

ALEXANDRIA REAL ESTATE EQUITIES INC
Form 424B3
June 07, 2010

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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-166817

[PROSPECTUS](#)

Alexandria Real Estate Equities, Inc. OFFER TO EXCHANGE

Shares of Common Stock plus cash for
any and all of our outstanding
8.00% Senior Convertible Notes due 2029
(CUSIP No. 015271 AB5)

We are offering to exchange, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, any and all of our outstanding 8.00% Senior Convertible Notes due 2029 (the "Convertible Notes"), for the following consideration per \$1,000 principal amount of Convertible Notes: (i) 24.1546 shares of our common stock; (ii) a cash payment of \$180.00 (the "Convertible Notes Cash Payment"); and (iii) accrued and unpaid interest on the Convertible Notes to, but excluding, the settlement date, payable in cash (collectively, the "Convertible Notes Offer Consideration").

We refer to the offer for the Convertible Notes pursuant to this prospectus and the accompanying letter of transmittal as the "Exchange Offer."

The Convertible Notes are currently convertible into shares of our common stock at a conversion rate of 24.1546 shares of our common stock per \$1,000 principal amount of Convertible Notes, or a conversion price of approximately \$41.40 per share of our common stock. The Exchange Offer allows current holders of Convertible Notes to receive the same number of shares of our common stock as they would receive upon conversion of the Convertible Notes, plus the Convertible Notes Cash Payment and the accrued and unpaid interest.

The Exchange Offer will expire at 11:59 p.m., New York City time, on June 11, 2010, unless the Exchange Offer is extended or earlier terminated by us (we refer to such date and time for the Exchange Offer, as may be extended, as the "Expiration Date"). You may withdraw Convertible Notes tendered in the Exchange Offer at any time prior to the Expiration Date for the Exchange Offer. You must validly tender your Convertible Notes for exchange in the Exchange Offer on or prior to the Expiration Date to receive the Convertible Notes Offer Consideration. You should carefully review the procedures for tendering Convertible Notes beginning on page 23 of this prospectus.

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The Exchange Offer is subject to the conditions discussed under "The Exchange Offer Conditions to the Exchange Offer," including, among other things, the effectiveness of the registration statement of which this prospectus forms a part. The Exchange Offer is not conditioned on any minimum aggregate principal amount of Convertible Notes being tendered.

As of the date of this prospectus, \$240,000,000 aggregate principal amount of Convertible Notes were outstanding. The Convertible Notes are not listed for trading on any securities exchange. Our shares of common stock are traded on The New York Stock Exchange under the symbol "ARE." The last reported sale price of our common stock on June 4, 2010 was \$62.36 per share. We expect that the shares of our common stock to be issued in the Exchange Offer will be approved for listing on The New York Stock Exchange, subject to official notice of issuance.

We urge you to carefully read the "Risk Factors" section beginning on page 13 before you make any decision regarding the Exchange Offer.

You must make your own decision whether to tender your Convertible Notes in the Exchange Offer, and, if so, the amount of your Convertible Notes to tender. Neither we, the dealer managers, the information and exchange agent nor any other person is making any recommendation as to whether or not you should tender your Convertible Notes for exchange in the Exchange Offer.

We are not asking you for a proxy and you are requested not to send us a proxy.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of our common stock or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

THE JOINT DEALER MANAGERS FOR THE EXCHANGE OFFER ARE:

BofA Merrill Lynch

Citi

J.P. Morgan

The date of this prospectus is June 7, 2010

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You should rely only on the information contained or incorporated by reference in this document. We have not authorized anyone to provide you with information that is different. You should assume that the information contained or incorporated by reference in this prospectus is accurate only as of the date of this prospectus or the date of the document incorporated by reference, as applicable. We are not making an offer of these securities in any jurisdiction where the offer is not permitted.

We are incorporating by reference into this prospectus important business and financial information that is not included in or delivered with this prospectus. This information is available without charge to security holders upon written or oral request. Requests should be directed to Alexandria Real Estate Equities, Inc., Attention: Corporate Secretary, 385 East Colorado Boulevard, Suite 299, Pasadena, California 91101, Telephone: (626) 578-0777. **In order to obtain timely delivery, you must request the information no later than June 4, 2010, which is five business days before the Expiration Date.**

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CAUTIONARY NOTE FOR FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus and the information incorporated by reference in this prospectus, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements." These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "forecast," "outlook," "intend," "strategy," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," "guidance" or the negative thereof or variations thereon or similar terminology generally intended to identify forward-looking statements. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements has been included in the section entitled "Risk Factors." We undertake no obligation, and we disclaim any obligation, to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise required by applicable law.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 under the Securities Act of 1933, as amended (the "Securities Act"), to register the shares of our common stock offered by this prospectus. This prospectus does not contain all of the information included in the registration statement and the exhibits to the registration statement. We strongly encourage you to read carefully the registration statement and the exhibits to the registration statement.

Any statement made in this prospectus concerning the contents of any contract, agreement or other document is only a summary of the actual contract, agreement or other document. If we have filed any contract, agreement or other document as an exhibit to the registration statement, you should read the exhibit for a more complete understanding of the document or matter involved. Each statement regarding a contract, agreement or other document is qualified in its entirety by reference to the actual document.

We are subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, accordingly, we file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available at the SEC's website (<http://www.sec.gov>) or through our web site (<http://www.labspace.com>). We have not incorporated by reference into this prospectus the information included on or linked from our website, and you should not consider it part of this prospectus. You may also read and copy any document we file with the SEC at its Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates from the Public Reference Room of the SEC. You may call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room.

INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" information into this document. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference in this prospectus is considered part of this prospectus. Any statement in this prospectus or incorporated by reference into this prospectus shall be automatically modified or superseded for purposes of this prospectus to the extent that a statement contained herein or in a subsequently filed document that is incorporated by reference in this

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prospectus modifies or supersedes such prior statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

We incorporate by reference the following documents that have been filed with the SEC (other than any portion of such filings that are furnished under applicable SEC rules rather than filed):

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, as filed with the SEC on March 1, 2010.

Our Definitive Proxy Statement on Schedule 14A filed with the SEC on April 27, 2010.

Our Current Reports on Form 8-K, as filed with the SEC on April 29, 2010, May 14, 2010 and June 2, 2010.

Our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2010, as filed with the SEC on April 30, 2010.

The description of our common stock contained in the Registration Statement on Form 8-A filed with the SEC on May 14, 1997, including any amendments or reports filed for the purpose of updating such description.

All documents that we file with the SEC (other than any portion of such filings that are furnished under applicable SEC rules rather than filed) under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until we complete the Exchange Offer, including any documents filed between the date of this prospectus and the date on which the registration statement of which this prospectus forms a part is declared effective, will be deemed to be incorporated in this prospectus by reference and will be a part of this prospectus from the date of the filing of such document.

You may request from us at no cost a copy of any document we incorporate by reference, excluding all exhibits to such incorporated documents (unless we have specifically incorporated by reference such exhibits either in this prospectus or in the incorporated document), by making such a request in writing or by telephone to the following:

Alexandria Real Estate Equities, Inc.
385 East Colorado Boulevard, Suite 299
Pasadena, California 91101
Attention: Corporate Secretary
(626) 578-0777

In order to ensure timely delivery of documents, security holders must request this information no later than five business days before the date they must make their investment decision. Accordingly, any request for documents should be made by June 4, 2010 to ensure timely delivery of the documents prior to the expiration of the Exchange Offer.

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QUESTIONS AND ANSWERS ABOUT THE EXCHANGE OFFER

These answers to questions that you may have as a holder of our Convertible Notes are highlights of selected information included elsewhere or incorporated by reference in this prospectus. To fully understand the Exchange Offer and the other considerations that may be important to your decision about whether to participate in it, you should carefully read this prospectus in its entirety, including the section entitled "Risk Factors," as well as the information incorporated by reference in this prospectus. See "Incorporation by Reference." For further information about us, see the section of this prospectus entitled "Where You Can Find More Information."

Except as used in "Comparison of Rights of Holders of Convertible Notes and Holders of Our Common Stock" and "Description of Our Capital Stock," as the context otherwise requires, or as otherwise specified or used in this prospectus, the terms "we," "our," "us," and "Alexandria" refer to Alexandria Real Estate Equities, Inc. and its subsidiaries.

Why are you making the Exchange Offer?

We are making the Exchange Offer to reduce the amount of our outstanding debt and related ongoing interest expense.

What securities are being sought in the Exchange Offer?

We are offering to exchange any and all of our Convertible Notes. As of the date of this prospectus, \$240,000,000 aggregate principal amount of Convertible Notes were outstanding.

What will I receive in the Exchange Offer if I tender my Convertible Notes and they are accepted?

For each \$1,000 principal amount of Convertible Notes that you validly tender as part of the Exchange Offer and we accept for exchange, you will receive the following:

24.1546 shares of our common stock;

a cash payment of \$180.00; and

accrued and unpaid interest on the Convertible Notes to, but excluding, the settlement date, payable in cash.

We will not issue fractional shares of our common stock in the Exchange Offer. Instead, we will pay cash for all fractional shares on the applicable settlement date based upon the closing price per share of our common stock on the business day immediately preceding the Expiration Date. See "The Exchange Offer Fractional Shares."

Your right to receive the Convertible Notes Offer Consideration in the Exchange Offer is subject to all of the conditions set forth in this prospectus and the related letter of transmittal.

How does the Convertible Notes Offer Consideration I will receive if I tender my Convertible Notes compare to the payments I would receive on the Convertible Notes if I do not exchange now?

If you do not tender Convertible Notes for exchange pursuant to the Exchange Offer, you will continue to receive interest payments at an annual rate of 8.00% in accordance with the terms of the Convertible Notes. Interest payments are made on April 15 and October 15 of each year until April 15, 2029, or until such earlier time as the Convertible Notes are redeemed, repurchased or purchased by us or converted into common stock. You will also continue to have the right to convert your Convertible Notes into common stock in accordance with their terms. If you do not tender your Convertible Notes for exchange in the Exchange Offer, however, you will not be entitled to receive the Convertible Notes Cash Payment to be made in connection with the Exchange Offer.

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What other rights will I lose if I exchange my Convertible Notes in the Exchange Offer?

If you validly tender your Convertible Notes and we accept them for exchange, you will lose the rights of a holder of such Convertible Notes. For example, you would lose the right to receive interest and principal payments on the Convertible Notes. In addition, you will not have the right to require us at your option to repurchase all or a portion of your Convertible Notes on April 15, 2014, April 15, 2019 and April 15, 2024. You would also lose your rights as a creditor of Alexandria. A holder of Convertible Notes participating in the Exchange Offer will become subject to all of the risks and uncertainties associated with ownership of our common stock. These risks may be different from and greater than those associated with holding the Convertible Notes.

May I exchange only a portion of the Convertible Notes that I hold?

Yes. You do not have to exchange all of your Convertible Notes to participate in the Exchange Offer. However, you may only tender your Convertible Notes for exchange in a principal amount of \$1,000 and integral multiples of \$1,000 in excess thereof.

If the Exchange Offer is consummated and I do not participate or I do not exchange all of my Convertible Notes, how will my rights and obligations under my remaining outstanding Convertible Notes be affected?

The terms of your Convertible Notes that remain outstanding after the consummation of the Exchange Offer will not change as a result of the Exchange Offer.

Will you exchange all validly tendered Convertible Notes?

Subject to the terms and conditions of the Exchange Offer, we will exchange all validly tendered Convertible Notes.

How will the Exchange Offer affect the trading market for the Convertible Notes that are not exchanged?

If a sufficiently large principal amount of Convertible Notes do not remain outstanding after the Exchange Offer, the trading market for the remaining outstanding Convertible Notes may be less liquid and more sporadic, and market prices may fluctuate significantly depending on the volume of trading of Convertible Notes. See "Risk Factors" If the Exchange Offer is consummated, there may be less liquidity in the market for non-tendered Convertible Notes, and the market price for non-tendered Convertible Notes may therefore decline."

What do you intend to do with the Convertible Notes that are exchanged in the Exchange Offer?

Convertible Notes accepted for exchange by us in the Exchange Offer will be cancelled.

Are you making a recommendation regarding whether I should participate in the Exchange Offer?

None of us, our board of directors, the dealer managers, the information and exchange agent or Wilmington Trust Company, as trustee under the indenture pursuant to which the Convertible Notes were issued, is making any recommendation regarding whether you should tender or refrain from tendering your Convertible Notes for exchange in the Exchange Offer. Accordingly, you must make your own determination as to whether to tender your Convertible Notes for exchange in the Exchange Offer and, if so, the principal amount of Convertible Notes to tender. Before making your decision, we urge you to read this prospectus carefully in its entirety, including the information set forth in the section of this prospectus entitled "Risk Factors," and the other documents incorporated by reference in this prospectus.

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Will the common stock to be issued in the Exchange Offer be freely tradable?

Yes. Generally, the common stock you receive in the Exchange Offer will be freely tradable, unless you are considered an "affiliate" of ours, as that term is defined in the Securities Act. Our common stock is listed on The New York Stock Exchange under the symbol "ARE," and we expect that the shares of our common stock to be issued in the Exchange Offer will be approved for listing on The New York Stock Exchange, subject to official notice of issuance. For more information regarding the market for our common stock, see the section of this prospectus entitled "Price Range of Common Stock and Dividends."

What are the conditions to the Exchange Offer?

The Exchange Offer is conditioned upon:

the effectiveness of the registration statement of which this prospectus forms a part; and

the other conditions described in "The Exchange Offer Conditions to the Exchange Offer."

The Exchange Offer is not conditioned upon any minimum amount of Convertible Notes being surrendered for exchange. We may waive certain conditions of the Exchange Offer. If any of the conditions are not satisfied or waived for the Exchange Offer, we will not complete the Exchange Offer.

Will limitations on ownership of Alexandria's common stock apply?

Yes. Our charter provides for an ownership limit, which prohibits, with certain exceptions, direct or constructive ownership of shares of our stock representing more than 9.8% of the combined total value of our outstanding shares of stock by any person, as defined in our charter. For further information regarding the ownership limitation and the consequences of exceeding it, see "Description of Our Capital Stock Restrictions on Ownership and Transfer." It is a condition to our acceptance of a holder's Convertible Notes for exchange that the amount of common stock such person will receive as a result of the Exchange Offer, when combined with other stock held by such person, does not exceed the ownership limitation. We will not waive the ownership condition in whole or in part in connection with the Exchange Offer.

How will fluctuations in the trading price of our common stock affect the consideration offered to holders of Convertible Notes?

If the market price of our common stock declines, the market value of the shares of common stock you would receive in the exchange for your Convertible Notes will also decline. The number of shares of common stock you would receive in the Exchange Offer will not vary based on the trading price of our common stock. The trading price of our common stock could fluctuate depending upon any number of factors, including those specific to us and those that influence the trading prices of equity securities generally. See "Risk Factors Risks Related to the Exchange Offer The price of our common stock recently has been volatile. This volatility may affect the price at which you could sell your common stock, and the sale of substantial amounts of our common stock could adversely affect the price of our common stock."

How will you fund the cash portion of the Convertible Notes Offer Consideration?

Assuming the Exchange Offer is fully subscribed, we will need approximately \$43.2 million in cash to fund the cash portion of the Convertible Notes Offer Consideration. We will borrow from our unsecured line of credit to make these payments.

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When does the Exchange Offer expire?

The Exchange Offer will expire at 11:59 p.m., New York City time, on June 11, 2010, unless extended or earlier terminated by us.

Under what circumstances can the Exchange Offer be extended, amended or terminated?

We reserve the right to extend the Exchange Offer for any reason. We also expressly reserve the right, at any time or from time to time, to amend the terms of the Exchange Offer in any respect prior to the Expiration Date. However, we may be required by law to extend the Exchange Offer if we make a material change in the terms of the Exchange Offer or to the information contained in this prospectus. During any extension of the Exchange Offer, Convertible Notes that were previously tendered for exchange and not validly withdrawn will remain subject to the Exchange Offer. We also reserve the right to terminate the Exchange Offer at any time prior to the Expiration Date if any condition to the Exchange Offer is not met. If the Exchange Offer is terminated, no Convertible Notes will be accepted for exchange, and any Convertible Notes that have been tendered for exchange will be returned to the holder promptly after the termination at our expense. For more information regarding our right to extend, amend or terminate the Exchange Offer, see the section of this prospectus entitled "The Exchange Offer Expiration Date; Extension; Termination; Amendment."

How will I be notified if the Exchange Offer is extended, amended or terminated?

We will issue a press release or otherwise publicly announce any extension, amendment or termination of the Exchange Offer. In the case of an extension, we will promptly make a public announcement by issuing a press release no later than 9:00 a.m., New York City time, on the first business day after the previously scheduled Expiration Date. For more information regarding notification of extensions, amendments or the termination of the Exchange Offer, see the section of this prospectus entitled "The Exchange Offer Expiration Date; Extension; Termination; Amendment."

Are the business, financial condition and results of operations of Alexandria relevant to my decision to tender in the Exchange Offer?

Yes. The price of each of our common stock and the Convertible Notes is closely linked to our business, financial condition and results of operations. For more information on the accounting treatment of the Exchange Offer, see the section of this prospectus entitled "The Exchange Offer Accounting Treatment."

What risks should I consider in deciding whether or not to tender my Convertible Notes?

In deciding whether to participate in the Exchange Offer, you should carefully consider the discussion of risks and uncertainties affecting our business, the Convertible Notes and our common stock that are described in the section of this prospectus entitled "Risk Factors," and the documents incorporated by reference in this prospectus.

What are the material U.S. federal income tax considerations of my participating in the Exchange Offer?

Please see the section of this prospectus entitled "Material United States Federal Income Tax Considerations." You should consult your tax advisor for a full understanding of the tax considerations of participating in the Exchange Offer.

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Are any Convertible Notes held by your directors or executive officers?

No. To our knowledge, none of our directors or executive officers hold Convertible Notes. See the section of this prospectus entitled "Interests of Directors and Executive Officers."

Will you receive any cash proceeds from the Exchange Offer?

No. We will not receive any cash proceeds from the Exchange Offer.

How do I tender my Convertible Notes for exchange in the Exchange Offer?

If your Convertible Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to participate in the Exchange Offer, you should contact that registered holder promptly and instruct him, her or it to tender your Convertible Notes on your behalf. If you are a participant of the Depository Trust Company ("DTC"), you may electronically transmit your acceptance through DTC's Automated Tender Offer Program ("ATOP"). See the sections of this prospectus entitled "The Exchange Offer Procedures for Tendering Convertible Notes" and "The Exchange Offer Book-Entry Transfer."

For further information on how to tender Convertible Notes, contact the information and exchange agent at the telephone number set forth on the back cover of this prospectus or consult your broker, dealer, commercial bank, trust company or other nominee for assistance.

What happens if some or all of my Convertible Notes are not accepted for exchange?

If we decide not to accept some or all of your Convertible Notes because of an invalid tender, the occurrence of the other events set forth in this prospectus or otherwise, the Convertible Notes not accepted by us will be returned to you, at our expense, promptly after the expiration or termination of the Exchange Offer for those Convertible Notes by book entry transfer to your account at DTC.

Until when may I withdraw Convertible Notes previously tendered for exchange?

If not previously returned, you may withdraw Convertible Notes that were previously tendered for exchange at any time until the Expiration Date. In addition, you may withdraw any Convertible Notes that you tender that are not accepted for exchange by us after the expiration of 40 business days from the commencement of the Exchange Offer, if such Convertible Notes have not been previously returned to you. For more information, see the section of this prospectus entitled "The Exchange Offer Withdrawal Rights."

How do I withdraw Convertible Notes previously tendered for exchange in the Exchange Offer?

For a withdrawal to be effective, the information and exchange agent must receive a computer generated notice of withdrawal, transmitted by DTC on behalf of the holder in accordance with the standard operating procedure of DTC, or a written notice of withdrawal, sent by facsimile transmission, receipt confirmed by telephone, or letter, before the Expiration Date. For more information regarding the procedures for withdrawing these Convertible Notes, see the section of this prospectus entitled "The Exchange Offer Withdrawal Rights."

Will I have to pay any fees or commissions if I tender my Convertible Notes for exchange in the Exchange Offer?

You will not be required to pay any fees or commissions to us, the dealer managers or the information and exchange agent in connection with the Exchange Offer. However, if your Convertible Notes are held through a broker or other nominee who tenders the Convertible Notes on your behalf,

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your broker may charge you a commission for doing so. You should consult with your broker or nominee to determine whether any charges will apply.

With whom may I talk if I have questions about the Exchange Offer?

If you have questions about the terms of the Exchange Offer, please contact the joint dealer managers. If you have questions regarding the procedures for tendering Convertible Notes in the Exchange Offer or require assistance in tendering your Convertible Notes, please contact the information and exchange agent. The contact information for the joint dealer managers and the information and exchange agent are set forth on the back cover page of this prospectus. See also "Where You Can Find More Information."

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SUMMARY

The following summary contains basic information about us and the Exchange Offer. It may not contain all of the information that is important to you and it is qualified in its entirety by the more detailed information included or incorporated by reference in this prospectus. You should carefully consider the information contained in and incorporated by reference in this prospectus, including the information set forth under the heading "Risk Factors" in this prospectus. In addition, certain statements include forward-looking information that involves risks and uncertainties. See "Cautionary Note for Forward-Looking Statements."

Alexandria Real Estate Equities, Inc.

We are a Maryland corporation formed in October 1994 that has elected to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes. We are the largest owner and preeminent REIT focused principally on cluster development through the ownership, operation, management, selective redevelopment, development, and acquisition of properties containing life science laboratory space. We are the leading provider of high-quality, environmentally sustainable real estate, technical infrastructure, and services to the broad and diverse life science industry. Client tenants include institutional (universities and independent not-for-profit institutions), pharmaceutical, biotechnology, medical device, product, service, and translational entities, as well as government agencies. Our operating platform is based on the principle of "clustering," with assets and operations located in key life science markets.

As of March 31, 2010, we had 161 properties approximating 12.7 million rentable square feet consisting of 156 properties approximating 11.8 million rentable square feet (including spaces undergoing active redevelopment) and five properties undergoing ground-up development approximating 865,000 rentable square feet. As of that date, our properties were approximately 94.0% leased, excluding spaces at properties undergoing a permanent change in use to life science laboratory space through redevelopment, including the conversion of single-tenancy space to multi-tenancy space or multi-tenancy space to single-tenancy space. Our primary sources of revenues are rental income and tenant recoveries from leases of our properties. The comparability of financial data from period to period is affected by the timing of our property development, redevelopment, and acquisition activities. The address of the Company's principal executive offices is 385 East Colorado Boulevard, Suite 299, Pasadena, California 91101. The Company's telephone number is (626) 578-0777.

Purpose of the Exchange Offer

We are making the Exchange Offer to reduce the amount of our outstanding debt and related ongoing interest expense.

Sources of Payment of the Convertible Notes Offer Consideration

Assuming the Exchange Offer is subscribed in full, we will need approximately \$43.2 million in cash to fund the cash portion of the Convertible Notes Offer Consideration. We will borrow from our unsecured line of credit to make these payments. The shares of our common stock to be issued in the Exchange Offer are available from our authorized but unissued shares of common stock.

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Summary Terms of the Exchange Offer

The material terms of the Exchange Offer are summarized below. In addition, we urge you to read the detailed descriptions in the sections of this prospectus entitled "The Exchange Offer," "Comparison of Rights of Holders of Convertible Notes and Holders of Our Common Stock" and "Description of Our Capital Stock."

Offeror	Alexandria Real Estate Equities, Inc.
Convertible Notes Subject to the Exchange Offer	We are making the Exchange Offer for our 8.00% Senior Convertible Notes due 2029. We are offering to exchange, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, any and all of our outstanding Convertible Notes for the following consideration per \$1,000 principal amount of Convertible Notes: (i) 24.1546 shares of our common stock; (ii) a cash payment of \$180.00; and (iii) accrued and unpaid interest on the Convertible Notes to, but excluding, the settlement date, payable in cash.
The Exchange Offer	The Convertible Notes are currently convertible into shares of our common stock at a conversion rate of 24.1546 shares of our common stock per \$1,000 principal amount of Convertible Notes, or a conversion price of approximately \$41.40 per share of our common stock. The Exchange Offer allows current holders of Convertible Notes to receive the same number of shares of our common stock as they would receive upon conversion of the Convertible Notes, plus the Convertible Notes Cash Payment and the accrued and unpaid interest.
Fractional Shares	We will not issue fractional shares of our common stock in the Exchange Offer. Instead, we will pay cash for all fractional shares on the applicable settlement date based upon the closing price per share of our common stock on the business day immediately preceding the Expiration Date. See "The Exchange Offer Fractional Shares."
Accrued and Unpaid Interest on Convertible Notes	The Convertible Notes Offer Consideration includes accrued and unpaid interest on the Convertible Notes to, but excluding, the settlement date, payable in cash.
Purpose of the Exchange Offer	The purpose of the Exchange Offer is to reduce the amount of our outstanding debt and related ongoing interest expense.

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Expiration Date	The Exchange Offer will expire at 11:59 p.m., New York City time, on June 11, 2010, unless extended or earlier terminated by us (we refer to such date and time for the Exchange Offer, as may be extended, as the "Expiration Date"). We, in our sole discretion, may extend the Expiration Date for the Exchange Offer for any purpose, including in order to permit the satisfaction or waiver of any or all conditions to the Exchange Offer. See "The Exchange Offer Expiration Date; Extension; Termination; Amendment."
Withdrawal; Non-Acceptance	<p>You may withdraw Convertible Notes tendered in the Exchange Offer at any time prior to the Expiration Date. In addition, if not previously returned, you may withdraw any Convertible Notes tendered in the Exchange Offer that are not accepted by us for exchange after the expiration of 40 business days after the commencement of the Exchange Offer. To withdraw previously-tendered Convertible Notes, you are required to submit a notice of withdrawal to the information and exchange agent in accordance with the procedures described herein and in the letter of transmittal.</p> <p>If we decide for any reason not to accept any Convertible Notes tendered for exchange, the Convertible Notes will be returned to the registered holder at our expense promptly after the expiration or termination of the Exchange Offer.</p> <p>Any withdrawn or unaccepted Convertible Notes will be credited to the tendering holder's account at DTC. For further information regarding the withdrawal of tendered Convertible Notes, see "The Exchange Offer Withdrawal Rights."</p>
Settlement Date	We will issue shares of our common stock and make the related cash payments that are part of the Convertible Notes Offer Consideration. in exchange for tendered Convertible Notes that are accepted for exchange promptly after the Expiration Date.
Holders Eligible to Participate in the Exchange Offer	All holders of the Convertible Notes are eligible to participate in the Exchange Offer. See "The Exchange Offer Terms of the Exchange Offer."
Conditions to the Exchange Offer	<p>The Exchange Offer is conditioned upon:</p> <ul style="list-style-type: none">the effectiveness of the registration statement of which this prospectus forms a part; andthe other conditions described in "The Exchange Offer Conditions to the Exchange Offer." <p>The Exchange Offer is not conditioned upon any minimum amount of Convertible Notes being surrendered for exchange.</p>

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Ownership Limitations

Our charter prohibits, with certain exceptions, direct or constructive ownership of shares of our stock representing more than 9.8% of the combined total value of our outstanding shares of stock by any person, as defined in our charter. For a more complete description of the ownership limitation and the consequences of exceeding it, see "Description of Our Capital Stock Restrictions on Ownership and Transfer." It is a condition to our acceptance of a holder's Convertible Notes for exchange that the amount of common stock such person will receive as a result of the Exchange Offer, when combined with other stock held by such person, does not exceed the ownership limitation. We will not waive the ownership condition in whole or in part in connection with the Exchange Offer.

Procedure for Tendering Convertible Notes

If your Convertible Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to participate in the Exchange Offer, you should contact that registered holder promptly and instruct him, her or it to tender your Convertible Notes on your behalf. If you are a DTC participant, you may electronically transmit your acceptance through DTC's ATOP. See "The Exchange Offer Procedures for Tendering Convertible Notes" and "The Exchange Offer Book-Entry Transfer."

For further information on how to tender Convertible Notes, contact the information and exchange agent at the telephone number set forth on the back cover of this prospectus or consult your broker, dealer, commercial bank, trust company or other nominee for assistance.

Amendment and Termination

We have the right to terminate or withdraw, in our sole discretion, the Exchange Offer at any time and for any reason if the conditions to the Exchange Offer are not met by the Expiration Date. We reserve the right, subject to applicable law, (i) to waive any and all of the conditions of the Exchange Offer on or prior to the Expiration Date and (ii) to amend the terms of the Exchange Offer. In the event that the Exchange Offer is terminated, withdrawn or otherwise not consummated on or prior to the Expiration Date, no consideration will be paid or become payable to holders who have properly tendered their Convertible Notes pursuant to the Exchange Offer. In any such event, the Convertible Notes previously tendered pursuant to the Exchange Offer will be promptly returned to the tendering holders. See "The Exchange Offer Expiration Date; Extension; Termination; Amendment."

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Consequences of Failure to Exchange Convertible Notes	Convertible Notes not exchanged in the Exchange Offer will remain outstanding after consummation of the Exchange Offer and will continue to accrue interest in accordance with their terms. If a sufficiently large aggregate principal amount of Convertible Notes does not remain outstanding after the Exchange Offer, the trading market for the remaining Convertible Notes may be less liquid. See "The Exchange Offer Consequences of Failure to Exchange Convertible Notes in the Exchange Offer."
Material United States Federal Income Tax Considerations	The exchange of Convertible Notes for the Convertible Notes Offer Consideration should be treated as a recapitalization for U.S. federal income tax purposes. Accordingly, holders of Convertible Notes should not recognize loss but may recognize gain on the exchange for U.S. federal income tax purposes. For further discussion see "Material United States Federal Income Tax Considerations Taxation of the Exchange of Convertible Notes."
Brokerage Commissions	No brokerage commissions are payable by the holders of the Convertible Notes to the dealer managers, the information and exchange agent or us. If your Convertible Notes are held through a broker or other nominee who tenders the Convertible Notes on your behalf, your broker or nominee may charge you a commission for doing so. You should consult with your broker or nominee to determine whether any charges will apply.
Use of Proceeds	We will not receive any cash proceeds from the Exchange Offer.
No Appraisal Rights	Holders of Convertible Notes have no appraisal rights in connection with the Exchange Offer.
Risk Factors	Your decision whether to participate in the Exchange Offer and to exchange your Convertible Notes for the Convertible Notes Offer Consideration will involve risk. You should be aware of and carefully consider the risk factors set forth in "Risk Factors," along with all of the other information provided or referred to in this prospectus and the documents incorporated by reference herein, before deciding whether to participate in the Exchange Offer.
Market Trading	The Convertible Notes are not listed for trading on any national securities exchange. We urge you to consult with your bank, broker or financial advisor in order to obtain information regarding the market prices for the Convertible Notes before deciding whether to participate in the Exchange Offer.

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	<p>Our common stock is traded on The New York Stock Exchange under the symbol "ARE." The last reported sale price of our common stock on June 4, 2010 was \$62.36 per share. We expect that the common stock to be issued in the Exchange Offer will be approved for listing on The New York Stock Exchange, subject to official notice of issuance.</p>
Dealer Managers	<p>The joint dealer managers are Banc of America Securities LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities Inc.</p>
Information and Exchange Agent	<p>D.F. King & Co., Inc. is serving as information and exchange agent in connection with the Exchange Offer.</p>
Further Information	<p>If you have questions about the terms of the Exchange Offer, please contact the joint dealer managers. If you have questions regarding the procedures for tendering Convertible Notes in the Exchange Offer or require assistance in tendering your Convertible Notes, please contact the information and exchange agent. The contact information for the joint dealer managers and the information and exchange agent are set forth on the back cover page of this prospectus. See also "Where You Can Find More Information."</p>

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RISK FACTORS

Any investment in our common stock involves a high degree of risk. You should carefully consider the following factors relating to our common stock and the Exchange Offer in addition to the other information contained and incorporated by reference into this prospectus before making a decision on whether or not to participate in the Exchange Offer. In addition, you should carefully consider, among other things, the matters discussed under "Risk Factors" in our Annual Report on Form 10-K for our fiscal year ended December 31, 2009 and in other documents that we may file with the SEC prior to completion of this Exchange Offer, all of which are incorporated by reference into this prospectus. If any of these risks actually occur, our business, financial condition and results of operations could suffer which in turn could affect the trading price of our common stock.

Risks Related to the Exchange Offer

The price of our common stock recently has been volatile. This volatility may affect the price at which you could sell your common stock, and the sale of substantial amounts of our common stock could adversely affect the price of our common stock.

The market price for our common stock has varied between a high of \$75.18 (in April 2010) and a low of \$30.33 (in July 2009) during the period from January 1, 2009 through June 4, 2010. This volatility may affect the price at which you could sell the common stock you receive in the Exchange Offer, and the sale of substantial amounts of our common stock could adversely affect the price of our common stock. Our stock price may continue to be volatile and subject to significant price and volume fluctuations in response to market and other factors, variations in our quarterly operating results from expectations of securities analysts or investors; downward revisions in securities analysts' estimates; and announcement by us or our competitors of significant acquisitions, joint ventures or capital commitments or other material developments.

The sale of substantial amounts of common stock, including the sale of common stock issued in the Exchange Offer, could cause the market price of our common stock to decline.

We may issue up to 5,797,104 shares of common stock in the Exchange Offer, which is approximately 13% of the 44,310,946 shares of common stock outstanding as of June 4, 2010. The sale of substantial amounts of our common stock, or the perception that such sales could occur, could cause the market price of our common stock to decline. Further, the increase in the number of shares of our outstanding common stock resulting from the Exchange Offer could reduce the amount of our earnings per share which may also negatively affect the market price of our common stock.

Upon consummation of the Exchange Offer, holders who tender their Convertible Notes in exchange for the Convertible Notes Offer Consideration will lose their rights under the Convertible Notes exchanged in the Exchange Offer, including their rights to future interest or cash distributions and principal payment, their repurchase and conversion rights and their rights as creditors of Alexandria.

If you tender your Convertible Notes in exchange for the Convertible Notes Offer Consideration pursuant to the Exchange Offer, you will be giving up all of your rights as a holder of those Convertible Notes, including your right to future interest and principal payments and your repurchase and conversion rights. See "Comparison of Rights of Holders of Convertible Notes and Holders of Our Common Stock." You will also cease to be a creditor of Alexandria. Any shares of common stock that are issued upon exchange of the Convertible Notes tendered in the Exchange Offer will be, by definition, junior to claims of Alexandria's creditors and its preferred stockholders. A holder of Convertible Notes participating in the Exchange Offer will become subject to all of the risks and uncertainties associated with ownership of our common stock. These risks may be different from and greater than those associated with holding the Convertible Notes.

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Future issuances of our common stock in the public market could lower the market price for our common stock.

In the future, we may issue additional common stock or securities convertible into common stock to raise capital, finance acquisitions or retire debt, including Convertible Notes not exchanged in the Exchange Offer. In addition, a significant number of shares of our common stock are reserved for issuance upon the exercise of stock options and upon conversion of other outstanding securities. We cannot predict the effect, if any, that future issuances may have on the market price for our common stock. Any such issuances could reduce our earnings per share. The issuance and sale of substantial amounts of common stock or securities convertible into common stock, or the perception that such issuances and sales may occur, could adversely affect the market price of our common stock and impair our ability to raise capital.

Certain provisions of our charter and bylaws may delay or prevent transactions that may be deemed to be desirable to our stockholders.

As authorized by Maryland law, our charter allows our board of directors to cause us to issue additional authorized but unissued shares of our common stock or preferred stock and to classify or reclassify unissued shares of common or preferred stock without any stockholder approval. Our board of directors could establish a series of preferred stock that could delay, defer or prevent a transaction that might involve a premium price for our common stock or for other reasons be desired by our common stockholders or that have a dividend preference which may adversely affect our ability to pay dividends on our common stock.

Our charter permits the removal of a director only upon the affirmative vote of holders of at least a majority of the votes entitled to be cast generally in the election of directors, and our bylaws require advance notice of a stockholder's intention to nominate directors or to present other business for consideration by stockholders at an annual meeting of our stockholders. Our charter and bylaws also contain other provisions that may delay, defer or prevent a transaction or change in control that involves a premium price for our common stock or that for other reasons may be desired by our stockholders.

The number of shares of common stock issuable as part of the Convertible Notes Offer Consideration is fixed and will not be adjusted. The market price of our common stock may fluctuate, and you cannot be sure of the market value of the common stock issued in the Exchange Offer.

Upon completion of the Exchange Offer, each holder that validly tenders Convertible Notes will receive, for each \$1,000 principal amount of Convertible Notes, 24.1546 shares of common stock, a cash payment of \$180.00 and accrued and unpaid interest on the Convertible Notes to, but excluding, the settlement date for the Exchange Offer, payable in cash. The number of shares of common stock issuable in the Exchange Offer will not be adjusted due to any increases or decreases in the market price of our common stock or the Convertible Notes. The value of the common stock received in the Exchange Offer will depend upon the market price of our common stock on the settlement date. The trading price of the common stock will likely be different on the settlement date from the trading price as of the date the Exchange Offer commences or as of the date you tender your Convertible Notes for exchange because of ordinary trading fluctuations as well as changes in our business, operations or prospects, market reactions to the Exchange Offer, general market and economic conditions and other factors, many of which are not be within our control. Accordingly, holders of the Convertible Notes will not know the exact market value of the common stock that will be issued in connection with the Exchange Offer.

We may extend the Exchange Offer, during which time the market value of our common stock will fluctuate. Promptly following our acceptance of the Convertible Notes tendered in the Exchange Offer,

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we will issue the common stock as part of the Convertible Notes Offer Consideration, during which time the market value of our common stock will also fluctuate.

Our board of directors has not made a recommendation as to whether you should tender your Convertible Notes in exchange for the Convertible Notes Offer Consideration in the Exchange Offer, and we have not obtained a third-party determination that the Exchange Offer is fair to holders of the Convertible Notes.

Our board of directors has not made, and will not make, any recommendation as to whether holders of the Convertible Notes should tender their Convertible Notes in exchange for the Convertible Notes Offer Consideration pursuant to the Exchange Offer. We have not retained and do not intend to retain any unaffiliated representative to act solely on behalf of the holders of the Convertible Notes for purposes of negotiating the terms of the Exchange Offer, or preparing a report or making any recommendation concerning the fairness of the Exchange Offer.

Failure to complete the Exchange Offer successfully could negatively affect the market prices of our common stock and Convertible Notes.

Several conditions must be satisfied or waived in order to complete the Exchange Offer, including, among others, that there has not been any development that in our reasonable judgment may materially impair the contemplated benefits to us of the Exchange Offer or that is, or is reasonably likely to be, materially adverse to our businesses, operations, properties, condition, assets, liabilities or prospects. See "The Exchange Offer Conditions to the Exchange Offer." The foregoing conditions may not be satisfied, and if not satisfied or waived, the Exchange Offer may not occur or may be delayed.

If the Exchange Offer is not completed or is delayed, we may be subject to the risk that the market prices of our common stock and Convertible Notes may decline to the extent that the current market prices of our common stock and Convertible Notes reflect a market assumption or expectation that the Exchange Offer has been or will be completed.

If the Exchange Offer is consummated, there may be less liquidity in the market for non-tendered Convertible Notes, and the market price for non-tendered Convertible Notes may therefore decline.

If the Exchange Offer is consummated, the number of outstanding Convertible Notes will be reduced, which may adversely affect the liquidity of non-tendered Convertible Notes. An issue of securities with a small float generally commands a lower price than does a comparable issue of securities with a greater float. Therefore, the market price for Convertible Notes that are not validly tendered in the Exchange Offer may be adversely affected. The reduced float also may tend to make the trading prices of the Convertible Notes that are not exchanged more volatile.

USE OF PROCEEDS

We will not receive any cash proceeds from the Exchange Offer.

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**CONSOLIDATED RATIO OF EARNINGS TO COMBINED FIXED
CHARGES AND PREFERRED STOCK DIVIDENDS**

	Three Months Ended March 31, 2010	Year Ended December 31,(a)				
		2009	2008	2007	2006	2005
(in thousands, except ratios)						
Income from continuing operations before noncontrolling interests	\$ 28,058	\$ 136,065	\$ 101,427	\$ 76,476	\$ 65,844	\$ 51,910
Add: Interest expense	17,562	82,249	85,366	93,539	69,087	46,792
Subtract: Noncontrolling interests in income of subsidiaries which have not incurred fixed charges	(302)	(1,217)	(1,304)	(1,407)	(1,404)	(571)
Earnings available for fixed charges	\$ 45,318	\$ 217,097	\$ 185,489	\$ 168,608	\$ 133,527	\$ 98,131
Combined fixed charges and preferred stock dividends:						
Interest incurred	\$ 36,076	\$ 148,345	\$ 151,587	\$ 142,641	\$ 105,359	\$ 75,371
Preferred stock dividends	7,089	28,357	24,225	12,020	16,090	16,090
Preferred stock redemption charge				2,799		
Total combined fixed charges and preferred stock dividends	\$ 43,165	\$ 176,702	\$ 175,812	\$ 157,460	\$ 121,449	\$ 91,461
Ratio of earnings to combined fixed charges and preferred stock dividends(b)	1.05	1.23	1.06(c)	1.07(d)	1.10	1.07

(a) Amounts disclosed for prior periods have been reclassified to conform to the current year presentation related to discontinued operations.

(b) For purposes of calculating the consolidated ratio of earnings to combined fixed charges and preferred stock dividends, earnings consist of earnings from continuing operations before income taxes and fixed charges less noncontrolling interests' in income of subsidiaries which have not incurred fixed charges. Fixed charges consist of interest incurred (including amortization of deferred financing costs and capitalized interest) and preferred stock dividends.

(c) Ratio of earnings to combined fixed charges and preferred stock dividends for the year ended December 31, 2008 includes the effect of non-cash impairment charges aggregating \$13,251,000 for other-than-temporary declines in the fair value of certain investments. Excluding the impact of the non-cash impairment charges, the ratio of earnings to combined fixed charges and preferred stock dividends for the year ended December 31, 2008 was 1.13.

(d) Ratio of earnings to combined fixed charges and preferred stock dividends for the year ended December 31, 2007 includes the effect of the preferred stock redemption charge. Excluding the impact of this charge, the ratio of earnings to combined fixed charges and preferred stock dividends for the year ended December 31, 2007 was 1.09.

Table of Contents**CAPITALIZATION**

The following table sets forth our capitalization as of March 31, 2010 on an actual basis and as adjusted to give effect to the consummation of the Exchange Offer assuming all outstanding Convertible Notes we are offering to exchange in the Exchange Offer are exchanged for the Convertible Notes Offer Consideration, and reflecting the estimated expenses of the Exchange Offer.

This table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes to those consolidated financial statements, which are incorporated by reference in this prospectus.

(Dollars in thousands, except per share amounts)	As of March 31, 2010	
	Actual	As Adjusted
Debt:		
Secured notes payable(1)	\$ 884,839	\$ 884,839
Unsecured line of credit and unsecured term loan	1,291,000	1,334,200
Unsecured convertible notes(2)	586,975	369,961
Alexandria Real Estate Equities, Inc. stockholders' equity:		
Preferred stock, \$0.01 par value per share; 100,000,000 shares authorized;		
5,185,500 shares of 8.375% Series C Cumulative Redeemable Preferred Stock issued and outstanding on a historical and pro forma basis; \$25.00 liquidation value	129,638	129,638
10,000,000 shares of 7.00% Series D Cumulative Convertible Preferred Stock issued and outstanding on a historical and pro forma basis; \$25.00 liquidation value	250,000	250,000
Common stock, \$0.01 par value per share; 100,000,000 shares authorized; 43,919,968 and 49,717,072 shares issued and outstanding on a historical and pro forma basis(3)	439	497
Excess stock, \$0.01 par value per share; 200,000,000 shares authorized; 0 shares issued and outstanding on a historical and pro forma basis		
Additional paid-in capital	1,987,512	2,153,608
Accumulated other comprehensive loss(4)	(26,990)	(26,990)
Total capitalization	\$ 5,103,413	\$ 5,095,753

(1) Includes unamortized discount of \$2.2 million as of March 31, 2010.

(2) Includes unamortized discount of \$37.7 million and \$14.7 million as of March 31, 2010 on a historical and as adjusted basis, respectively.

(3) The information presented does not include 576,426 shares of our common stock that we have reserved for issuance under our Amended and Restated 1997 Stock Award and Incentive Plan and 107,450 options to purchase shares of our common stock, all of which were exercisable and outstanding as of March 31, 2010.

(4) Accumulated other comprehensive loss consists of \$7,617,000 of unrealized gains on marketable securities, \$49,016,000 of unrealized losses on interest rate hedge agreements and \$14,409,000 of unrealized gains on foreign currency translation.

Table of Contents**SELECTED FINANCIAL DATA**

The following table sets forth selected consolidated financial data for each of the fiscal years ended December 31, 2005 through 2009 and for the three months ended March 31, 2009 and 2010. The financial data below is only a summary. It should be read in conjunction with our historical consolidated financial statements, including the notes thereto, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in the annual, quarterly and current reports filed by us with the SEC. See "Where You Can Find More Information." The historical financial information presented may not be indicative of our future performance. Certain amounts for the periods prior to 2010 presented below have been reclassified to conform to the presentation of our consolidated financial statements for the three months ended March 31, 2010.

	Year Ended December 31,					Three Months Ended March 31,	
	2009(1)	2008(2)	2007(3)	2006	2005	2010	2009(4)
(Dollars in thousands, except per share amounts)							
Operating Data:							
Total revenue	\$ 483,549	\$ 455,735	\$ 392,268	\$ 297,376	\$ 218,130	\$ 116,487	\$ 131,559
Total expenses	358,738	354,308	315,792	231,532	166,220	88,429	93,293
Gain on early extinguishment of debt	11,254						
Income from continuing operations	136,065	101,427	76,476	65,844	51,910	28,058	38,266
Income from discontinued operations, net	5,583	18,670	13,504	9,859	12,157	727	2,983
Net income	141,648	120,097	89,980	75,703	64,067	28,785	41,249
Net income attributable to noncontrolling interests	7,047	3,799	3,669	2,287	634	935	875
Dividends on preferred stock	28,357	24,225	12,020	16,090	16,090	7,089	7,089
Preferred stock redemption charge			2,799				
Net income attributable to unvested restricted stock awards	1,270	1,327	1,075	873	540	219	517
Net income attributable to Alexandria Real Estate Equities, Inc.'s common stockholders	\$ 104,974	\$ 90,746	\$ 70,417	\$ 56,453	\$ 46,803	\$ 20,542	\$ 32,768
Earnings per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders basic							
Continuing operations	\$ 2.58	\$ 2.29	\$ 1.92	\$ 1.86	\$ 1.66	\$ 0.45	\$ 0.92
Discontinued operations, net	0.14	0.58	0.45	0.39	0.57	0.02	0.09
Earnings per share basic	\$ 2.72	\$ 2.877	\$ 2.37	\$ 2.25	\$ 2.23	\$ 0.47	\$ 1.01

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Earnings per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders														
	diluted													
Continuing operations	\$	2.58	\$	2.288	\$	1.91	\$	1.85	\$	1.63	\$	0.45	\$	0.92
Discontinued operations, net		0.14		0.58		0.45		0.38		0.57		0.02		0.09
Earnings per share diluted														
	\$	2.72	\$	2.86	\$	2.36	\$	2.23	\$	2.20	\$	0.47	\$	1.01
Weighted average shares of common stock outstanding														
Basic		38,586,909		31,653,829		29,668,231		25,102,200		20,948,915		43,821,765		32,478,671
Diluted		38,600,069		31,765,055		29,832,013		25,342,048		21,239,080		43,857,513		32,498,107
Cash dividends declared per share of common stock														
	\$	1.85	\$	3.18	\$	3.04	\$	2.86	\$	2.72	\$	0.35	\$	0.80

-
- (1) For the year ended December 31, 2009, we recognized approximately \$18.5 million of additional rental income related to the modification of a lease in South San Francisco and we recognized a gain on early extinguishment of debt of approximately \$11.3 million related to the repurchase, in privately negotiated transactions, of approximately \$75 million (par value) of certain of our 3.70% unsecured convertible notes.
- (2) For the year ended December 31, 2008, we recognized additional rental income aggregating \$11.3 million related to a modification of a lease and a write-off of deferred rent and non-cash impairment charges aggregating \$17.9 million. The non-cash impairment charges consisted of \$4.6 million related to two properties and \$13.3 million for other-than-temporary declines in the fair market value of certain investments.

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- (3) For the year ended December 31, 2007, we recorded a charge of approximately \$2.8 million for costs related to the redemption of our series B cumulative redeemable preferred stock.
- (4) For the three months ended March 31, 2009, we recognized approximately \$18.5 million of additional rental income related to the modification of a lease in South San Francisco.

	Year Ended December 31,					Three Months Ended March 31,	
	2009(1)	2008(2)	2007(3)	2006	2005	2010	2009(4)
(Dollars in thousands, except per share amounts)							
Balance Sheet Data (at year end):							
Rental properties, net	\$ 3,383,308	\$ 3,215,723	\$ 3,057,294	\$ 2,663,088	\$ 1,662,905	\$ 3,399,306	\$ 3,230,710
Land held for future development	\$ 255,025	\$ 109,478	\$ 89,621	\$ 63,163	\$ 12,615	\$ 294,631	\$ 109,561
Construction in progress	\$ 1,400,795	\$ 1,398,895	\$ 1,143,314	\$ 596,331	\$ 442,636	\$ 1,326,865	\$ 1,452,434
Investment in unconsolidated real estate entity	\$	\$	\$	\$	\$	\$ 34,421	\$
Total assets	\$ 5,457,227	\$ 5,132,077	\$ 4,641,245	\$ 3,617,477	\$ 2,362,450	\$ 5,468,534	\$ 5,242,175
Total debt	\$ 2,746,946	\$ 2,938,108	\$ 2,750,648	\$ 2,024,866	\$ 1,406,666	\$ 2,762,814	\$ 2,830,262
Total liabilities	\$ 3,051,148	\$ 3,357,014	\$ 3,025,502	\$ 2,208,348	\$ 1,512,535	\$ 3,069,353	\$ 3,199,678
Redeemable noncontrolling interests	\$ 41,441	\$ 33,963	\$ 35,342	\$ 20,132	\$ 20,115	\$ 17,490	\$ 32,887
Alexandria Real Estate Equities, Inc.'s stockholders' equity	\$ 2,323,408	\$ 1,700,010	\$ 1,540,219	\$ 1,351,652	\$ 829,800	\$ 2,340,599	\$ 1,968,706
Noncontrolling interests	\$ 41,230	\$ 41,090	\$ 40,182	\$ 37,345	\$	\$ 41,092	\$ 40,904
Total equity	\$ 2,364,638	\$ 1,741,100	\$ 1,580,401	\$ 1,388,997	\$ 829,800	\$ 2,381,691	\$ 2,009,610
Reconciliation of net income attributable to Alexandria Real Estate Equities, Inc.'s common stockholders to funds from operations attributable to Alexandria Real Estate Equities, Inc.'s common stockholders							
Net income attributable to Alexandria Real Estate Equities, Inc.'s common stockholders	\$ 104,974	\$ 90,746	\$ 70,417	\$ 56,453	\$ 46,803	\$ 20,542	\$ 32,768
Add:							
Depreciation and amortization(5)	118,508	108,743	97,335	74,039	55,416	29,738	31,446
Net income attributable to noncontrolling interests	7,047	3,799	3,669	2,287	634	935	875
Net income attributable to invested restricted stock awards	1,270	1,327	1,075	873	540	219	517
Subtract:							
Gain on sales of property(6)	(2,627)	(20,401)	(7,976)	(59)	(36)	(24)	(2,234)
FFO attributable to noncontrolling interests	(3,843)	(4,108)	(3,733)	(1,928)	(668)	(1,098)	(1,077)
FFO attributable to invested restricted stock awards	(2,694)	(2,596)	(2,418)	(2,006)	(1,171)	(530)	(966)
Subtotal	222,635	177,510	158,369	129,659	101,518	49,782	61,329
Add:							
Assumed conversion of 8.00% Unsecured Convertible Notes	11,943					4,194	
Effect of dilutive securities and assumed conversion attributable to invested restricted stock	118	9	13	19	16	4	
FFO attributable to Alexandria Real Estate Equities, Inc.'s common stockholders assuming effect of dilutive securities and assumed conversion(7)	\$ 234,696	\$ 177,519	\$ 158,382	\$ 129,678	\$ 101,534	\$ 53,980	\$ 61,329
Other Data:							
Cash provided by operating activities	\$ 205,950	\$ 255,837	\$ 188,031	\$ 125,641	\$ 123,970	\$ 51,134	\$ 54,775
Cash used in investing activities	\$ (409,923)	\$ (494,933)	\$ (949,253)	\$ (961,636)	\$ (433,645)	\$ (80,808)	\$ (108,745)
Cash provided by financing activities	\$ 203,440	\$ 302,227	\$ 766,304	\$ 835,032	\$ 310,428	\$ 30,026	\$ 108,090

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Number of properties at period end	162	165	174	163	134	161	163
Rentable square feet of properties at period end	12,746,086	12,641,862	13,833,142	12,968,083	9,530,971	12,675,439	12,793,644
Occupancy including redevelopment properties at period end	89%	90%	88%	88%	88%	89%	90%
Occupancy of operating properties at period end	94%	95%	94%	93%	93%	94%	94%

(1)

For the year ended December 31, 2009, we recognized approximately \$18.5 million of additional rental income related to the modification of a lease in South San Francisco and we recognized a gain on early extinguishment of debt of approximately \$11.3 million related to the repurchase, in privately negotiated transactions, of approximately \$75 million (par value) of certain of our 3.70% unsecured convertible notes.

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- (2) For the year ended December 31, 2008, we recognized additional rental income aggregating \$11.3 million related to a modification of a lease and a write-off of deferred rent and non-cash impairment charges aggregating \$17.9 million. The non-cash impairment charges consisted of \$4.6 million related to two properties and \$13.3 million for other-than-temporary declines in the fair market value of certain investments.
- (3) For the year ended December 31, 2007, we recorded a charge of approximately \$2.8 million for costs related to the redemption of our series B preferred stock.
- (4) For the three months ended March 31, 2009, we recognized approximately \$18.5 million of additional rental income related to the modification of a lease in South San Francisco.
- (5) Includes depreciation and amortization on assets "held for sale" reflected as discontinued operations for the periods prior to when such assets were classified as "held for sale."
- (6) Gain on sales of property is included in the consolidated statements of income in income from discontinued operations, net.
- (7) GAAP basis accounting for real estate assets utilizes historical cost accounting and assumes 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 Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT") established the measurement tool of FFO. Since its introduction, FFO has become a widely used non-GAAP financial measure by REITs. We believe that FFO is helpful to investors as an additional measure of the performance of an equity REIT. We compute FFO in accordance with standards established by the Board of Governors of NAREIT in its April 2002 White Paper (the "White Paper") and related implementation guidance, which may differ from the methodology for calculating FFO utilized by other equity REITs, and, accordingly, may not be comparable to such other REITs. The White Paper defines FFO as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales, plus real estate related depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. While FFO is a relevant and widely used measure of operating performance for REITs, it should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of financial performance, or to cash flows from operating activities (determined in accordance with GAAP) as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to make distributions. For a more detailed discussion of FFO, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations Funds from operations" in our Annual Report on Form 10-K for the year ended December 31, 2009.

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THE EXCHANGE OFFER

No Recommendation

NONE OF ALEXANDRIA OR ITS BOARD OF DIRECTORS, THE DEALER MANAGERS OR THE INFORMATION AND EXCHANGE AGENT MAKES ANY RECOMMENDATION AS TO WHETHER YOU SHOULD TENDER ANY CONVERTIBLE NOTES OR REFRAIN FROM TENDERING CONVERTIBLE NOTES IN THE EXCHANGE OFFER. ACCORDINGLY, YOU MUST MAKE YOUR OWN DECISION AS TO WHETHER TO TENDER CONVERTIBLE NOTES IN THE EXCHANGE OFFER AND, IF SO, THE PRINCIPAL AMOUNT OF CONVERTIBLE NOTES TO TENDER. PARTICIPATION IN THE EXCHANGE OFFER IS VOLUNTARY, AND YOU SHOULD CAREFULLY CONSIDER WHETHER TO PARTICIPATE. BEFORE YOU MAKE YOUR DECISION, WE URGE YOU TO CAREFULLY READ THIS PROSPECTUS IN ITS ENTIRETY, INCLUDING THE INFORMATION SET FORTH IN THE SECTION OF THIS PROSPECTUS ENTITLED "RISK FACTORS" AND THE INFORMATION INCORPORATED BY REFERENCE HEREIN. WE ALSO URGE YOU TO CONSULT YOUR OWN FINANCIAL AND TAX ADVISORS IN MAKING YOUR OWN DECISIONS ON WHAT ACTION, IF ANY, TO TAKE IN LIGHT OF YOUR OWN PARTICULAR CIRCUMSTANCES.

Purpose of the Exchange Offer

The purpose of the Exchange Offer is to reduce the amount of our outstanding debt and related ongoing interest expense.

Terms of the Exchange Offer

We are offering to exchange, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, any and all of our outstanding Convertible Notes for the following consideration per \$1,000 principal amount of Convertible Notes: (i) 24.1546 shares of our common stock; (ii) a cash payment of \$180.00; and (iii) accrued and unpaid interest on the Convertible Notes to, but excluding, the settlement date for the Exchange Offer, payable in cash.

The Convertible Notes are currently convertible into shares of our common stock at a conversion rate of 24.1546 shares of our common stock per \$1,000 principal amount of Convertible Notes, or a conversion price of approximately \$41.40 per share of our common stock. The Exchange Offer allows current holders of Convertible Notes to receive the same number of shares of our common stock as they would receive upon conversion of the Convertible Notes, plus the Convertible Notes Cash Payment and the accrued and unpaid interest.

We will issue shares of our common stock and make the related cash payments that are part of the Convertible Notes Offer Consideration in exchange for tendered Convertible Notes that are accepted for exchange promptly after the Expiration Date. We will not issue fractional shares of our common stock in the Exchange Offer. See " Fractional Shares" below. As used in this prospectus, "settlement date" means the date that shares of our common stock are issued and the other applicable offer consideration is paid upon exchange of the Convertible Notes pursuant to the Exchange Offer.

This prospectus and the letter of transmittal are being sent to all registered holders of Convertible Notes. There will be no fixed record date for determining registered holders of Convertible Notes entitled to participate in the Exchange Offer. The Convertible Notes may be tendered only in a principal amount of \$1,000 and integral multiples of \$1,000. The Exchange Offer is not conditioned on any minimum aggregate principal amount of Convertible Notes being tendered.

Any Convertible Notes that are accepted for exchange in the Exchange Offer will be cancelled and retired. Convertible Notes tendered but not accepted because they were not validly tendered shall remain outstanding upon completion of the Exchange Offer. If any tendered Convertible Notes are not

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accepted for exchange and payment because of an invalid tender, the occurrence of other events set forth in this prospectus or otherwise, all unaccepted Convertible Notes will be returned, without expense, to the tendering holder as promptly as practicable after the Expiration Date.

Our obligation to accept Convertible Notes tendered pursuant to the Exchange Offer is limited by the conditions listed below under " Conditions to the Exchange Offer." We currently expect that each of the conditions will be satisfied and that no waivers will be necessary.

Holders who tender Convertible Notes in the Exchange Offer will not be required to pay brokerage commissions or fees to the dealer managers, the information and exchange agent or us. If your Convertible Notes are held through a broker or other nominee who tenders the Convertible Notes on your behalf, your broker or nominee may charge you a commission for doing so. Additionally, subject to the instructions in the letter of transmittal, holders who tender Convertible Notes in the Exchange Offer will not be required to pay transfer taxes with respect to the exchange of Convertible Notes. It is important that you read " Fees and Expenses" and " Transfer Taxes" below for more details regarding fees and expenses and transfer taxes relating to the Exchange Offer.

We intend to conduct the Exchange Offer in accordance with the applicable requirements of the Securities Act, the Exchange Act and the rules and regulations of the SEC. Convertible Notes that are not exchanged in the Exchange Offer will remain outstanding. See " Consequences of Failure to Exchange Convertible Notes in the Exchange Offer." Holders of Convertible Notes do not have any appraisal or dissenters' rights under such instruments or otherwise in connection with the Exchange Offer.

We shall be deemed to have accepted for exchange properly tendered Convertible Notes when we have given oral or written notice of the acceptance to the information and exchange agent. The information and exchange agent will act as agent for the holders of Convertible Notes who tender their Convertible Notes in the Exchange Offer for the purposes of receiving the Convertible Notes Offer Consideration from us and delivering the Convertible Notes Offer Consideration to the exchanging holders. We expressly reserve the right to amend or terminate the Exchange Offer, and not to accept for exchange any Convertible Notes not previously accepted for exchange, upon the occurrence of any of the conditions specified below under " Conditions to the Exchange Offer."

Fractional Shares

We will not issue any fractional shares upon exchange of Convertible Notes pursuant to the Exchange Offer. If any fractional share of common stock otherwise would be issuable upon the exchange of any Convertible Notes, we will pay the exchanging holder an amount equal to such fractional share multiplied by the closing price per share of our common stock on The New York Stock Exchange on the last business day immediately preceding the Expiration Date.

Resale of Common Stock Received Pursuant to the Exchange Offer

Shares of common stock received by holders of Convertible Notes pursuant to the Exchange Offer may be offered for resale, resold and otherwise transferred without further registration under the Securities Act and without delivery of a prospectus meeting the requirements of Section 10 of the Securities Act if the holder is not our "affiliate" within the meaning of Rule 144(a)(1) under the Securities Act. Any holder who is our affiliate at the time of the exchange must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resales, unless such sale or transfer is made pursuant to an exemption from such requirements and any requirements under applicable state securities laws.

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Consequences of Failure to Exchange Convertible Notes in the Exchange Offer

Convertible Notes that are not exchanged in the Exchange Offer will remain outstanding and continue to be entitled to the rights and benefits their holders have under the instruments governing such Convertible Notes. The terms of the Convertible Notes will not change as a result of the Exchange Offer. The Convertible Notes are not listed on any national securities exchange and there is no established trading market for these notes.

If a sufficiently large principal amount of Convertible Notes do not remain outstanding after the Exchange Offer, the trading market for the remaining outstanding Convertible Notes may be less liquid and more sporadic, and market prices may fluctuate significantly depending on the volume of trading of Convertible Notes.

Expiration Date; Extension; Termination; Amendment

The Exchange Offer will expire at 11:59 p.m., New York City time, on June 11, 2010, unless extended or earlier terminated by us. You may withdraw Convertible Notes tendered in the Exchange Offer at any time prior to the Expiration Date. You must validly tender your Convertible Notes for exchange in the Exchange Offer on or prior to the Expiration Date to receive the Convertible Notes Offer Consideration. The Expiration Date will be at least 20 business days from the commencement of the Exchange Offer as required by Rule 14e-1(a) under the Exchange Act.

We reserve the right to extend the period of time that the Exchange Offer is open, and delay acceptance for exchange of any Convertible Notes, by giving oral or written notice to the information and exchange agent and by timely public announcement no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date for the Exchange Offer. During any extension, all Convertible Notes previously tendered will remain subject to the Exchange Offer unless properly withdrawn.

In addition, we reserve the right to:

terminate or amend the Exchange Offer and not to accept for exchange any Convertible Notes not previously accepted for exchange upon the occurrence of any of the events specified below under " Conditions to the Exchange Offer" that have not been waived by us; and

amend the terms of the Exchange Offer in any manner permitted or not prohibited by law.

If we terminate or amend the Exchange Offer, we will notify the information and exchange agent by oral or written notice (with any oral notice to be promptly confirmed in writing) and will issue a timely press release or other public announcement regarding the termination or amendment.

In the event that the Exchange Offer is terminated, withdrawn or otherwise not consummated on or prior to the Expiration Date, no consideration will be paid or become payable to holders who have properly tendered their Convertible Notes pursuant to the Exchange Offer. In any such event, the Convertible Notes previously tendered pursuant to the Exchange Offer will be promptly returned to the tendering holders at our expense.

If we make a material change in the terms of the Exchange Offer or the information concerning the Exchange Offer, or waive a material condition of the Exchange Offer, we will promptly disseminate disclosure regarding the changes to the Exchange Offer and extend the Exchange Offer, if required by law, to ensure that it remains open a minimum of five business days from the date we disseminate disclosure regarding the changes.

If we make a change in the principal amount of Convertible Notes sought or the Convertible Notes Offer Consideration, including the number of shares of our common stock or the amount of the cash payments offered in the exchange, we will promptly disseminate disclosure regarding the changes

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and extend the Exchange Offer, if required by law, to ensure that the Exchange Offer remains open a minimum of ten business days from the date we disseminate disclosure regarding the changes.

Procedures for Tendering Convertible Notes

We have forwarded to you, along with this prospectus, a letter of transmittal relating to the Exchange Offer. A holder need not submit a letter of transmittal if the holder tenders Convertible Notes in accordance with the procedures mandated by DTC's Automated Tender Offer Program, or ATOP. To tender Convertible Notes without submitting a letter of transmittal, the electronic instructions sent to DTC and transmitted to the information and exchange agent must contain your acknowledgment of receipt of, and your agreement to be bound by and to make all of the representations contained in, the letter of transmittal. In all other cases, a letter of transmittal must be manually executed and delivered as described in this prospectus.

Only a holder of record of Convertible Notes may tender Convertible Notes in the Exchange Offer. To tender in the Exchange Offer, a holder must:

(1) either:

properly complete, duly sign and date the letter of transmittal, or a facsimile of the letter of transmittal, have the signature on the letter of transmittal guaranteed if the letter of transmittal so requires and deliver the letter of transmittal, or facsimile thereof, together with any other documents required by the letter of transmittal, to the information and exchange agent prior to the Expiration Date; or

instruct DTC to transmit on behalf of the holder a computer-generated message to the information and exchange agent in which the holder of the Convertible Notes acknowledges and agrees to be bound by the terms of the letter of transmittal, which computer-generated message must be received by the information and exchange agent prior to 11:59 p.m., New York City time, on the Expiration Date, according to the procedure for book-entry transfer described below; and

(2) deliver to the information and exchange agent prior to the Expiration Date confirmation of book-entry transfer of your Convertible Notes into the information and exchange agent's account at DTC pursuant to the procedure for book-entry transfers described below.

To be tendered effectively, the information and exchange agent must receive any physical delivery of the letter of transmittal, or a facsimile thereof, and other required documents at the address set forth on the back cover of this prospectus before the Expiration Date. To receive confirmation of valid tender of Convertible Notes, a holder should contact the information and exchange agent at the telephone number listed on the back cover of this prospectus.

The tender of Convertible Notes by a holder that is not withdrawn prior to the Expiration Date will constitute an agreement between that holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

If the letter of transmittal or any other required documents are physically delivered to the information and exchange agent, the method of delivery is at the holder's election and risk. Rather than mail these items, we recommend that holders use an overnight or hand delivery service. In all cases, holders should allow sufficient time to assure delivery to the information and exchange agent before the Expiration Date. Holders should not send the letter of transmittal to us. Holders may request their respective brokers, dealers, commercial banks, trust companies or other nominees to effect the above transactions for them.

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Any beneficial owner whose Convertible Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct it to tender on the owner's behalf.

If the applicable letter of transmittal is signed by a participant in DTC, the signature must correspond with the name as it appears on the security position listing as the holder of the Convertible Notes.

A signature on a letter of transmittal or a notice of withdrawal must be guaranteed by an eligible guarantor institution. Eligible guarantor institutions include banks, brokers, dealers, municipal securities dealers, municipal securities brokers, government securities dealers, government securities brokers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations. The signature need not be guaranteed by an eligible guarantor institution if the Convertible Notes are tendered:

by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal; or

for the account of an eligible guarantor institution.

If the letter of transmittal is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, these persons should so indicate when signing. Unless we waive this requirement, they should also submit evidence satisfactory to us of their authority to deliver the letter of transmittal.

We will determine in our sole discretion all questions as to the validity, form, eligibility (including time of receipt) acceptance and withdrawal of tendered Convertible Notes. Our determination will be final and binding. We reserve the absolute right to reject any Convertible Notes not properly tendered or any Convertible Notes the acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular Convertible Notes. Our interpretation of the terms and conditions of the Exchange Offer, including the instructions in the letter of transmittal, will be final and binding on all parties.

Unless waived, any defects or irregularities in connection with tenders of Convertible Notes must be cured within the time that we determine. Although we intend to notify holders of defects or irregularities with respect to tenders of Convertible Notes, neither we, the dealer managers, the information and exchange agent nor any other person will incur any liability for failure to give notification. Tenderees of Convertible Notes will not be deemed made until those defects or irregularities have been cured or waived. Any Convertible Notes received by the information and exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the information and exchange agent without cost to the tendering holder, unless otherwise provided in the letter of transmittal, as soon as practicable following the Expiration Date.

In all cases, we will accept Convertible Notes for exchange pursuant to the Exchange Offer only after the information and exchange agent timely receives:

a timely book-entry confirmation that Convertible Notes have been transferred into the information and exchange agent's account at DTC; and

a properly completed and duly executed letter of transmittal, or a facsimile thereof, and all other required documents or a properly transmitted agent's message.

Holders should receive copies of the letter of transmittal with the prospectus. A holder may obtain additional copies of the letter of transmittal from the information and exchange agent at its offices listed on the back cover of this prospectus.

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Book-Entry Transfer

The information and exchange agent has established accounts with respect to the Convertible Notes at DTC for purposes of the Exchange Offer.

The information and exchange agent and DTC have confirmed that any financial institution that is a participant in DTC may utilize DTC's ATOP procedures to tender Convertible Notes. Any participant in DTC may make book-entry delivery of Convertible Notes by causing DTC to transfer the Convertible Notes into the information and exchange agent's relevant account in accordance with DTC's ATOP procedures for transfer.

However, the exchange for the Convertible Notes so tendered will be made only after a book-entry confirmation of such book-entry transfer of Convertible Notes into the information and exchange agent's account, and timely receipt by the information and exchange agent of an agent's message and any other documents required by the letter of transmittal. The term "agent's message" means a message, transmitted by DTC and received by the information and exchange agent and forming part of a book-entry confirmation, which states that DTC has received an express acknowledgment from a participant tendering Convertible Notes that are the subject of the book-entry confirmation that the participant has received and agrees to be bound by the terms of the letter of transmittal, and that we may enforce that agreement against the participant.

No Guaranteed Delivery

There are no guaranteed delivery procedures provided for by us in conjunction with the Exchange Offer. Holders of Convertible Notes must timely tender their Convertible Notes in accordance with the procedures set forth herein.

Withdrawal Rights

You may withdraw your tender of Convertible Notes at any time before 11:59 p.m., New York City time, on the Expiration Date. In addition, if not previously returned, you may withdraw Convertible Notes that you tender that are not accepted by us for exchange after expiration of 40 business days from the commencement of the Exchange Offer. For a withdrawal to be effective, the information and exchange agent must receive a computer generated notice of withdrawal, transmitted by DTC on behalf of the holder in accordance with the standard operating procedure of DTC, or a written notice of withdrawal, sent by facsimile transmission, receipt confirmed by telephone, or letter, before the Expiration Date. Any notice of withdrawal must:

specify the name of the person that tendered the Convertible Notes to be withdrawn;

identify the Convertible Notes to be withdrawn, including the certificate number or numbers;

specify the principal amount of Convertible Notes to be withdrawn;

include a statement that the holder is withdrawing its election to have the Convertible Notes exchanged;

be signed by the holder in the same manner as the original signature on the letter of transmittal by which the Convertible Notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee under the indenture for the Convertible Notes register the transfer of such Convertible Notes into the name of the person withdrawing the tender; and

specify the name in which any of the Convertible Notes are to be registered, if different from that of the person that tendered the Convertible Notes.

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Any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Convertible Notes or otherwise comply with DTC's procedures.

Any Convertible Notes validly withdrawn will not have been validly tendered for exchange for purposes of the Exchange Offer. Any Convertible Notes that have been tendered for exchange but which are not exchanged for any reason will be credited to an account with DTC specified by the holder, as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Convertible Notes may be re-tendered by following one of the procedures described under " Procedures for Tendering Convertible Notes" above at any time on or before 11:59 p.m., New York City time, on the Expiration Date.

Acceptance of Convertible Notes for Exchange; Delivery of the Convertible Notes Offer Consideration

Upon satisfaction or waiver of all of the conditions to the Exchange Offer, we will promptly accept the Convertible Notes properly tendered that have not been withdrawn pursuant to the Exchange Offer and will pay the Convertible Notes Offer Consideration in exchange for such Convertible Notes promptly after the acceptance. Please refer to the section in this prospectus entitled " Conditions to the Exchange Offer" below. For purposes of the Exchange Offer, we will be deemed to have accepted properly tendered Convertible Notes for exchange when we give notice of acceptance to the information and exchange agent.

In all cases, we will pay the Convertible Notes Offer Consideration in exchange for Convertible Notes that are accepted for exchange pursuant to the Exchange Offer only after the information and exchange agent timely receives a book-entry confirmation of the transfer of the Convertible Notes into the information and exchange agent's account at DTC, and a properly completed and duly executed letter of transmittal and all other required documents or a properly transmitted agent's message.

Conditions to the Exchange Offer

Notwithstanding any other provision of the Exchange Offer to the contrary, the Exchange Offer is subject to the following condition that we may not waive: the registration statement of which this prospectus forms a part shall have become effective and no stop order suspending the effectiveness of the registration statement and no proceedings for that purpose shall have been instituted or be pending, or to our knowledge, be contemplated or threatened by the SEC.

In addition, we will not be required to accept for exchange, or to pay the Convertible Notes Offer Consideration in exchange for, any Convertible Notes and may terminate or amend the Exchange Offer, by oral or written notice (with any oral notice to be promptly confirmed in writing) to the information and exchange agent, followed by a timely press release, at any time before accepting any of the Convertible Notes for exchange, if, in our reasonable judgment:

there shall have been instituted, threatened in writing or be pending any action or proceeding before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Exchange Offer, that is, or is reasonably likely to be, in our reasonable judgment, materially adverse to our business, operations, properties, condition, assets, liabilities or prospects, or which would or might, in our reasonable judgment, prohibit, prevent, restrict or delay consummation of the Exchange Offer or materially impair the contemplated benefits to us (as set forth under " Purpose of the Exchange Offer") of the Exchange Offer;

an order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in our reasonable judgment, would or would be reasonably likely to prohibit, prevent, restrict or delay

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consummation of the Exchange Offer or materially impair the contemplated benefits to us of the Exchange Offer, or that is, or is reasonably likely to be, materially adverse to our business, operations, properties, condition, assets, liabilities or prospects;

there shall have occurred or be reasonably likely to occur any material adverse change to our business, operations, properties, condition, assets, liabilities, prospects or financial affairs; or

there shall have occurred:

any general suspension of, or limitation on prices for, trading in securities in U.S. securities or financial markets;

any material adverse change in the price of our common stock in U.S. securities or financial markets;

a declaration of a banking moratorium or any suspension of payments with respect to banks in the United States;

any limitation (whether or not mandatory) by any government or governmental, regulatory or administrative authority, agency or instrumentality, domestic or foreign, or other event that, in our reasonable judgment, would or would be reasonably likely to affect the extension of credit by banks or other lending institutions; or

a commencement or significant worsening of a war or armed hostilities or other national or international calamity, including but not limited to, catastrophic terrorist attacks against the United States or its citizens.

In addition, our obligation to issue the common stock and pay the cash portion of the Convertible Notes Offer Consideration is conditioned upon our acceptance of Convertible Notes pursuant to the Exchange Offer.

We expressly reserve the right to amend or terminate the Exchange Offer and not to accept for exchange any Convertible Notes not previously accepted for exchange, upon the occurrence of any of the conditions of the Exchange Offer specified above. In addition, we expressly reserve the right, at any time or at various times, to waive any of the conditions of the Exchange Offer, in whole or in part, except as to the requirement that the registration statement be declared effective by the SEC, which condition we will not waive. We will give oral or written notice (with any oral notice to be promptly confirmed in writing) of any amendment, non-acceptance, termination or waiver to the information and exchange agent as promptly as practicable, followed by a timely press release.

These conditions are for our sole benefit, and we may assert them regardless of the circumstances that may give rise to them or waive them in whole or in part at any or at various times in our sole discretion. We have not made a decision as to what circumstances would lead us to waive any such condition, and any such waiver would depend on circumstances prevailing at the time of such waiver. If we fail at any time to exercise any of the foregoing rights, this failure will not constitute a waiver of such right. Each such right will be deemed an ongoing right that we may assert at any time or at various times. All conditions to the Exchange Offer must be satisfied or waived prior to the expiration of the Exchange Offer. The Exchange Offer is not conditioned upon any minimum participation by holders of Convertible Notes.

Market and Trading Information

The Convertible Notes are not listed on any securities exchange. Our common stock is traded on The New York Stock Exchange under the symbol "ARE." The last reported sale price of our common stock on June 4, 2010 was \$62.36 per share. We expect that the common stock to be issued in the

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Exchange Offer will be approved for listing on The New York Stock Exchange, subject to official notice of issuance.

Ownership Limitations

Our charter provides for an ownership limit, which prohibits, with certain exceptions, direct or constructive ownership of shares of our stock representing more than 9.8% of the combined total value of our outstanding shares of stock by any person, as defined in our charter. For further information on the ownership limitation and the consequences of exceeding it, see "Description of Our Capital Stock Restrictions on Ownership and Transfer." It is a condition to our acceptance of a holder's Convertible Notes for exchange that the amount of common stock such person will receive as a result of the Exchange Offer, when combined with other stock held by such person, does not exceed the ownership limitation. We will not waive the ownership limitation in whole or in part in connection with the Exchange Offer.

Source and Amount of Funds; Borrowed Funds

Assuming the Exchange Offer is fully subscribed, we will need approximately \$43.2 million in cash to fund the cash portion of the Convertible Notes Offer Consideration. We will borrow from our \$1.15 billion unsecured line of credit to make these payments. The shares of our common stock to be issued in the Exchange Offer are available from our authorized but unissued shares of common stock.

The unsecured line of credit is available pursuant to a Second Amended and Restated Credit Agreement, dated October 31, 2006, among Alexandria, Alexandria Real Estate Equities, L.P., ARE-QRS Corp., ARE Acquisitions, LLC and certain other Alexandria subsidiaries; Bank of America, N.A., as Administrative Agent; Citicorp North America as Syndication Agent, Eurohypo AG, New York Branch, Societe Generale, The Royal Bank of Scotland, PLC, Calyon, The Bank of Nova Scotia, UBS Loan Finance LLC, as Co-Documentation Agents; and Banc of America Securities LLC and Citigroup Global Markets Inc., as Joint Lead Arrangers and Joint Bookrunners, as amended by a First Amendment to Second Amended and Restated Credit Agreement dated December 1, 2006 and a Second Amendment to Second Amended and Restated Credit Agreement dated May 2, 2007.

The unsecured line of credit bears interest at a floating rate based on Alexandria's election of either (1) a LIBOR-based rate plus 1.00% to 1.45% depending on its leverage or (2) the higher of a rate based upon Bank of America's prime rate plus 0.0% to 0.25% depending on its leverage and the Federal Funds rate plus 0.50%. The weighted average interest rate of the unsecured line, including the impact of certain interest rate hedge agreements to which Alexandria is party, is approximately 1.25% as of March 31, 2010. The unsecured line of credit matures in October 2010 and may be extended at Alexandria's sole option for an additional one-year period to October 2011.

Alexandria has no specific plan or arrangement to finance or repay the amount to be borrowed from the unsecured line of credit, but intends to repay the borrowed amount in the ordinary course from funds from operations or proceeds of other borrowings or sale of securities in public or private offerings.

For further information regarding Alexandria's unsecured line of credit, see Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Unsecured Line of Credit and Unsecured Term Loan" in Alexandria's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 filed with the SEC on April 30, 2010.

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Fees and Expenses

We will bear the fees and expenses of soliciting tenders for the Exchange Offer, and tendering holders of Convertible Notes will not be required to pay any of our expenses for soliciting tenders in the Exchange Offer, including any fee or commission payable to the dealer managers and the fees of the information and exchange agent.

We will pay customary fees to the dealer managers and the information and exchange agent and reimburse them for reasonable out-of-pocket expenses, and we will indemnify each of the information and exchange agent and the dealer managers against certain liabilities and expenses in connection with the Exchange Offer, including liabilities under the federal securities laws.

If a tendering holder participates in the Exchange Offer through its broker, dealer, commercial bank, trust company or other institution, such holder may be required to pay brokerage fees or commissions to such third party.

Transfer Taxes

We will pay all transfer taxes, if any, applicable to the exchange of Convertible Notes pursuant to the Exchange Offer. The tendering holder, however, will be required to pay any transfer taxes, whether imposed on the registered holder or any other person, if:

shares of common stock are to be delivered to, or issued in the name of, any person other than the registered holder of the Convertible Notes;

tendered Convertible Notes are registered in the name of any person other than the person signing the letter of transmittal; or

a transfer tax is imposed for any reason other than the exchange of Convertible Notes under the Exchange Offer.

If satisfactory evidence of payment of transfer taxes is not submitted with the letter of transmittal, the amount of any transfer taxes will be billed to the tendering holder.

Future Purchases

Following completion of the Exchange Offer, we may repurchase additional Convertible Notes that remain outstanding in the open market, if any, in privately negotiated transactions, tender or exchange offers or otherwise. Future purchases of Convertible Notes that remain outstanding after the Exchange Offer may be on terms that are more or less favorable than the Exchange Offer. However, Exchange Act Rules 14e-5 and 13e-4 generally prohibit us and our affiliates from purchasing any Convertible Notes other than pursuant to the Exchange Offer until ten business days after the Expiration Date, although there are some exceptions. Future purchases, if any, will depend on many factors, which include market conditions and the condition of our business.

No Appraisal Rights

No appraisal or dissenters' rights are available to holders of Convertible Notes under applicable law in connection with the Exchange Offer.

Compliance With Securities Laws

We are making the Exchange Offer to all holders of outstanding Convertible Notes. We are not aware of any jurisdiction in which the making of the Exchange Offer is not in compliance with applicable law. If we become aware of any U.S. jurisdiction in which the making of the Exchange Offer would not be in compliance with applicable law, we will make a good faith effort to comply with any

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such law. If, after such good faith effort, we cannot comply with any such law, the Exchange Offer will not be made to, nor will tenders of Convertible Notes be accepted from or on behalf of, the holders of Convertible Notes residing in such U.S. jurisdiction. In any jurisdiction where the securities, blue sky or other laws require the Exchange Offer to be made by a licensed broker or dealer, the Exchange Offer will be deemed to be made on our behalf by the dealer managers or one or more registered brokers or dealers licensed under the laws of that jurisdiction.

No action has been or will be taken in any jurisdiction other than in the United States that would permit a public offering of our shares of common stock, or the possession, circulation or distribution of this prospectus or any other material relating to us or our shares of common stock in any jurisdiction where action for that purpose is required. Accordingly, our shares of common stock may not be offered or sold, directly or indirectly, and neither this prospectus nor any other offering material or advertisement in connection with our shares of common stock may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction. This prospectus does not constitute an offer to sell or a solicitation of any offer to buy in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the Exchange Offer, the distribution of this prospectus, and the resale of the shares of common stock.

United Kingdom

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling with Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

European Economic Area

In relation to each Member State of the European Economic Area, the EU plus Iceland, Norway and Liechtenstein, which has implemented the Prospectus Directive (each, a "Relevant Member State"), from and including the date on which the European Union Prospectus Directive (the "EU Prospectus Directive") is implemented in that Relevant Member State (the "Relevant Implementation Date") an offer of securities described in this prospectus may not be made to the public in that Relevant Member State prior to the publication of a prospectus in relation to the securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the EU Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

to fewer than 100 natural or legal persons (other than qualified investors as defined in the EU Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or

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in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of securities to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the same may be varied in that Member State by any measure implementing the EU Prospectus Directive in that Member State and the expression EU Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Schedule TO

Pursuant to Rule 13e-4 under the Exchange Act, we will file with the SEC an Issuer Tender Offer Statement on Schedule TO which contains additional information with respect to the Exchange Offer. Such Schedule TO, including the exhibits and any amendment thereto, may be examined, and copies may be obtained, as provided in the section in this prospectus entitled "Where You Can Find More Information."

Accounting Treatment

We will derecognize the net carrying amount of exchanged Convertible Notes and recognize common stock and paid-in capital for the shares of common stock issued in connection with the Exchange Offer. As part of the Exchange Offer, we will allocate the fair value of the total consideration provided to the extinguishment of the liability component of the Convertible Notes based upon the fair value of that component immediately prior to extinguishment and any remaining difference shall be attributed to the reacquisition of the equity component. In determining the amount of any gain or loss on debt extinguishment resulting from the Exchange Offer, we will compare the carrying value of the Convertible Notes tendered, including any unamortized debt issuance costs, with the portion of the consideration allocated to the acquisition of the debt component. The consideration allocated to the reacquisition of the equity component will be recorded as a reduction to additional paid-in capital. See "Capitalization."

We expect to recognize a loss on debt extinguishment resulting from the Exchange Offer as we expect the portion of the consideration allocated to the acquisition of the debt component of each \$1,000 principal amount of Convertible Notes tendered to exceed the carrying value of such Convertible Notes. The amount of the loss will depend on many factors, including the fair value of the liability component of the Convertible Notes immediately prior to extinguishment (an amount which cannot be reliably predicted in advance), fluctuations in general unsecured debt market conditions, the timing of settlement of the Exchange Offer, the principal amount of Convertible Notes accepted for exchange in the Exchange Offer, and the value of the Convertible Notes Offer Consideration at the settlement date. For example, under certain circumstances, if the entire amount of the Convertible Notes were exchanged pursuant to the Exchange Offer, and the fair value of the liability component of the Convertible Notes immediately prior to extinguishment was approximately \$1,114 per each \$1,000 principal amount of Convertible Notes, equivalent to a yield of approximately 5.00%, the total loss on early extinguishment of debt would be approximately \$56 million. As referenced above, the fair value of the liability component of the Convertible Notes immediately prior to extinguishment cannot be reliably predicted in advance of the extinguishment and may vary significantly depending upon a number of factors, many of which are beyond our control, and, accordingly, the actual amount of the loss on debt extinguishment could be materially different from the amount disclosed in the preceding example. See "Capitalization."

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Our common stock is listed on The New York Stock Exchange under the symbol "ARE." The following table sets forth on a per share basis the high and low sales prices for consolidated trading in our common stock as reported on The New York Stock Exchange and dividends for the quarters indicated. The closing price of a share of our common stock on June 4, 2010 was \$62.36.

	Price Range of Common Stock		Dividend Declared per Share
	High	Low	
Fiscal 2008			
First quarter	\$ 104.23	\$ 85.97	\$ 0.78
Second quarter	\$ 107.50	\$ 92.73	\$ 0.80
Third quarter	\$ 116.50	\$ 92.55	\$ 0.80
Fourth quarter	\$ 112.72	\$ 33.12	\$ 0.80
Fiscal 2009			
First quarter	\$ 66.69	\$ 31.19	\$ 0.80
Second quarter	\$ 43.76	\$ 30.48	\$ 0.35
Third quarter	\$ 62.49	\$ 30.33	\$ 0.35
Fourth quarter	\$ 68.24	\$ 51.35	\$ 0.35
Fiscal 2010			
First quarter	\$ 69.03	\$ 55.54	\$ 0.35
Second quarter (through June 4, 2010)	\$ 75.18	\$ 60.48	(1)

(1) As of June 4, 2010, dividends for the second quarter of 2010 have not been declared.

The number of registered stockholders of our common stock at June 4, 2010, was 254.

As of March 31, 2010, our book value per share was \$53.29.

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**COMPARISON OF RIGHTS OF HOLDERS OF CONVERTIBLE NOTES
AND HOLDERS OF OUR COMMON STOCK**

The following is a description of the material differences between the rights of holders of Convertible Notes and of our common stock. Since this is only a summary, it does not contain all of the information that may be important to you. You should carefully read this entire prospectus, including the documents incorporated by reference, for a more complete understanding of the differences between being a holder of Convertible Notes and being a holder of shares of our common stock.

Ranking

Convertible Notes: The Convertible Notes are unsecured, senior obligations of Alexandria. The payment of the principal of, and interest on, the Convertible Notes ranks equally in right of payment with our existing and future unsecured and unsubordinated indebtedness and senior in right of payment to any of our existing and future subordinated indebtedness. The Convertible Notes are effectively subordinated to any secured indebtedness to the extent of the value of the assets securing such indebtedness. Additionally, the Convertible Notes are effectively subordinated to all existing and future indebtedness of our subsidiaries.

Common Stock: The common stock ranks junior with respect to dividend rights and rights upon liquidation, dissolution or winding up of Alexandria to all indebtedness and any preferred stock we may issue.

Dividends/Distributions

Convertible Notes: Holders of Convertible Notes are entitled to receive interest at the rate of 8.00% per year, payable semiannually in arrears on April 15 and October 15 of each year.

Common Stock: Holders of common stock are entitled to dividends as may be authorized from time to time by the board of directors and declared by us from funds legally available therefor.

Listing

Convertible Notes: The Convertible Notes are not listed on any securities exchange.

Common Stock: Our common stock is listed on The New York Stock Exchange under the symbol "ARE."

Voting Rights

Convertible Notes: Holders of the Convertible Notes have no voting or other rights in respect of the common stock issuable upon conversion of the Convertible Notes.

Common Stock: Each share of our common stock entitles the holder thereof to one vote on all matters, including the election of directors, and, except as otherwise required by law and our charter and bylaws with respect to the voting rights of holders of our series C cumulative redeemable preferred stock ("Series C Preferred Stock") and series D cumulative convertible preferred stock ("Series D Preferred Stock") or other series of preferred stock that we may issue in the future, the holders of the common stock will possess all voting power. The terms of our Series C Preferred Stock and our Series D Preferred Stock provide that if we are in arrears in paying preferred dividends for six or more quarterly periods, the holders of the Series C Preferred Stock and the holders of the Series D Preferred Stock, voting as a single class, may elect two additional directors to our board of directors and further provide for certain other limited voting rights. We are current, as of the date of this prospectus, on all preferred stock dividends.

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Conversion or Exchange

Convertible Notes: The conversion rate, which is subject to anti-dilution adjustments, is 24.1546 shares of our common stock per \$1,000 principal amount of Convertible Notes.

Common Stock: Our common stock is not convertible into any other security.

Governing Documents

Convertible Notes: The rights of holders of Convertible Notes currently are set forth in, and you may enforce your rights under, the indenture relating to the Convertible Notes.

Common Stock: Holders of shares of our common stock will have their rights set forth in, and may enforce their rights under, the Maryland General Corporation Law and our charter and bylaws, as amended.

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DESCRIPTION OF OUR CAPITAL STOCK

The following description of our capital stock summarizes general terms and provisions that apply to our capital stock. Since this is only a summary, it does not contain all of the information that may be important to you. This summary is subject to and qualified in its entirety by reference to the Maryland General Corporation Law, our charter and our bylaws, as amended, which are filed as exhibits to the registration statement of which this prospectus is a part. See "Where You Can Find More Information."

General

Our charter provides that we may issue up to

100,000,000 shares of common stock, \$.01 par value per share, or common stock;

100,000,000 shares of preferred stock, \$.01 par value per share, or preferred stock; and

200,000,000 shares of excess stock, \$.01 par value per share, or excess stock (as described below).