

ALEXANDRIA REAL ESTATE EQUITIES INC

Form 10-Q

May 03, 2013

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended March 31, 2013

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-12993

**ALEXANDRIA REAL ESTATE EQUITIES, INC.**

(Exact name of registrant as specified in its charter)

Maryland

95-4502084

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(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer Identification  
Number)

**385 East Colorado Boulevard, Suite 299, Pasadena, California 91101**

(Address of principal executive offices) (Zip code)

**(626) 578-0777**

(Registrant's telephone number, including area code)

**N/A**

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

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

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

Large accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

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

As of May 2, 2013, 63,837,404 shares of common stock, par value \$.01 per share, were outstanding.

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**Alexandria Real Estate Equities, Inc.**  
**Condensed Consolidated Balance Sheets**

*(In thousands)*

*(Unaudited)*

	March 31, 2013	December 31, 2012
<b>Assets</b>		
Investments in real estate, net	\$ 6,375,182	\$ 6,424,578
Cash and cash equivalents	87,001	140,971
Restricted cash	30,008	39,947
Tenant receivables	9,261	8,449
Deferred rent	170,100	170,396
Deferred leasing and financing costs, net	159,872	160,048
Investments	123,543	115,048
Other assets	135,952	90,679
<b>Total assets</b>	<b>\$ 7,090,919</b>	<b>\$ 7,150,116</b>
<b>Liabilities, Noncontrolling Interests, and Equity</b>		
Secured notes payable	\$ 730,714	\$ 716,144
Unsecured senior notes payable	549,816	549,805
Unsecured senior line of credit	554,000	566,000
Unsecured senior bank term loans	1,350,000	1,350,000
Accounts payable, accrued expenses, and tenant security deposits	367,153	423,708
Dividends payable	43,955	41,401
<b>Total liabilities</b>	<b>3,595,638</b>	<b>3,647,058</b>
<b>Commitments and contingencies</b>		
Redeemable noncontrolling interests	14,534	14,564
<b>Alexandria Real Estate Equities, Inc.'s stockholders' equity:</b>		
Series D Convertible Preferred Stock	250,000	250,000
Series E Preferred Stock	130,000	130,000
Common stock	633	632
Additional paid-in capital	3,075,860	3,086,052
Accumulated other comprehensive loss	(22,890)	(24,833)
Alexandria Real Estate Equities, Inc.'s stockholders' equity	3,433,603	3,441,851
Noncontrolling interests	47,144	46,643
<b>Total equity</b>	<b>3,480,747</b>	<b>3,488,494</b>
<b>Total liabilities, noncontrolling interests, and equity</b>	<b>\$ 7,090,919</b>	<b>\$ 7,150,116</b>

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



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**Alexandria Real Estate Equities, Inc.**  
**Condensed Consolidated Statements of Income**

*(In thousands, except per share amounts)*  
*(Unaudited)*

	Three Months Ended March 31,	
	2013	2012
<b>Revenues:</b>		
Rental	\$ 111,776	\$ 101,201
Tenant recoveries	35,611	31,882
Other income	2,993	2,628
<b>Total revenues</b>	<b>150,380</b>	<b>135,711</b>
<b>Expenses:</b>		
Rental operations	45,224	40,453
General and administrative	11,648	10,357
Interest	18,020	16,226
Depreciation and amortization	46,065	41,786
Loss on early extinguishment of debt		623
<b>Total expenses</b>	<b>120,957</b>	<b>109,445</b>
<b>Income from continuing operations</b>	<b>29,423</b>	<b>26,266</b>
<b>Income from discontinued operations, net</b>	<b>814</b>	<b>4,645</b>
<b>Gain on sale of land parcel</b>		<b>1,864</b>
<b>Net income</b>	<b>30,237</b>	<b>32,775</b>