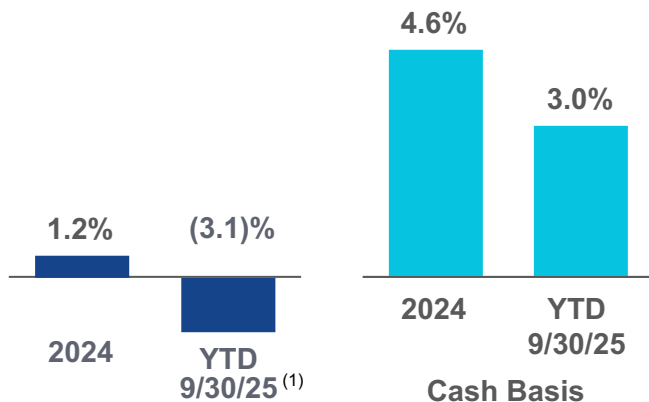
The demanding nature of laboratory-based scientific research requires strict adherence to safety standards set by local, state, and federal regulatory bodies. Key compliance aspects include good manufacturing practices (GMP) and Clinical Laboratory Improvement Amendments (CLIA) certifications, adherence to national biosafety level guidelines, proper permitting and handling of hazardous waste generation and chemical storage, maintenance of safety stations, effective management of ultra-low temperature freezers, and careful licensing and management of radioactive materials.

- **Life science fundamentals.** We monitor market demand trends, particularly in the life science industry, to optimally align our property offerings with tenant requirements. The life science industry has shown strong long-term growth, fueled by multifaceted sources of funding, including private venture capital, biopharmaceutical spend, government funding, and philanthropic support for biomedical innovation. We believe our focus on high-quality LabSpace® assets in prime locations positions us to effectively capitalize on these long-term trends:
 - The R&D expenditures by U.S. publicly traded life science companies nearly doubled in 2023 compared to 2014. As of December 31, 2024, 17 of the top 20 pharma R&D spenders (for the year 2023) are Alexandria tenants.
 - The sector's growth is further supported by substantial funding of life science companies by private-venture capital, which aggregated over \$40 billion in 2024, or over 2.5x the capital deployed in 2014.
- **Other mitigating factors**
 - **Improvement in office market.** The increase in demand for premium office space since 2024, primarily driven by the technology sector, particularly companies focused on artificial intelligence, absorbed some of the market's supply previously anticipated for life science use, which is now being repositioned back into offices. High ceilings, improved ventilation systems, and abundant natural light have become highly desirable features, appealing to office and advanced technologies tenants. We expect this trend may lead to the exit from the life science sector of inexperienced life science real estate developers and expedite the resolution of the oversupply impacting the sector.
 - **Projected decrease in general and administrative expenses.** Over the past several years, we have implemented comprehensive measures to reduce our expenditures across our organization, including our general and administrative expenses, which provided savings during the year ended December 31, 2024, compared to the year ended December 31, 2023. These initiatives are expected to generate a reduction in general and administrative expenses of approximately \$49 million, or 29%, during the year ending December 31, 2025 (at the midpoint of our 2025 guidance range) compared to the year ended December 31, 2024. These savings are expected to stem from a variety of implemented cost-control and efficiency initiatives, including, but not limited to, the following:
 - (i) Personnel-related matters, including:
 - Reduction in headcount over the last two years.
 - Restructuring of various compensation plans.
 - (ii) Streamlining of business processes:
 - Implementation of systems upgrades, process improvements, and smarter technology.
 - Renegotiation of contracts related to legal, technology, and operational support services, and elimination of redundancies through better alignment and consolidation of roles.

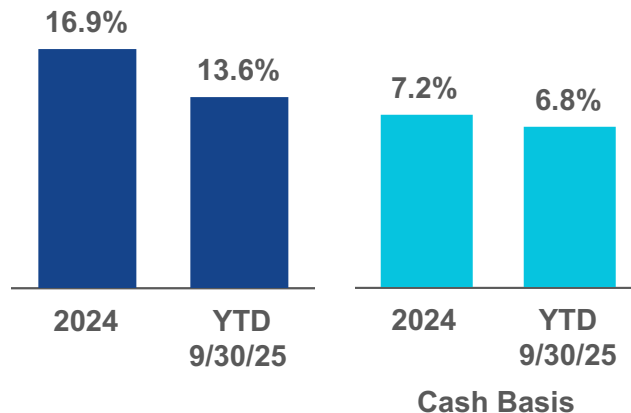
We anticipate that approximately half of the cost reductions expected to be achieved in 2025 will continue in 2026.

Operating summary

**Same Property Performance:
Net Operating Income Changes**



**Rental Rate Growth:
Renewed/Re-Leased Space**



Margins⁽²⁾

Operating **68%** Adjusted EBITDA **71%**

Favorable Lease Structure⁽³⁾

Strategic Lease Structure by Owner and Operator of Collaborative Megacampus Ecosystems

Increasing cash flows
Percentage of leases containing annual rent escalations **97%**

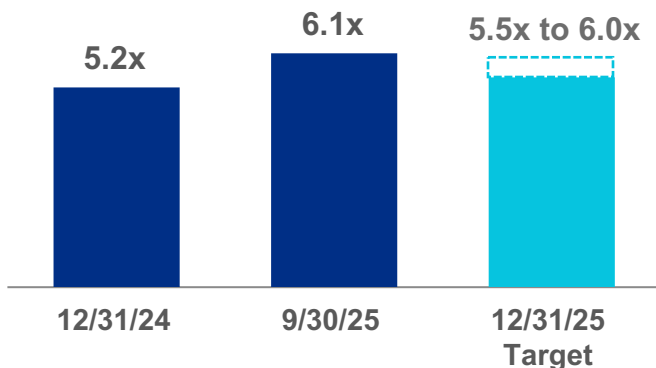
Stable cash flows
Percentage of triple net leases **91%**

Lower capex burden
Percentage of leases providing for the recapture of capital expenditures **92%**

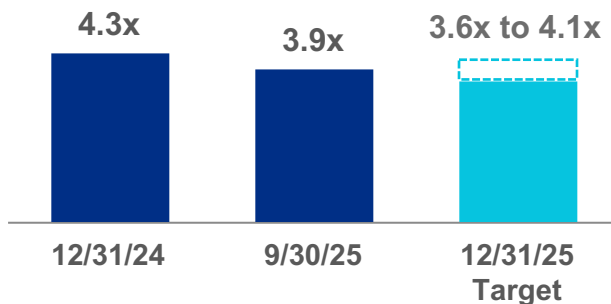
Long-Duration Lease Terms⁽⁴⁾

9.4 Years **7.5 Years**
Top 20 Tenants All Tenants

**Net Debt and Preferred Stock
to Adjusted EBITDA⁽⁵⁾**



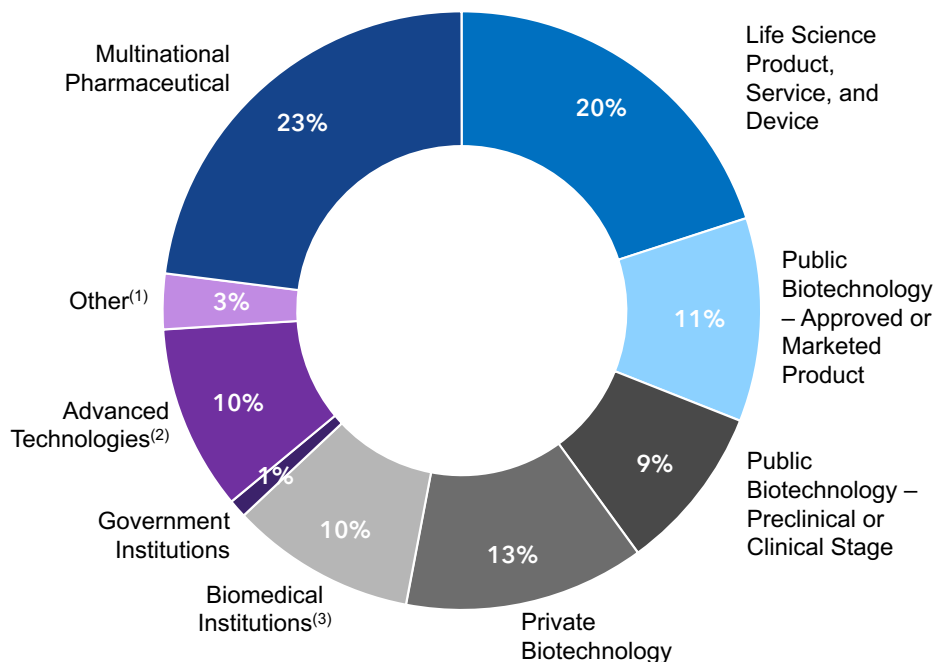
Fixed-Charge Coverage Ratio⁽⁵⁾



Refer to "Same properties" and "Definitions and reconciliations" in Item 2 for additional details. "Definitions and reconciliations" contains the definitions of "Fixed-charge coverage ratio," "Net debt and preferred stock to Adjusted EBITDA," and "Net operating income" and their respective reconciliations from the most directly comparable financial measures presented in accordance with GAAP.

- (1) Refer to footnote 1 in "Same properties" in Item 2 for additional details.
- (2) For the three months ended September 30, 2025.
- (3) Percentages calculated based on our annual rental revenue in effect as of September 30, 2025.
- (4) Represents the weighted-average remaining term based on annual rental revenue in effect as of September 30, 2025.
- (5) Quarter annualized.

Stable Cash Flows From Our High-Quality and Diverse Mix of Approximately 700 Tenants



Percentage of ARE's Annual Rental Revenue

Investment-Grade or Publicly Traded Large Cap Tenants

90%

of ARE's Top 20 Tenant Annual Rental Revenue

53%

of ARE's Total Annual Rental Revenue

As of September 30, 2025. Annual rental revenue represents amounts in effect as of September 30, 2025. Refer to "Definitions and reconciliations" in Item 2 for additional information.

- (1) Represents the percentage of our annual rental revenue generated by professional services, finance, telecommunications, construction/real estate companies, and retail-related tenants.
- (2) 68% of our annual rental revenue from advanced technologies tenants is from investment-grade or publicly traded large cap tenants.
- (3) 80% of our annual rental revenue from biomedical institutions is from investment-grade or publicly traded large cap tenants.

Leasing Activity

The following table summarizes our leasing activity at our properties:

<i>(Dollars per RSF)</i>	Three Months Ended September 30, 2025		Nine Months Ended September 30, 2025		Year Ended December 31, 2024	
	Including Straight-Line Rent	Cash Basis	Including Straight-Line Rent	Cash Basis	Including Straight-Line Rent	Cash Basis
<i>Leasing activity:</i>						
Renewed/re-leased space ⁽¹⁾						
Rental rate changes	15.2%	6.1%	13.6%	6.8%	16.9%	7.2%
New rates	\$56.91	\$57.07	\$59.45	\$59.17	\$65.48	\$64.18
Expiring rates	\$49.42	\$53.77	\$52.34	\$55.41	\$56.01	\$59.85
RSF	354,367		1,722,184		3,888,139	
Tenant improvements/leasing commissions	\$47.15		\$66.29		\$46.89	
Weighted-average lease term	7.3 years		9.5 years		8.5 years	
Previously vacant/developed/ redeveloped space leased ⁽²⁾						
New rates	\$85.31	\$76.33	\$74.93	\$69.16	\$59.44	\$57.34
Previously vacant RSF	256,633		550,986		672,474	
Developed/redeveloped RSF	560,344 ⁽³⁾		698,542		493,341	
Weighted-average lease term	15.4 years		14.7 years		10.0 years	
<i>Leasing activity summary (totals):</i>						
New rates	\$76.72	\$70.51	\$65.96	\$63.37	\$64.16	\$62.68
RSF	1,171,344		2,971,712		5,053,954	
Weighted-average lease term	14.6 years		12.6 years		8.9 years	
<i>Lease expirations⁽¹⁾</i>						
Expiring rates	\$66.03	\$67.63	\$56.68	\$57.98	\$53.82	\$57.24
RSF	800,421 ⁽⁴⁾		3,549,052		5,005,638	

Leasing activity includes 100% of results for properties in North America in which we have an investment.

- (1) Excludes month-to-month leases aggregating 85,652 RSF and 136,131 RSF as of September 30, 2025 and December 31, 2024, respectively. During the trailing twelve months ended September 30, 2025, we granted free rent concessions averaging 1.2 months per annum.
- (2) Refer to "New Class A/A+ development and redevelopment properties: summary of pipeline" in Item 2 for additional information, including total project costs.
- (3) Includes the largest life science lease in company history, executed in July 2025 with a long-standing multinational pharmaceutical tenant. The 16-year expansion build-to-suit lease aggregates 466,598 RSF on the Campus Point by Alexandria Megacampus in our University Town Center submarket. Refer to "New Class A/A+ development and redevelopment properties: current projects" in Item 2 for additional details.
- (4) Includes 75,735 of vacant RSF at one recently acquired asset in our Greater Stanford submarket for which we are evaluating options to reposition for advanced technologies use.

Summary of contractual lease expirations

The following table summarizes the contractual lease expirations at our properties as of September 30, 2025:

Year	RSF	Percentage of Occupied RSF	Annual Rental Revenue (per RSF) ⁽¹⁾	Percentage of Annual Rental Revenue
2025 ⁽²⁾	434,371	1.3%	\$ 50.71	1.1%
2026	3,084,651	9.1%	\$ 54.43	8.5%
2027	3,177,025	9.4%	\$ 55.06	8.9%
2028	3,954,063	11.7%	\$ 50.63	10.1%
2029	2,115,070	6.3%	\$ 47.02	5.0%
2030	2,999,453	8.9%	\$ 43.32	6.6%
2031	3,654,099	10.8%	\$ 55.36	10.2%
2032	968,848	2.9%	\$ 58.14	2.9%
2033	2,382,921	7.1%	\$ 49.05	5.9%
2034	3,031,460	9.0%	\$ 67.16	10.3%
Thereafter	7,915,520	23.5%	\$ 76.06	30.5%

Contractual lease expirations for properties classified as held for sale as of September 30, 2025 are excluded from the information on this page.

(1) Represents amounts in effect as of September 30, 2025.

(2) Excludes month-to-month leases aggregating 85,652 RSF as of September 30, 2025.

The following tables present our lease expirations by market for the remainder of 2025 and for 2026 as of September 30, 2025:

2025 Contractual Lease Expirations (in RSF)						
Market	Leased	Negotiating/ Anticipating	Targeted for Future Development/ Redevelopment	Remaining Expiring Leases	Total ⁽¹⁾	Annual Rental Revenue (per RSF) ⁽²⁾
Greater Boston	21,892	—	—	12,113	34,005	\$ 57.84
San Francisco Bay Area	—	—	—	55,766	55,766	64.75
San Diego	23,327	1,579	—	48,794	73,700	62.02
Seattle	50,552	—	—	23,756	74,308	22.80
Maryland	1,136	—	—	18,338	19,474	33.48
Research Triangle	10,478	3,951	—	4,843	19,272	N/A
New York City	—	11,798	—	7,825	19,623	105.22
Texas	—	—	—	—	—	—
Canada	—	—	—	40,679	40,679	10.72
Non-cluster/other markets	—	—	—	—	—	—
Subtotal	107,385	17,328	—	212,114	336,827	44.52
Key lease expirations ⁽³⁾	—	—	—	97,544	97,544	72.08
Total	107,385	17,328	—	309,658	434,371	\$ 50.71
Percentage of expiring leases	25%	4%	0%	71%	100%	

2026 Contractual Lease Expirations (in RSF)						
Market	Leased	Negotiating/ Anticipating	Targeted for Future Development/ Redevelopment	Remaining Expiring Leases	Total	Annual Rental Revenue (per RSF) ⁽²⁾
Greater Boston	119,978	11,897	—	229,566	361,441	\$ 57.14
San Francisco Bay Area	28,609	103,596	—	282,976	415,181	69.31
San Diego	—	—	52,620 ⁽⁴⁾	275,029	327,649	53.34
Seattle	34,719	—	—	137,715	172,434	24.17
Maryland	—	6,823	—	151,847	158,670	21.38
Research Triangle	22,660	—	—	165,542	188,202	41.69
New York City	12,168	—	—	62,241	74,409	72.35
Texas	—	—	—	—	—	—
Canada	247,743	—	—	1,755	249,498	21.72
Non-cluster/other markets	—	—	—	31,659	31,659	64.43
Subtotal	465,877	122,316	52,620	1,338,330	1,979,143	48.10
Key lease expirations ⁽³⁾	—	—	—	1,105,508	1,105,508	65.74
Total	465,877	122,316	52,620	2,443,838	3,084,651	\$ 54.43
Percentage of expiring leases	15%	4%	2%	79%	100%	

Contractual lease expirations for properties classified as held for sale as of September 30, 2025 are excluded from the information on this page.

- (1) Excludes month-to-month leases aggregating 85,652 RSF as of September 30, 2025.
 - (2) Represents amounts in effect as of September 30, 2025.
 - (3) Includes lease expirations at 20 properties primarily located in the Greater Boston, San Francisco Bay Area, and San Diego markets aggregating 1.2 million RSF with a weighted-average lease expiration date of March 19, 2026 and annual rental revenue aggregating \$81 million, which are expected to become vacant at lease expiration and re-leased to new tenants, including the following:
 - (i) Recently acquired properties comprising two properties aggregating 137,970 RSF in our Greater Stanford submarket for which we are evaluating options to reposition for advanced technologies use;
 - (ii) Two properties comprising 163,648 RSF in our University Town Center submarket and 118,225 RSF in our Torrey Pines submarket for which we are evaluating options to re-lease or reposition from single tenancy to multi-tenancy;
 - (iii) One property aggregating 83,354 RSF in our Sorrento Mesa submarket, where the in-place credit tenant will relocate and expand into our development project at 10075 Barnes Canyon Road, which is expected to be delivered during the second half of 2026; and
 - (iv) 113,097 RSF at our Alexandria Center[®] at One Kendall Square Megacampus in our Cambridge submarket. We plan to upgrade most of these spaces, most of which have not undergone major improvements since our acquisition in 2016.
- We continue to evaluate the business plans and re-leasing strategies for these projects to maximize occupancy and rental revenue. We expect downtime on the 1.2 million RSF to range from 6 to 24 months on a weighted-average basis, and we expect these properties to remain operating properties.
- (4) Relates to a single-tenant, 100% pre-leased development project aggregating 466,598 RSF that expands the existing Campus Point by Alexandria Megacampus. At the beginning of 2026, the tenant will vacate 52,620 RSF, which generated annual rental revenue of \$4.1 million as of September 30, 2025, from an existing building to allow for the demolition and development of the new, build-to-suit life science building at this site. Refer to "New Class A/A+ development and redevelopment properties: current projects" in Item 2 for additional details.

Top 20 tenants

90% 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 greater than 5.5% of our annual rental revenue in effect as of September 30, 2025. 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 September 30, 2025 (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 (in billions)
						Moody's	S&P	
1	Bristol-Myers Squibb Company	5.7	1,283,860	\$ 110,865	5.5%	A2	A	\$ 106.5
2	Eli Lilly and Company	9.1	1,086,165	90,805	4.5	Aa3	A+	\$ 753.2
3	Moderna, Inc.	13.2	462,100	71,571	3.5	—	—	\$ 13.3
4	Takeda Pharmaceutical Company Limited	9.7	549,759	47,899	2.4	Baa1	BBB+	\$ 45.6
5	AstraZeneca PLC	6.4	440,087	39,413	1.9	A1	A+	\$ 223.0
6	Eikon Therapeutics, Inc. ⁽²⁾	13.3	311,806	38,913	1.9	—	—	\$ —
7	Roche	7.5	647,069	36,383	1.8	Aa2	AA	\$ 256.8
8	Illumina, Inc.	5.1	857,967	35,924	1.8	Baa3	BBB	\$ 17.1
9	Alphabet Inc.	2.2	589,218	33,260	1.6	Aa2	AA+	\$ 2,231.6
10	United States Government	4.8	429,359	29,597 ⁽³⁾	1.5	Aaa	AA+	\$ —
11	Novartis AG	2.3	377,095	29,463	1.5	Aa3	AA-	\$ 240.2
12	Uber Technologies, Inc.	57.0 ⁽⁴⁾	1,009,188	27,820	1.4	Baa1	BBB	\$ 167.1
13	Boston Children's Hospital	11.5	309,231	26,294	1.3	Aa2	AA	\$ —
14	The Regents of the University of California	9.7	364,606	24,318	1.2	Aa2	AA	\$ —
15	Sanofi	5.3	267,278	21,851	1.1	Aa3	AA	\$ 127.1
16	New York University	6.8	218,983	21,110	1.0	Aa2	AA-	\$ —
17	Merck & Co., Inc.	7.9	333,124	21,001	1.0	Aa3	A+	\$ 225.8
18	Charles River Laboratories, Inc.	9.8	253,036	20,959	1.0	—	—	\$ 8.2
19	Cloud Software Group, Inc.	1.0 ⁽⁵⁾	216,278	20,553	1.0	—	—	\$ —
20	Massachusetts Institute of Technology	4.3	242,428	20,529	1.0	Aaa	AAA	\$ —
	Total/weighted-average	9.4 ⁽⁴⁾	10,248,637	\$ 768,528	37.9%			

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 total annual rental revenue in effect as of September 30, 2025.
- (2) Eikon Therapeutics, Inc. is a private biotechnology company led by renowned biopharmaceutical executive Roger Perlmutter, formerly an executive vice president at Merck & Co., Inc. As of February 25, 2025, the company has raised over \$1.2 billion in private venture capital funding.
- (3) Includes leases, which are not subject to annual appropriations, with governmental entities such as the National Institutes of Health and the General Services Administration. Approximately 3% of the annual rental revenue derived from our leases with the United States Government is cancellable prior to the lease expiration date.
- (4) Includes (i) ground leases for land at 1455 and 1515 Third Street (two buildings aggregating 422,980 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. Excluding these ground leases, the weighted-average remaining lease term for our top 20 tenants was 7.7 years as of September 30, 2025.
- (5) Represents one lease encompassing four properties acquired in 2022 that we expect to reposition upon lease expiration. This lease with Cloud Software Group, Inc. (formerly known as TIBCO Software, Inc.) was in place when we acquired the properties, of which 137,970 RSF has lease expirations through 2026. Refer to footnote 1 in "Summary of contractual lease expirations" in Item 2 for additional details.

Locations of properties

Our properties are strategically located in AAA life science innovation cluster markets. The following table sets forth the total RSF, number of properties, and annual rental revenue in effect as of September 30, 2025 in each of our markets in North America (dollars in thousands, except per RSF amounts):

Market	RSF					Number of Properties	Annual Rental Revenue		
	Operating	Development	Redevelopment	Total	% of Total		Total	% of Total	Per RSF
Greater Boston	9,096,225	583,407	1,626,322	11,305,954	26%	64	\$ 708,464	35%	\$ 89.74
San Francisco Bay Area	7,525,945	212,796	344,934	8,083,675	19	62	421,518	21	67.18
San Diego	6,314,303	648,516	—	6,962,819	16	68	328,638	15	54.67
Seattle	3,178,029	227,577	—	3,405,606	8	45	126,834	6	44.29
Maryland	3,855,906	—	—	3,855,906	9	50	157,213	8	44.00
Research Triangle	3,648,703	—	—	3,648,703	9	36	94,255	5	27.22
New York City	742,700	—	—	742,700	2	3	69,317	3	94.97
Texas	1,646,187	—	73,298	1,719,485	4	13	36,866	2	28.02
Canada	979,575	—	56,314	1,035,889	2	11	20,186	1	22.83
Non-cluster/other markets	315,440	—	—	315,440	1	9	12,195	1	55.52
Properties held for sale	1,811,787	—	—	1,811,787	4	14	53,266	3	44.62
North America	39,114,800	1,672,296	2,100,868	42,887,964	100%	375	\$ 2,028,752	100%	\$ 58.94
			3,773,164						

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		
	9/30/25	6/30/25	9/30/24	9/30/25	6/30/25	9/30/24
Greater Boston	86.8% ⁽¹⁾⁽²⁾	90.1%	94.6%	73.6%	76.7%	80.9%
San Francisco Bay Area	90.4 ⁽¹⁾⁽³⁾	88.9	94.1	86.4	85.2	91.1
San Diego	95.2	94.8	96.0	95.2	94.8	96.0
Seattle	90.1	90.3	92.3	90.1	90.3	91.3
Maryland	93.9	93.9	96.2	93.9	93.9	96.2
Research Triangle	94.9 ⁽¹⁾	92.8	97.5	94.9	92.8	97.5
New York City	98.3	88.9	85.1	98.3	88.9	85.1
Texas	79.9 ⁽¹⁾	82.1	95.5	76.5	78.9	91.8
Subtotal	90.8	91.0	94.9	85.9	86.3	90.0
Canada	90.3	90.7	95.5	85.4	85.8	82.6
Non-cluster/other markets	69.6	72.6	72.8	69.6	72.6	72.8
North America	90.6% ⁽¹⁾⁽⁴⁾	90.8%	94.7%	85.8%	86.2%	89.7%

(1) Refer to the table below for a summary of our previously disclosed key lease expirations that became vacant during the three months ended March 31, 2025:

Property	Submarket	Vacant RSF as of 3Q25	Vacant RSF leased as of 3Q25 with future delivery	%
Included in 3Q25 occupancy and same property results:				
Alexandria Technology Square® Megacampus	Cambridge	182,054	89,222	49%
507 East Howard Lane and 13813 Center Lake Drive	Austin	247,246	102,930	42
		429,300	192,152	45%
Classified as held for sale as of 3Q25 (excluded from occupancy and same property results):				
409 Illinois Street	Mission Bay	234,249	N/A	
7 Triangle Drive	Research Triangle	104,531	N/A	
Total 1Q25 key lease expirations vacant at 3Q25		<u>768,080</u>		

- (2) The decline in occupancy during the three months ended September 30, 2025, was primarily due to one lease expiration of 78,380 RSF in Cambridge which we are marketing and a 72,846 RSF lease expiration located in Watertown which has been leased but was not occupied as of September 30, 2025.
- (3) Increase in occupancy from the second quarter of 2025 is primarily due to the classification as held for sale of 409 and 499 Illinois Street on the Alexandria Center® for Science and Technology – Mission Bay Megacampus as of September 30, 2025, partially offset by the new vacancy at 3301 Hillview Avenue in our Greater Stanford submarket, which was previously occupied by an acquired software tenant, for which we are evaluating options to reposition as an advanced technologies campus.
- (4) Includes temporary vacancies as of September 30, 2025 aggregating 617,458 RSF, or 1.6% of total operating RSF, primarily in the Greater Boston, San Francisco Bay Area, San Diego, and Seattle markets, which are leased and expected to be occupied upon completion of building and/or tenant improvements. The weighted-average expected delivery date is approximately May 1, 2026, and the expected annual rental revenue is approximately \$46 million.

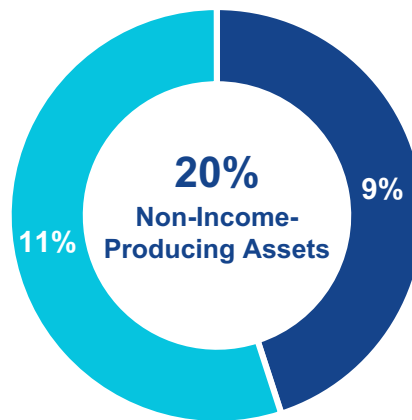
Investments in real estate

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, primarily located in collaborative Megacampus ecosystems in AAA life science 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 development or redevelopment 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 may result 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 September 30, 2025 (dollars in thousands):

	Development and Redevelopment						Total
	Operating	Under Construction		100% Pre-leased Committed Near Term ⁽¹⁾	Future	Subtotal	
		2025 and 2026	2027 and Beyond				
Square footage							
Operating	37,303,013	—	—	—	—	—	37,303,013
Future Class A/A+ development and redevelopment properties	—	969,524	2,803,640	466,598	24,257,782	28,497,544	28,497,544
Future development and redevelopment square feet currently included in rental properties ⁽²⁾	—	—	—	(52,620)	(2,082,454)	(2,135,074)	(2,135,074)
Total square footage, excluding properties held for sale	37,303,013	969,524	2,803,640	413,978	22,175,328	26,362,470	63,665,483
Properties held for sale	1,811,787	—	—	—	939,756	939,756	2,751,543
Total square footage	<u>39,114,800</u>	<u>969,524</u>	<u>2,803,640</u>	<u>413,978</u>	<u>23,115,084</u>	<u>27,302,226</u>	<u>66,417,026</u>
Investments in real estate							
Gross book value as of September 30, 2025 ⁽³⁾	\$29,451,717	\$ 901,674	\$ 2,762,729	\$ 60,398	\$ 4,984,144	\$ 8,708,945 ⁽⁴⁾	\$ 38,160,662
Properties held for sale	883,455	—	—	—	112,681	112,681	996,136
Total gross investment in real estate, excluding properties held for sale	<u>\$28,568,262</u>	<u>\$ 901,674</u>	<u>\$ 2,762,729</u>	<u>\$ 60,398</u>	<u>\$ 4,871,463</u>	<u>\$ 8,596,264</u>	<u>\$ 37,164,526</u>

Future development projects⁽⁵⁾ and land parcels, primarily located in Megacampuses with critical milestones in 4Q25 and 2026 – **\$4.9 billion**



Projects under active construction with stabilization in 2025-2027 and beyond and one 100% pre-leased committed near-term project expected to commence in the next year– **\$3.7 billion**

Non-Income-Producing Assets as a Percentage of Gross Assets

- (1) Represents a single-tenant project that expands the existing Campus Point by Alexandria Megacampus, where we currently have a 55% interest. Refer to “New Class A/A+ development and redevelopment properties: current projects” in Item 2 for additional details.
- (2) Refer to “Investments in real estate” under “Definitions and reconciliations” in Item 2 for additional details, including future development and redevelopment 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 sheet.
- (4) Our share of investment in our development and redevelopment pipeline is \$7.6 billion.
- (5) As of September 30, 2025, annual rental revenue from future development parcels with existing income was approximately 1% of total annual rental revenue.

Dispositions and sales of partial interests

Our completed dispositions and sales of partial interests of real estate assets during the nine months ended September 30, 2025 and pending dispositions as of the date of this report consisted of the following (dollars in thousands):

Property	Submarket/Market	Date of Transaction	Interest Sold/ Acquired	Square Footage		Price	Gain on Sales of Real Estate
				Operating	Future Development		
Dispositions							
Completed during the nine months ended September 30, 2025:							
<i>Properties with vacancy and near-term lease expirations:</i>							
2425 Garcia Avenue and 2400/2450 Bayshore Parkway	Greater Stanford/San Francisco Bay Area	6/30/25	100%	95,901	—	\$ 11,000	\$ —
5505 Morehouse Drive	Sorrento Mesa/San Diego	8/26/25	100%	79,945	—	45,000	—
Other						23,334	12,737
						<u>79,334</u>	<u>12,737</u>
<i>Land:</i>							
Costa Verde by Alexandria	University Town Center/San Diego	1/31/25	100%	—	537,000	124,000 ⁽¹⁾	—
Land parcel	Texas	5/7/25	100%	—	1,350,000	73,287	—
Land parcel	Other	9/12/25	100%	—	374,349	30,250	—
Other land parcels						34,000	504
						<u>261,537</u>	<u>504</u>
Total completed during the nine months ended September 30, 2025						340,871	13,241 ⁽²⁾
Completed in October 2025:							
550 Arsenal Street ⁽³⁾	Cambridge/Inner Suburbs/Greater Boston	10/15/25	100%	249,275	281,592	99,250	—
Other	Various					68,129	4,362
Total dispositions as of October 27, 2025						508,250	\$ 17,603
Our share of pending dispositions subject to non-refundable deposits, signed letters of intent, and/or purchase and sale agreement negotiations						1,032,495	
Completed and pending YTD 2025 dispositions, excluding exchange of partial interests (see below)						<u>\$ 1,540,745</u>	
2025 guidance range for dispositions and sales of partial interests						\$1,100,000 – \$1,900,000	
2025 guidance midpoint for dispositions and sales of partial interests						\$ 1,500,000	
Exchange of partial interests⁽⁴⁾							
Disposition of Pacific Technology Park	Sorrento Mesa/San Diego	9/9/25	50%	544,352	—	\$ 96,000	\$ 9,290
Acquisition of 199 East Blaine Street	Lake Union/Seattle	9/9/25	70%	115,084	—	(94,430)	
Difference in sales price received in cash						<u>\$ 1,570</u>	

- (1) As part of a completed transaction, we provided seller financing of \$91.0 million. This note receivable is classified within “Other assets” in our consolidated balance sheet. Refer to Note 8 – “Other assets” to our unaudited consolidated financial statements for additional information.
- (2) Excludes a gain on sale of interest related to an unconsolidated real estate joint venture of \$458 thousand, which is classified as equity in earnings of unconsolidated real estate joint ventures in our consolidated statement of operations.
- (3) Represents a retail shopping center with future development opportunity. We originally acquired the property in 2021 with the intent to demolish the retail center and develop it into laboratory space. However, due to the project’s financial outlook and the substantial capital that development would have required, we decided to recycle the capital generated by the disposition into our development and redevelopment pipeline. The capitalization rates of the disposition were 6.1% and 5.4% (cash basis) based upon net operating income and net operating income (cash basis), respectively, for the three months ended September 30, 2025 annualized.
- (4) In September 2025, we completed an exchange of partial interests in two consolidated joint ventures, Pacific Technology Park and 199 East Blaine Street, with one joint venture partner, resulting in a sales price received by cash of \$1.6 million. Refer to Note 4 – “Consolidated and unconsolidated real estate joint ventures” to our unaudited consolidated financial statements for additional information.
- We sold our 50% controlling interest in Pacific Technology Park, a non-Megacampus comprising five non-laboratory properties that were 93% occupied, at capitalization rates of 4.9% and 5.0% (cash basis). The disposition had consolidated annual net operating income of \$9.4 million based on three months ended June 30, 2025 annualized (at 100%). As of September 30, 2025, we no longer have any ownership interest in Pacific Technology Park, and the consolidated net operating income is no longer included in our statement of operations following the sale.
 - We acquired our partner’s 70% noncontrolling interest at 199 East Blaine Street, a fully occupied laboratory building located in our Alexandria Center® for Life Science – Eastlake Megacampus, with a weighted-average remaining lease term of 1.3 years. The purchase price exceeded the book value of the noncontrolling interest by \$66.3 million, which was recognized in additional paid-in capital. As of September 30, 2025, we own 100% of 199 East Blaine Street.

ALEXANDRIA'S DEVELOPMENT AND REDEVELOPMENT DELIVERIES ARE EXPECTED TO PROVIDE INCREMENTAL GROWTH IN ANNUAL NET OPERATING INCOME

Placed Into Service

YTD 3Q25

\$68M⁽¹⁾

**94%
Occupied**

712,785 RSF

Near-Term Deliveries

4Q25-4Q26

\$111M⁽²⁾

**80%⁽³⁾
Leased/Negotiating**

969,524 RSF⁽⁴⁾

For the definition of "Net operating income" and a reconciliation from the most directly comparable GAAP measure, refer to the "Definitions and reconciliations" in Item 2.

- (1) Excludes future incremental annual net operating income from recently delivered spaces aggregating 42,449 RSF that were vacant and/or unleased at delivery.
- (2) Includes expected partial deliveries through the fourth quarter of 2026 from projects expected to stabilize in 2027 and beyond, including speculative future leasing that is not yet fully committed. Our share of incremental annual net operating income from development and redevelopment projects expected to be placed into service primarily commencing from the fourth quarter of 2025 through the fourth quarter of 2026 is projected to be \$83 million. 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) Represents the current leased/negotiating percentage of development and redevelopment projects that are expected to stabilize during the fourth quarter of 2025 through the end of 2026.
- (4) Represents the RSF related to projects expected to stabilize by the fourth quarter of 2026. Does not include RSF for partial deliveries through the fourth quarter of 2026 from projects expected to stabilize in 2027 and beyond.

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

99 Coolidge Avenue

Greater Boston/
Cambridge/Inner Suburbs
129,413 RSF
100% Occupancy



**500 North Beacon Street and
4 Kingsbury Avenue⁽¹⁾**

Greater Boston/
Cambridge/Inner Suburbs
248,018 RSF
92% Occupancy



230 Harriet Tubman Way

San Francisco Bay Area/
South San Francisco
285,346 RSF
100% Occupancy



**10935, 10945, and 10955
Alexandria Way⁽²⁾**

San Diego/Torrey Pines
334,996 RSF
100% Occupancy



10075 Barnes Canyon Road

San Diego/Sorrento Mesa
31,490 RSF
100% Occupancy



(1) Image represents 500 North Beacon Street on The Arsenal on the Charles Megacampus.
(2) Image represents 10955 Alexandria Way on the One Alexandria Square Megacampus.

Incremental Annual Net Operating Income Generated From YTD 3Q25 Deliveries Aggregated \$68 Million,⁽¹⁾ Including \$16 Million in 3Q25

The following table presents development and redevelopment of new Class A/A+ projects placed into service during the nine months ended September 30, 2025 (dollars in thousands):

Property/Market/Submarket	3Q25 Delivery Date ⁽²⁾	Our Ownership Interest	RSF Placed in Service					Occupancy Percentage ⁽³⁾	Total Project		Unlevered Yields	
			Prior to 1/1/25	1Q25	2Q25	3Q25	Total		RSF	Investment	Initial Stabilized	Initial Stabilized (Cash Basis)
Development projects												
99 Coolidge Avenue/Greater Boston/Cambridge/Inner Suburbs	7/15/25	100%	116,414	—	—	12,999	129,413	100%	320,809	\$ 444,000	6.0%	6.8%
500 North Beacon Street and 4 Kingsbury Avenue/Greater Boston/Cambridge/Inner Suburbs	8/23/25	100%	211,574	—	—	36,444	248,018	92%	248,018	429,000	6.5	5.9
230 Harriet Tubman Way/San Francisco Bay Area/South San Francisco	N/A	48.5%	—	285,346	—	—	285,346	100%	285,346	476,000	7.5	6.2
10935, 10945, and 10955 Alexandria Way/San Diego/Torrey Pines	7/1/25	100%	93,492	—	119,202	122,302	334,996	100%	334,996	480,000	7.2	6.9
10075 Barnes Canyon Road/San Diego/Sorrento Mesa	7/23/25	50.0%	—	17,718	—	13,772	31,490	100%	253,079	321,000	5.5	5.7
Redevelopment projects												
651 Gateway Boulevard/San Francisco Bay Area/South San Francisco	N/A	50.0%	67,017	—	22,005	—	89,022	75%	326,706	487,000	5.0	5.1
Canada	N/A	100%	78,487	6,430	76,567	—	161,484	100%	250,790	115,000	6.0	6.0
Weighted average/total	<u>7/5/25</u>		<u>566,984</u>	<u>309,494</u>	<u>217,774</u>	<u>185,517</u>	<u>1,279,769</u>		<u>2,019,744</u>	<u>\$ 2,752,000</u>	<u>6.3%</u>	<u>6.1%</u>

(1) Excludes future incremental annual net operating income from recently delivered spaces aggregating 42,449 RSF that were vacant and/or unleased at delivery.

(2) Represents the average delivery date for deliveries that occurred during the three months ended September 30, 2025, weighted by annual rental revenue.

(3) Occupancy reflects total operating RSF placed in service as of each respective delivery date when the space was placed into service. Subsequent occupancy changes are not reflected.

New Class A/A+ development and redevelopment properties: 2025 and 2026 stabilization (near-term deliveries)

99 Coolidge Avenue

Greater Boston/
Cambridge/Inner Suburbs
191,396 RSF
81% Leased/Negotiating



4135 Campus Point Court

San Diego/
University Town Center
426,927 RSF
100% Leased



10075 Barnes Canyon Road

San Diego/Sorrento Mesa
221,589 RSF
68% Leased/Negotiating











8800 Technology Forest Place

Texas/Greater Houston
73,298 RSF
41% Leased/Negotiating



New Class A/A+ development and redevelopment properties: 2027 and beyond stabilization (intermediate-term deliveries)

<p>311 Arsenal Street Greater Boston/ Cambridge/Inner Suburbs 333,758 RSF</p> 	<p>421 Park Drive Greater Boston/Fenway 392,011 RSF</p> 	<p>401 Park Drive Greater Boston/Fenway 137,675 RSF</p> 	<p>40, 50, and 60 Sylvan Road⁽¹⁾ Greater Boston/Route 128 596,064 RSF</p> 
<p>1450 Owens Street San Francisco Bay Area/ Mission Bay 212,796 RSF</p> 	<p>651 Gateway Boulevard San Francisco Bay Area/ South San Francisco 237,684 RSF</p> 	<p>269 East Grand Avenue San Francisco Bay Area/ South San Francisco 107,250 RSF</p> 	<p>701 Dexter Avenue North Seattle/Lake Union 227,577 RSF</p> 

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

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

The following tables set forth a summary of our new Class A/A+ development and redevelopment properties under construction as of September 30, 2025 (dollars in thousands):

Property/Market/Submarket	Dev/Redev	Square Footage			Percentage		Occupancy ⁽¹⁾	
		In Service	CIP	Total	Leased	Leased/ Negotiating	Initial	Stabilized
Under construction								
2025 and 2026 stabilization								
99 Coolidge Avenue/Greater Boston/Cambridge/Inner Suburbs	Dev	129,413	191,396	320,809	81%	81%	4Q23	4Q26
4135 Campus Point Court/San Diego/University Town Center	Dev	—	426,927	426,927	100	100	3Q26	3Q26
10075 Barnes Canyon Road/San Diego/Sorrento Mesa	Dev	31,490	221,589	253,079	68	68	1Q25	2H26
8800 Technology Forest Place/Texas/Greater Houston	Redev	50,094	73,298	123,392	41	41	2Q23	4Q26
Canada	Redev	194,476	56,314	250,790	78	78	3Q23	4Q25
		405,473	969,524	1,374,997	80	80		
2027 and beyond stabilization								
One Hampshire Street/Greater Boston/Cambridge	Redev	—	104,956	104,956	—	—	2027	2028
311 Arsenal Street/Greater Boston/Cambridge/Inner Suburbs	Redev	56,904	333,758	390,662	7	7	2027	2027
421 Park Drive/Greater Boston/Fenway	Dev	—	392,011	392,011	13	13	2027	2028
401 Park Drive/Greater Boston/Fenway	Redev	—	137,675	137,675	—	—	2027	2027
40, 50, and 60 Sylvan Road/Greater Boston/Route 128	Redev	—	596,064	596,064	33	33	4Q26	2027
Other/Greater Boston	Redev	—	453,869	453,869	—	—	2027	2027
1450 Owens Street/San Francisco Bay Area/Mission Bay	Dev	—	212,796	212,796	—	49	2027	2027
651 Gateway Boulevard/San Francisco Bay Area/South San Francisco ⁽²⁾	Redev	89,022	237,684	326,706	21	21	1Q24	2027
269 East Grand Avenue/San Francisco Bay Area/South San Francisco	Redev	—	107,250	107,250	—	—	2H26	2027
701 Dexter Avenue North/Seattle/Lake Union	Dev	—	227,577	227,577	23	23	4Q26	2027
		145,926	2,803,640	2,949,566				
100% Pre-leased committed near-term project expected to commence construction in the next year								
Campus Point by Alexandria/San Diego/University Town Center ⁽³⁾	Dev	—	466,598	466,598	100	100	2028	2028
Total 2027 and beyond stabilization and committed near-term project		145,926	3,270,238	3,416,164	25	28		
		551,399	4,239,762	4,791,161	41%	43%		

(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 time.

(2) We continue to build out this project on a floor-by-floor basis. As of September 30, 2025, the remaining cost to complete is \$138 million, or 28% of the total cost at completion.

(3) Represents a single-tenant project that expands the existing Campus Point by Alexandria Megacampus, where we currently have a 55% interest. The project is fully leased to a longtime multinational pharmaceutical tenant that currently occupies two buildings on the Megacampus: one building aggregating 52,620 RSF and another building aggregating 52,853 RSF. These buildings generated annual rental revenue of \$7.5 million as of September 30, 2025. At the beginning of 2026, the tenant will vacate the 52,620 RSF building, and during 2028, the tenant will vacate the 52,853 RSF building. We expect to fund the majority of future construction costs at the Megacampus until our ownership interest increases from 55% to 75%, after which future capital would be contributed pro rata with our joint venture partner.

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

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							
2025 and 2026 stabilization with 80% leased/negotiating							
99 Coolidge Avenue/Greater Boston/Cambridge/Inner Suburbs	100%	\$ 154,608	\$ 210,017	\$ 79,375	\$ 444,000	6.0%	6.8%
4135 Campus Point Court/San Diego/University Town Center	55.0%	—	412,619	111,381	524,000	9.0%	6.2%
10075 Barnes Canyon Road/San Diego/Sorrento Mesa	50.0%	25,573	217,841	77,586	321,000	5.5%	5.7%
8800 Technology Forest Place/Texas/Greater Houston	100%	60,480	46,526	4,994	112,000	6.3%	6.0%
Canada	100%	95,750	14,671	4,579	115,000	6.0%	6.0%
		336,411	901,674				
2027 and beyond stabilization⁽¹⁾							
One Hampshire Street/Greater Boston/Cambridge	100%	—	173,897				
311 Arsenal Street/Greater Boston/Cambridge/Inner Suburbs	100%	21,756	298,829				
421 Park Drive/Greater Boston/Fenway	100%	—	561,633				
401 Park Drive/Greater Boston/Fenway	100%	—	174,402			TBD	
40, 50, and 60 Sylvan Road/Greater Boston/Route 128	100%	—	511,925				
Other/Greater Boston	100%	—	160,950				
1450 Owens Street/San Francisco Bay Area/Mission Bay	25.0%	—	245,677				
651 Gateway Boulevard/San Francisco Bay Area/South San Francisco	50.0%	116,744	232,429	137,827	487,000	5.0%	5.1%
269 East Grand Avenue/San Francisco Bay Area/South San Francisco	100%	—	109,065				
701 Dexter Avenue North/Seattle/Lake Union	100%	—	293,922			TBD	
		138,500	2,762,729				
		474,911	3,664,403				
100% Pre-leased committed near-term project expected to commence construction in the next year							
Campus Point by Alexandria/San Diego/University Town Center ⁽²⁾	55.0%	—	60,398	599,602	660,000	7.3%	6.5%
Total		\$ 474,911	\$ 3,724,801	\$ 2,670,000 ⁽³⁾	\$ 6,870,000 ⁽³⁾		
Our share of investment⁽³⁾⁽⁴⁾		\$ 410,000	\$ 3,100,000	\$ 2,180,000	\$ 5,690,000		

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 2027 and beyond over the next several quarters.

(2) Refer to footnote 3 on the prior page for additional details.

(3) Represents dollar amount rounded to the nearest \$10 million and includes preliminary estimated amounts for projects listed as TBD.

(4) Represents our share of investment based on our ownership percentage upon completion of development or redevelopment projects.

76% of Our Total Development and Redevelopment Pipeline RSF Is Within Our Megacampus™ Ecosystems

The following table summarizes the key information for all our development and redevelopment projects in North America as of September 30, 2025 (dollars in thousands):

Market Property/Submarket	Our Ownership Interest	Book Value	Square Footage			Total ⁽¹⁾
			Development and Redevelopment			
			Under Construction	Committed Near Term	Future	
Greater Boston						
Megacampus: Alexandria Center® at One Kendall Square/Cambridge <i>One Hampshire Street</i>	100%	\$ 173,897	104,956	—	—	104,956
Megacampus: The Arsenal on the Charles/Cambridge/Inner Suburbs <i>311 Arsenal Street</i>	100%	311,016	333,758	—	34,157	367,915
Megacampus: 480 Arsenal Way and 446, 458, and 500 Arsenal Street, and 99 Coolidge Avenue/Cambridge/Inner Suburbs <i>446, 458, and 500 Arsenal Street, and 99 Coolidge Avenue</i>	100%	233,479	191,396	—	560,000	751,396
Megacampus: Alexandria Center® for Life Science – Fenway/Fenway <i>401 and 421 Park Drive</i>	100%	736,035	529,686	—	—	529,686
Megacampus: Alexandria Center® for Life Science – Waltham/Route 128 <i>40, 50, and 60 Sylvan Road, and 35 Gatehouse Drive</i>	100%	576,242	596,064	—	515,000	1,111,064
Megacampus: Alexandria Center® at Kendall Square/Cambridge <i>100 Edwin H. Land Boulevard</i>	100%	212,439	—	—	174,500	174,500
Megacampus: Alexandria Technology Square®/Cambridge	100%	8,449	—	—	100,000	100,000
Megacampus: 285, 299, 307, and 345 Dorchester Avenue/Seaport Innovation District 10 Necco Street/Seaport Innovation District	60.0%	295,345	—	—	1,040,000	1,040,000
215 Presidential Way/Route 128	100%	106,373	—	—	175,000	175,000
Other development and redevelopment projects	100%	6,816	—	—	112,000	112,000
		379,674	453,869	—	1,348,541	1,802,410
		\$ 3,039,765	2,209,729	—	4,059,198	6,268,927

Refer to “Megacampus” 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 subject to market conditions and leasing. Refer to “Investments in real estate” under “Definitions and reconciliations” in Item 2 for additional information, including development and redevelopment square feet currently included in rental properties.

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			
			Under Construction	Committed Near Term	Future	
San Francisco Bay Area						
Megacampus: Alexandria Center® for Science and Technology – Mission Bay/Mission Bay <i>1450 Owens Street</i>	25.0%	\$ 245,677	212,796	—	—	212,796
Megacampus: Alexandria Technology Center® – Gateway/South San Francisco <i>651 Gateway Boulevard</i>	50.0%	259,005	237,684	—	291,000	528,684
Megacampus: Alexandria Center® for Advanced Technologies – South San Francisco/South San Francisco <i>211⁽²⁾ and 269 East Grand Avenue</i>	100%	115,720	107,250	—	90,000	197,250
Megacampus: Alexandria Center® for Advanced Technologies – Tanforan/South San Francisco <i>1122, 1150, and 1178 El Camino Real</i>	100%	429,101	—	—	1,930,000	1,930,000
Alexandria Center® for Life Science – Millbrae/South San Francisco <i>201 and 231 Adrian Road and 30 Rollins Road</i>	48.5%	158,718	—	—	348,401	348,401
Megacampus: Alexandria Center® for Life Science – San Carlos/Greater Stanford <i>960 Industrial Road, 987 and 1075 Commercial Street, and 888 Bransten Road</i>	100%	479,347	—	—	1,497,830	1,497,830
3825 and 3875 Fabian Way/Greater Stanford	100%	164,226	—	—	478,000	478,000
2100, 2200, 2300, and 2400 Geng Road/Greater Stanford	100%	81,552	—	—	240,000	240,000
Megacampus: 88 Bluxome Street/SoMa	100%	418,909	—	—	1,070,925	1,070,925
		\$ 2,352,255	557,730	—	5,946,156	6,503,886

Refer to "Megacampus" 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 subject to market conditions and leasing. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information, including development and redevelopment 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.

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			
			Under Construction	Committed Near Term	Future	
San Diego						
Megacampus: Campus Point by Alexandria/University Town Center <i>10010⁽²⁾, 10140⁽²⁾, 10210, and 10260 Campus Point Drive and 4135, 4161, 4165, and 4224 Campus Point Court</i>	55.0% ⁽³⁾	\$ 620,470	426,927	466,598	500,859	1,394,384
Megacampus: SD Tech by Alexandria/Sorrento Mesa <i>9805 Scranton Road and 10075 Barnes Canyon Road</i>	50.0%	414,636	221,589	—	493,845	715,434
11255 and 11355 North Torrey Pines Road/Torrey Pines	100%	158,326	—	—	215,000	215,000
Megacampus: One Alexandria Square/Torrey Pines <i>10975 and 10995 Torreyana Road</i>	100%	64,545	—	—	125,280	125,280
Megacampus: 5200 Illumina Way/University Town Center 9625 Towne Centre Drive/University Town Center	51.0%	17,536	—	—	451,832	451,832
Megacampus: Sequence District by Alexandria/Sorrento Mesa <i>6290, 6310, 6340, 6350, and 6450 Sequence Drive</i>	30.0%	837	—	—	100,000	100,000
4075 Sorrento Valley Boulevard/Sorrento Valley	100%	48,303	—	—	1,661,915	1,661,915
Other development and redevelopment projects	⁽⁴⁾	28,167	—	—	144,000	144,000
		78,036	—	—	475,000	475,000
		1,430,856	648,516	466,598	4,167,731	5,282,845
Seattle						
Megacampus: Alexandria Center® for Advanced Technologies – South Lake Union/Lake Union <i>601 and 701 Dexter Avenue North and 800 Mercer Street</i>	⁽⁵⁾	584,896	227,577	—	1,057,400	1,284,977
1010 4th Avenue South/SoDo	100%	62,116	—	—	544,825	544,825
410 West Harrison Street/Elliott Bay	100%	—	—	—	91,000	91,000
Megacampus: Alexandria Center® for Advanced Technologies – Canyon Park/Bothell <i>21660 20th Avenue Southeast</i>	100%	19,739	—	—	230,000	230,000
Other development and redevelopment projects	100%	151,672	—	—	706,087	706,087
		\$ 818,423	227,577	—	2,629,312	2,856,889

Refer to "Megacampus" 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 subject to market conditions and leasing. Refer to "Investments in real estate" under "Definitions and reconciliations" in Item 2 for additional information, including development and redevelopment square feet currently included in rental properties.
- (2) We have a 100% interest in this property.
- (3) The noncontrolling interest share of our joint venture partner is anticipated to decrease to 25%, as we expect to fund the majority of future construction costs at the campus until our ownership interest increases from 55% to 75%, after which future capital would be contributed pro rata with our partner.
- (4) Includes a property in which we own a partial interest through a real estate joint venture.
- (5) We have a 100% interest in 601 and 701 Dexter Avenue North aggregating 415,977 RSF and a 60% interest in the future development project at 800 Mercer Street aggregating 869,000 RSF.

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			
			Under Construction	Committed Near Term	Future	
Maryland						
Megacampus: Alexandria Center® for Life Science – Shady Grove/Rockville <i>9830 Darnestown Road</i>	100%	\$ 25,629	—	—	296,000	296,000
		25,629	—	—	296,000	296,000
Research Triangle						
Megacampus: Alexandria Center® for Life Science – Durham/Research Triangle	100%	163,894	—	—	2,060,000	2,060,000
Megacampus: Alexandria Center® for Advanced Technologies and AgTech – Research Triangle/Research Triangle <i>4 and 12 Davis Drive</i>	100%	111,537	—	—	1,170,000	1,170,000
Megacampus: Alexandria Center® for NextGen Medicines/Research Triangle <i>3029 East Cornwallis Road</i>	100%	113,456	—	—	1,055,000	1,055,000
Megacampus: Alexandria Center® for Sustainable Technologies/Research Triangle <i>120 TW Alexander Drive, 2752 East NC Highway 54, and 10 South Triangle Drive</i>	100%	55,732	—	—	750,000	750,000
100 Capitola Drive/Research Triangle	100%	—	—	—	65,965	65,965
Other development and redevelopment projects	100%	4,185	—	—	76,262	76,262
		448,804	—	—	5,177,227	5,177,227
New York City						
Megacampus: Alexandria Center® for Life Science – New York City/New York City	100%	175,666	—	—	550,000 ⁽²⁾	550,000
		\$ 175,666	—	—	550,000	550,000

Refer to "Megacampus" 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 inherent 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" for additional information, including development and redevelopment square feet currently included in rental properties.
- (2) During the three months ended September 30, 2024, we filed a lawsuit against the New York City Health + Hospitals Corporation and the New York City Economic Development Corporation for fraud and breach of contract concerning our option to ground lease a land parcel to develop a future world-class life science building within the Alexandria Center® for Life Science – New York City Megacampus. Refer to "Legal proceedings" in Item 1 under Part II – Other Information for additional details.

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			
			Under Construction	Committed Near Term	Future	
Texas						
Alexandria Center® for Advanced Technologies at The Woodlands/Greater Houston <i>8800 Technology Forest Place</i>	100%	\$ 49,575	73,298	—	116,405	189,703
1001 Trinity Street and 1020 Red River Street/Austin	100%	133,684	—	—	250,010	250,010
Other development and redevelopment projects	100%	59,432	—	—	344,000	344,000
		242,691	73,298	—	710,415	783,713
Canada						
Other development and redevelopment projects	100%	14,671	56,314	—	371,743	428,057
Other development and redevelopment projects	100%	47,504	—	—	350,000	350,000
Total pipeline as of September 30, 2025, excluding properties held for sale		8,596,264	3,773,164	466,598	24,257,782	28,497,544
Properties held for sale		112,681	—	—	939,756	939,756
Total pipeline as of September 30, 2025		\$ 8,708,945 ⁽²⁾	3,773,164	466,598	25,197,538	29,437,300

Refer to “Megacampus” under “Definitions and reconciliations” in Item 2 for additional information.

- (1) Total square footage includes 2,135,074 RSF of buildings currently in operation that we expect to demolish or redevelop and commence future construction subject to market conditions and leasing. Refer to “Investments in real estate” under “Definitions and reconciliations” in Item 2 for additional information, including development and redevelopment square feet currently included in rental properties.
- (2) Includes \$3.7 billion of projects that are currently under construction and one 100% pre-leased committed near-term project expected to commence vertical construction in 2026.

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, 2024 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 real estate 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 and changes in provision for expected credit losses on financial instruments 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 nine months ended September 30, 2025 and 2024 and the related per share amounts were as follows (in millions, except per share amounts):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	2025	2024	2025	2024	2025	2024
	Amount		Per Share – Diluted		Amount		Per Share – Diluted	
Unrealized gains (losses) on non-real estate investments	\$ 18.5	\$ 2.6	\$ 0.11	\$ 0.02	\$ (71.6)	\$ (32.5)	\$ (0.42)	\$ (0.19)
Gain on sales of real estate	9.4	27.1	0.06	0.16	22.5	27.5	0.13	0.16
Impairment of non-real estate investments	(25.1)	(10.3)	(0.15)	(0.06)	(75.5)	(37.8)	(0.45)	(0.22)
Impairment of real estate	(323.9)	(5.7)	(1.90)	(0.03)	(485.6)	(36.5)	(2.85)	(0.22)
Loss on early extinguishment of debt	(0.1)	—	—	—	(0.1)	—	—	—
Increase in provision for expected credit losses on financial instruments	—	—	—	—	(0.3)	—	—	—
Total	\$ (321.2)	\$ 13.7	\$ (1.88)	\$ 0.09	\$ (610.6)	\$ (79.3)	\$ (3.59)	\$ (0.47)

Refer to Note 3 – “Investments in real estate,” Note 5 – “Leases,” Note 7 – “Investments,” and Note 8 – “Other assets” to our unaudited consolidated financial statements in Item 1 for additional information.

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 reconciles the number of Same Properties to total properties for the nine months ended September 30, 2025:

Development – under construction	Properties	Redevelopment – placed into service after January 1, 2024	Properties
99 Coolidge Avenue	1	840 Winter Street	1
1450 Owens Street	1	Alexandria Center® for Advanced Technologies – Monte Villa Parkway	6
10075 Barnes Canyon Road	1		7
421 Park Drive	1	Acquisitions after January 1, 2024	Properties
4135 Campus Point Court	1	Other	3
701 Dexter Avenue North	1		3
	6	Unconsolidated real estate JVs	4
Development – placed into service after January 1, 2024	Properties	Properties held for sale	14
9810 Darnestown Road	1	Total properties excluded from Same Properties	61
9820 Darnestown Road	1	Same Properties	314
1150 Eastlake Avenue East	1	Total properties in North America as of September 30, 2025	375
4155 Campus Point Court	1		
201 Brookline Avenue	1		
9808 Medical Center Drive	1		
230 Harriet Tubman Way	1		
500 North Beacon Street and 4 Kingsbury Avenue	2		
10935, 10945, and 10955 Alexandria Way	3		
	12		
Redevelopment – under construction	Properties		
40, 50, and 60 Sylvan Road	3		
269 East Grand Avenue	1		
651 Gateway Boulevard	1		
401 Park Drive	1		
8800 Technology Forest Place	1		
311 Arsenal Street	1		
One Hampshire Street	1		
Canada	4		
Other	2		
	15		

The following table presents information regarding our Same Properties for the three and nine months ended September 30, 2025:

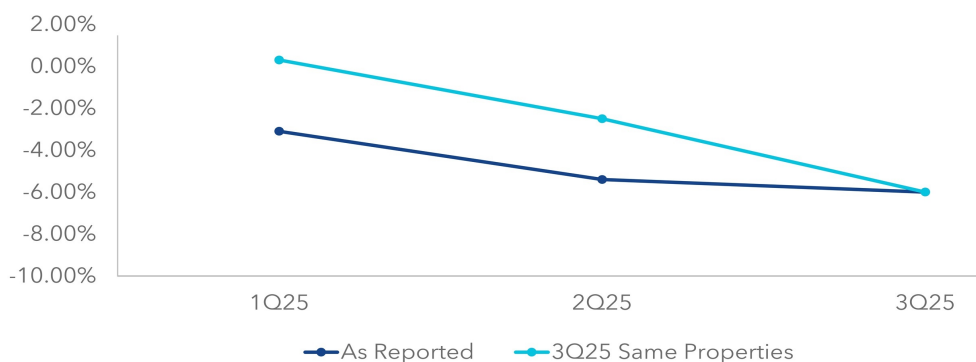
	September 30, 2025	
	Three Months Ended	Nine Months Ended
Percentage change in net operating income over comparable period from prior year ⁽¹⁾	(6.0)%	(3.1)%
Percentage change in net operating income (cash basis) over comparable period from prior year ⁽¹⁾	(3.1)%	3.0% ⁽²⁾
Operating margin	67%	68%
Number of Same Properties	316	314
RSF	31,953,032	31,739,397
Occupancy – current-period average	91.4%	92.6%
Occupancy – same-period prior-year average	94.8%	94.6%

(1) Reflects previously disclosed lease expirations aggregating 768,080 RSF that became vacant during the three months ended March 31, 2025, as presented under “Summary of occupancy percentages in North America” in Item 2. As of September 30, 2025, 338,780 RSF of this vacant space met the criteria for classification as held for sale and has been excluded from our same property results. The remaining 429,300 RSF is included in our same property results for the three and nine months ended September 30, 2025. Excluding the impact of this vacant 429,300 RSF, same property net operating income changes for the three and nine months ended September 30, 2025 would have been (4.2)% and (1.3)% (cash basis), and (1.9)% and 4.2% (cash basis), respectively.

(2) Includes the impact of initial free rent concessions that burned off after January 1, 2024 for development and redevelopment projects that were placed into service in 2023 and accordingly are part of our same property pool for the nine months ended September 30, 2025, including at 325 Binney Street in our Cambridge submarket, 15 Necco Street in our Seaport Innovation District submarket, and 751 Gateway Boulevard in our South San Francisco submarket. Excluding the impact of these initial free rent concessions, same property net operating income changes (cash basis) for the nine months ended September 30, 2025 would have been (0.3)%.

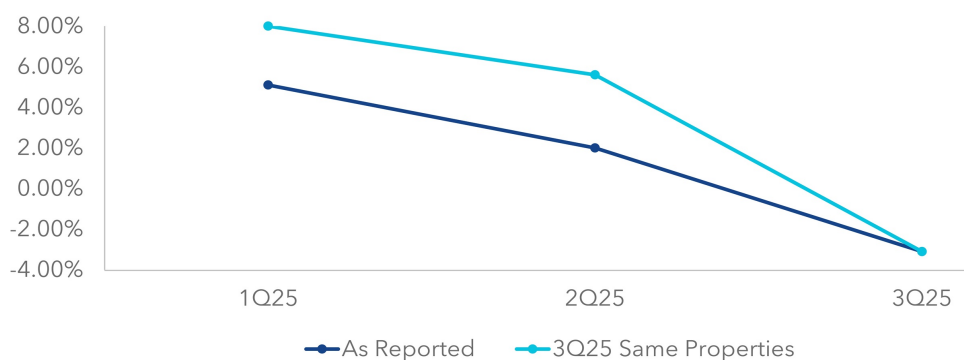
The charts below present our reported same property results (“As reported”), which reflect the operating performance of all consolidated properties that were fully operational throughout the comparative quarterly periods presented. To provide additional insight and a retrospective view of the performance of our ongoing operating portfolio, the charts also present an alternative calculation of our same property performance, using the 3Q25 same property pool (“3Q25 same properties”) for each period presented. We believe this alternative presentation provides a useful operating trend primarily by removing properties expected to be sold.

Same Property – Net Operating Income



Percentage Change in Same Property Performance – Net Operating Income	Three Months Ended		
	March 31, 2025	June 30, 2025	September 30, 2025
As reported	(3.1)%	(5.4)%	(6.0)%
3Q25 same properties	0.3%	(2.5)%	(6.0)%

Same Property – Net Operating Income (Cash Basis)



Percentage Change in Same Property Performance – Net Operating Income (Cash Basis)	Three Months Ended		
	March 31, 2025	June 30, 2025	September 30, 2025
As reported	5.1%	2.0%	(3.1)%
3Q25 same properties	8.0%	5.6%	(3.1)%

Comparison of results for the three months ended September 30, 2025 to the three months ended September 30, 2024

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 September 30, 2025, compared to the three months ended September 30, 2024 (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 September 30,			
	2025	2024	\$ Change	% Change
Income from rentals:				
Same Properties	\$ 430,646	\$ 451,763	\$ (21,117)	(4.7)%
Non-Same Properties	110,424	127,806	(17,382)	(13.6)
Rental revenues	541,070	579,569	(38,499)	(6.6)
Same Properties	167,933	165,579	2,354	1.4
Non-Same Properties	26,846	30,596	(3,750)	(12.3)
Tenant recoveries	194,779	196,175	(1,396)	(0.7)
Income from rentals	735,849	775,744	(39,895)	(5.1)
Same Properties	352	386	(34)	(8.8)
Non-Same Properties	15,743	15,477	266	1.7
Other income	16,095	15,863	232	1.5
Same Properties	598,931	617,728	(18,797)	(3.0)
Non-Same Properties	153,013	173,879	(20,866)	(12.0)
Total revenues	751,944	791,607	(39,663)	(5.0)
Same Properties	199,051	192,229	6,822	3.5
Non-Same Properties	40,183	41,036	(853)	(2.1)
Rental operations	239,234	233,265	5,969	2.6
Same Properties	399,880	425,499	(25,619)	(6.0)
Non-Same Properties	112,830	132,843	(20,013)	(15.1)
Net operating income	\$ 512,710	\$ 558,342	\$ (45,632)	(8.2)% ⁽¹⁾
Net operating income – Same Properties	\$ 399,880	\$ 425,499	\$ (25,619)	(6.0)%
Straight-line rent revenue	(8,019)	(21,594)	13,575	(62.9)
Amortization of acquired below-market leases and deferred revenue related to tenant-funded and -built landlord improvements	(8,167)	(7,739)	(428)	5.5
Net operating income – Same Properties (cash basis)	\$ 383,694	\$ 396,166	\$ (12,472)	(3.1)%

(1) Decrease in total net operating income includes the impact of operating properties disposed of after January 1, 2024. Excluding these dispositions, net operating income for the three months ended September 30, 2025 would have decreased by 3.7% over the corresponding period in 2024.

Income from rentals

Total income from rentals for the three months ended September 30, 2025 decreased by \$39.9 million, or 5.1%, to \$735.8 million, compared to \$775.7 million for the three months ended September 30, 2024, due to a decrease in rental revenues, as discussed below.

Rental revenues

Total rental revenues for the three months ended September 30, 2025 decreased by \$38.5 million, or 6.6%, to \$541.1 million, compared to \$579.6 million for the three months ended September 30, 2024. The decrease was partially related to dispositions of real estate assets within our Non-Same Properties since July 1, 2024. The decrease also reflects a \$4.4 million write-off of a deferred rent balance related to one tenant at a non-same property in our Seattle market, recognized upon our determination during the three months ended September 2025 that the collectibility of future payments was not probable.

Same Properties' rental revenues for the three months ended September 30, 2025 decreased by \$21.1 million, or 4.7%, to \$430.6 million, compared to \$451.8 million for the three months ended September 30, 2024. This decrease is primarily attributable to a decrease in Same Properties' average occupancy to 91.4% for the three months ended September 30, 2025 from 94.8% for the three months ended September 30, 2024, including the impact of the following lease expirations in the first quarter of 2025 that remained vacant during the three months ended September 30, 2025: (i) 182,054 RSF at the Alexandria Technology Square[®] Megacampus in our Cambridge submarket (of which 89,222 RSF had been leased as of September 30, 2025, with expected occupancy commencing after September 30, 2025) and (ii) two properties aggregating 247,246 RSF in our Austin submarket (of which 102,930 RSF had been leased as of September 30, 2025, with expected occupancy commencing after September 30, 2025).

Tenant recoveries

Tenant recoveries for the three months ended September 30, 2025 decreased by \$1.4 million, or 0.7%, to \$194.8 million, compared to \$196.2 million for the three months ended September 30, 2024, primarily in connection with dispositions of real estate assets within our Non-Same Properties since July 1, 2024.

The decrease in Non-Same Properties tenant recoveries was partially offset by the increase of \$2.4 million, or 1.4%, to \$167.9 million in Same Properties' tenant recoveries for the three months ended September 30, 2025, compared to \$165.6 million for the three months ended September 30, 2024. This increase was primarily due to the \$6.0 million increase in operating expenses during the three months ended September 30, 2025, as discussed under "Rental operations" below. As of September 30, 2025, 91% 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. This increase was partially offset by a decrease in Same Properties' tenant recoveries resulting from a decrease in Same Properties' average occupancy to 91.4% for the three months ended September 30, 2025 from 94.8% for the three months ended September 30, 2024.

Rental operations

Total rental operating expenses for the three months ended September 30, 2025 increased by \$6.0 million, or 2.6%, to \$239.2 million, compared to \$233.3 million for the three months ended September 30, 2024. The increase was primarily due to higher rental operating expenses related to our Same Properties, as discussed below, partially offset by the decrease in Non-Same Properties' rental operating expenses of \$0.9 million primarily as a result of real estate dispositions since July 1, 2024.

Same Properties' rental operating expenses increased by \$6.8 million, or 3.5%, to \$199.1 million during the three months ended September 30, 2025, compared to \$192.2 million for the three months ended September 30, 2024, primarily as the result of increases in (i) utilities expenses and engineering, security, janitorial, and other operating contractual costs aggregating \$5.4 million, primarily due to increased tenant operations at certain properties delivered in 2023, and (ii) property taxes aggregating \$2.0 million, primarily due to new developments in the Greater Boston and San Francisco Bay Area markets delivered in 2023, with property taxes based on these properties' higher assessed values becoming effective subsequent to July 1, 2024.

Depreciation and amortization

Depreciation and amortization expense for the three months ended September 30, 2025 increased by \$46.2 million, or 15.7%, to \$340.2 million, compared to \$294.0 million for the three months ended September 30, 2024. The increase primarily relates to (i) the change in useful lives of certain buildings, (ii) 1.6 million RSF of development and redevelopment projects placed into service subsequent to July 1, 2024, and (iii) two operating properties aggregating 383,360 RSF acquired subsequent to July 1, 2024.

Impairment of real estate

During the three months ended September 30, 2025, we recognized impairment charges aggregating \$323.9 million, which primarily included the following:

- Impairment charge of \$206.2 million was recognized to reduce the carrying amount of a non-Megacampus property aggregating 179,100 RSF in Long Island City, a non-core location within our New York City submarket, to its estimated fair value less costs to sell of approximately \$31.1 million upon meeting the criteria for classification as held for sale. This property met the held for sale criteria in September 2025, when we committed to dispose of it following our reevaluation of its alignment with our Megacampus strategy and decided to allocate sales proceeds toward other projects with higher value-creation opportunities. As of September 30, 2025, the property is 52% occupied. We expect to complete the sale of this property within the next 12 months.
- Impairment charge of \$43.4 million was recognized to reduce the carrying amount of a retail shopping center aggregating 249,275 RSF with a future development opportunity aggregating 281,592 SF in our Cambridge/Inner Suburbs submarket of Greater Boston to its estimated fair value less costs to sell of approximately \$96.3 million upon meeting the criteria for classification as held for sale. This property met the held for sale criteria in September 2025 upon our commitment to dispose of this asset and allocate sales proceeds toward other projects with higher value-creation opportunities and our obtaining of all required approvals to sell. In October 2025, we completed the sale of this asset, with no gain or loss recognized upon sale.
- Impairment charge of \$31.8 million was recognized to reduce the carrying amount of one vacant property aggregating 104,531 RSF in the Research Triangle market to its estimated fair value less costs to sell of approximately \$1.2 million upon meeting the criteria for classification as held for sale in September 2025. The held for sale criteria were met upon our decision to sell this asset, due to its noncontiguous location relative to most other properties on the Alexandria Center[®] for Sustainable Technologies Megacampus, and to allocate the sales proceeds, and other capital necessary to lease the property, toward other projects with greater value-creation opportunities. We expect to complete the sale within the next 12 months.
- Impairment charge of \$27.8 million was recognized to reduce the carrying amounts of land parcels aggregating 154,308 SF on a non-Megacampus in our Sorrento Mesa submarket of San Diego to their estimated fair values less costs to sell of approximately \$13.9 million upon meeting the criteria for classification as held for sale in September 2025. These assets met the criteria for classification as held for sale upon our reevaluation of their alignment with our Megacampus strategy and our decision to reallocate capital toward our other projects with greater value-creation opportunities. We expect to complete the sale of these assets within the next 12 months.

During the three months ended September 30, 2024, we recognized real estate impairment charges aggregating \$5.7 million to adjust the carrying amount of one property in Canada that continued to meet the held-for-sale classification to the sales price under negotiation with a potential buyer less costs to sell.

General and administrative expenses

General and administrative expenses for the three months ended September 30, 2025 decreased by \$14.7 million, or 33.5%, to \$29.2 million, compared to \$43.9 million for the three months ended September 30, 2024, primarily due to cost-control and efficiency initiatives implemented since 2024, including reduction in headcount, restructuring of compensation plans, systems upgrades, and process improvements. As a percentage of net operating income, our general and administrative expenses for the trailing twelve months ended September 30, 2025 and 2024 were 5.7% and 8.9%, respectively.

Interest expense

Interest expense for the three months ended September 30, 2025 and 2024 consisted of the following (dollars in thousands):

Component	Three Months Ended September 30,		Change
	2025	2024	
Gross interest	\$ 140,943	\$ 130,046	\$ 10,897
Capitalized interest	(86,091)	(86,496)	405
Interest expense	\$ 54,852	\$ 43,550	\$ 11,302
Average debt balance outstanding ⁽¹⁾	\$ 13,512,336	\$ 12,694,260	\$ 818,076
Weighted-average annual interest rate ⁽²⁾	4.2%	4.1%	0.1%

(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 September 30, 2025, compared to the three months ended September 30, 2024, resulted from the following (dollars in thousands):

Component	Interest Rate ⁽¹⁾	Effective Date	Change
Increases in interest incurred due to:			
Issuances of debt:			
\$550 million of unsecured senior notes payable due 2035	5.66%	February 2025	\$ 7,590
Higher average outstanding balances under commercial paper program and/or unsecured senior line of credit			10,100
Other increase in interest			356
Total increases			18,046
Decreases in interest incurred due to:			
Repayments of debt:			
\$600 million of unsecured senior notes payable due 2025	3.62%	April 2025	(5,218)
Secured notes payable	7.18%	August 2025	(1,931)
Total decreases			(7,149)
Change in gross interest			10,897
Decrease in capitalized interest			405
Total change in interest expense			\$ 11,302

(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.

Investment income (loss)

During the three months ended September 30, 2025, we recognized investment income aggregating \$28.2 million, which consisted of \$34.8 million of realized gains, \$18.5 million of unrealized gains, and \$25.1 million of impairment charges.

During the three months ended September 30, 2024, we recognized investment income aggregating \$15.2 million, which consisted of \$23.0 million of realized gains, \$2.6 million of unrealized gains, and \$10.3 million of impairment charges.

For additional 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 September 30, 2025, we recognized a \$9.4 million gain related to the disposition of our controlling interest in a consolidated joint venture that owns Pacific Technology Park in our Sorrento Mesa submarket. For additional information, refer to Note 4 – “Consolidated and unconsolidated real estate joint ventures” to our unaudited consolidated financial statements in Item 1.

During the three months ended September 30, 2024, we recognized \$27.1 million of gains primarily related the disposition of 1165 Eastlake Avenue East in our Lake Union submarket.

The gains were classified in gain on sales of real estate within our consolidated statement of operations for the three months ended September 30, 2025 and 2024, respectively.

Other comprehensive (loss) income

Other comprehensive income (loss) primarily comprised unrealized foreign currency translation gains or losses related to our operations in Canada. Total other comprehensive loss for the three months ended September 30, 2025 aggregating \$4.8 million included \$7.8 million of cumulative translation loss related to our operations in Canada, resulting from the CAD’s weakening against the USD during this period. This loss was partially offset by \$3.0 million of unrealized gains related to the change in the fair value of our cross-currency swap agreements, resulting from the CAD’s weakening since the execution of these agreements on July 29, 2025 through September 30, 2025. Refer to Note 11 – “Hedge Agreements” to our unaudited consolidated financial statements in Item 1 for additional information.

Total other comprehensive income of \$5.2 million for the three months ended September 30, 2024 is primarily due to unrealized foreign currency translation gains related to our operations in Canada.

Comparison of results for the nine months ended September 30, 2025 to the nine months ended September 30, 2024

The following table presents a comparison of the components of net operating income for our Same Properties and Non-Same Properties for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024 (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.

	Nine Months Ended September 30,			
	2025	2024	\$ Change	% Change
Income from rentals:				
Same Properties	\$ 1,330,669	\$ 1,353,855	\$ (23,186)	(1.7%)
Non-Same Properties	315,890	383,949	(68,059)	(17.7)
Rental revenues	1,646,559	1,737,804	(91,245)	(5.3)
Same Properties	492,718	460,690	32,028	7.0
Non-Same Properties	77,026	87,963	(10,937)	(12.4)
Tenant recoveries	569,744	548,653	21,091	3.8
Income from rentals	2,216,303	2,286,457	(70,154)	(3.1)
Same Properties	1,127	1,058	69	6.5
Non-Same Properties	54,712	39,934	14,778	37.0
Other income	55,839	40,992	14,847	36.2
Same Properties	1,824,514	1,815,603	8,911	0.5
Non-Same Properties	447,628	511,846	(64,218)	(12.5)
Total revenues	2,272,142	2,327,449	(55,307)	(2.4)
Same Properties	587,333	539,271	48,062	8.9
Non-Same Properties	102,729	129,562	(26,833)	(20.7)
Rental operations	690,062	668,833	21,229	3.2
Same Properties	1,237,181	1,276,332	(39,151)	(3.1)
Non-Same Properties	344,899	382,284	(37,385)	(9.8)
Net operating income	\$ 1,582,080	\$ 1,658,616	\$ (76,536)	(4.6%) ⁽¹⁾
Net operating income – Same Properties	\$ 1,237,181	\$ 1,276,332	\$ (39,151)	(3.1%)
Straight-line rent revenue	(19,703)	(96,437)	76,734	(79.6)
Amortization of acquired below-market leases and deferred revenue related to tenant-funded and -built landlord improvements	(26,385)	(24,055)	(2,330)	9.7
Net operating income – Same Properties (cash basis)	\$ 1,191,093	\$ 1,155,840	\$ 35,253	3.0%

(1) Decrease in total net operating income includes the impact of operating properties disposed of after January 1, 2024. Excluding these dispositions, net operating income for the nine months ended September 30, 2025 would have increased by 0.8% over the corresponding period in 2024.

Income from rentals

Total income from rentals for the nine months ended September 30, 2025 decreased by \$70.2 million, or 3.1%, to \$2.22 billion, compared to \$2.29 billion for the nine months ended September 30, 2024, due to a decrease in rental revenues, partially offset by an increase in tenant recoveries, as discussed below.

Rental revenues

Total rental revenues for the nine months ended September 30, 2025 decreased by \$91.2 million, or 5.3%, to \$1.6 billion, compared to \$1.7 billion for the nine months ended September 30, 2024. The decrease was primarily related to dispositions of real estate assets within our Non-Same Properties since January 1, 2024. The decrease also reflects a \$4.4 million write-off of a deferred rent balance related to one tenant at a non-same property in our Seattle market, recognized upon our determination during the three months ended September 2025 that the collectibility of future payments was not probable.

Same Properties' rental revenues for the nine months ended September 30, 2025 decreased by \$23.2 million, or 1.7%, to \$1.3 billion, compared to \$1.4 billion for the nine months ended September 30, 2024. This decrease was primarily attributable to a decrease in Same Properties' average occupancy to 92.6% for the nine months ended September 30, 2025 from 94.6% for the nine months ended September 30, 2024, including the impact of the following lease expirations in the first quarter of 2025 that were vacant during the nine months ended September 30, 2025: (i) 182,054 RSF at the Alexandria Technology Square[®] Megacampus in our Cambridge submarket (of which 89,222 RSF had been leased as of September 30, 2025, with expected occupancy commencing after September 30, 2025) and (ii) two properties aggregating 247,246 RSF in our Austin submarket (of which 102,930 RSF had been leased as of September 30, 2025, with expected occupancy commencing after September 30, 2025).

Tenant recoveries

Tenant recoveries for the nine months ended September 30, 2025 increased by \$21.1 million, or 3.8%, to \$569.7 million, compared to \$548.7 million for the nine months ended September 30, 2024, primarily in connection with Same Properties.

Same Properties' tenant recoveries for the nine months ended September 30, 2025 increased by \$32.0 million, or 7.0%, to \$492.7 million, compared to \$460.7 million for the nine months ended September 30, 2024, primarily due to the \$48.1 million increase in the operating expenses during the nine months ended September 30, 2025, as discussed under "Rental operations" below. As of September 30, 2025, 91% 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. This increase was partially offset by a decrease in Same Properties' tenant recoveries resulting from a decrease in Same Properties' average occupancy to 92.6% for the nine months ended September 30, 2025 from 94.6% for the nine months ended September 30, 2024.

Other income

Other income for the nine months ended September 30, 2025 increased by \$14.8 million, or 36.2%, to \$55.8 million, compared to \$41.0 million for the nine months ended September 30, 2024. Other income represented approximately 2.5% and 1.8% of total revenues during each respective period and primarily consisted of interest income and management fee income during both periods.

Rental operations

Total rental operating expenses for the nine months ended September 30, 2025 increased by \$21.2 million, or 3.2%, to \$690.1 million, compared to \$668.8 million for the nine months ended September 30, 2024. The increase was primarily due to incremental expenses related to our Same Properties' rental operating expenses as discussed below, partially offset by the decrease in Non-Same Properties' rental operating expenses of \$26.8 million primarily as a result of dispositions of real estate assets since January 1, 2024.

Same Properties' rental operating expenses increased by \$48.1 million, or 8.9%, to \$587.3 million during the nine months ended September 30, 2025, compared to \$539.3 million for the nine months ended September 30, 2024, primarily as the result of the increase in (i) utilities expenses and contractual costs aggregating \$21.6 million primarily due to higher consumption related to certain tenants' increased operations, and higher electricity and HVAC contract services rates in our San Diego market; (ii) property taxes aggregating \$10.0 million primarily due to new developments in the Greater Boston and San Francisco Bay Area markets delivered in 2023, with property taxes based on these properties' higher assessed values becoming effective subsequent to July 1, 2024, and (iii) repair and maintenance expenses aggregating \$8.3 million primarily due to a more severe winter in 2025 compared to 2024 in the Greater Boston market.

Depreciation and amortization

Depreciation and amortization expense for the nine months ended September 30, 2025 increased by \$156.1 million, or 17.9%, to \$1.03 billion, compared to \$872.3 million for the nine months ended September 30, 2024, primarily as a result of (i) the change in useful lives of certain buildings, (ii) 3.2 million RSF of development and redevelopment projects placed into service subsequent to January 1, 2024, and (iii) three operating properties aggregating 401,560 RSF acquired subsequent to January 1, 2024.

Impairment of real estate

During the nine months ended September 30, 2025, we recognized impairment charges aggregating \$485.6 million, classified in impairment of real estate in our consolidated statement of operations, primarily related to the following assets:

- Impairment charge of \$206.2 million was recognized to reduce the carrying amount of a non-Megacampus property aggregating 179,100 RSF in Long Island City, a non-core location within our New York City submarket, to its estimated fair value less costs to sell of approximately \$31.1 million upon meeting the criteria for classification as held for sale. This property met the held for sale criteria in September 2025, when we committed to dispose of it following our reevaluation of its alignment with our Megacampus strategy and decided to allocate sales proceeds toward other projects with higher value-creation opportunities. As of September 30, 2025, the property is 52% occupied. We expect to complete the sale of this property within the next 12 months.
- Impairment charge of \$43.4 million was recognized to reduce the carrying amount of a retail shopping center aggregating 249,275 RSF with a future development opportunity aggregating 281,592 SF in our Cambridge/Inner Suburbs submarket of Greater Boston to its estimated fair value less costs to sell of approximately \$96.3 million upon meeting the criteria for classification as held for sale. This property met the held for sale criteria in September 2025 upon our commitment to dispose of this asset and allocate sales proceeds toward other projects with higher value-creation opportunities and our obtaining of all required approvals to sell. In October 2025, we completed the sale of this asset, with no gain or loss recognized upon sale.
- Impairment charge of \$47.3 million was recognized to reduce the carrying amount of land parcels aggregating 374,349 SF in a non-cluster/other market to its estimated fair value less costs to sell of approximately \$28.9 million upon meeting the criteria for classification as held for sale. The held for sale criteria were met in June 2025 upon our decision to dispose of this asset. In September 2025, we completed the sale, with no gain or loss recognized upon sale.
- Impairment charge of \$42.8 million was recognized to reduce the carrying amount of an office property aggregating 182,276 RSF in Carlsbad, San Diego to its estimated fair value less costs to sell. This property met the criteria for classification as held for sale in April 2025 upon our commitment to sell, at which time we recognized an impairment of \$35.4 million based on negotiations with a potential buyer at that time. In September 2025, we recognized an additional impairment charge of \$7.3 million to adjust the asset's carrying amount to the currently negotiated reduced sales price less costs to sell of approximately \$61.8 million. We expect to complete this sale within the next 12 months.
- Impairment charge of \$32.2 million was recognized during the three months ended March 31, 2025 related to a ground lease entered into in 2021 for a future development opportunity in the San Francisco Bay Area market. Refer to "Lessee operating costs" in Note 5 – "Leases" to our unaudited consolidated financial statements in Item 1 for additional information.
- Impairment charge of \$31.8 million was recognized to reduce the carrying amount of one vacant property aggregating 104,531 RSF in the Research Triangle market to its estimated fair value less costs to sell of approximately \$1.2 million upon meeting the criteria for classification as held for sale in September 2025. The held for sale criteria were met upon our decision to sell this asset, due to its noncontiguous location relative to most other properties on the Alexandria Center® for Sustainable Technologies Megacampus, and to allocate the sales proceeds, and other capital necessary to lease the property, toward other projects with greater value-creation opportunities. We expect to complete the sale within the next 12 months.
- Impairment charge of \$27.8 million was recognized to reduce the carrying amounts of land parcels aggregating 154,308 SF on a non-Megacampus in our Sorrento Mesa submarket of San Diego to their estimated fair values less costs to sell of approximately \$13.9 million upon meeting the criteria for classification as held for sale in September 2025. These assets met the criteria for classification as held for sale upon our reevaluation of their alignment with our Megacampus strategy and our decision to reallocate capital toward our other projects with greater value-creation opportunities. We expect to complete the sale of these assets within the next 12 months.
- Impairment charge of \$17.3 million was recognized to reduce the carrying amounts of two operating properties aggregating 210,481 RSF in our Sorrento Mesa submarket of San Diego to their estimated fair values less costs to sell of approximately \$112.3 million, upon meeting the criteria for classification as held for sale. The held for sale criteria were met in June 2025 upon our commitment to dispose of these properties. In August 2025, we completed the sale of one of the properties aggregating 79,945 RSF for a sales price of \$45.0 million, with no gain or loss recognized upon sale. We expect to complete the sale of the remaining property within the next 12 months.

During the nine months ended September 30, 2024, we recognized real estate impairment charges aggregating \$36.5 million, which primarily consisted of pre-acquisition costs related to two potential acquisitions in the Greater Boston market that we decided to no longer proceed with as a result of the macroeconomic environment that negatively impacted the financial outlooks of these acquisitions, and a real estate impairment charge to adjust the carrying amount of one property in Canada that continued to meet the held-for-sale classification to the sales price under negotiation with a potential buyer less costs to sell.

General and administrative expenses

General and administrative expenses for the nine months ended September 30, 2025 decreased by \$46.6 million, or 34.4%, to \$89.0 million, compared to \$135.6 million for the nine months ended September 30, 2024, primarily due to cost-control and efficiency initiatives implemented in since 2024, including reduction in headcount, restructuring of compensation plans, systems upgrades, and process improvements. As a percentage of net operating income, our general and administrative expenses for the trailing twelve months ended September 30, 2025 and 2024 were 5.7% and 8.9%, respectively.

Interest expense

Interest expense for the nine months ended September 30, 2025 and 2024 consisted of the following (dollars in thousands):

Component	Nine Months Ended September 30,		Change
	2025	2024	
Gross interest	\$ 409,603	\$ 379,554	\$ 30,049
Capitalized interest	(248,579)	(249,375)	796
Interest expense	\$ 161,024	\$ 130,179	\$ 30,845
Average debt balance outstanding ⁽¹⁾	\$ 13,200,441	\$ 12,417,845	\$ 782,596
Weighted-average annual interest rate ⁽²⁾	4.1%	4.1%	—%

(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 nine months ended September 30, 2025, compared to the nine months ended September 30, 2024, resulted from the following (dollars in thousands):

Component	Interest Rate ⁽¹⁾	Effective Date	Change
Increases in interest incurred due to:			
Issuances of debt:			
\$550 million of unsecured senior notes payable due 2035	5.66%	February 2025	\$ 19,227
\$600 million of unsecured senior notes payable due 2054	5.71%	February 2024	4,127
\$400 million of unsecured senior notes payable due 2036	5.38%	February 2024	2,576
Higher average outstanding balances under commercial paper program and/or unsecured senior line of credit			13,197
Other increase in interest			1,476
Total increases			40,603
Decreases in interest incurred due to:			
Repayments of debt:			
\$600 million of unsecured senior notes payable due 2025	3.62%	April 2025	(8,749)
Secured notes payable	7.18%	August 2025	(1,805)
Total decreases			(10,554)
Change in gross interest			30,049
Decrease in capitalized interest			796
Total change in interest expense			\$ 30,845

(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.

Investment loss

During the nine months ended September 30, 2025, we recognized investment loss aggregating \$52.5 million, which consisted of \$94.7 million of realized gains, \$71.6 million of unrealized losses, and \$75.5 million of impairment charges.

During the nine months ended September 30, 2024, we recognized investment income aggregating \$14.9 million, which consisted of \$85.2 million of realized gains, \$32.5 million of unrealized losses, and \$37.8 million of impairment charges.

For additional 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 nine months ended September 30, 2025, we recognized \$22.5 million of gains classified in gain on sales of real estate within our consolidated statement of operations. These gains included \$12.7 million recognized during the three months ended March 31, 2025, in connection with one sales-type lease for an operating property in our Seattle market, and \$9.3 million recognized upon the disposition of our controlling interest in a consolidated joint venture that owns Pacific Technology Park in our Sorrento Mesa submarket. For additional information, refer to Note 5 – “Leases” and Note 4 — “Consolidated and unconsolidated real estate joint ventures,” respectively, to our unaudited consolidated financial statements in Item 1.

During the nine months ended September 30, 2024, we recognized \$27.5 million of gains primarily related to the disposition of 1165 Eastlake Avenue East in our Lake Union submarket. The gains were classified in gain on sales of real estate within our consolidated statement of operations for the nine months ended September 30, 2024.

Other comprehensive income

Other comprehensive income (loss) primarily comprised unrealized foreign currency translation gains or losses related to our operations in Canada. Total other comprehensive income for the nine months ended September 30, 2025 aggregating \$14.0 million includes \$11.1 million of cumulative translation gain related to our operations in Canada, resulting from the CAD’s strengthening against the USD during this period. The increase also includes \$3.0 million of unrealized gains related to the change in the fair value of our cross-currency swap agreements, resulting from the CAD’s weakening since the execution of these agreements on July 29, 2025 through September 30, 2025. Refer to Note 11 – “Hedge Agreements” to our unaudited consolidated financial statements in Item 1 for additional information.

Total other comprehensive loss of \$6.6 million for the nine months ended September 30, 2024 is primarily due to unrealized foreign currency translation loss related to our operations in Canada.

Summary of capital expenditures

Our construction spending for the nine months ended September 30, 2025 and projected spending for the year ending December 31, 2025 consisted of the following (in thousands):

	Nine Months Ended September 30, 2025	Projected Guidance Midpoint for Year Ending December 31, 2025
Construction of Class A/A+ properties:		
Active construction projects		
Under construction	\$ 799,723	\$ 1,240,000
Future pipeline pre-construction		
Primarily Megacampus expansion pre-construction work (entitlement, design, and site work)	365,654	500,000
Revenue- and non-revenue-enhancing capital expenditures	230,867	415,000 ⁽¹⁾
Construction spending (before contributions from noncontrolling interests or tenants):	1,396,244	2,155,000
Contributions from noncontrolling interests (consolidated real estate joint ventures)	(156,668)	(230,000) ⁽²⁾
Tenant-funded and -built landlord improvements	(171,153)	(175,000)
Total construction spending	<u>\$ 1,068,423</u>	<u>\$ 1,750,000</u>
2025 guidance range for construction spending		\$1,450,000 – \$2,050,000

(1) Represents revenue-enhancing and non-revenue-enhancing capital expenditures before contributions from noncontrolling interests and tenant-funded and tenant-built landlord improvements for the year ending December 31, 2025. Our share of the 2025 revenue-enhancing and non-revenue-enhancing capital expenditures is projected to be \$320 million at the midpoint of our guidance for 2025 construction spending.

(2) Represents contractual capital commitments 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 and beyond (in thousands):

Projected timing	Amount ⁽¹⁾
October 1, 2025 through December 31, 2026	\$ 130,980
2027 and beyond	35,925
Total	<u>\$ 166,905</u>

(1) Amounts represent reductions to our consolidated construction spending.

Average real estate basis used for capitalization of interest

Our construction spending includes capitalized interest. The table below provides key categories of interest capitalized during the nine months ended September 30, 2025 (in thousands):

	Average Real Estate Basis Capitalized	
	Amount	Percentage
Construction of Class A/A+ properties:		
Development and redevelopment of projects under construction and one 100% pre-leased committed near-term project expected to commence construction in the next year:		
2025 and 2026 stabilization	\$ 650,004	8%
2027 and beyond stabilization	2,157,701	26
Smaller redevelopments and repositioning of capital projects	1,128,760 ⁽¹⁾	14
Future pipeline projects with key pre-construction milestones during 4Q25 and 2026: ⁽³⁾		
Megacampus projects	3,032,254 ⁽²⁾⁽³⁾	37
Non-Megacampus projects	1,211,641 ⁽³⁾	15
Total average real estate basis capitalized ⁽⁴⁾	<u>\$ 8,180,360</u>	<u>100%</u>

(1) Includes the real estate basis related to the 617,458 RSF of vacant space as of September 30, 2025 that is leased but not yet delivered. The weighted-average expected delivery date is approximately May 1, 2026.

(2) Includes four key active and future Megacampus development projects at Alexandria Center[®] for Advanced Technologies – Tanforan, Alexandria Center[®] for Life Science – San Carlos, Campus Point by Alexandria, and Alexandria Center[®] for Advanced Technologies – South Lake Union, which represent a total average capitalized real estate basis of approximately \$1.2 billion during the nine months ended September 30, 2025.

(3) Includes future pipeline projects that are expected to reach anticipated pre-construction milestones, including various phases of entitlement, design, site work, and other activities necessary to begin aboveground vertical construction on April 14, 2026 on a weighted-average real estate investment basis. We will evaluate whether to proceed with additional pre-construction and/or construction activities based on leasing demand and/or market conditions, pause future investments, or consider the potential dispositions of real estate assets.

(4) In addition to capitalized interest, we incur additional capitalized project costs, including property taxes, insurance, and other costs directly related and essential to the construction of Class A/A+ properties. If we cease activities necessary to prepare a project for its intended use, costs related to such project are expensed as incurred. Annualized capitalized operating expenses and payroll represent approximately 2% and 1%, respectively, of the total average real estate basis subject to capitalization for the nine months ended September 30, 2025.

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, funds from operations per share attributable to Alexandria's common stockholders – diluted, as adjusted, key assumptions, and key credit metric targets based on our current view of existing market conditions and other assumptions for the year ending December 31, 2025, 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, 2025. 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" and "Trends that may affect our future results" included in the beginning of this Item 2.

Key changes to our 2025 guidance include the following:

- 1) The midpoint of our guidance range for 2025 net (loss) income per share was reduced by \$3.44 from \$0.50 to \$(2.94). In addition to the items discussed in item 2 below, the update to our guidance range for 2025 net (loss) income per share includes the following:
 - Potential additional impairments of real estate (including impairments on stabilized and non-stabilized properties and land) that may be recognized during the three months ending December 31, 2025, ranging from \$0 to \$685 million, related to assets that could potentially be sold in the fourth quarter of 2025 or 2026, and if such assets meet the held for sale criteria during the three months ending December 31, 2025, considering market factors, buyer ability to perform, our desire to proceed with a sale at a particular price, and other factors. As of September 30, 2025, these assets were evaluated under the held for use model and were determined to be recoverable using a weighted-average probability approach. However, if any of these assets subsequently meet the criteria to be designated as held for sale, we could recognize impairment charges to reduce the carrying value of these assets to each asset's fair value less costs to sell.
 - Potential additional gain on sales of real estate that may be recognized during the three months ending December 31, 2025, ranging from \$0 to \$240 million, related to assets that may be sold in the fourth quarter of 2025.
 - These potential impairments and gains on sales of real estate will not impact our funds from operations per share pursuant to the Nareit definition of funds from operations.
- 2) The midpoint of our guidance range for 2025 funds from operations per share – diluted, as adjusted, was reduced by 25 cents, from \$9.26 to \$9.01. The primary drivers of the change include the following:
 - A 1.0% reduction in projected 2025 same property net operating income and a 0.9% reduction in our projected operating occupancy percentage in North America as of December 31, 2025 (at the midpoints of our guidance ranges), primarily due to slower than anticipated re-leasing of expiring spaces and lease-up of vacancy in our operating portfolio, reflecting reduced demand across the life science industry.
 - A reduction in projected 2025 realized gains on non-real estate investments. The midpoint of our revised guidance range for 2025 realized gains on non-real estate investments assumes approximately \$15 million in the fourth quarter of 2025, compared to the quarterly average realized gains of approximately \$32 million per quarter for the nine months ended September 30, 2025.
- 3) Our guidance range for net debt and preferred stock Adjusted EBITDA – fourth quarter of 2025 annualized increased from less than or equal to 5.2x to a range of 5.5x to 6.0x. The primary drivers of the change include the following:
 - A \$450 million reduction in the midpoint of our guidance range for 2025 dispositions and sales of partial interests. This includes expected delays in the closing of certain dispositions that are now anticipated to be completed during the first half of 2026.
 - A reduction in projected Adjusted EBITDA in the fourth quarter of 2025 related to the changes in same property performance (net operating income) and realized gains on non-real estate investments as described above.

**Projected 2025 Earnings per Share and Funds From Operations
per Share Attributable to Alexandria's Common Stockholders
– Diluted**

	As of 10/27/25	As of 7/21/25	Key Changes to Midpoint
Net (loss) income per share ⁽¹⁾	\$(5.68) to \$(0.20)	\$0.40 to \$0.60	(2)
Depreciation and amortization of real estate assets	7.05	7.05	
Gain on sales of real estate	(0.14) to (1.54)	(0.08)	(2)
Impairment of real estate – rental properties and land ⁽³⁾	6.69 to 2.67	0.77	(2)
Allocation of unvested restricted stock awards	(0.03)	(0.03)	
Funds from operations per share ⁽⁴⁾	\$7.89 to \$7.95	\$8.11 to \$8.31	
Unrealized losses on non-real estate investments	0.42	0.53	
Impairment of non-real estate investments	0.45	0.30	
Impairment of real estate	0.23	0.23	
Allocation to unvested restricted stock awards	(0.01)	(0.01)	
Funds from operations per share, as adjusted ⁽⁴⁾	<u>\$8.98 to \$9.04</u>	<u>\$9.16 to \$9.36</u>	
Midpoint	\$9.01	\$9.26	Reduction of 25 cents ⁽²⁾

- (1) Excludes unrealized gains or losses on non-real estate investments after September 30, 2025 that are required to be recognized in earnings and are excluded from funds from operations per share, as adjusted.
- (2) Refer to the discussion regarding key changes to our 2025 guidance above for additional details.
- (3) Refer to Note 3 – “Investments in real estate” to our unaudited consolidated financial statements in Item 1 for additional information.
- (4) 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 additional information.

Key Assumptions⁽¹⁾
(Dollars in millions)

	As of 10/27/25		As of 7/21/25		Key Changes to Midpoint
	Low	High	Low	High	
Operating occupancy percentage in North America as of December 31, 2025	90.0%	91.6% ⁽²⁾	90.9%	92.5%	90 bps reduction
Lease renewals and re-leasing of space:					
Rental rate changes	7.0%	15.0% ⁽³⁾	9.0%	17.0%	200 bps reduction ⁽²⁾
Rental rate changes (cash basis)	0.5%	8.5%	0.5%	8.5%	No change
Same property performance:					
Net operating income changes	(4.7)%	(2.7)%	(3.7)%	(1.7)%	100 bps reduction
Net operating income changes (cash basis)	(1.2)%	0.8%	(1.2)%	0.8%	No change
Straight-line rent revenue	\$ 75	\$ 95	\$ 96	\$ 116	\$21 million reduction
General and administrative expenses	\$ 112	\$ 127	\$ 112	\$ 127	No Change
Capitalization of interest	\$ 320	\$ 350	\$ 320	\$ 350	
Interest expense ⁽⁴⁾	\$ 195	\$ 225	\$ 185	\$ 215	\$10 million increase ⁽³⁾
Realized gains on non-real estate investments ⁽⁵⁾	\$ 100	\$ 120	\$ 100	\$ 130	\$5 million reduction

- (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” in our annual report on Form 10-K for the year ended December 31, 2024, as well as in “Item 1A. Risk factors”; and “Item 2. Trends that may affect our future results” 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) Our guidance assumes an approximate 1% benefit related to a range of assets with vacancy that could potentially qualify for classification as held for sale by December 31, 2025. These assets have not yet reached the criteria for held for sale designation as of September 30, 2025.
- (3) In October 2025, we executed a one-year lease extension aggregating 247,743 RSF with an investment-grade rated government institution tenant at a recently acquired office property in our Canada market. At acquisition, this building was originally targeted for a future change in use, but we instead renewed the existing tenant through the beginning of 2027, with no incremental capital investment. We continue to evaluate options to convert this space, subject to market conditions. The impact from this renewal on our 2025 rental rate changes is anticipated to result in a reduction of approximately 2.0%.
- (4) The increase in the midpoint of our guidance range for 2025 interest expense is primarily due to the \$450 million reduction to the midpoint of our guidance range for 2025 dispositions and sales of partial interests, which includes expected delays in the closing of certain dispositions that are now anticipated to be completed in the first half of 2026.
- (5) 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. The midpoint of our revised guidance range for 2025 realized gains on non-real estate investments assumes approximately \$15 million in the fourth quarter of 2025, compared to the quarterly average realized gains of approximately \$32 million per quarter for the nine months ended September 30, 2025. Refer to Note 7 – “Investments” to our unaudited consolidated financial statements in Item 1 for additional details.

Key Credit Metric Targets⁽¹⁾	As of 10/27/25	As of 7/21/25	Key Changes
Net debt and preferred stock to Adjusted EBITDA – fourth quarter of 2025 annualized	5.5x to 6.0x	Less than or equal to 5.2x	0.6x increase ⁽²⁾
Fixed-charge coverage ratio – fourth quarter of 2025 annualized	3.6x to 4.1x	4.0x to 4.5x	0.4x reduction

(1) Refer to “Definitions and reconciliations” in Item 2 for additional information.

(2) Refer to the discussion regarding key changes to our 2025 guidance above for additional details.

Summary of key items that may impact 2026 results

We expect to introduce 2026 guidance on December 3, 2025 at Investor Day. The following is an initial summary of key items that are expected to impact 2026 results:

- *Core operations* – Slower demand across the life science sector and increased supply for life science real estate could negatively impact future occupancy. Additional considerations include the following:
 - Same property net operating income decrease for the three months ended September 30, 2025 compared to the three months ended September 30, 2024 of 6.0% reflects a decline relative to the first half of 2025. Refer to “Same properties” in Item 2 for additional details.
 - Operating occupancy has decreased four consecutive quarters from 94.7% as of September 30, 2024 to 90.6% as of September 30, 2025.
 - Before the benefit of excluding assets designated as held for sale which contained vacancy, occupancy during the three months ended September 30, 2025 declined 1.1% compared to the three months ended June 30, 2025, primarily related to lease expirations during the third quarter of 2025. These lease expirations resulting in the 1.1% decline in occupancy previously generated annual rental revenue aggregating approximately \$29.0 million and had a weighted-average lease expiration date at the end of July 2025. We are currently marketing these spaces.
 - Our guidance for operating occupancy percentage in North America as of December 31, 2025 assumes an approximate 1% benefit related to a range of assets with vacancy that could potentially qualify for designation as held for sale by December 31, 2025, but that have not yet qualified as of September 30, 2025. After considering this potential adjustment, the midpoint of our guidance range for occupancy as of December 31, 2025 implies an 80 bps decline in operating occupancy percentage during the fourth quarter of 2025.
 - There are key lease expirations primarily located in the Greater Boston, San Francisco Bay Area, and San Diego markets aggregating 1.2 million RSF with a weighted-average lease expiration date of March 19, 2026 and annual rental revenue aggregating \$81 million, which are expected to become vacant upon lease expiration. We expect downtime on these spaces ranging from 6 to 24 months on a weighted-average basis. Refer to “Summary of contractual lease expirations” in Item 2 for additional details.
- *Capitalized interest* – There is approximately \$4.2 billion of average real estate basis capitalized during the nine months ended September 30, 2025, related to future pipeline projects undergoing critical pre-construction activities, including various phases of entitlement, design, site work, and other activities necessary to begin aboveground vertical construction. We expect these projects to reach anticipated pre-construction milestones on April 14, 2026, on a weighted-average real estate investment basis. We will evaluate, on an asset-by-asset basis, whether to (i) proceed with additional pre-construction and/or construction activities based on leasing demand and/or market conditions, (ii) pause future investments, or (iii) consider the potential dispositions of these real estate assets. If we cease activities necessary to prepare a project for its intended use, costs related to such project, including interest, payroll, property taxes, insurance, and other costs directly related and essential to the construction of Class A/A+ properties, will be expensed as incurred. Refer to “Average real estate basis used for capitalization of interest” in Item 2 for additional details.
- *Realized gains on non-real estate investments* – The midpoint of our revised guidance range for 2025 realized gains on non-real estate investments assumes approximately \$15 million for the fourth quarter of 2025, compared to the quarterly average realized gains of approximately \$32 million per quarter for the nine months ended September 30, 2025. Refer to “Note 7 – Investments” to our unaudited consolidated financial statements in Item 1 for additional details.
- *General and administrative expenses* – Over the past several years, we have implemented comprehensive measures to reduce our expenditures across our organization, including our general and administrative expenses. These initiatives are expected to generate a reduction in general and administrative expenses of approximately \$49 million, or 29%, during the year ending December 31, 2025 (at the midpoint of our 2025 guidance range) compared to the year ended December 31, 2024. Given that some of these costs savings are expected to be temporary in nature, we anticipate approximately half of the cost reductions expected to be achieved in 2025 will continue in 2026.
- *Dispositions and equity-type capital*
 - As of October 27, 2025, our share of pending dispositions subject to non-refundable deposits, signed letters of intent, and/or purchase and sale agreement negotiations aggregated \$1.0 billion. We expect these dispositions to close in late fourth quarter of 2025; therefore, the corresponding reduction in EBITDA is expected to impact the first quarter of 2026. Refer to “Dispositions and sale of partial interests” in Item 2 for additional details.
 - We expect construction spending in 2026 to be similar or slightly higher than the \$1.75 billion midpoint of our guidance range for 2025 construction in order to complete our active construction projects and significant revenue- and non-revenue-enhancing capital expenditures necessary to lease vacant space. Given the factors previously described that could negatively impact EBITDA, we may require significant equity-type capital to manage our leverage profile.
 - We expect a significant source of funding to come from the sale of non-core assets in 2026. We anticipate an end to our large-scale non-core asset sales program in 2026 or early 2027. As of September 30, 2025, 77% of our annual rental revenue is from our Megacampus™ platform, and we expect this percentage to continue to grow over time.
- *Dividends and net cash provided by operating activities after dividends*
 - From 2013 to 2025, dividends per share and funds from operations per share, as adjusted have been highly correlated, with cumulative increases of 102% and 105%, respectively.
 - The factors previously described could lead to a reduction in funds from operations per share, as adjusted and net cash provided by operating activities. At the current dividend rate, the amount of net cash provided by operating activities after payment of dividends available to recycle and address our 2026 capital needs could be reduced. As a result, we expect our Board of Directors to carefully evaluate our 2026 dividend strategy.

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⁽¹⁾

Property/Market/Submarket	Noncontrolling 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%	388,270
100 and 225 Binney Street and 300 Third Street/Greater Boston/Cambridge/Inner Suburbs	70.0%	870,641
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%	548,215
601, 611, 651 ⁽²⁾ , 681, 685, and 701 Gateway Boulevard/San Francisco Bay Area/ South San Francisco	50.0%	874,234
751 Gateway Boulevard/San Francisco Bay Area/South San Francisco	49.0%	230,592
211 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	51.5%	285,346
3215 Merryfield Row/San Diego/Torrey Pines	70.0%	170,523
Campus Point by Alexandria/San Diego/University Town Center ⁽²⁾⁽⁴⁾	45.0% ⁽⁵⁾	1,212,414
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 ⁽²⁾⁽⁶⁾	50.0%	829,437
Summers Ridge Science Park/San Diego/Sorrento Mesa ⁽⁷⁾	70.0%	316,531
1201 and 1208 Eastlake Avenue East/Seattle/Lake Union	70.0%	206,134
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
1450 Research Boulevard/Maryland/Rockville	73.2% ⁽⁹⁾	42,012
101 West Dickman Street/Maryland/Beltsville	58.4% ⁽⁹⁾	142,933

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

- (1) In addition to the real estate joint ventures listed, we have one consolidated real estate joint venture in the Greater Boston market in which a partner holds a \$48.7 million redeemable noncontrolling interest earning a fixed return.
- (2) Represents a property currently under construction or in our future development and redevelopment pipeline. Refer to “New Class A/A+ development and redevelopment properties” in Item 2 for additional details.
- (3) Includes 409 and 499 Illinois, 1450, 1500, and 1700 Owens Street, and 455 Mission Bay Boulevard South. Operating RSF excludes 409 and 499 Illinois, which met the criteria to be designated as held for sale as of September 2025.
- (4) Includes 10210, 10260, 10290, and 10300 Campus Point Drive and 4110, 4135, 4155, 4161, 4165, 4224, and 4242 Campus Point Court.
- (5) The noncontrolling interest share of our joint venture partner is anticipated to decrease to 25%, as we expect to fund the majority of future construction costs at the campus until our ownership interest increases from 55% to 75%, after which future capital would be contributed pro rata with our partner. Refer to “New Class A/A+ development and redevelopment properties: current projects” in Item 2 for additional details.
- (6) Includes 9605, 9645, 9675, 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 real estate joint ventures listed, we hold an interest in one insignificant unconsolidated real estate joint venture.
- (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.

The following table presents key terms related to our unconsolidated real estate joint ventures' secured loans as of September 30, 2025 (dollars in thousands):

Unconsolidated Joint Venture	Maturity Date	Stated Rate	Interest Rate ⁽¹⁾	At 100%		Our Share
				Aggregate Commitment	Debt Balance ⁽²⁾	
101 West Dickman Street	10/29/26	SOFR+1.95% ⁽³⁾	6.20%	\$ 26,750	\$ 18,999	58.4%
1450 Research Boulevard	12/6/26	SOFR+1.95% ⁽³⁾	6.26%	13,000	8,932	73.2%
1655 and 1725 Third Street ⁽⁴⁾	2/10/35	6.37%	6.44%	500,000	496,794	10.0%
				<u>\$ 539,750</u>	<u>\$ 524,725</u>	

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

(2) Represents outstanding principal, net of unamortized deferred financing costs, as of September 30, 2025.

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

(4) During the three months ended March 31, 2025, the unconsolidated real estate joint venture refinanced \$500 million of its \$600 million existing fixed-rate debt with a new secured note payable maturing in 2035. The remaining debt balance of approximately \$100 million was repaid through contributions from the unconsolidated joint venture partners, including our share of \$10.8 million.

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 nine months ended September 30, 2025 (in thousands):

	Noncontrolling Interest Share of Consolidated Real Estate Joint Ventures		Our Share of Unconsolidated Real Estate Joint Ventures	
	September 30, 2025		September 30, 2025	
	Three Months Ended	Nine Months Ended	Three Months Ended	Nine Months Ended
Total revenues	\$ 118,646	\$ 353,241	\$ 2,700	\$ 7,963
Rental operations	(38,170)	(108,978)	(1,025)	(3,008)
	80,476	244,263	1,675	4,955
General and administrative	(630)	(2,193)	(20)	(101)
Interest	(151)	(905)	(1,060)	(3,118)
Depreciation and amortization of real estate assets	(45,327)	(114,785)	(852)	(2,848)
Impairment of real estate	—	—	—	(8,673)
Gain on sale of interest of unconsolidated JV	—	—	458	458
Fixed returns allocated to redeemable noncontrolling interests ⁽¹⁾	541	943	—	—
	<u>\$ 34,909</u>	<u>\$ 127,323</u>	<u>\$ 201</u>	<u>\$ (9,327)</u>
Straight-line rent and below-market lease revenue	\$ 6,663	\$ 16,857	\$ 172	\$ 506
Funds from operations ⁽²⁾	\$ 80,236	\$ 242,108	\$ 595	\$ 1,736

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 for properties in the Greater Boston and San Francisco Bay Area markets. These redeemable noncontrolling interests earn a fixed return on their investment rather than participate in the operating results of the properties.

(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 September 30, 2025	
	Noncontrolling Interest Share of Consolidated Real Estate Joint Ventures	Our Share of Unconsolidated Real Estate Joint Ventures
Investments in real estate	\$ 4,103,608	\$ 99,393
Cash, cash equivalents, and restricted cash	160,646	2,341
Other assets	445,479	10,533
Secured notes payable	—	(67,315)
Other liabilities	(230,757)	(5,351)
Redeemable noncontrolling interests	(58,662)	—
	<u>\$ 4,420,314</u>	<u>\$ 39,601</u>

During the nine months ended September 30, 2025 and 2024, our consolidated real estate joint ventures distributed an aggregate of \$186.8 million and \$179.1 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.

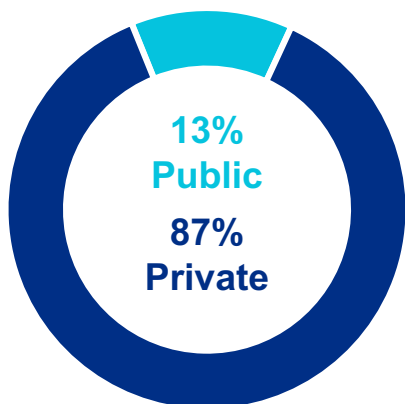
Investments

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.

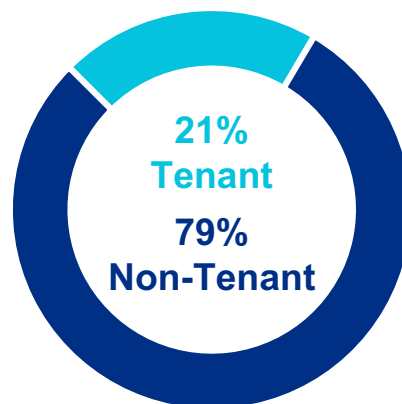
	September 30, 2025		Year Ended
	Three Months Ended	Nine Months Ended	December 31, 2024
Realized gains	\$ 9,646 ⁽¹⁾	\$ 19,115 ⁽¹⁾	\$ 59,124 ⁽²⁾
Unrealized gains (losses)	18,515 ⁽³⁾	(71,568) ⁽⁴⁾	(112,246) ⁽⁵⁾
Investment income (loss)	\$ 28,161	\$ (52,453)	\$ (53,122)

Investments	September 30, 2025				December 31, 2024
	Cost	Unrealized Gains	Unrealized Losses	Carrying Amount	Carrying Amount
Publicly traded companies	\$ 197,229	\$ 28,964	\$ (101,901)	\$ 124,292	\$ 105,667
Entities that report NAV	482,734	98,002	(40,603)	540,133	609,866
Entities that do not report NAV:					
Entities with observable price changes	80,454	53,409	(9,614)	124,249	174,737
Entities without observable price changes	422,519	—	—	422,519	400,487
Investments accounted for under the equity method	N/A	N/A	N/A	326,445	186,228
September 30, 2025	\$ 1,182,936 ⁽⁶⁾	\$ 180,375	\$ (152,118)	\$ 1,537,638	\$ 1,476,985
December 31, 2024	\$ 1,207,146	\$ 228,100	\$ (144,489)	\$ 1,476,985	

Public/Private Mix (Cost)



Tenant/Non-Tenant Mix (Cost)



- (1) Consists of realized gains of \$34.8 million and \$94.7 million, partially offset by impairment charges of \$25.1 million and \$75.5 million during the three and nine months ended September 30, 2025, respectively.
- (2) Consists of realized gains of \$117.2 million, partially offset by impairment charges aggregating \$58.1 million during the year ended December 31, 2024.
- (3) Consists of unrealized gains of \$51.3 million primarily resulting from the increase in fair values of our investments in publicly traded entities and investments in privately held entities that report NAV and \$32.8 million resulting from accounting reclassifications of unrealized gains recognized in prior periods into realized gains upon our realization of investments during the three months ended September 30, 2025.
- (4) Primarily relates to the accounting reclassifications of unrealized gains recognized in prior periods into realized gains upon our realization of investments during the nine months ended September 30, 2025.
- (5) Primarily relates to the accounting reclassifications of unrealized gains recognized in prior periods into realized gains upon our realization of investments during the year ended December 31, 2024.
- (6) Represents 2.7% of gross assets as of September 30, 2025. Refer to “Gross assets” under “Definitions and reconciliations” in Item 2 for additional details.

Liquidity

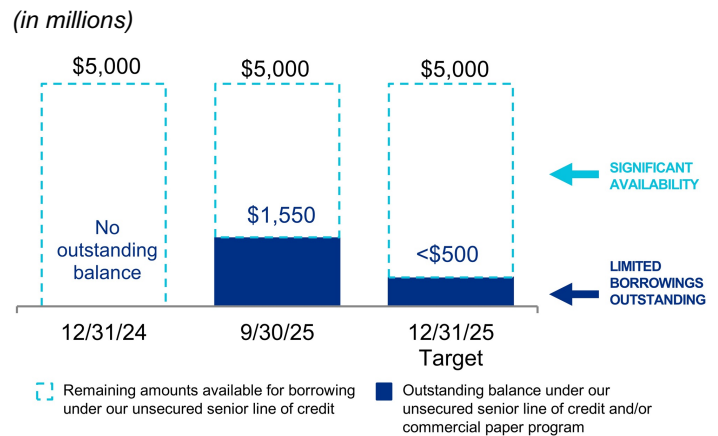
Liquidity

\$4.2B

(In millions)

Availability under our unsecured senior line of credit, net of amounts outstanding under our commercial paper program	\$ 3,450
Cash, cash equivalents, and restricted cash	584
Investments in publicly traded companies	124
Liquidity as of September 30, 2025	<u>\$ 4,158</u>

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



We expect to meet certain long-term liquidity requirements, such as requirements for development, redevelopment, other construction projects, capital improvements, tenant improvements, property acquisitions, equity repurchases, 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 dispositions, 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 net 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;
- Maintain a strong 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 development and redevelopment projects as a percentage of our gross real estate assets; and
- Maintain high levels of pre-leasing and percentage leased in development and redevelopment projects.

The following table presents the availability under our unsecured senior line of credit, net of amounts outstanding under our commercial paper program; cash, cash equivalents, and restricted cash; and investments in publicly traded companies as of September 30, 2025 (in thousands):

Description	Stated Rate	Aggregate Commitments	Outstanding Balance	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	\$ 1,550,000	\$ 3,450,000
Cash, cash equivalents, and restricted cash				584,179
Investments in publicly traded companies				124,292
Liquidity as of September 30, 2025				<u>\$ 4,158,471</u>

Cash, cash equivalents, and restricted cash

As of September 30, 2025 and December 31, 2024, we had \$584.2 million and \$559.8 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, 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 and any common stock repurchases.

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 nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,		Change
	2025	2024	
Net cash provided by operating activities	\$ 1,101,668	\$ 1,230,346	\$ (128,678)
Net cash used in investing activities	\$ (1,437,538)	\$ (1,956,959)	\$ 519,421
Net cash provided by financing activities	\$ 360,850	\$ 645,405	\$ (284,555)

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 nine months ended September 30, 2025 decreased by \$128.7 million to \$1.1 billion, compared to \$1.2 billion for the nine months ended September 30, 2024. The decrease was primarily due to the ground lease prepayment of \$135.0 million made in January 2025 for a 24-year extension to our existing ground lease agreement at the Alexandria Technology Square® Megacampus in our Cambridge submarket.

Investing activities

Cash used in investing activities for the nine months ended September 30, 2025 and 2024 consisted of the following (in thousands):

	Nine Months Ended September 30,		Change
	2025	2024	
Sources of cash from investing activities:			
Proceeds from sales of real estate	\$ 227,105	\$ 229,790	\$ (2,685)
Sales of and distributions from non-real estate investments	77,067	141,762	(64,695)
Return of capital from unconsolidated real estate joint ventures	458	—	458
	<u>304,630</u>	<u>371,552</u>	<u>(66,922)</u>
Uses of cash for investing activities:			
Purchases of real estate	—	201,049	(201,049)
Additions to real estate	1,538,613	1,932,351	(393,738)
Change in escrow deposits	7,364	5,512	1,852
Investments in unconsolidated real estate joint ventures	11,239	4,039	7,200
Additions to non-real estate investments	184,952	185,560	(608)
	<u>1,742,168</u>	<u>2,328,511</u>	<u>(586,343)</u>
Net cash used in investing activities	<u>\$ 1,437,538</u>	<u>\$ 1,956,959</u>	<u>\$ (519,421)</u>

The decrease in net cash used in investing activities for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024, was primarily due to a decreased use of cash for purchases of and additions to 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 nine months ended September 30, 2025 and 2024 consisted of the following (in thousands):

	Nine Months Ended September 30,		Change
	2025	2024	
Borrowings under secured note payable	\$ 4,031	\$ 24,853	\$ (20,822)
Repayments of borrowings under secured notes payable	(154,212)	(32)	(154,180)
Proceeds from issuance of unsecured senior notes payable	548,532	998,806	(450,274)
Repayment of unsecured senior note payable	(600,000)	—	(600,000)
Proceeds from issuances under commercial paper program	15,378,015	7,935,600	7,442,415
Repayments of borrowings under commercial paper program	(13,828,015)	(7,580,600)	(6,247,415)
Payments of loan fees	(5,307)	(36,366)	31,059
Changes related to debt	1,343,044	1,342,261	783
Contributions from and sales of noncontrolling interests	132,162	251,252	(119,090)
Distributions to and purchases of noncontrolling interests	(204,543)	(231,072)	26,529
Repurchase of common stock	(208,187)	—	(208,187)
Dividends on common stock	(684,419)	(671,366)	(13,053)
Taxes paid related to net settlement of equity awards	(17,207)	(45,670)	28,463
Net cash provided by financing activities	<u>\$ 360,850</u>	<u>\$ 645,405</u>	<u>\$ (284,555)</u>

Capital resources

We expect that our principal liquidity needs for the year ending December 31, 2025 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)	As of 10/27/25		Certain Completed Items	As of 7/21/25 Midpoint	Key Changes to Midpoint	
	Range	Midpoint				
Sources of capital:						
Increase in debt	\$ 60	\$ 260	\$ 160	See below	\$ (290)	\$450 million increase
Net cash provided by operating activities after dividends	425	525	475		475	
Dispositions and sales of partial interests	1,100	1,900	1,500	(1)	1,950	\$450 million decrease
Total sources of capital	\$ 1,585	\$ 2,685	\$ 2,135		\$ 2,135	
Uses of capital:						
Construction	\$ 1,450	\$ 2,050	\$ 1,750		\$ 1,750	
Acquisitions and other opportunistic uses of capital ⁽²⁾	—	500	250	\$ 208	(2)	250
Ground lease prepayment	135	135	135	\$ 135		135
Total uses of capital	\$ 1,585	\$ 2,685	\$ 2,135		\$ 2,135	
Increase in debt (included above):						
Issuance of unsecured senior notes payable	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	
Repayment of unsecured notes payable	(600)	(600)	(600)	\$ (600)	(600)	
Repayment of secured note payable ⁽³⁾	(154)	(154)	(154)	\$ (154)	(154)	
Unsecured senior line of credit, commercial paper program, and other	264	464	364		(86)	
Increase in debt	\$ 60	\$ 260	\$ 160		\$ (290)	\$450 million increase

(1) As of the date of this report, completed dispositions aggregated \$508.3 million and our share of pending transactions subject to non-refundable deposits, signed letters of intent, or purchase and sale agreement negotiations aggregated \$1.0 billion. We expect to achieve a weighted-average capitalization rate on our projected 2025 dispositions and partial interest sales (excluding land and including stabilized and non-stabilized operating properties) in the 7.5% – 8.5% range. We expect dispositions of land to represent 20%–30% of our total dispositions and sales of partial interest sales for the year ending December 31, 2025. Refer to “Dispositions and sales of partial interests” in Item 2 for additional information on our real estate dispositions.

(2) Under our common stock repurchase program authorized in December 2024, we may repurchase up to \$500.0 million of our common stock through December 31, 2025. During the three months ended September 30, 2025, we did not repurchase any shares of common stock. As of the date of this report, the approximate value of shares authorized and remaining under this program was \$241.8 million. Subject to market conditions, we may consider repurchasing additional shares of our common stock.

(3) In August 2025, we repaid a secured construction loan held by our development project at 99 Coolidge Avenue in our Cambridge/Inner Suburbs submarket. Refer to Note 10 – “Secured and unsecured senior debt” to our unaudited consolidated financial statements in Item 1 for additional information.

The key assumptions behind the sources and uses of capital in the table above include 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” in our annual report on Form 10-K for the year ended December 31, 2024; as well as in “Item 1A. Risk factors”; and “Item 2. Trends that may affect our future results” 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.

Sources of capital

Net cash provided by operating activities after dividends

We expect to retain \$425 million to \$525 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, 2025, excluding the payment of our final installment of \$135.0 million made in January 2025 for the ground lease at the Alexandria Technology Square® Megacampus. For purposes of this calculation, changes in operating assets and liabilities representing timing differences are excluded. For the year ending December 31, 2025, we expect our recently delivered projects, our development and redevelopment projects expected to be delivered, and contributions from Same Properties to contribute to income from rentals, net operating income, and cash flows. We anticipate contractual near-term growth in annual net operating income (cash basis) of \$50 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 nine months ended September 30, 2025.

Debt

We expect to fund a portion of our capital needs for 2025 from issuances under our commercial paper program, issuances of unsecured senior notes payable, and/or borrowings under our unsecured senior line of credit.

As of September 30, 2025, our unsecured senior line of credit, which matures in 2030, including extension options under our control, 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 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 September 30, 2025, we had no outstanding balance on our unsecured line of credit.

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 nine months ended September 30, 2025 were issued at a weighted-average yield to maturity of 4.64%. As of September 30, 2025, we had \$1.5 billion of commercial paper notes outstanding.

In February 2025, we issued \$550.0 million of unsecured senior notes payable, due 2035, with an interest rate of 5.50%.

The following table presents our average debt outstanding and weighted-average interest rates during the three and nine months ended September 30, 2025 (dollars in thousands):

	Average Debt Outstanding		Weighted-Average Interest Rate	
	September 30, 2025		September 30, 2025	
	Three Months Ended	Nine Months Ended	Three Months Ended	Nine Months Ended
Long-term fixed-rate debt	\$ 12,121,219	\$ 12,290,203	3.88%	3.86%
Short-term variable-rate unsecured senior line of credit and commercial paper program debt	1,503,453	935,353	4.64	4.64
Blended average interest rate	13,624,672	13,225,556	3.96	3.92
Loan fee amortization and annual facility fee related to unsecured senior line of credit	N/A	N/A	0.14	0.13
Total/weighted average	\$ 13,624,672	\$ 13,225,556	4.10%	4.05%

Real estate dispositions and sales of partial interests

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 our development and redevelopment projects and opportunistic share repurchases and also provide significant capital for growth. We may also consider additional sales of partial interests in core Class A/A+ properties, development projects, and/or land. For the year ending December 31, 2025, we expect real estate dispositions and sales of partial interests in real estate assets to range from \$1.10 billion to \$1.90 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 14 – “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.

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” in our annual report on Form 10-K for the year ended December 31, 2024 for additional information about the “prohibited transaction” tax.

Common equity transactions

During the three and nine months ended September 30, 2025, we have not issued any common stock under our ATM program. As of September 30, 2025, 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 spending, and our joint venture partners may also contribute equity into these entities for financing-related activities. From October 1, 2025 through December 31, 2027 and beyond, we expect to receive capital contributions aggregating \$166.9 million from existing consolidated real estate joint venture partners to fund construction. During the year ending December 31, 2025, contributions from noncontrolling interests from existing joint venture partners are expected to aggregate to up to \$230.0 million at the midpoint of our guidance range for 2025 construction spending.

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 development and redevelopment pipeline aggregating 4.2 million RSF of Class A/A+ properties undergoing construction and one 100% pre-leased committed near-term project expected to commence construction in the next year. 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 additional 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, classified in investments in real estate in our consolidated balance sheets, aggregated \$248.6 million for the nine months ended September 30, 2025, consistent with \$249.4 million capitalized during nine months ended September 30, 2024. This reflects a consistent weighted-average capitalized cost basis of \$8.2 billion for the nine months ended September 30, 2025, as compared to \$8.1 billion for the nine months ended September 30, 2024.

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 \$69.6 million and \$76.8 million, and property taxes, insurance on real estate, and indirect project costs aggregating \$111.7 million and \$96.5 million during the nine months ended September 30, 2025 and 2024, respectively.

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 \$43.0 million for the nine months ended September 30, 2025.

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 nine months ended September 30, 2025, we capitalized total initial direct leasing costs of \$95.7 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.

Real estate acquisitions and common stock repurchase program

Under our common stock repurchase program authorized in December 2024, we may repurchase up to \$500.0 million of our common stock in the open market, in privately negotiated transactions, or otherwise through December 31, 2025.

- During the three months ended September 30, 2025, we did not repurchase any shares of common stock.
- During the nine months ended September 30, 2025, we repurchased 2.2 million shares of common stock for an aggregate value of \$208 million at an average price per share of \$96.71.
- As of the date of this report, the approximate value of shares authorized and remaining under this program was \$241.8 million.

We have not made any real estate acquisitions during the nine months ended September 30, 2025.

For the year ending December 31, 2025, we expect real estate acquisitions and other opportunistic uses of capital, including common stock repurchases, to aggregate up to \$500 million.

Dividends

During the nine months ended September 30, 2025 and 2024, we paid common stock dividends of \$684.4 million and \$671.4 million, respectively. The increase of \$13.1 million in dividends paid on our common stock for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024, was primarily due to an increase in the related dividends to \$3.96 per common share paid for the nine months ended September 30, 2025 from \$3.84 per common share paid for the nine months ended September 30, 2024. We have historically funded the payment of our common stock dividends using net cash provided by operating activities. We expect to continue funding future quarterly common stock dividends from net cash provided by operating activities, which may be supplemented by proceeds from periodic asset dispositions, issuances of additional debt and/or equity securities, and borrowings under our unsecured senior line of credit and/or our commercial paper program. Future dividends are at the discretion of our Board and subject to various considerations, including net income, cash flows, capital requirements, debt covenants, market conditions, dividend yield, taxable income, payout ratios, and other factors. There can be no assurance that we will continue our historical dividend per share growth or maintain dividends at the current level.

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 September 30, 2025 were as follows:

Covenant Ratios ⁽¹⁾	Requirement	September 30, 2025
Total Debt to Total Assets	Less than or equal to 60%	32%
Secured Debt to Total Assets	Less than or equal to 40%	—%
Consolidated EBITDA ⁽²⁾ to Interest Expense	Greater than or equal to 1.5x	9.8x
Unencumbered Total Asset Value to Unsecured Debt	Greater than or equal to 150%	302%

(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 September 30, 2025 were as follows:

Covenant Ratios ⁽¹⁾	Requirement	September 30, 2025
Leverage Ratio	Less than or equal to 60.0%	33.6%
Secured Debt Ratio	Less than or equal to 45.0%	—%
Fixed-Charge Coverage Ratio	Greater than or equal to 1.50x	3.58x
Unsecured Interest Coverage Ratio	Greater than or equal to 1.75x	8.54x

(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 September 30, 2025, 88.6% 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.

Ground lease obligations

Ground lease obligations as of September 30, 2025 included leases for 31 of our properties and accounted for approximately 8% of our total number of properties. Among these 31 properties, 17 properties are subject to ground leases with a weighted-average remaining lease term of 40 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 14 properties subject to ground leases are located across multiple submarkets and have remaining lease terms ranging from approximately 45 to 81 years. The weighted-average remaining lease term of these ground leases is 73 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 September 30, 2025, the remaining contractual payments under ground and office lease agreements in which we are the lessee aggregated \$757.9 million and \$20.9 million, respectively. As of September 30, 2025, our operating lease liability, calculated as the present value of the remaining payments aggregating \$778.8 million under our operating lease agreements, including our extension options that we are reasonably certain to exercise, was \$362.0 million and was classified in accounts payable, accrued expenses, and other liabilities in our consolidated balance sheet. As of September 30, 2025, the weighted-average remaining lease term of operating leases in which we are the lessee was approximately 54 years, including extension options that we are reasonably certain to exercise, and the weighted-average discount rate was 4.7%. 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 \$713.4 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.

Commitments

As of September 30, 2025, remaining aggregate costs under contract for the construction of properties undergoing development, redevelopment, and improvements under the terms of leases approximated \$1.1 billion. 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. In addition, we have letters of credit and performance obligations aggregating \$5.3 million.

We are committed to funding approximately \$377.0 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 11 years, with a weighted-average expiration of 7.9 years as of September 30, 2025.

Our former joint venture partner in the Greater Boston market has an option, subject to certain conditions, to obtain a \$50 million secured loan from us, which, if the option is exercised, will bear interest at SOFR plus 6.5%, with a floor of 9.0% and a term not to exceed five years. As of September 30, 2025, the option has not been exercised.

In July 2025, we amended the agreement for our consolidated joint venture at 99 Coolidge Avenue in our Cambridge/Inner Suburbs submarket. Pursuant to the amended agreement, our partner has a put option beginning January 2026 to require us to purchase its redeemable noncontrolling interest aggregating \$48.7 million plus any unpaid distributions accruing at a fixed annual rate of 4.05%.

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 nine months ended September 30, 2025 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, 2024	\$ (46,252)
Other comprehensive income before reclassifications	14,049
Net other comprehensive income	14,049
Balance as of September 30, 2025	\$ (32,203)

Inflation

As of September 30, 2025, approximately 91% 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 97% of our leases (on an annual rental revenue basis) contained effective annual rent escalations approximating 3% that were either fixed 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 issuing new unsecured senior notes payable and our variable-rate borrowings, including borrowings under our unsecured senior line of credit and commercial paper program, and secured loans held by our unconsolidated real estate joint ventures.

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 September 30, 2025 and December 31, 2024, and results of operations and comprehensive income for the nine months ended September 30, 2025 and year ended December 31, 2024 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 September 30, 2025 and December 31, 2024 and for the nine months ended September 30, 2025 and year ended December 31, 2024 for the Issuer and Guarantor Subsidiary. Amounts provided do not represent our total consolidated amounts (in thousands):

	September 30, 2025	December 31, 2024
Assets:		
Cash, cash equivalents, and restricted cash	\$ 139,186	\$ 103,993
Other assets	180,796	153,913
Total assets	\$ 319,982	\$ 257,906
Liabilities:		
Unsecured senior notes payable	\$ 12,044,999	\$ 12,094,465
Unsecured senior line of credit and commercial paper	1,548,542	—
Other liabilities	540,406	542,322
Total liabilities	\$ 14,133,947	\$ 12,636,787
	Nine Months Ended September 30, 2025	Year Ended December 31, 2024
Total revenues	\$ 34,489	\$ 59,023
Total expenses	(248,954)	(349,437)
Net loss	(214,465)	(290,414)
Net income attributable to unvested restricted stock awards	(7,452)	(13,394)
Net loss attributable to Alexandria Real Estate Equities, Inc.’s common stockholders	\$ (221,917)	\$ (303,808)

As of September 30, 2025, 359 of our 375 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, 2024 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.

Definitions and reconciliations

This section contains additional information on certain non-GAAP financial measures, including reconciliations from 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, impairments of real estate primarily consisting of right-of-use assets and pre-acquisition costs related to projects that we decided to no longer pursue, gains or losses on early extinguishment of debt, changes in the provision for expected credit losses on financial instruments, 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 with nonforfeitable dividends 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 with nonforfeitable dividends 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 (loss) 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 nine months ended September 30, 2025 (in thousands):

	Noncontrolling Interest Share of Consolidated Real Estate Joint Ventures		Our Share of Unconsolidated Real Estate Joint Ventures	
	September 30, 2025		September 30, 2025	
	Three Months Ended	Nine Months Ended	Three Months Ended	Nine Months Ended
Net income (loss)	\$ 34,909	\$ 127,323	\$ 201	\$ (9,327)
Depreciation and amortization of real estate assets	45,327	114,785	852	2,848
Gain on sale of interest of unconsolidated JV	—	—	(458)	(458)
Impairment of real estate	—	—	—	8,673
Funds from operations	\$ 80,236	\$ 242,108	\$ 595	\$ 1,736

The following tables present a reconciliation of net income (loss) 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 nine months ended September 30, 2025 and 2024 (in thousands, except per share amounts). Per share amounts may not add due to rounding.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – basic and diluted	\$ (234,937)	\$ 164,674	\$ (356,147)	\$ 374,477
Depreciation and amortization of real estate assets	338,182	291,258	1,021,292	864,326
Noncontrolling share of depreciation and amortization from consolidated real estate JVs	(45,327)	(32,457)	(114,785)	(94,725)
Our share of depreciation and amortization from unconsolidated real estate JVs	852	1,075	2,848	3,177
Gain on sales of real estate	(9,824) ⁽¹⁾	(27,114)	(22,989)	(27,506)
Impairment of real estate – rental properties and land	323,870 ⁽²⁾	5,741	454,960	7,923
Allocation to unvested restricted stock awards	(1,648)	(2,908)	(3,590)	(7,657)
Funds from operations attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted ⁽³⁾	371,168	400,269	981,589	1,120,015
Unrealized (gains) losses on non-real estate investments	(18,515)	(2,610)	71,568	32,470
Impairment of non-real estate investments	25,139 ⁽⁴⁾	10,338	75,535	37,824
Impairment of real estate	—	—	39,343	28,581
Loss on early extinguishment of debt	107 ⁽⁵⁾	—	107	—
Increase in provision for expected credit losses on financial instruments	—	—	285	—
Allocation to unvested restricted stock awards	(74)	(125)	(2,156)	(1,640)
Funds from operations attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted, as adjusted	<u>\$ 377,825</u>	<u>\$ 407,872</u>	<u>\$ 1,166,271</u>	<u>\$ 1,217,250</u>

(1) Includes our share of gain on sale of real estate by an unconsolidated real estate joint venture of \$458 thousand, which is classified as equity in earnings of unconsolidated real estate joint ventures in our consolidated statements of operations.

(2) Refer to Note 3 – "Investments in real estate" to our unaudited consolidated financial statements for additional information.

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

(4) Primarily related to four non-real estate investments in privately held entities that do not report NAV.

(5) Refer to Note 10 – "Secured and unsecured senior debt" to our unaudited consolidated financial statements for additional information.

<i>(Per share)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted	\$ (1.38)	\$ 0.96	\$ (2.09)	\$ 2.18
Depreciation and amortization of real estate assets	1.73	1.51	5.34	4.49
Gain on sales of real estate	(0.06)	(0.16)	(0.14)	(0.16)
Impairment of real estate – rental properties and land	1.90	0.03	2.67	0.05
Allocation to unvested restricted stock awards	(0.01)	(0.01)	(0.02)	(0.05)
Funds from operations per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted	2.18	2.33	5.76	6.51
Unrealized (gains) losses on non-real estate investments	(0.11)	(0.02)	0.42	0.19
Impairment of non-real estate investments	0.15	0.06	0.45	0.22
Impairment of real estate	—	—	0.23	0.17
Allocation to unvested restricted stock awards	—	—	(0.01)	(0.01)
Funds from operations per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – diluted, as adjusted	<u>\$ 2.22</u>	<u>\$ 2.37</u>	<u>\$ 6.85</u>	<u>\$ 7.08</u>
Weighted-average shares of common stock outstanding – diluted ⁽¹⁾				
Earnings per share – diluted	170,181	172,058	170,278	172,007
Funds from operations – diluted, per share	170,305	172,058	170,351	172,007
Funds from operations – diluted, as adjusted, per share	170,305	172,058	170,351	172,007

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

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, changes in provision for expected credit losses on financial instruments, 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, changes in provision for expected credit losses on financial instruments, 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 the net income of future periods 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, impairments of real estate, impairments of non-real estate investments, and changes in provision for expected credit losses on financial instruments. Our attempt to predict these amounts may produce significant but inaccurate estimates, which would be potentially misleading for our investors.

The following table reconciles net income, 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 nine months ended September 30, 2025 and 2024 (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income	\$ (197,845)	\$ 213,603	\$ (221,372)	\$ 526,828
Interest expense	54,852	43,550	161,024	130,179
Income taxes	3,737	1,877	5,902	4,823
Depreciation and amortization	340,230	293,998	1,028,415	872,272
Stock compensation expense	10,293	15,525	32,887	47,157
Loss on early extinguishment of debt	107	—	107	—
Gain on sales of real estate	(9,366)	(27,114)	(22,531)	(27,506)
Unrealized (gains) losses on non-real estate investments	(18,515)	(2,610)	71,568	32,470
Impairment of real estate	323,870	5,741	485,630	36,504
Impairment of non-real estate investments	25,139	10,338	75,535	37,824
Increase in provision for expected credit losses on financial instruments	—	—	285	—
Adjusted EBITDA	\$ 532,502	\$ 554,908	\$ 1,617,450	\$ 1,660,551
Total revenues	\$ 751,944	\$ 791,607	\$ 2,272,142	\$ 2,327,449
Adjusted EBITDA margin	71%	70%	71%	71%

Annual rental revenue

Annual rental revenue represents the annualized fixed base rental obligations, calculated in accordance with GAAP, including the amortization of deferred revenue related to tenant-funded and tenant-built landlord improvements, 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 September 30, 2025, approximately 91% 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.

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. These properties are typically well-located, professionally managed, and well-maintained, offering a wide range of amenities and featuring premium construction materials and finishes. Class A/A+ properties are generally newer or have undergone substantial redevelopment and are generally expected to command higher annual rental rates compared to other classes of similar properties. AAA locations are in close proximity to concentrations of specialized skills, knowledge, institutions, and related businesses. It is important to note that our definition of property classification may not be directly comparable to other equity REITs.

Credit rating

Represents the credit ratings assigned by S&P Global Ratings or Moody's Ratings as of September 30, 2025. A credit rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time.

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, as well as property enhancements identified during the underwriting of certain acquired properties. These efforts are primarily concentrated in collaborative Megacampus™ ecosystems within AAA life science innovation clusters, as well as other strategic locations that support innovation and growth. 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 development or redevelopment 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.

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.

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 nine months ended September 30, 2025 and 2024 (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Adjusted EBITDA	<u>\$ 532,502</u>	<u>\$ 554,908</u>	<u>\$ 1,617,450</u>	<u>\$ 1,660,551</u>
Interest expense	\$ 54,852	\$ 43,550	\$ 161,024	\$ 130,179
Capitalized interest	86,091	86,496	248,579	249,375
Amortization of loan fees	(4,505)	(4,222)	(13,811)	(12,510)
Amortization of debt discounts	(325)	(330)	(1,009)	(976)
Cash interest and fixed charges	<u>\$ 136,113</u>	<u>\$ 125,494</u>	<u>\$ 394,783</u>	<u>\$ 366,068</u>
Fixed-charge coverage ratio:				
– quarter annualized	3.9x	4.4x	4.1x	4.5x
– trailing 12 months	4.1x	4.5x	4.1x	4.5x

We are not able to forecast the net income of future periods 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, impairments of real estate, impairments of non-real estate investments, and changes in provision for expected credit losses on financial instruments. 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 September 30, 2025 and December 31, 2024 (in thousands):

	September 30, 2025	December 31, 2024
Total assets	\$ 37,375,148	\$ 37,527,449
Accumulated depreciation	6,416,745	5,625,179
Gross assets	<u>\$ 43,791,893</u>	<u>\$ 43,152,628</u>

Incremental annual net operating income on development and redevelopment projects

Incremental annual net operating income represents the amount of net operating income, on an annual basis, expected to be realized upon a project being placed into service and achieving full occupancy. Incremental annual net operating income is calculated as the initial stabilized yield multiplied by the project's total cost at completion.

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. For this calculation, we exclude any tenant-funded and tenant-built landlord improvements from our investment in the property. Our initial stabilized yield excludes the benefit of leverage. Our cash rents related to our development and redevelopment 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, and any amortization of deferred revenue related to tenant-funded and tenant-built landlord improvements.
- 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 September 30, 2025, as reported by Bloomberg Professional Services. Credit ratings from Moody's Ratings 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 new Class A/A+ development and redevelopment pipeline, excluding properties held for sale, as a percentage of gross assets and as a percentage of annual rental revenue as of September 30, 2025 (dollars in thousands):

	Book Value	Percentage of	
		Gross Assets	Annual Rental Revenue
Projects under active construction and one 100% pre-leased committed near-term project expected to commence in the next year	\$ 3,724,801	9%	—%
Future development projects ⁽¹⁾ and land parcels primarily located in Megacampuses	4,871,463	11	1
	<u>\$ 8,596,264</u>	<u>20%</u>	<u>1%</u>

(1) Includes projects with existing buildings that are generating or can generate operating cash flows. Also includes development rights associated with existing operating campuses.

The square footage presented in the table below is classified as operating as of September 30, 2025. 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:

Property/Submarket	Dev/Redev	RSF of Lease Expirations Targeted for Development and Redevelopment			
		2025	2026	Thereafter ⁽¹⁾	Total
Committed near-term project:					
Campus Point by Alexandria/University Town Center	Dev	—	52,620	—	52,620
Future projects:					
446, 458, and 500 Arsenal Street/Cambridge/Inner Suburbs	Dev	—	—	116,623	116,623
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 and 2200 Geng Road/Greater Stanford	Dev	—	—	62,526	62,526
960 Industrial Road/Greater Stanford	Dev	—	—	112,590	112,590
Campus Point by Alexandria/University Town Center	Dev	—	—	96,805	96,805
Sequence District by Alexandria/Sorrento Mesa	Dev/Redev	—	—	555,754	555,754
410 West Harrison Street/Elliott Bay	Dev	—	—	17,205	17,205
Other/Seattle	Dev	—	—	63,057	63,057
100 Capitola Drive/Research Triangle	Dev	—	—	39,370	39,370
Canada	Redev	—	—	247,743	247,743
		—	—	2,082,454	2,082,454
Total		—	52,620	2,082,454	2,135,074

(1) Includes vacant square footage as of September 30, 2025.

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, which 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.

Megacampus™

A Megacampus ecosystem is a cluster campus that consists of approximately 1 million RSF or greater, including operating, active development/redevelopment, and land RSF less operating RSF expected to be demolished. The following table reconciles our annual rental revenue and development and redevelopment pipeline RSF, excluding properties classified as held for sale, as of September 30, 2025 (dollars in thousands):

	Annual Rental Revenue	Development and Redevelopment Pipeline RSF
Megacampus	\$ 1,522,942	20,092,287
Core and non-core	452,544	6,270,183
Total	\$ 1,975,486	26,362,470
Megacampus as a percentage of annual rental revenue and of total development and redevelopment pipeline RSF	77%	76%

Net cash provided by operating activities after dividends

Net cash provided by operating activities after dividends is reduced by distributions to noncontrolling interests and excludes changes in operating assets and liabilities 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 the net income of future periods 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, impairments of real estate, impairments of non-real estate investments, and changes in provision for expected credit losses on financial instruments. 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 September 30, 2025 and December 31, 2024 (dollars in thousands):

	September 30, 2025	December 31, 2024
Secured notes payable	\$ —	\$ 149,909
Unsecured senior notes payable	12,044,999	12,094,465
Unsecured senior line of credit and commercial paper	1,548,542	—
Unamortized deferred financing costs	76,383	77,649
Cash and cash equivalents	(579,474)	(552,146)
Restricted cash	(4,705)	(7,701)
Preferred stock	—	—
Net debt and preferred stock	\$ 13,085,745	\$ 11,762,176
Adjusted EBITDA:		
– quarter annualized	\$ 2,130,008	\$ 2,273,480
– trailing 12 months	\$ 2,185,820	\$ 2,228,921
Net debt and preferred stock to Adjusted EBITDA:		
– quarter annualized	6.1x	5.2x
– trailing 12 months	6.0x	5.3x

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

The following table reconciles net income (loss) to net operating income and net operating income (cash basis) and computes operating margin for the three and nine months ended September 30, 2025 and 2024 (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income	\$ (197,845)	\$ 213,603	\$ (221,372)	\$ 526,828
Equity in (earnings) losses of unconsolidated real estate joint ventures	(201)	(139)	9,327	(424)
General and administrative expenses	29,224	43,945	89,027	135,629
Interest expense	54,852	43,550	161,024	130,179
Depreciation and amortization	340,230	293,998	1,028,415	872,272
Impairment of real estate	323,870	5,741	485,630	36,504
Loss on early extinguishment of debt	107	—	107	—
Gain on sales of real estate	(9,366)	(27,114)	(22,531)	(27,506)
Investment (income) loss	(28,161)	(15,242)	52,453	(14,866)
Net operating income	512,710	558,342	1,582,080	1,658,616
Straight-line rent revenue	(18,821)	(29,087)	(59,380)	(125,676)
Amortization of deferred revenue related to tenant-funded and -built landlord improvements	(5,455)	(329)	(9,507)	(329)
Amortization of acquired below-market leases	(6,456)	(17,312)	(31,874)	(70,167)
Provision for expected credit losses on financial instruments	—	—	285	—
Net operating income (cash basis)	\$ 481,978	\$ 511,614	\$ 1,481,604	\$ 1,462,444
Net operating income (cash basis) – annualized	\$ 1,927,912	\$ 2,046,456	\$ 1,975,472	\$ 1,949,925
Net operating income (from above)	\$ 512,710	\$ 558,342	\$ 1,582,080	\$ 1,658,616
Total revenues	\$ 751,944	\$ 791,607	\$ 2,272,142	\$ 2,327,449
Operating margin	68%	71%	70%	71%

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, amortization of acquired above- and below-market lease revenue, amortization of deferred revenue related to tenant-funded and tenant-built landlord improvements, and changes in the provision for expected credit losses on financial instruments 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 and tenant-funded and tenant-built landlord improvements.

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 and changes in provision for expected credit losses on financial instruments, 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.

We are not able to forecast the net income of future periods without unreasonable effort and therefore do not provide a reconciliation for net operating income 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, impairments of real estate, impairments of non-real estate investments, and changes in provision for expected credit losses on financial instruments. Our attempt to predict these amounts may produce significant but inaccurate estimates, which would be potentially misleading for our investors.

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%, excluding RSF at properties classified as held for sale, 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 a development or redevelopment project is expected to reach occupancy of 95% or greater.

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 nine months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Income from rentals	\$ 735,849	\$ 775,744	\$ 2,216,303	\$ 2,286,457
Rental revenues	(541,070)	(579,569)	(1,646,559)	(1,737,804)
Tenant recoveries	\$ 194,779	\$ 196,175	\$ 569,744	\$ 548,653

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 nine months ended September 30, 2025 and 2024 (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Unencumbered net operating income	\$ 512,710	\$ 553,589	\$ 1,579,167	\$ 1,644,687
Encumbered net operating income	—	4,753	2,913	13,929
Total net operating income	\$ 512,710	\$ 558,342	\$ 1,582,080	\$ 1,658,616
Unencumbered net operating income as a percentage of total net operating income	100.0%	99.1%	99.8%	99.2%

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 development and redevelopment projects, and for general working capital purposes. While the Forward Agreements are outstanding, we are required to consider the potential dilutive effect of our Forward Agreements under the treasury stock method. Under this method, we also include the dilutive effect of unvested restricted stock awards (“RSAs”) with forfeitable dividends in the calculation of diluted shares. Refer to Note 13 – “Earnings per share” and Note 14 – “Stockholders’ equity” to our unaudited consolidated financial statements in Item 1 for additional information.

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 nine months ended September 30, 2025 and 2024 are calculated as follows. Also shown are the weighted-average unvested RSAs with nonforfeitable dividends used in calculating the amounts allocable to these awards pursuant to the two-class method for each of the respective periods presented below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Basic shares for earnings per share	170,181	172,058	170,278	172,007
Unvested RSAs with forfeitable dividends	—	—	—	—
Diluted shares for earnings per share	<u>170,181</u>	<u>172,058</u>	<u>170,278</u>	<u>172,007</u>
Basic shares for funds from operations per share and funds from operations per share, as adjusted	170,181	172,058	170,278	172,007
Unvested RSAs with forfeitable dividends	124	—	73	—
Diluted shares for funds from operations per share and funds from operations per share, as adjusted	<u>170,305</u>	<u>172,058</u>	<u>170,351</u>	<u>172,007</u>
Weighted-average unvested RSAs with nonforfeitable dividends used in the allocations of net income, funds from operations, and funds from operations, as adjusted	<u>1,917</u>	<u>2,838</u>	<u>1,989</u>	<u>2,901</u>

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 September 30, 2025, 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 September 30, 2025 (in thousands):

Annualized effect on future earnings due to variable-rate debt:	
Rate increase of 1%	\$ (4,755)
Rate decrease of 1%	\$ 4,755

Effect on fair value of total consolidated debt:	
Rate increase of 1%	\$ (774,133)
Rate decrease of 1%	\$ 886,080

These amounts are determined by considering the effect of the hypothetical interest rates on our borrowings as of September 30, 2025. 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 (loss) 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 September 30, 2025 (in thousands):

Equity price risk:	
Fair value increase of 10%	\$ 153,764
Fair value decrease of 10%	\$ (153,764)

Foreign currency exchange rate risk

We have exposure to foreign currency exchange rate risk related to our subsidiaries operating in Canada and Asia. 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 USD 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 September 30, 2025 (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% (USD weakening)	\$ 37,819
Rate decrease of 10% (USD strengthening)	\$ (37,819)
Change in the fair value of cross-currency swap agreements designated as a net investment hedge ⁽¹⁾ :	
Rate increase of 10% (USD weakening)	\$ (28,400)
Rate decrease of 10% (USD strengthening)	\$ 28,400

(1) Refer to Note 11 – “Hedge agreements” to our unaudited consolidated financial statements for additional information.

The sensitivity analyses assume a parallel shift of all foreign currency exchange rates with respect to the USD; 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 nine months ended September 30, 2025 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 September 30, 2025, 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 September 30, 2025.

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 September 30, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In 2006, ARE-East River Science Park, LLC, a subsidiary of Alexandria Real Estate Equities, Inc., was granted an option to incorporate a land parcel adjacent to and north of the Alexandria Center[®] for Life Science – New York City (“ACLS-NYC”) campus (“Option Parcel”) into the existing ground lease of that campus. The Option Parcel will allow ARE-East River Science Park, LLC to develop a future world-class life science building within the ACLS-NYC campus. ARE-East River Science Park, LLC’s investment in pre-construction costs related to the development of the Option Parcel, including costs related to design, engineering, environmental, survey/title, and permitting and legal costs, aggregated \$175.7 million as of September 30, 2025.

On August 6, 2024, ARE-East River Science Park, LLC filed a lawsuit in the U.S. District Court for the Southern District of New York against its landlord, New York City Health + Hospitals Corporation (“H+H”), and the New York City Economic Development Corporation (“EDC”). On January 24, 2025, ARE-East River Science Park, LLC filed a first amended complaint. The lawsuit alleges two principal claims against H+H and EDC: fraud in the inducement, and, in the alternative, breach of contract in violation of the implied covenant of good faith and fair dealing. As alleged in the complaint, ARE-East River Science Park, LLC’s claims arise from H+H’s and EDC’s misrepresentations and concealment of material facts in connection with a floodwall, which H+H and EDC are seeking to require ARE-East River Science Park, LLC to integrate into the development of the Option Parcel. ARE-East River Science Park, LLC alleges that H+H’s and EDC’s misconduct have prevented it from commencing the development of the Option Parcel. In light of the pending litigation, the closing date for our option and thus the commencement date for construction of the third tower at the campus are presently indeterminate. Among other things, ARE-East River Science Park, LLC is seeking significant damages and equitable relief from the court to confirm our understanding that the option is in full force and effect.

This matter exposes us to potential losses ranging from zero to the full amount of the investment in the project aggregating \$175.7 million as of September 30, 2025, depending on any collection of damages and/or the ability to develop the project. We performed a probability-weighted recoverability analysis based on initial estimates of various possible outcomes and determined no impairment was present as of September 30, 2025.

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, 2024. 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, 2024, except for the following updates:

Changes to U.S. government funding, staffing, trade, policies, and other federal actions could adversely affect our business operations or those of our tenants and our venture investment portfolio companies.

Domestic and international policy shifts may introduce considerable uncertainty to the macroeconomic and regulatory landscape in which we, our tenants, and our venture investment portfolio companies operate. Our tenants and our venture investment portfolio companies include entities in the pharmaceutical, biotechnology, medical device, life science, and related industries, academic and private institutions, and government institutions that determine their R&D budgets based on several factors, including the availability of government and other funding and the operational efficiency and reliability of public regulatory institutions.

Since January 2025, the U.S. administration has implemented and proposed substantial policy changes that affect federal health agencies, research funding, public health priorities, and international trade. These measures, ranging from staffing and budget reductions at the U.S. Food and Drug Administration (“FDA”) and the National Institutes of Health (“NIH”) to sweeping tariff actions as described below, may significantly disrupt the life science ecosystem in which we, our tenants, and our venture investment portfolio companies operate.

Reductions in FDA workforce

In 2025 to date, the FDA laid off approximately 3,500 employees, representing approximately 19% of its workforce at the beginning of the year. Such workforce reductions at the FDA have raised some concerns regarding the agency’s capacity to perform timely regulatory reviews and approvals of drugs and other medical products. Recent and/or potential further reductions in workforce or other personnel changes at the FDA, including terminations, may disrupt the agency’s review and approval processes for our tenants’ and our venture investment portfolio companies’ products. Such disruptions could lead to setbacks in research and development timelines, negatively impacting life science companies’ ability to advance their pipelines, secure investor funding, or achieve commercial viability, which could severely affect their operations and financial performance and, as a result, adversely impact our operating and financial results.

Restructuring and workforce reductions at the CDC

In 2025 to date, the U.S. Centers for Disease Control and Prevention (“CDC”) underwent a significant restructuring and workforce reduction, including the dismissal of key scientific and policy personnel and the consolidation of several vaccine safety and surveillance programs. These developments have raised concerns among public health and industry stakeholders about the agency’s capacity to maintain vaccine oversight, coordinate immunization programs, and respond to emerging infectious disease threats. Reduced CDC staffing and operational realignments may disrupt the collection and dissemination of critical epidemiological data, delay updates to vaccination guidelines, and impair public confidence in vaccine safety. For our tenants and venture investment portfolio companies operating in the vaccine research, development, and manufacturing sectors, diminished CDC engagement could lead to uncertainty in regulatory expectations, lower vaccine uptake rates, and delay the adoption of new immunization technologies. Any such disruptions could undermine the commercial viability of vaccine-related products, reduce R&D investment in the field, and in turn negatively impact demand for our specialized life science facilities and the value of our venture investment portfolio.

NIH grant cuts and impact on research institutions

The U.S. administration has implemented significant policy changes affecting the NIH, leading to substantial disruptions in biomedical research across the U.S. These actions have included staff layoffs and funding cuts as described below and have resulted in the suspension of numerous research projects, posing risks to scientific advancement and introducing uncertainty for some of our tenants and venture investment portfolio companies.

- *NIH budget freeze and workforce cuts.* On January 27, 2025, the U.S. administration issued an executive order to suspend NIH grant funding, freezing much of the NIH's nearly \$48 billion budget for 2025. Though the suspension was eventually blocked and reversed, during the first half of 2025, the NIH laid off approximately 5,000 employees and contractors across its approximately 20,000-person workforce.

In May 2025, the White House introduced a budget proposal for fiscal year 2026 that would reduce the NIH budget by 40%, from \$48 billion to \$27.5 billion. The proposal has been met with resistance from Congress, and, until a new budget is approved Congress, the NIH budget will remain at 2024 levels through a continuing resolution. Should the NIH budget be significantly reduced, it may affect funding of early research that drives the formation of new life science companies, potentially impacting U.S. global life science leadership and long-term domestic demand for life science real estate.

- *Termination of NIH grants and funding commitments to major research institutions.* On January 20, 2025, President Trump issued an executive order directing every U.S. agency, including the NIH, to “terminate, to the maximum extent allowed by law” all grants relating to diversity, equity, and inclusion. Further, on January 29, 2025, the President issued an executive order to make it “the policy of the United States to combat anti-Semitism vigorously, using all available and appropriate legal tools, to prosecute, remove, or otherwise hold to account the perpetrators of unlawful anti-Semitic harassment and violence.” As a result of one or both executive orders, the NIH, the world's largest funder of biomedical research, has withheld funding from certain U.S. research institutions.
- *15% cap on indirect cost reimbursements of all NIH grants.* On February 7, 2025, the NIH introduced a policy limiting indirect cost reimbursements to 15% for all NIH grants, representing a significant reduction from historic levels, which were approximately double that rate on average, and in some cases significantly higher. This change threatens to substantially impact the ability of research institutions to support their infrastructure and administrative costs, including their ability to lease life science facilities.

A coalition of 22 state attorneys general, along with organizations such as the Association of American Medical Colleges, filed lawsuits challenging the NIH's policy changes, particularly the 15% cap on indirect costs. On April 7, 2025, a federal court issued a permanent injunction blocking the enforcement of this cap. However, the U.S. administration has signaled its intent to appeal and/or pursue similar funding restrictions through future legislative or administrative actions. If implemented, any such funding cap could negatively impact our tenants that depend on grant funding for its operations. It could also reduce the financial resources available to such tenants, forcing them to scale back operations, reduce leased space, or delay their plans for lease expansion.

Termination of federal research funding that affected prominent academic institutions has already led to reductions in postdoctoral hiring and the closure of critical programs. Moreover, recent changes to visa and immigration rules have introduced new uncertainty around the ability of international graduate students and postdoctoral researchers to remain in the U.S. following graduation. Many of these individuals represent years of training investment and historically have formed a key segment of the U.S. biotechnology workforce. As limitations on their residency and employment take effect, a growing share of talent is migrating to foreign markets. The U.S. life science real estate market has historically benefited from robust domestic R&D activity and venture capital investment. However, other countries are increasingly positioned to attract top-tier biomedical talent, venture capital, and clinical trials. The global leadership in biotechnology currently held by the U.S. may begin to shift abroad. The reduced attractiveness of the U.S. as a destination for research and commercialization could lead to a substantial long-term decline in the size of our life science tenant base and of life science real estate.

Drug pricing regulation — Most-Favored Nation Executive Order

On May 12, 2025, President Trump issued an executive order titled “Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients,” directing the Department of Health and Human Services to set U.S. drug price benchmarks at the lowest prices paid in comparable developed countries. Although the President projected price reductions of 30%-80%, most reforms would require formal rulemaking and are likely to face legal obstacles. In July 2025, the White House sent letters to the chief executive officers of 17 major drug manufacturers, demanding compliance within 60 days and noting that noncompliance could result in the federal government's enforcement through “every tool in our arsenal.” Most recently, the Trump administration and AstraZeneca and Pfizer reached public agreements under which both companies will offer many drugs at “most-favored-nation” (“MFN”) pricing through Medicaid and via a new direct-to-consumer platform, and in return AstraZeneca and Pfizer will receive a three-year tariff reprieve. While these developments signal accelerating government pressure on industry pricing, they also inject significant ambiguity into commercial forecasts for pharmaceutical and biotechnology firms. If widely adopted, MFN pricing could materially compress margins, reduce investment in R&D, and suppress expansions by our life science tenants, adversely impacting demand for laboratory and related technical office space and manufacturing space, and thereby posing downside risk to property income and investment valuations.

Reductions in Medicaid funding under the One Big Beautiful Bill Act

On July 4, 2025, the One Big Beautiful Bill Act was signed into law. Included in the bill is an estimated \$1 trillion in cuts to Medicaid spending, implemented through Medicaid work requirements, patient cost-sharing, and a phase-down of Medicaid provider taxes and state-directed payments. Such reductions in Medicaid spending could result in lower revenue for some life science tenants, adversely impacting financial performance and potentially resulting in reduced life science investment and real estate requirements.

Rapid expansion of China's biotechnology sector and potential adverse impact on demand for U.S. life science real estate

The U.S. life science real estate market has historically benefited from robust domestic R&D activity and venture capital investment. The accelerated growth of China's biotechnology industry, fueled by state subsidies, regulatory reform, and inexpensive talent, could negatively impact demand for U.S. laboratory space. Given lower operational costs and faster clinical trial recruitment timelines, China may attract biotechnology firms to conduct their R&D activities, including clinical trials, in China rather than in the U.S.

Additionally, the U.S. biopharmaceutical sector is increasingly sourcing innovative assets from China, with over one-third of in-licensed molecules at major U.S. pharmaceutical companies now originating from Chinese firms. If biopharmaceutical companies increasingly rely on acquiring or in-licensing assets from China instead of those developed in the U.S., it could negatively impact the fundamentals of the U.S. biotechnology market, leading to reduced investment and fewer U.S.-based biotechnology companies. Should this occur, demand for domestic laboratory space could decline.

Tariff escalation, trade disruption, and financial market instability

Beginning in March 2025, the U.S. government implemented a series of trade actions that have reshaped global economic relations and triggered market volatility, specifically:

- On February 1, 2025, President Trump signed executive orders imposing a 25% tariff on all goods from Mexico and Canada and a 10% tariff on China.
- On March 3, 2025, the President increased tariffs on all products from China from 10% to 20%. He also implemented new 25% tariffs on imports from Mexico and Canada.
- On April 2, 2025, the President declared a national emergency to address the U.S. trade deficit and imposed a 10% universal import tariff on all goods, with higher rates for 57 trading partners. This announcement led to a significant stock market decline, with the S&P 500 Index, Dow Jones Industrial Average, and the Nasdaq Composite dropping by approximately 6.0%, 5.5%, and 5.8%, respectively.
- On April 9, 2025, facing a global financial market meltdown, the President announced a 90-day pause on tariffs for most countries but raised the tax rate on Chinese imports to 125%. Following the announcement, the S&P 500 Index surged 9.5%. However, on April 10, 2025, U.S. stocks fell as the initial euphoria over the pause on tariffs faded. Subsequently, on June 12, 2025, the President announced that the 125% tariff would be replaced with a 55% tariff on select Chinese goods. Pharmaceutical ingredients and critical materials remained partially exempt.
- On April 14, 2025, the U.S. government launched an investigation into pharmaceuticals to justify tariffs that may be implemented on pharmaceutical products. In 2024, over \$200 billion in pharmaceutical products were imported to the U.S., and it is estimated that U.S. tariffs could add \$46 billion in costs to the pharmaceutical industry.
- On August 21, 2025, the U.S. and the European Union reached a trade agreement establishing a 15% ceiling on tariffs applied to pharmaceutical products traded between the two regions. The accord preserves supply chain continuity for a significant share of imported active pharmaceutical ingredients and finished drug products sourced from Europe while signaling potential divergence in tariff treatment for manufacturers based outside allied markets such as India and China.
- On September 25, 2025, President Trump announced, effective October 1, pharmaceutical manufacturers would be subject to a 100% tariff on all branded and patented drugs imported into the U.S. The President stated that manufacturers could avoid these tariffs by establishing U.S.-based production operations, with qualifying activity defined as either projects that have broken ground or are already under construction. The measure excludes generic drugs and exempts companies actively developing or constructing domestic manufacturing facilities.

If tariff uncertainty, its associated costs, and the disruption of broader financial markets continue, we may face the following risks:

- Restricted access to capital. Market instability may hinder our ability to raise capital, including through dispositions, sales of partial interests, and new debt capital, and could potentially delay our current or future development and redevelopment projects.
- Rising construction costs. Our general contractors may face difficulty procuring construction materials at reasonable prices, particularly those subject to tariffs or disrupted supply, which may lead to project delays and/or increased costs. Rising costs and procurement challenges could significantly impact the yields and delay commencement of net operating income from our current and future development and redevelopment pipeline.
- Risks to tenant operations. Many of our tenants rely on the import and export of materials, components, and/or specialized equipment. As a result, their products may become prohibitively expensive to manufacture or sell. These challenges may adversely affect our tenants' ability to meet their lease obligations or to renew their leases with us.
- Macroeconomic impact. Widespread tariffs, restricted trade, increased market volatility, and reduced investor confidence may trigger inflationary pressure and elevate the risk of a U.S. recession.

The cost increases that may result from tariffs, trade conflicts, and financial market volatility may significantly impact our development and redevelopment projects. Elevated material costs may lead to higher overall project budgets and extended construction timelines or require modifications to project scope to preserve economic feasibility. Any such adjustments may prevent our delivery of space on time and within budget, delay occupancy and commencement of rental income, and impact projected net operating income and yields.

Any of the aforementioned and future developments may adversely affect occupancy rates, rental income, and the value of our real estate portfolio in several ways. First, regulatory delays and reduced NIH funding may slow the pace of innovation and company formation, leading to fewer early-stage tenants seeking laboratory space. Established tenants may face financial strain due to reduced grant support, drug pricing pressures, and increased operational costs from tariffs, prompting them to downsize, consolidate, or defer expansion plans. These dynamics could result in lower leasing, increased vacancy rates, and downward pressure on rental rates across our portfolio.

Second, macroeconomic volatility and restricted access to capital markets may impair our ability to fund new developments, raise new debt or equity capital at favorable terms, and impact pricing on dispositions. Rising construction costs and supply chain disruptions could delay project completions, reduce development yields, and impact the timing of rental income generation. Additionally, if tenants are unable to absorb higher operating costs or pass them on to customers, their financial health may deteriorate, increasing the risk of lease defaults or renegotiations.

Finally, the growing competitiveness of international markets, particularly China's rapidly expanding biotechnology sector, may shift R&D activity abroad, reducing domestic demand for specialized laboratory infrastructure. If U.S.-based life science companies increasingly rely on foreign innovation or relocate operations to more favorable regulatory or cost environments, the long-term fundamentals of the U.S. life science real estate market could weaken. This may lead to asset devaluation, reduced investor confidence, and a more challenging environment for sustaining growth and delivering stockholder value.

Life science industry dynamics

The life science industry is undergoing a prolonged period of structural and cyclical challenges that may materially and adversely affect our business, financial condition, and results of operations. The venture capital ecosystem that supports early-stage platform development has experienced several years of contraction as investors look to more de-risked later-stage assets that may not require significant R&D laboratory requirements. Additionally, historical performance data increasingly shows that life science venture capital returns have underperformed relative to technology-focused funds and broader public market indices. While a small number of firms have demonstrated consistently outperformed, the majority of life science-focused funds have delivered uneven results, leading institutional investors, including endowments, foundations, and pension funds, to reassess their long-term allocations to the sector.

This reassessment may result in a long-term reduction in capital available to private biotechnology companies, which represent a meaningful portion of our tenant base. The high failure rate of private biotechnology companies, coupled with the increasing cost and complexity of drug development, has led many investors to shift their focus toward more de-risked clinical-stage assets, often sourced internationally. As a result, fewer early-stage private biotechnology companies may be formed and funded in the U.S., which may reduce demand for the specialized laboratory space we provide across our campuses.

In addition, the private life science market has become increasingly selective, with available capital chasing a limited number of high-quality opportunities. This dynamic has compressed potential returns, on average, and altered the risk-reward profile for investors. While this does not necessarily indicate a permanent shift, it does reflect a more cautious and selective investment environment that may persist for the foreseeable future. These conditions may lead to reduced biotechnology company formation in the U.S., diminished tenant demand, slower leasing velocity, and increased turnover among higher-risk early-stage biotechnology tenants, particularly in markets where our portfolio is heavily concentrated in emerging biotechnology.

These industry dynamics may also affect our ability to raise capital to fund future development projects. If capital markets perceive the life science sector as structurally challenged, our cost of capital may increase and our access to equity or debt financing may be constrained. This could limit our ability to pursue new development opportunities, reposition existing assets, or invest in strategic initiatives that enhance long-term stockholder value.

To address these risks, we have employed and may continue to employ a range of mitigating strategies, including:

- Deepening relationships with top-tier venture capital firms and academic institutions to identify and support high-potential tenants earlier in their life cycle.
- Expanding our proprietary products to offer operational support, shared infrastructure, and flexible leasing models that improve capital efficiency for emerging companies.
- Enhancing our data and analytics capabilities to better assess tenant viability, monitor portfolio risk, and inform leasing and development decisions.
- Exploring strategic partnerships with pharmaceutical companies, contract research organizations (“CROs”), and investment-grade institutions to create more stable demand anchors within our campuses.
- Convening influential stakeholders through our industry-leading Alexandria Summit® event series, which brings together key decision makers, life science thought leaders, venture capital firms, members of Congress, regulatory agency executives, and other policymakers to prioritize diseases with unmet needs and advance the development of novel, effective therapies.
- Exploring alternative uses for Alexandria’s robust laboratory and office infrastructure by, for example, technology tenants that require specialized R&D space.

While we believe these strategies can help mitigate the impact of current industry headwinds, there can be no assurance that they will fully offset the risks associated with reduced formation and performance of private biotechnology companies. If we are unable to respond effectively to these evolving market conditions, our ability to lease space, maintain high occupancy levels, generate consistent cash flows, deliver earnings growth, and provide long-term value to our stockholders may be materially and adversely affected.

Failure of the U.S. federal government to manage its fiscal matters may negatively impact the economic environment and adversely impact our business

An inability of the U.S. federal government to manage its fiscal matters and enact appropriate fiscal legislation may significantly impact the national and global economic and financial environment, result in reduced economic confidence domestically and globally, reduce investment spending, increase borrowing costs, impact availability and cost of capital, and significantly hinder or reduce economic activity. These economic impacts could adversely affect our business and the businesses of our tenants.

In September 2025, Congress failed to enact a budget for the upcoming fiscal year, which resulted in a partial government shutdown that began on October 1, 2025 and remains in effect as of the date of this report. The shutdown affected certain key agencies at the federal government level, resulting in partial closures of operations. Thousands of federal employees have been furloughed or laid off, some essential personnel are working without pay, and many non-essential agency functions have ceased. During a shutdown, the FDA maintains critical operations but is unable to accept new drug applications. The NIH and CDC may experience staffing furloughs, suspended operations, and delayed reviews of grant applications. Prolonged or repeated shutdowns or short-term Congressional budget resolutions could adversely affect business operations of some of our tenants that depend on federal funding, contracts, or regulatory actions to sustain their operations. Our tenants may experience delays in submitting or advancing new drug applications, or receiving device approvals should the operations at the FDA and other oversight bodies be reduced. The NIH may pause peer-review meetings, issuance of new grants, and many program activities, and its Clinical Center will be unable to launch new trials during the funding lapse. The FDA’s operations may become limited to work deemed “safety-critical” and activities supported by carryover user fees, and the agency has stated it will be unable to accept certain new submissions requiring fees until funding resumes. These outcomes could impede R&D progress, postpone commercialization milestones, and delay anticipated financing. Additionally, the broader economic and capital market consequences of an extended shutdown, such as weakened investor confidence, deferred initial public offerings (“IPOs”), and a slower pace of venture and private equity deployment, could further strain tenants’ access to capital. Our tenants may seek to reduce cash outflows by delaying rent payments, renegotiating lease terms, downsizing existing space commitments, or filing for bankruptcy or ceasing operations altogether.

If any of our tenants becomes a debtor in a case under the U.S. Bankruptcy Code, as amended, we cannot evict that tenant solely because of its bankruptcy. The bankruptcy court may authorize the tenant to reject and terminate its lease with us.

Our claim against such a tenant for uncollectible future rent would be subject to a statutory limitation that will likely be substantially less than the remaining rent actually owed to us under the tenant's lease. Any shortfall in rent payments could adversely affect our cash flows and our ability to make distributions to our stockholders.

We hold equity investments in certain publicly traded companies, limited partnerships, and privately held entities primarily involved in the life science and technology industries. The valuation of these investments is affected by many external factors beyond our control, including, but not limited to, market prices, market conditions, healthcare legislation, prospects for favorable or unfavorable clinical trial results, new product initiatives, the manufacturing and distribution of new products, product safety and efficacy issues, and new collaborative agreements. Reduced activities or temporary closures of agencies such as the FDA and SEC may adversely affect business operations, financial results, IPO processing, and project funding for the companies in which we hold equity investments. Unfavorable developments with respect to any of these factors may have an adverse impact on the valuation of our equity investments.

We cannot predict the timing or duration of appropriation lapses or the extent of any public policy changes. If the shutdown persists, or if future lapses recur, our business and that of our tenants and our venture investment portfolio companies could be adversely affected. These risks may also impact our overall liquidity, our borrowing costs, or the market price of our common stock.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchases of equity securities

On December 9, 2024, we announced that our Board of Directors authorized a share repurchase program, allowing the repurchase of shares with an aggregate value up to \$500.0 million until December 31, 2025 in the open market, through privately negotiated transactions, or otherwise, in accordance with all applicable securities laws and regulations, including Rule 10b-18 of the Exchange Act. No shares were repurchased during the three months ended June 30, and September 30, 2025. As of September 30, 2025, we had remaining authorization to repurchase shares with an aggregate value up to \$241.8 million.

ITEM 5. OTHER INFORMATION

Disclosure of 10b5-1 plans

During the three months ended September 30, 2025, none of our officers or directors adopted or terminated 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."

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 December 6, 2024)	Form 8-K	December 9, 2024
10.1 ⁽¹⁾	The Company's 2000 Deferred Compensation Plan, amended and restated effective as of October 1, 2025	N/A	Filed herewith
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 September 30, 2025, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of September 30, 2025 and December 31, 2024 (unaudited), (ii) Consolidated Statements of Operations for the three and nine months ended September 30, 2025 and 2024 (unaudited), (iii) Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2025 and 2024 (unaudited), (iv) Consolidated Statements of Changes in Stockholders' Equity and Noncontrolling Interests for the three and nine months ended September 30, 2025 and 2024 (unaudited), (v) Consolidated Statements of Cash Flows for the nine months ended September 30, 2025 and 2024 (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 September 30, 2025 is formatted in Inline XBRL and contained in Exhibit 101.1	N/A	Filed herewith

(*) Incorporated by reference.

(1) Management contract or compensatory arrangement.

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 October 27, 2025.

ALEXANDRIA REAL ESTATE EQUITIES, INC.

/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)

Alexandria Real Estate Equities, Inc.
2000 Deferred Compensation Plan

**Original Effective Date: December 1, 2000 Amended
And Restated Effective: October 1, 2025**

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Alexandria Real Estate Equities, Inc.
2000 Deferred Compensation Plan

ARTICLE I

Introduction and Purpose

This Plan was originally adopted by the Company effective as of December 1, 2000. The Plan was amended and restated effective as of January 1, 2005 to incorporate certain provisions of the Company's 2000 Venture Investment Deferred Compensation Plan (the "*VIP*") into the Plan. This amendment and restatement of the Plan is effective as of October 1, 2025.

Any amounts deferred by a Participant under the VIP prior to January 1, 2005, as adjusted for any gains and losses credited with respect to such amounts as a result of their deemed investment in the applicable Venture Investments, shall be credited to the Participant's VIP Grandfathered Account under this Plan. Any amounts deferred under the VIP on or after January 1, 2005 shall be considered to have been deferred under this Plan.

The purpose of the Plan is to provide key Employees supplemental retirement and tax benefits through the deferral of compensation. The Plan is intended to be a "plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees" within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, and shall be interpreted and administered to the extent possible in a manner consistent with that intent. The Plan is intended to be administered in compliance with Section 409A of the Code with respect to all Section 409A Non-Grandfathered Amounts, and the provisions of the Plan regarding Section 409A Grandfathered Amounts are intended to be administered so as not to subject such amounts to Section 409A of the Code.

ARTICLE II

DEFINITIONS

2.1 Definitions. The following terms have the meanings set forth herein, unless the context otherwise requires:

(a) "**2018 Plan Year Participation Enrollment Period**" means the Plan enrollment period scheduled to commence in November 2017 and pursuant to which Participants may elect Compensation Deferrals with respect to Compensation earned during the 2018 Plan Year.

(b) "**Account**." The bookkeeping account established for each Participant as provided in Section 6.1. The term includes Fixed Date Accounts (which may include a Plan Fixed Date Subaccount and VIP Fixed Date Subaccount), Retirement Accounts (which may include a Plan Retirement Subaccount and VIP Retirement Subaccount) and VIP Grandfathered Accounts, unless the context otherwise requires.

(c) **Administrator.** Joel Marcus and Jackie Clem, each of whom may act as the Administrator individually; *provided, however*, that each may not act as the Administrator in making decisions with respect to his or her own Account.

(d) **Affiliate.** Any firm, partnership, limited liability partnership, corporation or limited liability corporation that (i) directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with the Company or (ii) is otherwise authorized by the Company's Board of Directors to be considered the Company for purposes of the Plan.

(e) **Annual Installment Method.** The Annual Installment Method is a form of payment over the applicable number of years selected by the Participant in accordance with this Plan, calculated as follows: Each annual installment payment shall be calculated by multiplying the applicable portion of the Participant's Retirement Account by a fraction, the numerator of which is one, and the denominator of which is the remaining number of annual payments due the Participant. By way of example, if the Participant elects a 10-year Annual Installment Method for the Participant's Retirement Account, the first payment following termination of employment shall be 1/10 of the then current balance of the Retirement Account. The following year, the payment shall be 1/9 of the then current balance of the Retirement Account.

(f) **Base Salary.** Base Salary includes only regular base compensation. Base Salary does not include bonuses, overtime, incentive payments, Leasing Incentive Compensation, non-monetary awards, fringe benefits or any other similar items of compensation.

(g) **Benchmark Investment Fund.** The investment fund or funds, or other investment options, selected by the Administrator from time to time, and which may be defined by reference to either a group of selected funds and/or with respect to any of the funds or other investment options available through an investment brokerage firm selected by the Administrator, subject to such exclusions as the Administrator may determine in its discretion. A Benchmark Investment Fund may not include any of the following types of investments: (i) Company common stock, (ii) Company preferred stock, (iii) purchases on margin, (iv) short sales, (v) second trust deeds, (vi) hard assets (e.g., physical gold, art, etc.), (vii) interests in non-publicly traded limited partnerships, (viii) third party loans, (ix) futures and commodity contracts, (x) private entity investments, or (xi) uncovered options.

(h) **Benchmark Return.** The amount of any increase or decrease in the balance of a Participant's Account reflecting the gain or loss, net of any expenses, on the assets deemed invested in each Benchmark Investment Fund by the Participant from time to time.

(i) **Bonus.** Bonus means cash annual performance bonus, annual incentive bonus and/or annual discretionary bonus and excludes each of the following: (i) any hiring bonus, (ii) any signing bonus, (iii) any spot bonus, (iv) any other bonus that is not a cash annual performance bonus, annual incentive bonus and/or annual discretionary bonus, (v) any Leasing Incentive Compensation and (vi) any other similar items of compensation. For purposes of this definition, "annual" shall mean that (x) the applicable bonus is intended to be payable on a recurring basis each year, subject to any performance or other requirements, and/or (y) the

amount of, or entitlement to, the applicable bonus is based on performance over a one-year period.

(j) ***Change of Control.*** The occurrence of any of the following events:

(i) Any Person (as such term is used in section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the “***Exchange Act***”), as modified and used in sections 13(d) and 14(d) thereof, except that such term shall not include (A) the Company or any of its subsidiaries, (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its affiliates, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or (D) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company) becomes the Beneficial Owner, as such term is defined in Rule 13d-3 under the Exchange Act, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates other than in connection with the acquisition by the Company or its affiliates of a business) representing twenty-five percent (25%) or more of the combined voting power of the Company’s then outstanding securities; or

(ii) The following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors of the Company and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company’s stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(iii) There is consummated a merger or consolidation of the Company with any other corporation, other than (A) a merger or consolidation in which the stockholders of the Company immediately prior to such merger or consolidation, continue to own, in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, at least seventy-five percent (75%) of the combined voting power of the securities of the Company (or the surviving entity or any parent thereof) outstanding immediately after such merger or consolidation in substantially the same proportions as their ownership of the Company immediately prior to such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates other than in connection with the acquisition by the Company or its affiliates of a business) representing twenty-five percent (25%) or more of the combined voting power of the Company’s then outstanding securities; or

(iv) The stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or

disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least seventy-five (75%) of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

(k) **Code.** The Internal Revenue Code of 1986, as amended from time to time, and the regulations and other applicable guidance promulgated thereunder.

(l) **Company.** Alexandria Real Estate Equities, Inc., a Maryland corporation.

(m) **Company Contribution.** A discretionary contribution that is credited to one or more of a Participant's Accounts in accordance with the terms of Section 4.3.

(n) **Compensation.** A Participant's Base Salary, Bonuses and Eligible Earned Leasing Incentive Compensation from the Company. For purposes of the Plan and subject to the provisions of Section 4.1(a), Compensation is calculated with respect to total gross Base Salary, Bonuses and Eligible Earned Leasing Incentive Compensation and before giving effect to Compensation Deferrals, other salary reduction amounts which are not included in the Participant's gross income under Sections 125, 401(k), 402(h) or 403(b) of the Code, any other Participant benefit plan contributions, tax withholding and other payroll deductions.

(o) **Compensation Deferrals.** The portion of Compensation that a Participant elects to defer in accordance with Section 4.1.

(p) **Eligible Earned Leasing Incentive Compensation.** Eligible Earned Leasing Incentive Compensation means Leasing Incentive Compensation payments that are not potentially subject to forfeiture when paid. Eligible Earned Leasing Incentive Compensation does not include Leasing Incentive Compensation payments made as an unearned draw or advance and which are potentially subject to forfeiture when paid. During each 15 day period following the last date of each calendar quarter of the Plan Year, the Company will perform a reconciliation of the Participant's performance through the end of preceding calendar quarter as measured against his/her annual leasing performance target goal for such Plan Year as necessary to determine the applicable Eligible Earned Leasing Incentive Compensation Amounts that may be deferred under the Plan.

(q) **Effective Date.** December 1, 2000.

(r) **Eligible Employee.** Eligible Employees are limited to a select group of management or highly compensated Employees of the Company, as determined in the Company's sole discretion. Eligible Employees for a Plan Year will be selected by the Company based on their level of responsibility and anticipated compensation levels for the Plan Year. The Company's selection of an Employee as an Eligible Employee for one Plan Year does not guarantee that such Employee will be selected again as an Eligible Employee for any other Plan Year. An Employee of the Company who satisfies the following requirements when a determination of Eligible Employees is made for purposes of participating in the Plan with

respect to any Plan Year: (i) the Employee is selected and designated as an Eligible Employee in writing by the Company; (ii) the Employee is a full-time Employee as of the first day of the Plan Year; and (iii) the Employee is an accredited investor for purposes of Regulation D promulgated under the Securities Act of 1933, as amended (the “*Securities Act*”). The Administrator shall have sole and absolute discretion in determining whether or not an Employee is, at any time, an accredited investor for purposes of Regulation D promulgated under the Securities Act, based on a completed accredited investor questionnaire and such other information as the Administrator considers to be relevant.

(s) **Employee.** Any person employed by the Company.

(t) **ERISA.** Employee Retirement Income Security Act of 1974, as amended.

(u) **Fixed Date Account.** An Account established for a Participant with distributions to be made in a single lump sum on a date certain, which is specified by the Participant in a Participation Election Form. A Fixed Date Account may include a subaccount for amounts deemed to be invested in Benchmark Investment Funds (a “*Plan Fixed Date Subaccount*”) and a subaccount for amounts deemed to be invested in Venture Investments (a “*VIP Fixed Date Subaccount*”).

(v) **Leasing Incentive Compensation.** Leasing Incentive Compensation means incentive payments that may be earned by a Participant under the Company’s Leasing Incentive Compensation Plan. Leasing Incentive Compensation does not include the base salary, annual incentive bonus, discretionary performance bonus or equity compensation that may be earned under the Company’s Leasing Incentive Compensation Plan.

(w) **Matching Contribution.** A contribution that is credited to one or more of a Participant’s Accounts in accordance with the terms of Section 4.2.

(x) **Participant.** An Eligible Employee who has submitted a Participation Election Form agreeing to participate in the Plan and whose Account has not been fully paid out.

(y) **Participation Election Form.** The separate written agreement, submitted to the Administrator, by which an Eligible Employee agrees to participate in the Plan and indicates all necessary information to establish the Account(s) for such Eligible Employee as a Participant under the Plan, including, but not limited to, the amount of Compensation Deferrals, the allocation of his or her Compensation Deferrals to the Retirement Account or Fixed Date Account, and the timing or form of distribution for the Retirement Account as either a single lump sum or the applicable number of annual installments elected under the Annual Installment Method.

(z) **Plan.** The Alexandria Real Estate Equities, Inc. 2000 Deferred Compensation Plan.

(aa) **Plan Amounts.** The aggregate amount of Compensation Deferrals credited to a Participant’s Fixed Date Account and Retirement Account.

(bb) Plan Year. The calendar year.

(cc) Post-2017 Retirement Account Deferrals. All Compensation Deferrals, Matching Contributions and Company Contributions (if any) contributed to the Participant's Retirement Account that are contributions for Plan Years commencing on or after January 1, 2018 and any related earnings.

(dd) Pre-2018 Non-Grandfathered Retirement Account Deferrals. All Compensation Deferrals, Matching Contributions and Company Contributions (if any) that are contributions to the Participant's Retirement Account relating to Plan Years commencing prior to January 1, 2018 that are Section 409A Non-Grandfathered Amounts and any related earnings.

(ee) Retirement Account. An Account established for a Participant from which distributions are to be made following termination of employment with the Company. A Retirement Account may include a subaccount for amounts deemed to be invested in Benchmark Investment Funds (a "**Plan Retirement Subaccount**") and a subaccount for amounts deemed to be invested in Venture Investments (a "**VIP Retirement Subaccount**").

(ff) Section 16 Officer. A person who is an officer of the Company within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(gg) Section 409A Grandfathered Amount. Any (i) Compensation Deferrals and Matching Contributions, as adjusted for any related Benchmark Returns on such amounts, that were credited to a Participant's Account(s) under the Plan and were vested prior to January 1, 2005, (ii) amounts deferred under the VIP prior to January 1, 2005, as adjusted for any gains and losses credited with respect to such amounts as a result of their deemed investment in Venture Investments and (iii) amounts initially deferred under the VIP and were vested prior to January 1, 2005 (as adjusted for any gains and losses credited with respect to such amounts as a result of their deemed investment in Venture Investments) that are further deferred and credited to the Participant's Plan Fixed Date Subaccount or Plan Retirement Subaccount under this Plan on or after January 1, 2005 following a VIP Event in accordance with the Plan, as adjusted for any related Benchmark Returns on such amounts.

(hh) Section 409A Non-Grandfathered Amount. Any Compensation Deferrals and Matching Contributions that were credited to a Participant's Account or which vested on or after January 1, 2005, as adjusted for any related Benchmark Returns on such amounts and any gains and losses credited with respect to any such amounts deemed to be invested in Venture Investments (other than any amounts described in clause (iii) of the definition of Section 409A Grandfathered Amount).

(ii) Total and Permanent Disability. Any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months and results in a Participant (i) being unable to engage in any substantial gainful activity or (ii) receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of

the Company. Determinations of Total and Permanent Disability shall be made in a manner consistent with its definition as provided in Section 409A of the Code.

(jj) **Trust.** The grantor trust established by agreement between the Company and the Trustee under which the assets with respect to Accounts under the Plan are held, administered and managed, as provided in Article IX.

(kk) **Trustee.** The Trustee designated in the Trust, including any and all successor trustees to the Trust.

(ll) **Unforeseeable Emergency.** Defined in Section 7.3(c).

(mm) **Venture Investment.** A direct equity investment by the Company or an Affiliate in a private life science company with which the Company does business or is otherwise familiar; *provided, however*, that such investments shall not include warrants in such companies that the Company may receive from time to time.

(nn) **VIP.** The Alexandria Real Estate Equities, Inc. 2000 Venture Investment Deferred Compensation Plan.

(oo) **VIP Amounts.** The aggregate amount of Compensation Deferrals credited to a Participant's VIP Fixed Date Subaccount, VIP Retirement Subaccount and VIP Grandfathered Account.

(pp) **VIP Event.** A transaction by which the Company receives cash or freely tradable stock in connection with the initial public offering of stock of a company in which a Venture Investment is made, the acquisition of such company for publicly traded stock or cash, or another transaction pursuant to which the Company receives cash or freely tradable stock in respect of the equity of a Venture Investment. Each Venture Investment is expected to have a VIP Event that is separate from the VIP Events of other Venture Investments.

(qq) **VIP Grandfathered Account.** An Account established for a Participant for amounts deferred under the VIP that were vested prior to January 1, 2005, as adjusted for any gains and losses credited with respect to such amounts as a result of their deemed investment in Venture Investments.

(rr) **Years of Service.** Defined in Section 5.1.

1.1 Terms. Capitalized terms shall have meanings as defined herein. Singular nouns shall be read as plural, and masculine pronouns shall be read as feminine, and vice versa, where appropriate.

ARTICLE III

PARTICIPATION

3.1 Commencement of Participation. Each Eligible Employee shall become a

Participant at the earlier of the date on which his or her Participation Election Form first becomes effective or the date on which a Company Contribution is first credited to his or her Account.

3.2 Continuation of Participation. Each Eligible Employee shall remain a Participant hereunder until all amounts credited to his or her Account are distributed in full. No Compensation Deferrals are permitted for any Plan Year that commences following the date that an Employee no longer satisfies the requirements set forth in the definition of an Eligible Employee.

ARTICLE IV

Contributions and Elections

4.1 Compensation Deferrals.

(a) With respect to each Plan Year, a Participant may elect to defer up to seventy percent (70%) of the Participant's Base Salary, seventy percent (70%) of the Participant's Eligible Earned Leasing Incentive Compensation and one hundred percent (100%) of the Participant's Bonus as Compensation Deferrals; *provided, however*, that (i) the minimum deferral percentages for Base Salary, Eligible Earned Leasing Compensation and Bonus are such percentage as will result in a minimum deferral of \$10,000 in the aggregate for a Plan Year; and (ii) if the Participant makes an election to defer Bonus, the minimum deferral percentage is the percentage that will result in a minimum Bonus deferral of \$10,000 for such Plan Year. Such minimum deferral percentages shall be calculated based upon: (i) the amount of Base Salary that it is anticipated that a Participant will earn during the applicable Plan Year, (ii) the amount of the Leasing Incentive Compensation for such Plan Year that would be earned if the Participant achieved exactly 100% of such Participant's leasing incentive target goal for such Plan Year and (iii) the Participant's anticipated target Bonus amount for such Plan Year, in each case as determined as of the date the Participation Election Form is submitted. For clarity, with respect to the Participant's Bonus deferrals, the Company may determine, in its sole discretion, to allow the Participant to elect to defer different Bonuses at different deferral percentages (in each case, up to one hundred percent (100%) of the applicable Bonus) as Compensation Deferrals. Compensation Deferrals shall be credited to the Participant's Fixed Date Account and/or Retirement Account, as designated by the Participant. Such amounts shall not be made available to such Participant, except as provided in Article VII, and, as Compensation Deferrals, shall reduce such Participant's Compensation from the Company in accordance with the provisions of the applicable Participation Election Form; *provided, however*, that all such amounts credited to such Accounts shall be subject to the rights of the general creditors of the Company as provided in Article IX. Compensation deferrals shall be calculated with respect to the total gross amount of such cash Compensation payable to the Participant prior to any deductions or withholdings, but shall be reduced as necessary so that they do not exceed 100% of the cash Compensation of the Participant remaining after deduction of all required income and employment taxes, deductions pursuant to Code Section 125, 401(k), 402(h), 403(b), other employee benefit deductions, and other deductions required by law. Changes to payroll withholdings that affect the amount of Compensation being deferred to the Plan shall be allowed only to the extent permissible under Section 409A of the Code.

(b) With respect to each Plan Year, each Eligible Employee shall deliver a Participation Election Form to the Company before any Compensation Deferrals may become effective. Such Participation Election Form shall be void with respect to any Compensation Deferrals unless submitted before the beginning of the calendar year during which the amount to be deferred will be earned, and shall be irrevocable as of such election deadline. Notwithstanding the foregoing, with respect to each Plan Year and to the extent permitted by the Company, (i) if an Employee first becomes eligible to participate in the Plan during the Plan Year, a Participation Election Form shall be filed within thirty (30) days following the date on which the Employee is first eligible to participate, which Participation Election Form shall be irrevocable once submitted by the Participant and applicable only with respect to Compensation earned during the remainder of the Plan Year following the date the Participation Election Form is submitted and irrevocable, and (ii) with respect to any Bonus that meets the requirements of performance-based compensation under Section 409A of the Code, as determined by the Company in its sole discretion, such Participation Election Form shall be filed and irrevocable by the earlier of (1) June 30th of the Plan Year or (2) the date on which such performance-based compensation has become readily ascertainable, as determined in accordance with Section 409A of the Code, provided that with respect to any Employee who first becomes eligible to participate in the Plan during the Plan Year, the maximum amount of any such Bonus which shall be deemed to be earned during the portion of the Plan Year subsequent to such election shall be the total amount of any such Bonus earned with respect to the Plan Year multiplied by the ratio of the number of days remaining in the Plan Year after the Participation Election Form is submitted and is irrevocable over the total number of days in the Plan Year.

(c) The Participation Election Form shall, subject to the limitations set forth in this Section 4.1, designate the amount of Compensation deferred by each Participant, the beneficiary or beneficiaries of the Participant, the date(s) of distribution of any amounts in the Participant's Fixed Date Account, whether the form of distribution for any Section 409A Non-Grandfathered Amounts contributed to the Retirement Account will be in a single lump sum or the number of annual installments elected pursuant to the Annual Installment Method, and such other items as the Administrator may prescribe. Such designations shall remain effective unless amended as provided in Section 4.1(d).

(d) With respect to Section 409A Grandfathered Amounts (other than any amounts credited to a Participant's VIP Grandfathered Account), the Participant may amend his or her Participation Election Form from time to time; *provided, however*, that any amendment of a Participation Election Form shall comply with the provisions of Section 7.1(b)(i). With respect to amounts credited to a Participant's VIP Grandfathered Account, a Participant's Participation Election Form shall be irrevocable once effective, except as provided in Section 7.1(b)(ii). With respect to Section 409A Non-Grandfathered Amounts, a Participant's Participation Election Form shall be irrevocable; *provided, however*, that (i) a Participant may cancel such Participation Election Form due to an Unforeseeable Emergency (as defined in Section 7.3(c)) or a hardship distribution pursuant to Section 1.401(k)-1(d)(3) of the Treasury Regulations, (ii) a Participant may elect to further defer the date for distribution of Section 409A Non-Grandfathered Amounts in the Participant's Account pursuant to Section 7.1(b)(iii), and (iii) upon a Participant's termination of employment with the Company, death, or Total and Permanent Disability, such

Participation Election Form shall be canceled with respect to any Compensation payable to the Participant after such event.

4.2 Matching Contributions. If the Company determines to make Matching Contributions under the Plan, the Company shall credit such Matching Contributions to the Account of each Participant who makes Compensation Deferrals. The amount of any Matching Contribution shall be equal to a percentage of each Participant's Compensation Deferrals determined annually by the Company, in its sole discretion.

4.3 Company Contribution. The Company may from time to time credit a discretionary contribution to the Account of a Participant. The Company shall contribute to the Trust, if applicable, for the Participant's benefit the amount of such Company Contributions in accordance with the Plan.

4.4 Time and Form of Contributions to Trust. Compensation Deferrals and Matching Contributions that are deemed to be invested in Benchmark Investment Funds shall be transferred to the Trust, if applicable, as soon as administratively feasible for the Company following the close of each payroll period. The Company shall also transmit to the Trustee at that time any necessary instructions regarding the allocation of such amounts among the Accounts of Participants.

Company Contributions shall be transferred to the Trust, if applicable, at such time as the Company shall determine. The Company shall also transmit to the Trustee at that time any necessary instructions regarding the allocation of such amounts among the Accounts of Participants.

All Compensation Deferrals, Matching Contributions and Company Contributions to the Trust shall be made in the form of cash, cash equivalents of U.S. currency or other property acceptable to the Trustee.

ARTICLE V

Vesting

5.1 Vesting.

(a) Except as otherwise provided herein and subject to the rights of the general creditors of the Company as provided in Article IX, (i) a Participant shall have a fully vested right to the portion of his or her Account attributable to Compensation Deferrals, as adjusted for any Benchmark Returns on such Compensation Deferrals and any gains or losses credited with respect to any such Compensation Deferrals deemed to be invested in Venture Investments, and (ii) Matching Contributions and Company Contributions, and any amounts attributable to Benchmark Returns on such contributions, shall vest in accordance with the following schedule:

Years of Service	Cumulative Vested Percentage
1 but less than 2	20%
2 but less than 3	40%
3 but less than 4	60%
4 but less than 5	80%
5 or more	100%

For purposes of this Article V, a Participant's "Years of Service" shall be determined on the basis of the Participant's date of hire and anniversaries thereof.

(b) Any amounts credited to a Participant's Account that are not vested at the time of his or her termination of employment with the Company shall be forfeited in accordance with Section 6.5.

ARTICLE VI

Accounts

6.1 Accounts.

(a) The Administrator shall establish and maintain a bookkeeping Account in the name of each Participant. The Administrator may also establish any subaccounts that may be appropriate. The establishment of an Account constitutes only a method, by bookkeeping entry, of determining the amount of deferred benefits to be distributed under the Plan. The Company shall be under no obligation to acquire or hold any securities or specific assets by reason of the credits made to the Accounts hereunder.

(b) Each Participant's Account shall be credited with Compensation Deferrals, any Matching Contributions allocable thereto, any Company Contributions, any amounts attributable to Benchmark Returns and any gains and losses with respect to Compensation Deferrals deemed to be invested in Venture Investments. Each Participant's Account shall be reduced by any gross amounts distributed from the Account pursuant to Article VII and any other appropriate adjustments. Such adjustments shall be made as frequently as is administratively feasible.

6.2 Benchmark Investment Elections for Plan Amounts.

(a) The Administrator shall from time to time select types of Benchmark Investment Funds and specific Benchmark Investment Funds for deemed investment designation by Participants with respect to Plan Amounts. The Administrator or its designee shall notify the Participants of the types of Benchmark Investment Funds and the specific Benchmark Investment Funds selected from time to time. In accordance with the procedures established by the Administrator or its designee, the Participant shall designate the specific Benchmark Investment Funds in which the Account of the Participant for Plan Amounts will be deemed to be invested for purposes of determining the Benchmark Return to be credited to the Account. In making such designation, the Participant may specify that all or any percentage of such Account

be deemed to be invested in one or more of the available types of Benchmark Investment Funds. The Administrator from time to time will determine the minimum percentage allocation per investment fund and the frequency with which allocations may be changed.

(b) Trust assets shall be invested as provided in the Trust Agreement; *provided, however,* that the Trustee may consider a Participant's selection of a Benchmark Investment Fund when investing Trust assets.

6.3 Deemed Investment of VIP Amounts.

(a) **Compensation Deferrals.** Venture Investments are not a permitted deemed investment for any Compensation Deferrals made on or after January 1, 2015, except that from January 1, 2021 through December 31, 2025, Venture Investments were a permitted deemed investment for Compensation Deferrals made by Participants who were Section 16 Officers. Effective as of January 1, 2026, Venture Investments are not a permitted deemed investment for any Compensation Deferrals made by any Participants.

With respect to any Compensation Deferrals made prior to January 1, 2015 (or from January 1, 2021 through December 31, 2025 by Participants who were Section 16 Officers during such period), the following provisions apply. All VIP Amounts shall be deemed to be invested in one or more Venture Investments determined by the Company, in its sole discretion, for each Plan Year. Participants who elect to have a portion of their Compensation Deferrals credited to a VIP Fixed Date Subaccount or VIP Retirement Subaccount for a Plan Year will be deemed to have such Compensation Deferrals invested in Venture Investments in an aggregate amount that shall be limited to fifteen percent (15%) of the aggregate cost basis of the Company's Venture Investments for such Plan Year. Whether or not the Company chooses to invest in one or more Venture Investments for a Plan Year shall be determined by the Company in its sole and absolute discretion. If no Venture Investments are made for a Plan Year or if the aggregate amount of Participants' Compensation Deferrals credited to Participants' VIP Fixed Date Subaccounts and VIP Retirement Subaccounts for a Plan Year exceeds fifteen percent (15%) of the aggregate cost basis of the Company's Venture Investments for such Plan Year, (i) the allocation of deemed investments will be in proportion to the applicable Compensation Deferrals, and (ii) the Compensation Deferrals not deemed to be invested in Venture Investments for such Plan Year shall continue to be deferred under the Plan, provided that (A) any such Compensation Deferrals that a Participant elected to have credited to the Participant's VIP Fixed Date Subaccount shall instead be credited to the Participant's Plan Fixed Date Subaccount and (B) any such Compensation Deferrals that a Participant elected to have credited to the Participant's VIP Retirement Subaccount shall instead be credited to the Participant's Plan Retirement Subaccount.

Compensation Deferrals credited to a Participant's VIP Fixed Date Subaccount or VIP Retirement Subaccount for a Plan Year shall be deemed to be invested on a pro rata basis in Venture Investments in accordance with (i) the Company's cost basis in each Venture Investment and (ii) the ratio of (A) the individual Participant's Compensation Deferrals credited to the Participant's VIP Fixed Date Subaccount and VIP Retirement Subaccount for the Plan Year to (B) the Compensation Deferrals credited to all Participants' VIP Fixed Date Subaccounts and VIP Retirement Subaccounts (in the aggregate) for such Plan Year. The

Company shall not, and shall not be obligated to, invest amounts credited to Participants' Accounts in any Venture Investments; deemed Venture Investments are simply a measure of the value of a Participant's VIP Amounts.

For purposes of the Plan, Compensation Deferrals credited to a Participant's VIP Fixed Date Subaccount or VIP Retirement Subaccount shall be "for" a Plan Year based on the Plan Year during which the performance required to earn the applicable bonus is measured, not based on the Plan Year during which such bonus otherwise would be paid. If performance is measured over more than one Plan Year, then any deferral of such bonus shall be for the final Plan Year during which performance is measured. For purposes of the Plan, a Venture Investment shall be "for" a Plan Year based on the Plan Year during which the Company makes the applicable investment.

(b) VIP Events. Upon the occurrence of a VIP Event for a Venture Investment (or as soon as administratively practicable within the sixty (60) day period thereafter), any VIP Amounts deemed to be invested in such Venture Investment (or a portion of such VIP Amounts, as determined by the Company in its sole discretion, in the event that such VIP Event does not result in the disposition of the entire amount of such Venture Investment), as adjusted for any gains and losses of such Venture Investment, shall be treated as follows:

(i) Any such amounts that are credited to a Participant's VIP Grandfathered Account shall be distributed to the Participant in accordance with Section 7.3(a)(viii); *provided, however*, that if the Participant had made an election at the time of initial deferral of such amounts under the VIP to further defer such amounts under this Plan following a VIP Event and the Participant has not terminated employment prior to the VIP Event, then such amounts shall be (A) further deferred and credited to the Participant's Plan Fixed Date Subaccount or Plan Retirement Subaccount, as previously designated by the Participant at the time of initial deferral of such amounts under the VIP, and (B) deemed to be invested in the Benchmark Investment Funds that the Participant has designated for deemed investment of such Subaccounts.

(ii) Any such amounts that are Section 409A Non-Grandfathered Amounts that are credited to a Participant's VIP Fixed Date Subaccount or VIP Retirement Subaccount shall be (A) credited to the Participant's Plan Fixed Date Subaccount or Plan Retirement Subaccount, respectively, and (B) deemed to be invested in the Benchmark Investment Funds that the Participant has designated for deemed investment of such Subaccounts.

6.4 Valuation.

(a) Plan Amounts. Any Plan Amounts credited to a Participant's Account shall be valued daily based on the Benchmark Investment Funds that the Participant has designated for deemed investment of such amounts. Such valuation shall be communicated in writing to each Participant on a periodic basis.

(b) VIP Amounts. Any VIP Amounts credited to a Participant's Account shall be valued annually based on the Company's cost basis of the Venture Investments in which the

Participant's Account is deemed invested. Such valuation shall be communicated in writing to each Participant not later than April 15th following each Plan Year.

6.5 Forfeitures. Any forfeitures from a Participant's Account may be used to reduce succeeding Matching Contributions, Company Contributions or, if applicable, administrative expenses and Trustee fees and expenses, until such forfeitures have been entirely so applied.

ARTICLE VII

Distributions

7.1 Distribution Election.

(a) Initial Deferral Elections

(i) A Participant may elect in his or her Participation Election Form for a Plan Year to receive all the Compensation Deferrals for a given Plan Year (other than any amounts credited to the Participant's VIP Grandfathered Account), and the earnings thereon, to be distributed from the Plan in a single lump sum on a future fixed date by contributing such amounts to the Participant's "Fixed Date Account." Contributions made to the Fixed Date Account that are attributable to Compensation Deferrals made for separate Plan Years need not share the same fixed distribution date.

(ii) A Participant may elect in his or her Participation Election Form for a Plan Year to receive all the Compensation Deferrals for a given Plan Year (other than any amounts credited to the Participant's VIP Grandfathered Account), and the earnings thereon, to be distributed from the Plan upon the Participant's termination of employment by contributing such amounts to the Participant's "Retirement Account". With respect to Section 409A Non-Grandfathered Amounts, the amounts credited to the Participant's Retirement Account for a Plan Year shall be distributed in a lump sum payment or up to a maximum of fifteen (15) annual installments under the Annual Installment Method, as elected by the Participant on the Participation Election Form (such Participant election, the "***Retirement Account Distribution Form Election***"). If a Participant does not make an Annual Installment Method distribution election on the Participation Election Form with respect to the Retirement Account, then the Participant will be deemed to have elected a single lump sum. With respect to any Retirement Account Distribution Form Election, the following additional rules shall apply:

(1) The first Retirement Account Distribution Form Election made by a Participant during the later of: (i) the 2018 Plan Year Participation Enrollment Period, or the (ii) the first Plan enrollment period for which the Participant elects to have Compensation Deferrals credited to the Participant's Retirement Account (the "***First Post-2017 Retirement Distribution Form Election***") shall apply to all Post-2017 Retirement Account Deferrals, so that only one time and form of distribution shall be applicable under the Plan to any Participant's Post-2017 Retirement Account Deferrals. Subject to the election modification rules set forth in Section 7.1(b)(iii), a Participant shall be permitted to make a sole (one-time) change to the First Post-2017 Retirement Distribution Form Election, so that only one time and form of payment shall be applicable under the Plan to any Post-2017 Retirement Account Deferrals.

(2) Subject to the election modification rules set forth in Section 7.1(b)(iii), a Participant shall be permitted to make a sole (one-time) Retirement Account Distribution Form Election to receive payment under the Annual Installment Method with respect to the entire portion of the Participant's Retirement Account consisting of Pre-2018 Non-Grandfathered Retirement Account Deferrals, so that the only one time and form of Annual Installment Method of distribution shall be applicable under the Plan to any Participant's Pre-2018 Non-Grandfathered Retirement Account Deferrals. As required by Section 409A and specified in Section 7.1(b)(iii), such election modification shall be void if the Participant's termination of employment occurs within the one year period immediately following the date such Retirement Account Distribution Form Election became irrevocable.

(b) A Participant may modify the election made under Section 7.1(a) by submitting to the Administrator a completed and executed form provided for such purpose; *provided, however*, that:

(i) A Retirement Account Distribution Form Election and/or Annual Installment Method may not be selected as an election modification with respect to any Section 409A Grandfathered Amounts. With respect to Section 409A Grandfathered Amounts (other than any amounts credited to a Participant's VIP Grandfathered Account), any permitted change shall not be given any effect unless a full calendar year passes between the calendar year in which such election form is submitted and the calendar year in which the distribution date designated in such form occurs;

(ii) With respect to any amounts credited to a Participant's VIP Grandfathered Account, such election may not be modified, except that if the Participant had made an election at the time of initial deferral of such amounts under the VIP to further defer such amounts under this Plan following a VIP Event, then such election shall become null and void upon the Participant's termination of employment and such amounts shall be distributed in accordance with Section 7.3(a)(viii); and

(iii) With respect to Section 409A Non-Grandfathered Amounts, such change (A) shall not take effect until at least twelve (12) months after the date on which the change is made, (B) must be made more than twelve (12) months prior to the date payment otherwise would have been made and (C) must designate a new date for distribution that is at least five (5) years following the date payment otherwise would have been made (without giving effect to any delay in payment that would otherwise have been required by Section 7.3(b)). For purposes of any election changes made pursuant to this Section 7.1(b)(iii), payments to be made pursuant to the Annual Installment Method shall be treated as a single payment for purposes of Section 409A. For example, with respect to any Annual Installment Method selected for Pre-2018 Non-Grandfathered Retirement Account Deferrals, the election must provide that the distribution shall not be made (or commence) any earlier than five (5) years following the Participant's termination of employment.

7.2 Payment Options. Unless otherwise provided in Section 7.3, benefits shall be payable in a lump sum payment in the form of cash.

7.3 Commencement of Payment.

(a) Except as otherwise provided herein, payment of the amounts in a Participant's Account, to the extent vested, shall be made as follows:

(i) Payment of the amounts credited to a Participant's Fixed Date Account with respect to a Plan Year (including any amounts in the Participant's VIP Fixed Date Subaccount in accordance with Section 7.3(a)(vii)), to the extent vested, shall be made in a lump sum as soon as administratively feasible within the sixty (60) day period after the earlier of (A) the date designated by the Participant in the Participant's Participation Election Form for such Plan Year, (B) the Participant's death, or (C) the Participant's Total and Permanent Disability; *provided, however*, that with respect to Section 409A Non-Grandfathered Amounts:

(1) if a Change of Control occurs prior to any such designated date or payment event, payment of such amounts shall be made in a lump sum as soon as administratively feasible within the sixty (60) day period after the effective date of the Change of Control, provided that the Change of Control constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 1.409A-3(i)(5) of the Treasury Regulations;

(2) if the Participant's separation from service occurs within the one year period immediately prior to any such designated date or payment event, payment of such amounts shall be made within the sixty (60) day period that commences six months and one day after the Participant's separation from service; and

(3) if the Participant's separation from service occurs at any time previous to the one year period immediately prior to any such designated date or payment event, payment of such amounts shall be made in accordance with the distribution timing and form of distribution applicable to the Participant's Post-2017 Retirement Account Deferrals; and

provided, further, however, that with respect to Section 409A-Grandfathered Amounts, if the Participant's separation from service occurs prior to any such designated date or payment event, payment of such amounts shall be made in a lump sum as soon as administratively feasible within the sixty (60) day period after the Participant's separation from service

(ii) Payment of the amounts credited to a Participant's Retirement Account that are Section 409A Grandfathered Amounts (including any amounts in the Participant's VIP Retirement Subaccount in accordance with Section 7.3(a)(vii)), to the extent vested, shall be made in a lump sum (as soon as administratively feasible within the sixty (60) day period after the Participant's termination of employment with the Company.

(iii) Payment of the amounts credited to a Participant's Retirement Account that are Section 409A Non-Grandfathered Amounts (including any amounts in the Participant's VIP Retirement Subaccount in accordance with Section 7.3(a)(vii)), to the extent vested and to the extent not subject to an effective modification election made in accordance with Section 7.3(b), shall be made in a lump sum (or will commence payment in Annual Installments, as applicable) as soon as administratively feasible within the sixty (60) day period

that commences six months and one day after the Participant's termination of employment with the Company, with any subsequent annual installments to be made under the Annual Installment Method (if any) payable within the sixty (60) day period following each anniversary of the employment termination date.

(iv) Payment of the amounts credited to a Participant's Retirement Account (including any amounts in the Participant's VIP Retirement Subaccount in accordance with Section 7.3(a)(vii)), to the extent vested and subject to an effective modification election made in accordance with Section 7.3(b), shall commence payment in Annual Installments as soon as administratively feasible within the sixty (60) day period after the fifth anniversary of the Participant's termination of employment with the Company, with any subsequent annual installments made under the Annual Installment Method payable within the sixty (60) day period following each subsequent anniversary of the employment termination date.

(v) Notwithstanding anything to the contrary set forth herein, in the event of the Participant's death or Total and Permanent Disability at any time prior to the date that any portion of the Retirement Account has been paid in full, the amounts credited to a Participant's Retirement Account (including any amounts in the Participant's VIP Retirement Subaccount in accordance with Section 7.3(a)(vii)), to the extent vested will be paid in a single lump sum within the sixty (60) day period following the Participant's death or Total and Permanent Disability.

(vi) Notwithstanding anything to the contrary set forth herein, with respect to Section 409A Non-Grandfathered Amounts, if a Change of Control occurs at any time prior to the date that the Retirement Account has been paid in full, payment of such Section 409A Non-Grandfathered Amounts shall be made in a lump sum as soon as administratively feasible within the sixty (60) day period after the effective date of the Change of Control, provided that the Change of Control constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 1.409A-3(i)(5) of the Treasury Regulations.

(vii) In the event that a Participant's Account at the time of distribution is credited with any VIP Amounts (other than any such amounts that are credited to the Participant's VIP Grandfathered Account) that are deemed to be invested in a Venture Investment(s) for which there has been no VIP Event by the time of distribution, the value of such Venture Investment(s) will be determined to be (i) with respect to a Venture Investment in a public company, the lower of the Company's cost of such Venture Investment or the fair market value or (ii) with respect to a Venture Investment in a private company, the Company's cost of such Venture Investment less any write-downs or impairments.

(viii) Upon the occurrence of a VIP Event for a Venture Investment (or as soon as administratively practicable within the sixty (60) day period thereafter), any amounts credited to a Participant's VIP Grandfathered Account, to the extent vested, that are deemed to be invested in such Venture Investment (or a portion of such amounts, as determined by the Company in its sole discretion, in the event that such VIP Event does not result in the disposition of the entire amount of such Venture Investment), as adjusted for any gains and losses of such

Venture Investment, shall be distributed to the Participant; *provided, however*, that such amounts may be further deferred under the Plan if such deferral is in accordance with Section 6.3(b)(i). The precise timing of a distribution in respect of a Participant's VIP Grandfathered Account following a VIP Event shall be determined by the Company, in its sole and absolute discretion, which determination may take into account market conditions and such other considerations as the Company may decide.

(b) Notwithstanding the foregoing or anything in the Plan to the contrary, any reference herein to the Participant's termination of employment shall mean the Participant's separation from service, and any Section 409A Non-Grandfathered Amounts that become payable as a result of the Participant's separation from service (as such term is defined in Section 1.409A-1(h) of the Treasury Regulations) with the Company shall not be distributed to the Participant until the date that is at least six (6) months and one (1) day after such separation from service (or as soon as administratively feasible within the sixty (60) day period thereafter) (the "*Specified Employee Delay Period*"). Accordingly, any portion of the Account that is to be distributed pursuant to the Annual Installment Method or paid in a single lump sum shall not distribute the first installment or make such lump sum payment until the sixty (60) day period commencing six months and one day after such separation from service, with any remaining installment payments made as originally scheduled by reference to the date of the Participant's separation from service. For the avoidance of doubt, the Specified Employee Delay Period shall not apply with respect to any distribution triggered by the Participant's death or Total and Permanent Disability.

(c) Upon application by a Participant, the Administrator, in its sole discretion, may permit an early distribution of part or all of the vested amounts credited to a Participant's Account (other than any amounts credited to the Participant's VIP Grandfathered Account) in the event the Participant experiences an Unforeseeable Emergency. Any such application must set forth the circumstances constituting such Unforeseeable Emergency. The determination as to whether an Unforeseeable Emergency exists and as to the amount distributable under the Plan as a result of such Unforeseeable Emergency shall be made by the Administrator in its sole discretion. A Participant may not receive any distributions of any amounts credited to the Participant's VIP Grandfathered Account pursuant to this Section 7.3(c).

For purposes of the Plan, an Unforeseeable Emergency shall mean any severe financial hardship to the Participant resulting from (i) a sudden and unexpected illness or accident of the Participant or a dependent (as defined in Section 152(a) of the Code) of the Participant, (ii) loss of the Participant's property due to casualty, or (iii) other similar extraordinary and unforeseen circumstances arising as a result of events beyond the control of the Participant. Any distribution pursuant to this provision is limited to the amount necessary to meet the Unforeseeable Emergency, and any amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from such distribution. The distribution may not exceed the then vested portion of the Participant's Account. The circumstances that will constitute an Unforeseeable Emergency will depend upon the facts of each case, but, in any case, payment may not be made to the extent that such emergency is or may be relieved (i) through reimbursement or compensation by insurance or otherwise; (ii) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself

cause severe financial hardship; or (iii) by cessation of deferrals under the Plan. Furthermore, examples of events that would not be considered Unforeseeable Emergencies include the need to send a Participant's child to college or the desire to purchase a home.

7.4 Early Distribution of Section 409A Grandfathered Amounts. A Participant may elect to receive a distribution of all or any portion of the amount of vested Section 409A Grandfathered Amounts in his or her Account (other than any amounts credited to the Participant's VIP Grandfathered Account) on a date prior to that established under the Plan or the Participant's Participation Election Form, provided that (i) the amount distributed shall be equal to ninety percent (90%) of the amount elected by the Participant, and (ii) the remaining ten percent (10%) of the amount elected by the Participant shall be treated as forfeited by the Participant. A Participant may not receive any early distributions of any Section 409A Non- Grandfathered Amounts or amounts credited to the Participant's VIP Grandfathered Account pursuant to this Section 7.4.

7.5 Termination of Employment and Change in Service Capacity. Notwithstanding anything in the Plan to the contrary, for purposes of this Article VII, the determination of whether a termination of employment has occurred for purposes of the Plan shall be made as set forth in Section 7.5(a), 7.5(b) or 7.5(c), as applicable; *provided, however*, that (i) a Participant shall not be eligible to defer any Compensation or receive any Matching or Company Contributions that become payable after the Participant has terminated service with the Company as an Employee, (ii) the Participant shall forfeit any amounts credited to the Participant's Account that are not vested at the time of his or her termination of service with the Company as an Employee pursuant to Section 5.1(b) and (iii) with respect to any amounts that are credited to the Participant's VIP Grandfathered Account, if the Participant had made an election at the time of initial deferral of such amounts under the VIP to further defer such amounts under this Plan following a VIP Event, then such election shall become null and void upon the Participant's termination of service with the Company as an Employee and such amounts shall be distributed in accordance with Section 7.3(a)(viii).

(a) Section 409A Grandfathered Amounts (other than Amounts Credited to VIP Grandfathered Accounts). The following shall apply with respect to any Section 409A Grandfathered Amounts (other than any amounts credited to the Participant's VIP Grandfathered Account):

(i) A change in the capacity in which a Participant renders service to the Company or one of its affiliates, whether as an Employee, independent contractor or director, or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or affiliate, shall not be deemed to be a termination of employment.

(ii) The Board of Directors of the Company or Joel Marcus, in that party's sole discretion, may determine whether a termination of employment has occurred in the case of any leave of absence approved by that party, including sick leave, military leave or any other personal leave. Notwithstanding the foregoing, for purposes of vesting under Section 5.1, employment shall not be considered terminated in the case of a leave of absence only to such extent as may be provided in the Company's leave of absence policy or in the written terms of the Participant's leave of absence.

(b) VIP Grandfathered Accounts. With respect to any amounts credited to a Participant's VIP Grandfathered Account, the Participant shall be deemed to have terminated employment with the Company upon severance of the Participant's employment relationship with the Company and any Affiliate, including, but not limited to, such severance due to Total Disability (as defined in the VIP), death or retirement. For purposes of the foregoing, the employment relationship shall be considered to continue during any period during which the individual is on an approved leave of absence, whether paid or unpaid.

(c) Section 409A Non-Grandfathered Amounts. The following shall apply with respect to any Section 409A Non-Grandfathered Amounts:

(i) A Participant's employment will be deemed to have terminated only at the time that the Participant has incurred a "separation from service" in accordance with Section 1.409A-1(h) of the Treasury Regulations; *provided, however*, that for purposes of such determination, the Participant shall be deemed to have incurred a separation from service if the Company and the Participant reasonably anticipate that the level of bona fide services, if any, that the Participant would perform after such termination of employment would permanently decrease to forty-nine percent (49%) or less of the average level of bona fide services performed by the Participant during the thirty-six (36) month period immediately preceding the date of termination (or the full period of services if the Participant has been providing services for less than thirty-six (36) months).

(ii) In accordance with Section 1.409A-1(h)(1)(i) of the Treasury Regulations, a Participant's employment shall be treated as continuing intact while the Participant is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six (6) months, or if longer, so long as the Participant retains a right to reemployment with the Company under an applicable statute or by contract. If the period of leave exceeds six (6) months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the Participant shall be deemed to terminate employment on the first day immediately following such six-month period. Notwithstanding the foregoing, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, the Administrator may determine, on or prior to the beginning of the leave of absence, to substitute a 29-month period of absence for such six-month period.

ARTICLE VIII

BENEFICIARIES

8.1 Beneficiaries. Each Participant may from time to time designate one or more persons (who may be any one or more members of such person's family or other persons, administrators, trusts, foundations or other entities) as his or her beneficiary under the Plan. Such designation shall be made on a form prescribed by the Administrator. Each Participant may at any time and from time to time, change any previous beneficiary designation, without notice to or consent of any previously designated beneficiary, by amending his or her previous

designation on a form prescribed by the Administrator. If the beneficiary does not survive the Participant (or is otherwise unavailable to receive payment) or if no beneficiary is validly designated, then the amounts payable under this Plan shall be paid to the Participant's surviving spouse, if any, and, if none, to his or her surviving issue *per stirpes*, if any, and, if none, to his or her estate and such person shall be deemed to be a beneficiary hereunder. (For purposes of this Section 8.1, a *per stirpes* distribution to surviving issue means a distribution to such issue as representatives of the branches of the descendants of such Employee; equal shares are allotted for each living child and for the descendants as a group of each deceased child of the deceased Employee). If more than one person is the beneficiary of a Participant, each such person shall receive a pro rata share of any distributions payable unless otherwise designated on the applicable form. If a beneficiary who is eligible to receive benefits dies, all benefits that were payable to such beneficiary shall then be payable to the estate of that beneficiary.

8.2 Lost Participants and Beneficiaries.

(a) All Participants and beneficiaries shall have the obligation to keep the Administrator informed of their current address until such time as all benefits due have been paid.

(b) If a Participant or beneficiary cannot be located by the Administrator exercising due diligence, then, in its sole discretion, the Administrator may presume that the Participant or beneficiary is deceased for purposes of the Plan and all unpaid amounts owed to the Participant or beneficiary shall be paid accordingly or, if a beneficiary cannot be so located, then such amounts may be forfeited in accordance with Section 6.5. Any such presumption of death shall be final, conclusive and binding on all parties.

8.3 Enforceability of Beneficiary Designations. Any beneficiary designation form is only a generalized, suggested form. At the time of the Participant's death and under the laws of the jurisdiction applicable to the Participant at the time of death, the form may not be considered legally effective to transfer the amounts from the Participant's Account(s) to the beneficiary so designated.

ARTICLE IX

FUNDING

9.1 Prohibition Against Funding. Should any investment be acquired in connection with the liabilities assumed by the Company under this Plan, it is expressly understood and agreed that the Participants and beneficiaries shall not have any right with respect to, or claim against, such assets nor shall any such purchase be construed to create a trust of any kind or a fiduciary relationship between the Company and the Participants, their beneficiaries or any other person. Any such assets (including any amounts deferred by a Participant or contributed by the Company pursuant to Article IV) shall be and remain a part of the general, unpledged, unrestricted assets of the Company, subject to the claims of its general creditors. Each Participant and beneficiary shall be required to look to the provisions of this Plan and to the Company itself for enforcement of any and all benefits due under this Plan, and to the extent any such person acquires a right to receive payment under this Plan, such right shall be no greater

than the right of any unsecured general creditor of the Company. The Company (or the Trust, if any) shall be designated owner and beneficiary of investments acquired in connection with the Company's obligations under this Plan. Notwithstanding the foregoing, the Company may establish a grantor ("rabbi") trust, the assets of which shall be used exclusively and irrevocably to provide benefits under the Plan (subject, however, to the claims of the general creditors of the Company); *provided, however*, that the establishment of such a trust will not render the Plan other than "unfunded" as that term is used in Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA with respect to unfunded plans maintained primarily for the purpose of providing deferred compensation to a select group of management or highly compensated employees.

9.2 Deposits in Trust. Subject to Section 9.1, and notwithstanding any other provision of this Plan to the contrary, the Company may deposit into the Trust any amounts it deems appropriate to pay the benefits under this Plan. The amounts so deposited may include all Compensation Deferrals made pursuant to a Participation Election Form by a Participant, any Company Contributions and any Matching Contributions. Notwithstanding the deposit of assets into a Trust, the Company reserves the right at any time and from time to time to pay benefits to Plan Participants or their beneficiaries in whole or in part from sources other than the Trust, in which event the Company shall be entitled to receive from the Trust a corresponding distribution equal to the amount of benefits so paid.

ARTICLE X

Administration

10.1 Plan Administration. The Administrator shall have complete control and authority to determine the rights and benefits and all claims arising under the Plan of any Participant, beneficiary, deceased Participant, or other person claiming to have any interest under the Plan. When making a determination or calculation, the Administrator shall be entitled to rely on information furnished by a Participant, a beneficiary, the Company or the Trustee, if applicable. The Administrator shall have the responsibility for complying with any applicable reporting and disclosure requirements of ERISA.

10.2 Administrator.

(a) The Administrator is expressly empowered and shall be vested with sole discretionary authority to (i) limit the amount of Compensation that may be deferred; (ii) deposit amounts into the Trust in accordance with Section 9.2; (iii) construe and interpret the Plan and a Participant's Participation Election Form (collectively referred to as "**Documents**"), their terms, and any rules and regulations promulgated thereunder, including, but not limited to, resolving ambiguities, inconsistencies and omissions; (iv) construe and interpret the Federal and state laws and regulations that relate to the Documents; (v) decide all factual and other questions arising in connection with the Documents, including, but not limited to, determinations of eligibility, entitlement to benefits, and vesting; (vi) interpret the Plan and determine all questions arising in the administration, interpretation and application of the Plan; (vii) employ actuaries, accountants, counsel, and other persons it deems necessary in connection with the administration of the Plan; and (viii) take all other necessary and proper actions to fulfill its duties as Administrator. All

findings of the Administrator shall be final and shall be binding and conclusive upon all persons having any interest in the Plan.

(b) The Administrator shall not be liable for any actions by it hereunder, unless due to its own negligence, willful misconduct or lack of good faith.

(c) The Administrator shall be indemnified and held harmless by the Company from and against all personal liability to which it may be subject by reason of any act done or omitted to be done in its official capacity as Administrator in good faith in the administration of the Plan, including all expenses reasonably incurred in its defense in the event the Company fails to provide such defense upon the request of the Administrator. The Administrator is relieved of all responsibility in connection with its duties hereunder to the fullest extent permitted by law.

10.3 Claims Procedures. Any application for benefits, inquiries about the Plan, inquiries about present or future rights under the Plan, or requests for review of a denial of benefits must be submitted to the Administrator in writing by a Participant or beneficiary who believes he or she is entitled to a benefit (or his authorized representative) in accordance with the procedures specified on the attached Appendix A.

ARTICLE XI

General Provisions

11.1 No Assignment. Benefits or payments under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, garnishment or charge, whether voluntary or involuntary, and any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall not be valid, nor shall any such benefit or payment be in any way liable for or subject to the debts, contracts, liabilities, engagement or torts of any Participant or beneficiary, or any other person entitled to such benefit or payment pursuant to the terms of this Plan, except to such extent as may be required by law. If any Participant or beneficiary or any other person entitled to a benefit or payment pursuant to the terms of this Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any benefit or payment under this Plan, in whole or in part, or if any attempt is made to subject any such benefit or payment, in whole or in part, to the debts, contracts, liabilities, engagements or torts of the Participant or beneficiary or any other person entitled to any such benefit or payment pursuant to the terms of this Plan, then such benefit or payment, in the discretion of the Administrator, shall cease and terminate with respect to such Participant or beneficiary, or any other such person.

11.2 No Employment Rights. Participation in this Plan shall not be construed to confer upon any Participant the legal right to be retained in the employ of the Company, or give a Participant or beneficiary, or any other person, any right to any payment whatsoever, except to the extent of the benefits provided for hereunder. Each Participant shall remain subject to discharge to the same extent as if this Plan had never been adopted.

11.3 Incompetence. If the Administrator determines that any person to whom a benefit is payable under this Plan is incompetent by reason of physical or mental disability, the Administrator shall have the power to cause the payments becoming due to such person to be made to another for his or her benefit without responsibility of the Administrator or the Company to see to the application of such payments. Any payment made pursuant to such power shall, as to such payment, operate as a complete discharge of the liabilities of the Company, the Administrator and the Trustee.

11.4 Identity. If, at any time, any doubt exists as to the identity of any person entitled to any payment hereunder or the amount or time of such payment, the Administrator shall be entitled to hold such sum until such identity or amount or time is determined or until an order of a court of competent jurisdiction is obtained. The Administrator shall also be entitled to pay such sum into the court in accordance with the appropriate rules of law. Any expenses incurred by the Company, the Administrator, and the Trust incident to such proceeding or litigation will be deemed a distribution from the Account pursuant to Article VII and will be deducted from the balance in the Account of the affected Participant.

11.5 Other Benefits. The benefits of each Participant or beneficiary hereunder shall be in addition to any benefits paid or payable to or on account of the Participant or beneficiary under any other pension, disability, annuity or retirement plan or policy whatsoever.

11.6 No Liability. No liability shall attach to or be incurred by the Company, the Trustee or any Administrator under or by reason of the terms, conditions and provisions contained in this Plan, or for the acts or decisions taken or made thereunder or in connection therewith; and as a condition precedent to the establishment of this Plan or the receipt of benefits thereunder, or both, such liability, if any, is expressly waived and released by each Participant and by any and all persons claiming under or through any Participant or any other person. Such waiver and release shall be conclusively evidenced by any act or participation in or the acceptance of benefits or the making of any election under this Plan.

11.7 Expenses. Except as otherwise provided herein, all expenses incurred in the administration of the Plan, whether incurred by the Company or the Plan, shall be paid by the Company from the Trust. Notwithstanding the foregoing, (i) any investment-related expenses for Plan Amounts shall be charged directly to the Account for which such investments were made, and (ii) any commissions on the sales of securities in respect of VIP Events shall be charged directly on pro rata basis to the Account of each affected Participant at the time of such VIP Event, based on the Participant's Account balance in respect of the relevant Venture Investment at the time of such VIP Event. The Trustee's fees and expenses shall be paid by the Company.

11.8 Amendment and Termination.

(a) The Administrator shall have the sole authority to modify, amend or terminate this Plan; *provided, however*, that any modification, amendment or termination of this Plan shall not reduce, alter or impair, without the consent of a Participant, a Participant's right to any amounts already credited to his or her Account on the day before the effective date of such modification, amendment or termination. If the Plan is terminated, the Plan will be "frozen" so that no amounts will be contributed to the Plan that are attributable to compensation for services

provided in any Plan Year that commences following the date the Plan's termination is approved. If the Plan is terminated, any vested amounts then credited to a Participant's Account shall be distributed to the Participant in accordance with the Participant's deferral election as provided in Section 7.3 and the other terms of the Plan, and any unvested amounts credited to the Participant's Account shall continue to vest in accordance with the terms of Section 5.1 and, upon becoming vested, shall be distributed to the Participant in accordance with the Participant's deferral election as provided in Section 7.3 and the other terms of the Plan.

(b) The Administrator reserves the right to make any modification or amendment to the Plan that it deems necessary to comply with any requirements of law or to insure favorable tax treatment under the Plan.

11.9 Company Determinations. Any determinations, actions or decisions of the Company (including, but not limited to, Plan amendments and Plan termination) shall be made by the Administrator in accordance with its established procedures or by such other individuals, groups or organizations that have been properly appointed by the board of directors to make such determination or decision.

11.10 Arbitration. All disputes, claims, or causes of action arising from or relating to this Plan shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in Los Angeles, California, conducted by JAMS under the then applicable JAMS rules. **All Participants and the Company shall be deemed to have waived the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that the parties would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees in excess of the amount of court fees that would be required if the dispute were decided in a court of law. Nothing in this Plan is intended to prevent either the Company or a Participant from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

11.11 Debt Offsets. If a Participant becomes entitled to a distribution of benefits under the Plan, and if at such time the Participant has outstanding any debt, obligation, or other liability representing an amount owing to the Company, then the Company may offset such amount owed to it against the amount of benefits otherwise distributable. Such determination shall be made by the Administrator.

11.12 Construction. All questions of interpretation, construction or application arising under or concerning the terms of this Plan shall be decided by the Administrator, in its sole and final discretion, whose decision shall be final, binding and conclusive upon all persons.

11.13 Governing Law. This Plan shall be governed by, construed and administered in accordance with the applicable provisions of ERISA, and any other applicable federal law; *provided, however,* that to the extent not preempted by federal law, this Plan shall be governed by

construed and administered under the laws of the state of California, other than its laws respecting choice of law.

11.14 409A Compliance. This Plan is intended to comply with the requirements of Section 409A of the Code to the extent necessary to avoid adverse personal tax consequences to Participants under Section 409A of the Code, and any ambiguities herein shall be interpreted accordingly.

11.15 Severability. If any provision of this Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provision of this Plan and this Plan shall be construed and enforced as if such provision had not been included therein. If the inclusion of any Employee (or Employees) as a Participant under this Plan would cause the Plan to fail to comply with the requirements of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, then the Plan shall be severed with respect to such Employee or Employees, who shall be considered to be participating in a separate arrangement.

11.16 Headings. The Article and Section headings contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, enlarge or describe the scope or intent of this Plan nor in any way shall they affect this Plan or the construction of any provision thereof.

Appendix A

Claims Procedures

Definitions. For purposes of these claims procedures, the following terms have the following meanings:

1. “**Adverse Benefit Determination**” means a denial, reduction, or termination of a benefit by the Plan, or a failure of the Plan to provide or make payment (in whole or in part) for a benefit, including any denial, reduction, termination, or failure to provide or make payment that is based on a determination of a Participant’s eligibility to participate in the Plan or to receive benefits under the Plan.

2. “**Claimant**” means the Participant or beneficiary who believes he or she is entitled to a benefit (or his authorized representative) who has submitted a claim for benefits in accordance with these claims procedures.

3. “**Disability Claim**” means a claim for benefits that requires a determination by the Administrator of a Participant’s Disability status.

4. “**Relevant Records**” means any document, record, or other information that:

(i) the Administrator relied upon in making the benefit determination for the Claimant’s claim;

(ii) was submitted, considered, or generated in the course of making the benefit determination for the Claimant’s claim, without regard to whether such document, record, or other information was relied upon in making the benefit determination;

(iii) demonstrates compliance with the administrative processes and safeguards required pursuant to Department of Labor regulations in making the benefit determination for the Claimant's claim; or

(iv) constitutes a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit for the Claimant's diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination.

In the case of Disability Claims, the term "**Relevant Records**" also means any document, record, or other information that constitutes a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit for the Claimant's diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination.

Filing an Initial Claim or Request for Review

Any application for benefits, inquiries about the Plan or inquiries about present or future rights under the Plan must be submitted by the Claimant in writing to the Administrator at the following address:

Alexandria Real Estate Equities, Inc.
Attention: Joel Marcus/Jackie Clem
26 North Euclid Avenue
Pasadena, CA 91101

A Claimant may submit a request for review if his or her application is denied in whole or in part. Such request must be in writing and must be submitted to the address above.

Procedures for Review of Initial Claim.

The Administrator will review the claim submitted by the Claimant or appoint another individual or entity to review the claim.

- **Benefit Claims that are not Disability Claims.** If the claim is not a Disability Claim, the Claimant will be notified within ninety (90) days after receipt of the claim of any Adverse Benefit Determination, unless the Claimant receives written notice from the Administrator before the end of the ninety (90) day period stating that special circumstances require an extension of the time for decision, such extension not to extend beyond the day which is one hundred eighty (180) days after receipt of the claim.

- **Benefit Claims that are Disability Claims.** If the claim is a Disability Claim, the Administrator will notify the Claimant of any Adverse Benefit Determination within a reasonable period of time, but not later than forty-five (45) days after receipt of the claim. If, due to matters beyond the control of the Plan, the Administrator needs additional time to process a claim, the Claimant will be notified, within forty-five (45) days after the Administrator receives the claim, of those circumstances and of when the Administrator expects to make its decision, which date will not extend beyond seventy-five (75) days after receipt of the claim. If, prior to the end of the extension period, due to matters beyond the control of the Plan, a decision cannot be rendered within that extension period, the period for making the determination may be extended not beyond one hundred five (105) days after receipt of the claim, provided that the Administrator notifies the Claimant of the circumstances requiring the extension and the date as

of which the Plan expects to render a decision. The extension notice will specifically explain the standards on which entitlement to a disability benefit is based, the unresolved issues that prevent a decision on the claim and the additional information needed from the Claimant to resolve those issues, and the Claimant will be afforded at least forty-five (45) days within which to provide the specified information.

• **Manner and Content of Notice of Initial Adverse Benefit Determination.** If the Administrator denies an initial claim, it must provide to the Claimant, in writing or by electronic communication, notification of any Adverse Benefit Determination:

- The specific reasons for the Adverse Benefit Determination;
- A reference to the Plan provision upon which the Adverse Benefit Determination is based;
- A description of any additional information or material that the Claimant must provide in order to perfect the claim;
- An explanation of why such additional material or information is necessary;
- A description of the Plan's review procedures and the time limits applicable to such procedures; and
- A statement of the Participant's right to bring a civil action under ERISA section 502(a) following a Adverse Benefit Determination on review of an appeal of the initial Adverse Benefit Determination.

• **Additional Content Required in Notice of Initial Adverse Benefit Determination for a Disability Claim.** Additionally, any notification of Initial Adverse Benefit Determination for a Disability Claim shall also include:

- A discussion of the decision, including an explanation or basis for disagreeing with or not following (i) the views presented by the Claimant to the Plan of health care professionals treating the Claimant and vocational professionals who evaluated the Claimant; (ii) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a Claimant's Adverse Benefit Determination, without regard to whether the advice was relied on in making the benefit determination; and (iii) a disability determination regarding the Claimant to the Plan made by the Social Security Administration.
- If the Adverse Benefit Determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.
- Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist.

- A statement that the Claimant is entitled to receive, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the Claimant's claim for Disability benefits. Whether a document, record or other information is relevant to a claim for benefits will be determined by reference to Section 2560.503-1(m)(8) of the Department of Labor regulations.

Furthermore, the notice of Adverse Benefit Determination will be provided in a culturally and linguistically appropriate manner as required by the Department of Labor regulations.

Procedures for Appeal of Initial Adverse Benefit Determination.

- **Timing for Appeal of Initial Adverse Benefit Determination of Benefit Claims that are not Disability Claims.** Except for Disability Claims, a request for review of a initial Adverse Benefit Determination must be made in writing to the Administrator within sixty (60) days after receiving notice of such Adverse Benefit Determination.

- **Timing for Appeal of Initial Adverse Benefit Determination of Disability Claims.** A Claimant with a Disability Claim has at least one hundred eighty (180) days following receipt of a notification of an initial Adverse Benefit Determination within which to request a review of such Adverse Benefit Determination.

- **Standard of Review.** The reviewer will afford the Claimant an opportunity to (i) submit written comments, documents, records, and other information relating to the claim for benefits, (ii) provide that a claimant shall be provided, upon request and free of charge, reasonable access to, and copies of all Relevant Records, and (iii) provide for a review that takes into account all comments, documents, records, and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial Adverse Benefit Determination.

- With respect to Disability Claims, in addition to complying the standard of review outlined above, the review will also meet the following additional requirements:

- The Plan will provide a review that does not afford deference to the initial Adverse Benefit Determination and that is conducted by an appropriate named fiduciary of the Plan who did not make the initial determination that is the subject of the appeal, nor is a subordinate of the individual who made such Adverse Benefit Determination.

- The appropriate named fiduciary of the Plan will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment before making a decision on review of any initial Adverse Benefit Determination based in whole or in part on a medical judgment. The professional engaged for purposes of a consultation in the preceding sentence will not be an individual who was consulted in connection with the initial determination that is the subject of the appeal or the subordinate of any such individual.

- The Plan will identify to the Claimant the medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the review, without

regard to whether the advice was relied upon in making the initial Adverse Benefit Determination.

- **Timing Rules for Review of Appeal of Initial Adverse Benefit**

Determination of Claims that are not Disability Claims. The decision upon review will be made within sixty (60) days after the Administrator's receipt of a request for review, unless special circumstances require an extension of time for processing, in which case a decision will be rendered not later than one hundred twenty (120) days after receipt of a request for review. A notice of such an extension must be provided to the Claimant within the initial sixty (60) day period and must explain the special circumstances and provide an expected date of decision.

- **Timing Rules for Review of Appeal of Initial Adverse Benefit**

Determination of Disability Claims. The Administrator's decision upon review of an Adverse Benefit Determination of a Disability Claim shall be given to the Claimant within a reasonable period of time, but not later than forty-five (45) days after receipt of the Claimant's request for review by the Plan, unless the Administrator determines that special circumstances (such as the need to hold a hearing) require an extension of time for processing the review. If the Administrator determines that an extension of time for processing is required, written notice of the extension shall be furnished to the Claimant prior to the end of the initial forty-five (45) day period. In no event shall such extension exceed a period of forty-five (45) days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on review.

- **Manner and Content of Notice of Decision on Review.**

Upon completion of its review of an initial Adverse Benefit Determination, the Administrator will give the Claimant written or electronic notification of the benefit determination on review. In the case of an Adverse Benefit Determination on review, the notification shall set forth, in a manner calculated to be understood by the Claimant:

- its decision;
- the specific reasons for the decision;
- the relevant Plan provisions or insurance contract provisions on which its decision is based;
- a statement that the Claimant is entitled to receive, upon request and without charge, reasonable access to, and copies of, all Relevant Records;
- a statement describing the Claimant's right to bring an action for judicial review under ERISA section 502(a); and
- if an internal rule, guideline, protocol or other similar criterion was relied upon in making the Adverse Benefit Determination on review, a statement that a copy of the rule, guideline, protocol or other similar criterion will be provided without charge to the Claimant upon request.

• **Additional Content Required in Notice of Adverse Benefit Determination on Review of a Disability Claim.** Additionally, any notification of Adverse Benefit Determination for a Disability Claim on review shall also include:

○ A discussion of the decision, including an explanation or basis for disagreeing with or not following (i) the views presented by the Claimant to the Plan of health care professionals treating the Claimant and vocational professionals who evaluated the Claimant; (ii) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a Claimant's Adverse Benefit Determination, without regard to whether the advice was relied on in making the benefit determination; and (iii) a disability determination regarding the Claimant to the Plan made by the Social Security Administration.

○ If the Adverse Benefit Determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

○ Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist.

○ A statement that the Claimant is entitled to receive, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the Claimant's claim for Disability benefits. Whether a document, record or other information is relevant to a claim for benefits will be determined by reference to Section 2560.503-1(m)(8) of the Department of Labor regulations.

○ the statement of the Claimant's right to bring an action under ERISA Section 502(a) also shall describe any applicable contractual limitations period that applies to the Claimant's right to bring such an action, including the calendar date on which the contractual limitations period expires for the claim.

Furthermore, the Adverse Benefit Determination will be provided in a culturally and linguistically appropriate manner as required by the Department of Labor regulations.

• **Special Advance Notices Preceding Adverse Benefit Determinations on Review of a Disability Claim.** Before the Administrator can issue any Adverse Benefit Determination on review of a Disability Claim, the Administrator must provide the Claimant, free of charge, with any new or additional evidence considered, relied upon, or generated by the Administrator, the Plan, an insurer or any other person making the benefit determination in connection with the claim. Such evidence must be provided as soon as possible and sufficiently in advance of the date on which the Adverse Benefit Determination is required to be provided so as to give the Claimant a reasonable opportunity to respond prior to that date.

Furthermore, before the Administrator can issue an Adverse Benefit Determination on review of a Disability Claim based on a new or additional rationale, the Administrator shall provide the Claimant, free of charge, with the rationale. Such rationale must be provided as soon

as possible and sufficiently in advance of the date on which the notice of Adverse Benefit Determination on review is required to be provided to give the Claimant a reasonable opportunity to respond prior to that date.

- **Special Rules for Exhaustion of Administrative Remedies for Disability Claims and Appeals.** In the case of a Disability Claim, if the Plan fails to strictly adhere to all the requirements set forth herein for Disability Claims, the Claimant is deemed to have exhausted the administrative remedies available under the Plan. Accordingly, the Claimant is entitled to pursue any available remedies under ERISA Section 502(a) on the basis that the Plan has failed to provide a reasonable claims procedure that would yield a decision on the merits of the claim. If a Claimant chooses to pursue remedies under ERISA Section 502(a) under such circumstances, the Disability Claim or appeal is deemed denied on review without the exercise of discretion by an appropriate fiduciary.

Notwithstanding the preceding paragraph, the administrative remedies available under the Plan with respect to Disability Claims will not be deemed exhausted based on *de minimis* violations that do not cause, and are not likely to cause, prejudice or harm to the Claimant so long as the Plan demonstrates that the violation was for good cause or due to matters beyond the control of the Plan and that the violation occurred in the context of an ongoing, good faith exchange of information between the Plan and the Claimant. This exception is not available if the violation is part of a pattern or practice of violations by the Plan. The Claimant may request a written explanation of the violation from the Plan, and the Plan must provide such explanation within 10 days, including a specific description of its bases, if any, for asserting that the violation should not cause the administrative remedies available under the Plan to be deemed exhausted. If a court rejects the Claimant's request for immediate review under the preceding paragraph on the basis that the Plan met the standards for the exception under this paragraph, the Disability Claim shall be considered as refiled on appeal upon the Plan's receipt of the decision of the court. Within a reasonable time after receipt of the decision, the Plan shall provide the Claimant with notice of the resubmission.

Independence and Impartiality of Decision Makers. The Plan must ensure that all Disability Claims and appeals of Disability Claims are adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Accordingly, decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual (such as a claims adjudicator or medical or vocational expert) must not be made based upon the likelihood that the individual will support an Adverse Benefit Determination.

Calculation of Time Periods. For purposes of the time periods specified in this Appendix A, the period of time during which a benefit determination is required to be made begins at the time a claim is filed in accordance with the Plan procedures without regard to whether all the information necessary to make a decision accompanies the claim. If a period of time is extended due to a Claimant's failure to submit all information necessary, the period for making the determination will be tolled from the date the notification is sent to the Claimant until the date the Claimant responds.

Failure of Plan to Follow Procedures. If the Plan fails to follow the claims procedures required by this Appendix A, a Claimant will be deemed to have exhausted the administrative remedies available under the Plan and will be entitled to pursue any available remedy under ERISA section 502(a) on the basis that the Plan has failed to provide a reasonable claims procedure that would yield a decision on the merits of the claim.

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

The following subsidiary was, as of September 30, 2025, a guarantor of the registrant's 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, 5.50% 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.

<u>Name of Subsidiary</u>	<u>Jurisdiction of Organization</u>
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: October 27, 2025

/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: October 27, 2025

/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: October 27, 2025

/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 September 30, 2025, 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: October 27, 2025

/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 September 30, 2025, 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: October 27, 2025

/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 September 30, 2025, 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: October 27, 2025

/s/ Marc E. Binda

Marc E. Binda

Chief Financial Officer and Treasurer