ALEXANDRIA REAL ESTATE EQUITIES INC
Form 424B5
May 30, 2013

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Amount of Registration Fee
Alexandria Real Estate Equities, Inc. 3.90% Senior Notes due 2023	$500,000,000	99.712%	$498,560,000	$68,003.59(1)
Alexandria Real Estate Equities, L.P. Guarantee of 3.90% Notes due 2023	(2)	(2)	(2)	(2)

(1) The filing fee of $68,003.59 is calculated in accordance with Rules 457(o) and 457(r) of the Securities Act of 1933, as amended, or the Act. In accordance with Rules 456(b) and 457(r) of the Act, the registrants initially deferred payment of all of the registration fees for the Registration Statement filed by the registrants on June 5, 2012.

(2) No separate consideration will be received for the guarantee. Pursuant to Rule 457(n) under the Act, no separate fee is payable with respect to the guarantee being registered hereby.

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Filed Pursuant to Rule 424(b)5
Registration File No: 333-181881

PROSPECTUS SUPPLEMENT
(To prospectus dated June 4, 2012)

$500,000,000

Alexandria Real Estate Equities, Inc.

3.90% Senior Notes due 2023
Fully and Unconditionally Guaranteed by Alexandria Real Estate Equities, L.P.

We are offering $500,000,000 of 3.90% senior notes due 2023.

The notes will bear interest at the rate of 3.90% per year. Interest on the notes is payable on December 15 and June 15 of each year, beginning on December 15, 2013. The notes will mature on June 15, 2023. The notes will be fully and unconditionally guaranteed by our subsidiary, Alexandria Real Estate Equities, L.P., a Delaware limited partnership. We may redeem some or all of the notes at any time prior to maturity and as described under the caption "Description of Notes and Guarantee Our Redemption Rights." If the notes are redeemed on or after 90 days prior to the maturity date, the redemption price will not include a make-whole provision. We will issue the notes only in registered form in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The notes will be our unsecured senior obligations and will rank equally in right of payment with all of our other unsecured senior indebtedness from time to time outstanding and will be effectively subordinated in right of payment to all of our existing and future secured indebtedness and to all existing and future liabilities and preferred equity, whether secured or unsecured, of our subsidiaries other than Alexandria Real Estate Equities, L.P.

No market currently exists for the notes. We do not intend to list the notes on any national securities exchange.

Investing in our notes involves risks. See "Risk Factors" on page S-11.

	Per Note		Total(1)
Public offering price	99.712%	$	498,560,000
Underwriting discounts and commissions	0.650%	$	3,250,000
Proceeds, before expenses, to us	99.062%	$	495,310,000

(1)

Plus accrued interest, if any, from the original date of issue.

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

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company against payment on or about June 7, 2013.

J.P. Morgan **RBC Capital Markets** **RBS**

Barclays **Goldman, Sachs & Co.** **Mitsubishi UFJ Securities** **PNC Capital Markets LLC** **Scotiabank**

BBVA Securities **BNY Mellon Capital Markets, LLC** **Credit Agricole CIB** **Credit Suisse**

Fifth Third Securities, Inc. **HSBC** **Huntington Investment Company** **JMP Securities** **TD Securities**

The date of this prospectus supplement is May 29, 2013.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with any different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations, and prospects may have changed since those dates.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. You can identify the forward-looking statements by their use of forward-looking words, such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," or "anticipates," or the negative of those words or similar words. Forward-looking statements involve inherent risks and uncertainties regarding events, conditions, and financial trends that may affect our future plans of operation, business strategy, results of operations, and financial position. A number of important factors could cause actual results to differ materially from those included within or contemplated by the forward-looking statements, including, but not limited to the following:

- Negative worldwide economic, financial, and banking conditions, and the recent slowdown of the United States ("U.S.") economy;
- Worldwide economic recession, lack of confidence, and/or high structural unemployment;
- Potential defaults on national debt by certain countries;
- Potential and further downgrade of the U.S. credit rating;
- The continuation of the ongoing economic crisis in Europe;
- Failure of the U.S. government to agree on a debt ceiling or deficit reduction plan;
- Inability of the U.S. government to avoid the fiscal cliff or sequestration;
- Potential and further downgrades of the credit ratings of major financial institutions, or their perceived creditworthiness;
- Financial, banking, and credit market conditions;
- The seizure or illiquidity of credit markets;
- Failure to meet market expectations for our financial performance;
- Our inability to obtain capital (debt, construction financing, and/or equity) or refinance debt maturities;
- Potential negative impact of capital plan objectives to reduce our balance sheet leverage;
- Our inability to comply with financial covenants in our debt agreements;

Inflation or deflation;

Prolonged period of stagnant growth;

Increased interest rates and operating costs;

Adverse economic or real estate developments in our markets;

Our failure to successfully complete and lease our existing space held for redevelopment and new properties acquired for that purpose and any properties undergoing development;

Significant decreases in our active development, active redevelopment, or preconstruction activities, resulting in significant increases in our interest, operating, and payroll expenses;

Our failure to successfully operate or lease acquired properties;

The financial condition of our insurance carriers;

General and local economic conditions;

Government changes to the healthcare system and its negative impact on our client tenants;

Adverse developments concerning the life science industry and/or our life science client tenants;

Client tenant base concentration within life science industry;

Potential decreases in U.S. National Institute of Health funding;

U.S. government client tenants may not receive government funding;

Government-driven changes to the healthcare system that may reduce pricing of drugs, negatively impact healthcare coverage, or negatively impact reimbursement of healthcare services and products;

The nature and extent of future competition;

Lower rental rates and/or higher vacancy rates;

Failure to renew or replace expiring leases;

Defaults on or non-renewal of leases by client tenants;

Availability of and our ability to attract and retain qualified personnel;

Our failure to comply with laws or changes in law;

Compliance with environmental laws;

Extreme weather conditions or climate change;

Our failure to maintain our status as a real estate investment trust ("REIT") for federal tax purposes;

Changes in laws, regulations, and financial accounting standards;

Certain ownership interests outside the U.S. that may subject us to different or greater risks than those associated with our domestic operations;

- Fluctuations in foreign currency exchange rates;
- Security breaches through cyber-attacks or cyber-intrusions;
- Changes in the method of determining the London Interbank Offered Rate ("LIBOR"); and
- Negative impact on economic growth resulting from the combination of federal income tax increases and government spending restrictions.

This list of risks and uncertainties is not exhaustive. For a discussion of these and other factors that could cause actual results to differ from those contemplated in the forward-looking statements, please see the discussion under "Risk Factors" contained in this prospectus supplement and the other information contained in our publicly available filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2013. We do not undertake any responsibility to update any of these factors or to announce publicly any revisions to forward-looking statements, whether as a result of new information, future events, or otherwise.

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SUMMARY

The following summary may not contain all of the information that is important to you. You should read this entire prospectus supplement, the accompanying prospectus, and the documents incorporated by reference into the accompanying prospectus carefully before deciding whether to invest in the notes. In this prospectus supplement and the accompanying prospectus, unless otherwise indicated, the "Company," "we," "us," and "our" refer to Alexandria Real Estate Equities, Inc. and its subsidiaries, and "GAAP" refers to accounting principles generally accepted in the United States. Unless otherwise indicated, the information in this prospectus supplement is as of March 31, 2013.

Alexandria Real Estate Equities, Inc.

Overview

We are a self-administered and self-managed investment grade REIT. We are the largest and leading REIT focused principally on owning, operating, developing, redeveloping, and acquiring high-quality, sustainable real estate for the broad and diverse life science industry. Founded in 1994, we are the first REIT to identify and pursue the laboratory niche and have since had the first-mover advantage in the core life science cluster locations, including Greater Boston, San Francisco Bay Area, San Diego, New York City, Seattle, Suburban Washington, D.C., and Research Triangle Park. Our high-credit client tenants span the life science industry, including renowned academic and medical institutions, multinational pharmaceutical companies, public and private biotechnology entities, U.S. government research agencies, medical device companies, industrial biotech companies, venture capital firms, and life science product and service companies.

Our primary business objective is to maximize stockholder value by providing our stockholders with the greatest possible total return and long-term asset value based on a multifaceted platform of internal and external growth. The key elements to our strategy include our consistent focus on high-quality assets and operations in the top life science cluster locations with our properties located in close proximity to life science entities, driving growth and technological advances within each cluster. These locations are characterized by high barriers to entry for new landlords, high barriers to exit for client tenants, and limited supply of available space. They represent highly desirable locations for tenancy by life science entities because of the close proximity to concentrations of specialized skills, knowledge, institutions, and related businesses. Our strategy also includes drawing upon our deep and broad life science and real estate relationships in order to attract new and leading life science client tenants and value-added real estate.

Recent Developments:

- On May 17, 2013, we completed a common stock offering of 7,590,000 shares at a price of $73.50 per share, including 990,000 shares issued pursuant to the exercise in full of the underwriters' option to purchase additional shares. The net proceeds of approximately $535.6 million were used to reduce the outstanding balance on our $1.5 billion unsecured senior line of credit ("unsecured senior line of credit").

- We increased the availability of capital through our unsecured senior line of credit. Approximately $1.5 billion was available as of March 31, 2013 on a pro forma basis after giving effect to our May 2013 common stock offering.

- We reduced our unhedged debt as a percentage of total debt to approximately 15% as of March 31, 2013, on a pro forma basis, after giving effect to our May 2013 common stock offering.

- On May 28, 2013, we announced the execution of a 10-year lease with a leading mid-cap life science company at our 499 Illinois Street development in the Mission Bay submarket of San

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Francisco. The lease is for 97,700 rentable square feet ("RSF"), or 45%, of the 219,600 RSF at this building. The client-tenant will open a state-of-the-art research and development center at this facility.

We continue to improve our credit metrics. We also continue to target achieving a net debt to adjusted EBITDA ratio of approximately 6.5x and a fixed charge coverage ratio of approximately 3.0x as of December 31, 2013.

We have re-evaluated our previous decision to execute a partial sale of our interest in our 75/125 Binney Street development project and now plan to retain 100% ownership of the project. This reassessment will allow us to fully capture the potential upside from this project and will increase our planned investment to the extent of our incremental projected ownership retention of the project.

As of March 31, 2013:

We had 173 properties aggregating approximately 16.7 million RSF, composed of approximately 14.2 million RSF of operating properties, approximately 2.1 million RSF undergoing active development, and approximately 0.4 million RSF undergoing active redevelopment;

Our properties were located in leading life science markets, including: Greater Boston, San Francisco Bay Area, San Diego, New York City, Seattle, Suburban Washington, D.C., and Research Triangle Park;

Our operating properties were approximately 93.0% leased;

We had six active ground-up development projects in process in North America, including an unconsolidated joint venture development project, aggregating approximately 1,854,859 RSF. We also had seven active projects undergoing conversion into laboratory space through redevelopment in North America, aggregating approximately 331,380 RSF;

We have a diverse group of client tenants, with our largest single tenant, Novartis AG, accounting for 7.1% of our annualized base rent;

Investment-grade client tenants represented 46% of our total annualized base rent; and

Approximately 94% of our leases (on a RSF basis) were triple net leases, requiring client tenants to pay substantially all real estate taxes, insurance, utilities, common area expenses, and other operating expenses (including increases thereto) in addition to base rent. Additionally, approximately 96% of our leases (on a RSF basis) contained effective annual rent escalations that were either fixed or indexed based on a consumer price index or another index, and approximately 92% of our leases (on a RSF basis) provided for the recapture of certain capital expenditures.

Growth and Core Operating Strategies

We continue to demonstrate the strength and durability of our core operations, providing life science laboratory space to the broad and diverse life science industry. Our internal growth has been consistent, as demonstrated by our same property net operating income ("NOI") performance, high and relatively stable occupancy, and continuing improvement of cash flows from the leasing activity of our core operating assets. In addition, we continue to focus on our external growth through the conversion of non-income-producing assets into income-producing assets, which results in cash flow contribution from ground-up development and from redevelopment of non-laboratory space into laboratory space. We intend to selectively acquire properties that we believe provide long-term value to our stockholders. Our strategy for acquisitions will focus on the quality of the submarket locations, improvements, tenancy, and overall return. We believe the life science industry will remain keenly

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focused on locations in close proximity to key innovation drivers in each major life science submarket. Owning and operating the best assets in the best locations provides the best upside potential and provides the most downside risk mitigation. This being the case, we will also focus on locations that we believe will deliver high cash flows, stability, and returns as we work to deliver the highest value to our stockholders.

We also intend to continue to focus on the completion and delivery of our existing active development and redevelopment projects in North America, aggregating approximately 1,854,859 RSF, and 331,380 RSF, respectively. Additionally, we intend to continue with preconstruction activities for certain land parcels for future ground-up development in order to preserve and create value for these projects. These important preconstruction activities add significant value to our land for future ground-up development and are required for the ultimate vertical construction of the buildings. We also continue to be very prudent with any future decisions to add new projects to our active ground-up developments. Future ground-up development projects will likely require significant pre-leasing from high-quality and/or creditworthy entities.

We intend to continue to transition our balance sheet debt from short-term and medium-term unsecured variable rate bank debt to long-term unsecured fixed rate debt. We are focused on the recycling of sale proceeds from non-core suburban assets for investment into higher-value urban or central business district ("CBD") assets and teaming with high-quality capital partners, as appropriate. We expect sources of funds for construction activities and repayment of outstanding debt to be provided by opportunistic sales of real estate, joint ventures, cash flows from operations, new secured or unsecured debt, and the issuance of additional equity securities, as appropriate. We intend to combine these sources of capital in order to achieve and maintain our overall balance sheet leverage target.

We seek to maximize balance sheet liquidity and flexibility, cash flows, and cash available for distribution to our stockholders through the ownership, operation, management, and selective acquisition, development, and redevelopment of life science properties, as well as management of our balance sheet. In particular, we seek to maximize balance sheet liquidity and flexibility, cash flows, and cash available for distribution by:

- Maintaining significant liquidity through borrowing capacity under our unsecured senior line of credit and cash and cash equivalents;
- Minimizing the amount of near-term debt maturities in a single year;
- Maintaining low to modest leverage;
- Minimizing variable interest rate risk;
- Maintaining strong and stable operating cash flows;
- Re-tenanting and re-leasing space at higher rental rates to the extent possible, while minimizing tenant improvement costs;
- Maintaining solid occupancy while also maintaining high lease rental rates;
- Realizing contractual rental rate escalations, which are currently provided for in approximately 96% of our leases (on a RSF basis);
- Implementing effective cost control measures, including negotiating pass-through provisions in client tenant leases for operating expenses and certain capital expenditures;
- Improving investment returns through leasing of vacant space and replacement of existing client tenants with new client tenants at higher rental rates;

Achieving higher rental rates from existing client tenants as existing leases expire;

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- Selectively selling properties, including land parcels, to reduce outstanding debt;
- Selectively acquiring high-quality life science properties in our target life science cluster markets at prices that enable us to realize attractive returns;
- Selectively redeveloping existing office, warehouse, or shell space, or newly acquired properties, into generic life science laboratory space that can be leased at higher rental rates in our target life science cluster markets;
- Selectively developing properties in our target life science cluster markets; and
- Recycling non-core assets for capital deployment in key "brain trust" clusters for future value.

We continue to target achieving a leverage ratio of net debt to adjusted EBITDA of approximately 6.5x and a fixed charge coverage ratio of approximately 3.0x as of December 31, 2013.

First Quarter 2013 Highlights

- Funds from operations ("FFO") per share diluted, of $1.11, up 3%, for the three months ended March 31, 2013, over the three months ended March 31, 2012.
- Adjusted funds from operations ("AFFO") per share diluted, of $1.08, up 6%, for the three months ended March 31, 2013, over the three months ended March 31, 2012.
- Earnings per share diluted of $0.36, up 20%, for the three months ended March 31, 2013, over March 31, 2012.

Core Operating Metrics

- Total revenues were $150.4 million, up 11%, for the three months ended March 31, 2013, compared to total revenues for the three months ended March 31, 2012, of $135.7 million;
- NOI was $105.2 million, up 10%, for the three months ended March 31, 2013, compared to NOI for the three months ended March 31, 2012, of $95.3 million;
- Investment-grade client tenants represented 46% of total annualized base rent;
- Investment-grade client tenants represented 78% of top 10 client tenants' annualized base rent;
- Operating margins remained steady at 70% for the three months ended March 31, 2013;
- Annual rent escalations in 96% of leases;

Same property NOI increased by 8.8% and 0.4% on a cash and GAAP basis, respectively, for the three months ended March 31, 2013, compared to same property NOI for the three months ended March 31, 2012;

Solid leasing activity during the three months ended March 31, 2013;

- Executed 44 leases for 703,000 RSF, including 457,000 RSF of development and redevelopment space;
- RSF of remaining expiring leases in 2013 are modest at 4.1% of total RSF;
- Rental rate increase of 5.9% and 12.7% on a cash and GAAP basis, respectively, on renewed/re-leased space;
- Key life science space leasing;
    - ARIAD Pharmaceuticals, Inc. leased 244,000 RSF in the greater Boston market;

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Onyx Pharmaceuticals, Inc. leased 107,250 RSF in the San Francisco Bay Area market; and

Occupancy of 94.2% for North America operating properties as of March 31, 2013, and occupancy of 91.8% for North America operating and redevelopment properties as of March 31, 2013, compared to occupancy of 94.6% for North America operating properties as of December 31, 2012, and occupancy of 91.6% for North America operating and redevelopment properties as of December 31, 2012.

FFO per share diluted, AFFO per share diluted, NOI, and same property NOI are non-GAAP measures. For information on the Company's FFO, AFFO, NOI, and same property NOI, including definitions and reconciliations to the most directly comparable GAAP measures, see page S-28.

Value-Added Opportunities and External Growth

As of March 31, 2013, we had six ground-up development projects in process in North America, including an unconsolidated joint venture development project, aggregating approximately 1,854,859 RSF. We also had seven active projects undergoing conversion into laboratory space through redevelopment, aggregating approximately 331,380 RSF. These projects, along with recently delivered projects, certain future projects, and contribution from same properties, are expected to contribute significant increases in rental income, NOI, and cash flows.

During the three months ended March 31, 2013, we executed leases aggregating 355,000 and 102,000 RSF, respectively, related to our development and redevelopment projects.

Our initial stabilized yield on a cash basis reflects cash rents at date of stabilization and does not reflect contractual rent escalations beyond the stabilization date. Our cash rents related to our value-added projects are expected to increase over time and our average stabilized cash yields are expected, in general, to be greater than our initial stabilized yields. Initial stabilized yield is calculated as the ratio of the estimated amounts of NOI and our investment in the property at stabilization ("Initial Stabilized Yield").

The following table summarizes the commencement of key development projects during the three months ended March 31, 2013 (dollars in thousands, except per RSF amounts):

Address/Market	Commencement Date	RSF	Pre-Leased %	Investment at Completion	Cost Per RSF	Initial Stabilized Yield Cash	Initial Stabilized Yield GAAP	Key Client Tenant
Development								
75/125 Binney Street/Greater Boston	January 2013	386,275	63%	$ 351,439	$ 910	8.0%	8.2%	ARIAD Pharmaceuticals, Inc.
269 East Grand Avenue/San Francisco Bay Area	March 2013	107,250	100%	$ 51,300	$ 478	8.1%	9.3%	Onyx Pharmaceuticals, Inc.

Balance Sheet Strategy and Significant Milestones

Our balance sheet strategy will continue to focus on achieving a target leverage ratio of net debt to adjusted EBITDA of approximately 6.5x and a fixed charge coverage ratio of approximately 3.0x as of December 31, 2013, by funding our significant Class A development and redevelopment projects in top life science cluster locations with leverage-neutral sources of capital and with the continuing execution of our asset recycling program. Our leverage will reflect periodic increases and decreases quarter to quarter as we execute and deliver our construction projects and execute our capital plan, including our

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asset recycling program. Our balance sheet objective and our strategy to achieve and maintain our target leverage ratio includes the following:

- We expect growth in annualized EBITDA from the fourth quarter 2012 to the fourth quarter 2013 due primarily to the completion of significant value-added projects, which are 93.0% leased as of March 31, 2013.

- We will continue to execute our asset recycling program to monetize non-strategic income-producing and non-income-producing assets to reduce outstanding debt and provide funds for reinvestment into Class A, CBD, and urban locations in close proximity to leading academic medical research centers. As of March 31, 2013, we have completed all significant sales of non-strategic income-producing assets targeted for 2013.

  - We sold $124.3 million of income-producing asset sales during the three months ended March 31, 2013 (such sold assets generated a weighted-average unlevered internal rate of return of 11% during the period we previously owned such assets).

  - We are targeting sales of approximately $149 million to $189 million in non-income-producing assets for the remainder of the year ending December 31, 2013, including $45 million of non-income-producing asset sales under negotiation. This targeted sales range reflects a reduction of $60 million to $70 million from our prior targeted sales range, due to our re-evaluation of our previous decision to execute a partial sale of our interest in our 75/125 Binney Street development project.

- Our liquidity available under our unsecured senior line of credit and from cash and cash equivalents was approximately $1.5 billion as of March 31, 2013, after giving effect to our May 2013 common stock offering.

- We anticipate our targeted unhedged variable rate debt as a percentage of total debt will be less than 18% by December 31, 2013.

- We expect to extend and ladder our debt maturities.

- Our increased available capital will position us to take advantage of near-term growth opportunities, including key cluster developments and near-term future property acquisition opportunities.

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The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The section entitled "Description of Notes and Guarantee" of this prospectus supplement contains a more detailed description of the terms and conditions of the notes and the indenture governing the notes. As used in this section, unless stated otherwise, the terms "we," "us," "our," and the "Company" refer to Alexandria Real Estate Equities, Inc. and not to any of its subsidiaries, and references to the "Operating Partnership" or "guarantor" refer solely to Alexandria Real Estate Equities, L.P. and not to any of its subsidiaries.

Issuer	Alexandria Real Estate Equities, Inc.
Guarantor	Alexandria Real Estate Equities, L.P.
Issuer/Guarantor Structure	

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(1) As of March 31, 2013. For purposes of this chart, the operating properties have been classified at the lowest level at which a majority ownership is held for the entities shown.

(2) Composed of our 4.60% unsecured senior notes payable due 2022 ("4.60% unsecured senior notes payable").

(3) Composed of our unsecured senior bank term loan with a principal of $750 million (as of March 31, 2013) and a maturity date of June 30, 2016 ("2016 unsecured senior bank term loan") and our unsecured senior bank term loan with a principal of $600 million (as of March 31, 2013) and a maturity date of January 31, 2017 ("2017 unsecured senior bank term loan"). Our maturity dates for these two term loans assume that we exercise available one year extension options on each loan.

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Securities Offered	$500,000,000 principal amount of 3.90% notes due 2023.
Ranking	As of March 31, 2013, we had outstanding $730.7 million of secured indebtedness and $2.45 billion of senior unsecured indebtedness (exclusive of trade payables, distributions payable, accrued expenses and committed letters of credit) on a consolidated basis. All of our outstanding secured indebtedness as of March 31, 2013 was attributable to indebtedness of our subsidiaries other than Alexandria Real Estate Equities, L.P. The notes will be our senior unsecured obligations and will rank equally with each other and with all of our existing and future other senior unsecured indebtedness. However, the notes will be effectively subordinated to our existing and future mortgages and other secured indebtedness (to the extent of the value of the collateral securing such indebtedness) and to all existing and future preferred equity and liabilities, whether secured or unsecured, of our subsidiaries other than Alexandria Real Estate Equities, L.P.
Guarantee	The notes will be fully and unconditionally guaranteed by Alexandria Real Estate Equities, L.P. The guarantee will be a senior unsecured obligation of Alexandria Real Estate Equities, L.P. and will rank equally in right of payment with other senior unsecured obligations of Alexandria Real Estate Equities, L.P.
Interest	The notes will bear interest at a rate of 3.90% per year. Interest will be payable semi-annually in arrears on December 15 and June 15 of each year, beginning on December 15, 2013.
Maturity	The notes will mature on June 15, 2023 unless previously redeemed by us at our option prior to such date.
Our Redemption Rights	At any time before 90 days prior to the maturity date, we may redeem the notes at our option and in our sole discretion, in whole or from time to time in part, at the redemption price specified herein. If the notes are redeemed on or after 90 days prior to the maturity date, the redemption price will be equal to the sum of 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon. See "Description of Notes and Guarantee Our Redemption Rights" in this prospectus supplement.
Certain Covenants	The indenture governing the notes contains certain covenants that, among other things, limit our, our guarantor's and our subsidiaries' ability to: consummate a merger, consolidation or sale of all or substantially all of our assets, and incur secured or unsecured indebtedness.

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	These covenants are subject to a number of important exceptions and qualifications. See "Description of Notes and Guarantee" in this prospectus supplement.
Use of Proceeds	We expect that the net proceeds of this offering will be approximately $494.3 million, after deducting the underwriters' discounts and commissions and our estimated offering expenses. We intend to use the net proceeds from this offering to prepay $150 million of the outstanding principal balance of our 2016 unsecured senior bank term loan, to reduce the outstanding balance on our unsecured senior line of credit to zero, and to hold the remaining proceeds in cash and cash equivalents to fund near term opportunities related to development/redevelopment projects, to fund near term property acquisitions, and for general corporate purposes. After reducing the outstanding balance of our unsecured senior line of credit to zero, the Company may also borrow from time to time under such line of credit for any of the foregoing purposes.
Trading	The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. The underwriters have advised us that they intend to make a market in the notes. However, the underwriters will have no obligation to do so, and we cannot assure you that a market for the notes will develop or be maintained.
Book-Entry Form	The notes will be issued in the form of one or more fully-registered global notes in book-entry form, which will be deposited with, or on behalf of, The Depository Trust Company, commonly known as DTC. Beneficial interests in the global certificate representing the notes will be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants and such interests may not be exchanged for certificated notes, except in limited circumstances.
Additional Notes	We may, without the consent of holders of the notes, increase the principal amount of the notes by issuing additional notes in the future on the same terms and conditions, except for any difference in the issue price and interest accrued prior to the issue date of the additional notes, and with the same CUSIP number as the notes offered hereby so long as such additional notes are fungible for U.S. federal income tax purposes with the notes offered hereby.

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Conflicts of Interest	Affiliates of certain of the underwriters are lenders under our unsecured senior line of credit and our 2016 unsecured senior bank term loan and will receive a portion of the net proceeds from this offering. See "Underwriting Conflicts of Interest" and "Underwriting Other Relationships" in this prospectus supplement.
Risk Factors	In analyzing an investment in the notes we are offering pursuant to this prospectus supplement, you should carefully consider, along with other matters included or incorporated by reference in this prospectus supplement, the information set forth under "Risk Factors" beginning on page S-6.

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RISK FACTORS

An investment in our notes involves risks. New risks may emerge at any time and we cannot predict such risks or estimate the extent to which they may affect our financial performance. You should carefully consider the risks referred to in the section of the accompanying prospectus entitled "Forward-Looking Statements," as well as the risks identified in this prospectus supplement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2013, which are incorporated herein by reference.

Risks Relating to this Offering

Our business operations may not generate the cash needed to service our indebtedness.

We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will enable us to pay our indebtedness, including the notes we are offering in this prospectus supplement. If our cash flows and future borrowings are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness, including the notes. We cannot assure you that we would be able to take any of these actions, that these actions would be successful and permit us to meet our scheduled debt service obligations or that these actions would be permitted under the terms of our existing or future debt agreements. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations.

The effective subordination of the notes and guarantee may limit our ability to satisfy our obligations under the notes.

The notes are unsecured and therefore effectively will be subordinated to any of our and our subsidiaries' existing and future secured obligations. As a result, in the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding of our Company and/or the guarantor of the notes, our assets and the assets of the guarantor will be available to satisfy obligations of our secured debt before any payment may be made on the notes. To the extent that our assets and the assets of the guarantor cannot satisfy in full our secured debt, the holders of such debt would have a claim for any shortfall that would rank equally in right of payment with the notes. In such an event, we may not have sufficient assets remaining to pay amounts on any or all of the notes.

The notes will be issued by us and guaranteed only by the guarantor. Any claims of holders of the notes to the assets of our subsidiaries other than the guarantor derive from our direct and indirect equity interests in those subsidiaries. Claims of our subsidiaries' creditors (including general creditors and taxing authorities) will generally have priority as to the assets of our subsidiaries over our own equity interest claims and will therefore have priority over the holders of the notes. Consequently, the notes will be effectively subordinated to all liabilities, whether or not secured, of such subsidiaries, and possibly of any subsidiaries that we may in the future acquire or establish, as well as any indebtedness that may be incurred or guaranteed by certain of our existing and future subsidiaries other than the guarantor.

All of our outstanding secured indebtedness as of March 31, 2013, was attributable to indebtedness of our subsidiaries other than the guarantor. As of March 31, 2013, all of our outstanding senior unsecured indebtedness was attributable only to the Company and the guarantor, and will rank pari passu with the notes.

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We will continue to have the ability to incur debt after this offering; if we incur substantial additional debt, these higher levels of debt may affect our ability to pay principal and interest on the notes.

Although the agreements governing our unsecured credit facility and certain other indebtedness limit, and the indenture governing the notes will limit, our ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, debt incurred in compliance with these restrictions could be substantial. If we incur substantial additional indebtedness in the future, these higher levels of indebtedness could have important consequences to you, because:

- it could affect our ability to satisfy our obligations under the notes;
- a substantial portion of our available funds would have to be dedicated to interest and principal payments and may not then be available for operations, working capital, capital expenditures, the selective redevelopment, development and acquisition of properties, or general corporate or other purposes;
- it may impair our ability to obtain additional financing in the future;
- it may limit our flexibility in planning for, or reacting to, changes in our business and industry; and
- it may make us more vulnerable to downturns in our business, our industry or the economy in general.

The indenture governing the notes will contain certain covenants that limit our operating flexibility.

The indenture governing the notes will contain certain covenants that, among other things, will restrict our, our guarantor's, and our subsidiaries' ability to take specific actions, even if we believe them to be in our best interest, including restrictions on our ability to:

- consummate a merger, consolidation or sale of all or substantially all of our assets, and
- incur secured or unsecured indebtedness.

In addition, our 4.60% unsecured senior notes payable, unsecured senior line of credit, 2016 unsecured senior bank term loan, and 2017 unsecured senior bank term loan require us to meet specified financial ratios and the indenture governing the notes will require us to maintain at all times a specified ratio of unencumbered assets to unsecured debt. These covenants may restrict our ability to expand or fully pursue our business strategies. Our ability to comply with these and other provisions of the indenture governing the notes and our existing 4.60% unsecured senior notes payable, unsecured senior line of credit, 2016 unsecured senior bank term loan, and 2017 unsecured senior bank term loan may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments or other events beyond our control. The breach of any of these covenants, including those contained in our unsecured senior line of credit and the indenture governing the notes, could result in a default under our indebtedness, which could cause those and other obligations to become due and payable. If any of our indebtedness is accelerated, we may not be able to repay it.

If an active and liquid trading market for the notes does not develop, the market price of the notes may decline and you may be unable to sell your notes.

The notes are a new issue of securities for which there is currently no public market. We do not intend to list the notes on any national securities exchange or for a quotation of the notes on any quotation system. Accordingly, an active trading market may not develop for the notes. Even if a trading market for the notes develops, the market may not be liquid. If an active trading market does

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not develop, you may be unable to resell your notes or may only be able to sell them at a substantial discount.

We may invest or spend the net proceeds in this offering in ways with which you may not agree and in ways that may not earn a profit.

We intend to use the net proceeds from this offering to prepay $150 million of the outstanding principal balance of our 2016 unsecured senior bank term loan, to reduce the outstanding balance on our unsecured senior line of credit to zero, and to hold the remaining proceeds in cash and cash equivalents to fund near term opportunities related to development/redevelopment projects, to fund near term property acquisitions, and for general corporate purposes. After reducing the outstanding balance of our unsecured senior line of credit to zero, the Company may also borrow from time to time under such line of credit for any of the foregoing purposes. However, we will retain broad discretion over the use of the proceeds from this offering. You may not agree with the ways we decide to use these proceeds, and our use of the proceeds may not yield any profits.

We may redeem your notes at our option, which may adversely affect your return.

As described under "Description of Notes and Guarantee Our Redemption Rights," we have the right to redeem the notes in whole or in part from time to time. We may choose to exercise this redemption right when prevailing interest rates are relatively low. As a result, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the notes.

An increase in market interest rates could result in a decrease in the value of the notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase the notes and market interest rates increase, the market value of your notes may decline. We cannot predict the future level of market interest rates.

Adverse changes in our credit ratings could negatively affect our financing ability.

Our credit ratings may affect the amount of capital we can access, as well as the terms and pricing of any debt we may incur. There can be no assurance that we will be able to maintain our current credit ratings. In the event that our current credit ratings are downgraded or removed, we would most likely incur higher borrowing costs and experience greater difficulty in obtaining additional financing, which would in turn have a material adverse impact on our financial condition, results of operations, and liquidity.

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ALEXANDRIA REAL ESTATE EQUITIES, INC.

General

We are a Maryland corporation formed in October 1994 that has elected to be taxed as a REIT for federal income tax purposes. We are the largest and leading REIT focused principally on owning, operating, developing, redeveloping, and acquiring high-quality, sustainable real estate for the broad and diverse life science industry. Founded in 1994, we are the first REIT to identify and pursue the laboratory niche and have since had the first-mover advantage in the core life science cluster locations including Greater Boston, San Francisco Bay Area, San Diego, New York City, Seattle, Suburban Washington, D.C., and Research Triangle Park. Our high-credit client tenants span the life science industry, including renowned academic and medical institutions, multinational pharmaceutical companies, public and private biotechnology entities, U.S. government research agencies, medical device companies, industrial biotech companies, venture capital firms, and life science product and service companies.

As of March 31, 2013, we had 173 properties aggregating 16.7 million RSF, composed of approximately 14.2 million RSF of operating properties, approximately 2.1 million RSF undergoing active development, and approximately 0.4 million RSF undergoing active redevelopment. Our operating properties were approximately 93.0% leased as of March 31, 2013. Our primary sources of revenues are rental income and tenant recoveries from leases of our properties. Investment-grade client tenants represented 46% of our total annualized base rent as of March 31, 2013. The comparability of financial data from period to period is affected by the timing of our property acquisition, development, and redevelopment activities.

Business Objectives and Strategies

Our primary business objective is to maximize stockholder value by providing our stockholders with the greatest possible total return and long-term asset value based on a multifaceted platform of internal and external growth. The key elements to our strategy include our consistent focus on high-quality assets and operations in the top life science cluster locations with our properties located in close proximity to life science entities, driving growth and technological advances within each cluster. These locations are characterized by high barriers to entry for new landlords, high barriers to exit for client tenants and limited supply of available space. They represent highly desirable locations for tenancy by life science entities because of the close proximity to concentrations of specialized skills, knowledge, institutions, and related businesses. Our strategy also includes drawing upon our deep and broad life science and real estate relationships in order to attract new and leading life science client tenants and value-added real estate.

We focus our property operations and investment activities principally in key life science markets, including Greater Boston, San Francisco Bay Area, San Diego, Greater NYC, Suburban Washington, D.C., Seattle, and Research Triangle Park.

Our client tenant base is broad and diverse within the life science industry and reflects our focus on regional, national, and international client tenants with substantial financial and operational resources. For a more detailed description of our properties and client tenants, see "Properties." We have an experienced board of directors and are led by a senior management team with extensive experience in both the real estate and life science industries.

2013 Highlights

Core Operations

The key elements to our strategy include our consistent focus on high-quality assets and operations in the top life science cluster locations; our properties are located adjacent to life science entities,

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driving growth and technological advances within each cluster. These adjacency locations are characterized by high barriers to entry for new landlords, high barriers to exit for client tenants, and limited supply of available space. They represent highly desirable locations for tenancy by life science entities because of the close proximity to concentrations of specialized skills, knowledge, institutions, and related businesses. Our strategy also includes drawing upon our deep and longstanding life science and real estate relationships in order to attract new and leading life science client tenants that provide us with our unique ability to create value through strong tenant retention and strategic development and redevelopment projects.

The following table presents information regarding our asset base and value-added projects as of March 31, 2013, and December 31, 2012:

Rentable square feet	**March 31, 2013**	**December 31, 2012**
Operating properties	14,168,626	14,992,086
Development properties	2,060,299	1,566,774
Redevelopment properties	430,523	547,092
Total rentable square feet	16,659,448	17,105,952
Number of properties	173	178
Occupancy of operating properties	93.0%	93.4%
Occupancy of operating and redevelopment properties	90.1%	89.8%
Annualized base rent per leased rentable square foot	$ 34.92	$ 34.59

Leasing

For the three months ended March 31, 2013, we executed a total of 44 leases for approximately 703,000 RSF at 29 different properties (excluding month-to-month leases). Of this total, approximately 156,000 RSF related to new or renewal leases of previously leased space (renewed/re-leased space), and approximately 547,000 RSF related to developed, redeveloped, or previously vacant space. Of the 547,000 RSF, approximately 457,000 RSF related to our development or redevelopment projects, and the remaining approximately 90,000 RSF related to previously vacant space. Rental rates for renewed/re-leased spaces were, on average, approximately 5.9% higher on a cash basis and approximately 12.7% higher on a GAAP basis than rental rates for the respective expiring leases. Additionally, we granted tenant concessions, including free rent averaging approximately 1.2 months, with respect to the 703,000 RSF leased during the three months ended March 31, 2013. Approximately 65.9% of the number of leases executed during the three months ended March 31, 2013, did not include concessions for free rent. The weighted average lease term based on leased square feet for the leases executed during the three months ended March 31, 2013, was 8.7 years.

As of March 31, 2013, approximately 94% of our leases (on a RSF basis) were triple net leases, requiring client tenants to pay substantially all real estate taxes, insurance, utilities, common area expenses, and other operating expenses (including increases thereto) in addition to base rent. Additionally, approximately 96% of our leases (on a RSF basis) contained effective annual rent escalations that were either fixed or indexed based on a consumer price index or another index, and approximately 92% of our leases (on a RSF basis) provided for the recapture of certain capital expenditures.

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The following table summarizes our leasing activity at our properties:

	Three Months Ended March 31, 2013		Twelve Months Ended March 31, 2013		Year Ended December 31, 2012		Year Ended December 31, 2011		Year Ended December 31, 2010	
	Cash	GAAP	Cash	GAAP	Cash	GAAP	Cash	GAAP	Cash	GAAP
Leasing activity:										
Lease expirations										
Number of leases	49	49	152	152	162	162	158	158	129	129
Rentable square footage	360,956	360,956	2,183,948	2,183,948	2,350,348	2,350,348	2,689,257	2,689,257	2,416,291	2,416,291
Expiring rates	$ 32.83	$ 30.21	$ 30.95	$ 28.15	$ 30.03	$ 27.65	$ 29.98	$ 28.42	$ 27.18	$ 28.54
Renewed/re-leased space										
Number of leases	19	19	85	85	102	102	109	109	89	89
Leased rentable square footage	155,881	155,881	1,356,755	1,356,755	1,475,403	1,475,403	1,821,866	1,821,866	1,777,966	1,777,966
Expiring rates	$ 29.70	$ 28.12	$ 31.78	$ 30.20	$ 30.47	$ 28.87	$ 30.73	$ 28.79	$ 28.84	$ 30.54
New rates	$ 31.45	$ 31.70	$ 31.45	$ 32.08	$ 29.86	$ 30.36	$ 30.16	$ 30.00	$ 29.41	$ 32.04
Rental rate changes	5.9%	12.7%	(1.0)%	6.2%	(2.0)%(1)	5.2%(1)	(1.9)%	4.2%	2.0%	4.9%
TI's/lease commissions per square foot	$ 5.66	$ 5.66	$ 5.93	$ 5.93	$ 6.22	$ 6.22	$ 5.82	$ 5.82%	$ 4.40	$ 4.40
Average lease terms	2.6 years	2.6 years	4.7 years	4.7 years	4.7 years	4.7 years	4.2 years	4.2 years	8.1 years	8.1 years
Developed/redeveloped/previously vacant space leased										
Number of leases	25	25	83	83	85	85	81	81	53	53
Rentable square footage	547,020	547,020	1,715,316	1,715,316	1,805,693	1,805,693	1,585,610	1,585,610	966,273	966,273
New rates	$ 50.89	$ 52.54	$ 35.08	$ 36.30	$ 30.66	$ 32.56	$ 33.45	$ 36.00	$ 36.33	$ 39.89
TI's/lease commissions per square foot	$ 7.52	$ 7.52	$ 9.77	$ 9.77	$ 11.02	$ 11.02	$ 12.78	$ 12.78	$ 8.10	$ 8.10
Average lease terms	10.4 years	10.4 years	9.2 years	9.2 years	9.0 years	9.0 years	8.9 years	8.9 years	9.7 years	9.7 years
Leasing activity summary:										
Totals(2)										
Number of leases	44	44	168	168	187	187	190	190	142	142
Rentable square footage	702,901	702,901	3,072,071	3,072,071	3,281,096	3,281,096	3,407,476	3,407,476	2,744,239	2,744,239
New rates	$ 46.58	$ 47.92	$ 33.48	$ 34.44	$ 30.30	$ 31.57	$ 31.69	$ 32.79	$ 31.84	$ 34.80
TI's/lease commissions per square foot	$ 7.11	$ 7.11	$ 8.07	$ 8.07	$ 8.87	$ 8.87	$ 9.06	$ 9.06	$ 5.70	$ 5.70
Average lease terms	8.7 years	8.7 years	7.3 years	7.3 years	7.1 years	7.1 years	6.4 years	6.4 years	8.7 years	8.7 years

(1) Excluding one lease for 48,000 RSF in the Research Triangle Park market, and two leases for 141,000 RSF in the Suburban Washington, D.C. market, rental rates for renewed/re-leased space were, on average, 0.4% higher and 7.1% higher than rental rates for expiring leases on a cash and GAAP basis, respectively.

(2) Excludes 14 month-to-month leases for approximately 53,946 RSF.

During the three months ended March 31, 2013, we granted tenant concessions/free rent averaging approximately 1.2 month with respect to the 702,901 rentable square feet leased.

Lease Structure	**March 31, 2013**
Percentage of triple net leases	94%
Percentage of leases containing annual rent escalations	96%
Percentage of leases providing for the recapture of capital expenditures	92%

The following chart presents our total RSF leased by development/redevelopment space leased and renewed/re-leased/previously vacant space leased:

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Development, Redevelopment, and Future Value-Added Projects

A key component of our business model is our value-added development and redevelopment projects. These programs are focused on providing high-quality, generic, and reusable life science laboratory space to meet the real estate requirements of a wide range of clients in the life science industry. Upon completion, each value-added project is expected to generate significant revenues and cash flows. Our development and redevelopment projects are generally in locations that are highly desirable to life science entities, which we believe results in higher occupancy levels, longer lease terms, and higher rental income and returns.

Development projects generally consist of the ground-up development of generic and reusable life science laboratory facilities. Redevelopment projects generally consist of the permanent change in use of office, warehouse, and shell space into generic life science laboratory space. We anticipate execution of new active development projects for aboveground vertical construction of new life science laboratory space generally with significant pre-leasing. Preconstruction activities include entitlements, permitting, design, site work, and other activities prior to commencement of vertical construction of aboveground shell and core improvements. Our objective also includes the advancement of preconstruction efforts to reduce the time required to deliver projects to prospective client tenants. These critical activities add significant value for future ground-up development and are required for the vertical construction of buildings. Ultimately, these projects will provide high-quality facilities for the life science industry and are expected to generate significant revenue and cash flows for the Company.

As of March 31, 2013, we had six ground-up development projects in process, including an unconsolidated joint venture development project, aggregating approximately 1,854,859 RSF in North America. We also had seven projects undergoing conversion into laboratory space through redevelopment, aggregating approximately 331,380 RSF in North America. These projects, along with recently delivered projects, certain future projects, and contribution from same properties, are expected to contribute significant increases in rental income, NOI, and cash flows.

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Our investments in real estate, net, consisted of the following as of March 31, 2013 (dollars in thousands):

	March 31, 2013	
	Book Value	Square Feet
Rental properties:		
Land (related to rental properties)	$ 516,957	
Buildings and building improvements	4,955,207	
Other improvements	163,864	
Rental properties	5,636,028	14,168,626
Less: accumulated depreciation	(849,891)	
Rental properties, net	4,786,137	
Construction in progress ("CIP")/current value-added projects:		
Active development in North America	579,273	1,441,323
Investment in unconsolidated real estate entity	30,730	413,536
Active redevelopment in North America	141,470	331,380
Generic infrastructure/building improvement projects in North America	62,869	
Active development and redevelopment in Asia	101,357	718,119
	915,699	2,904,358
Subtotal	5,701,836	17,072,984
Land/future value-added projects:		
Land subject to sale negotiations	45,378	399,888
Land undergoing preconstruction activities (additional CIP) in North America	305,300	2,017,667
Land held for future development in North America	238,933	3,692,181
Land held for future development/land undergoing preconstruction activities (additional CIP) in Asia	83,735	6,828,864
	673,346	12,938,600
Investments in real estate, net	$ 6,375,182	30,011,584

As of March 31, 2013, our active development and redevelopment projects represent 13% of gross investments in real estate, a significant amount of which is pre-leased and expected to be primarily delivered over the next one to eight quarters. Land undergoing preconstruction activities represents 5% of gross investment in real estate. The largest project primarily included in land undergoing preconstruction consists of our 1.2 million developable square feet at Alexandria Center at Kendall Square in East Cambridge, Massachusetts. Land held for future development represent 4% of our non-income-producing assets. Over the next few years, we may also identify certain land parcels for potential sale. Non-income-producing assets as a percentage of our gross investments in real estate is targeted to decrease to a range from 15% to 17% by December 31, 2013, and targeted to be 15% or less for the subsequent periods.

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The chart below shows the historical trend of non-income-producing assets as a percentage of our gross investments in real estate:

The following table presents our updated construction spending projections reflecting re-evaluation of the decision to execute a partial sale of our 75/125 Binney development project. This re-evaluation will result in increases in construction spending of approximately $47 million for the remainder of 2013 and $163 million thereafter.

Construction spending-projection	**Nine Months Ended December 31, 2013 (in thousands)**	**Thereafter (in thousands)**
Active development projects in North America	$ 309,809	$ 326,367(1)
Active redevelopment projects in North America	62,335	14,043
Preconstruction	33,760	TBD(2)
Generic infrastructure/building improvement projects in North America(3)	36,728	TBD(2)
Future projected construction projects(4)	42,320 - 92,320	TBD(2)
Development and redevelopment projects in Asia	27,799	23,154
Total construction spending	$ 512,751 - 562,751	$ 363,564

(1) Approximately 60% of construction spending beyond December 31, 2013 is expected to be funded by future secured construction loan borrowings related to our 269 East Grand Avenue and 75/125 Binney Street development projects.

(2) Estimated spending beyond 2013 will be determined at a future date and is contingent upon many factors.

(3) Includes, among others, generic infrastructure building improvement projects in North America, including 215 First Street, 7030 Kit Creek, and 1300 Quince Orchard Boulevard.

(4) Includes future projected construction projects in North America, including 3013/3033 Science Park Road.

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The following tables provide detail on all of our active development projects in North America as of March 31, 2013 (dollars in thousands, except per RSF amounts):

	Project RSF(1)		Leased Status RSF(1)					
Property/Market Submarket	CIP	Total	Leased	Negotiating	Marketing	Total	% Leased/ Negotiating	Client Tenants
All active development projects in North America								
Consolidated development projects in North America								
225 Binney Street/Greater Boston Cambridge	305,212	305,212	305,212			305,212	100%	Biogen Idec Inc.
499 Illinois Street/San Francisco Bay Area Mission Bay	222,780	222,780		162,549	60,231	222,780	73%	TBA
269 East Grand Avenue/San Francisco Bay Area South San Francisco	107,250	107,250	107,250			107,250	100%	Onyx Pharmaceuticals, Inc.
430 East 29th Street/Greater NYC Manhattan	419,806	419,806	60,816	152,488(2)	206,502	419,806	51%	Roche/TBA
75/125 Binney Street/Greater Boston Cambridge	386,275	386,275	244,123		142,152(3)	386,275	63%	ARIAD Pharmaceuticals, Inc.
Consolidated development projects in North America	1,441,323	1,441,323	717,401	315,037	408,885	1,441,323	72%	
Unconsolidated joint venture								
360 Longwood Avenue/Greater Boston Longwood	413,536	413,536	154,100		259,436	413,536	37%	Dana-Farber Cancer Institute, Inc.
Total	1,854,859	1,854,859	871,501	315,037	668,321	1,854,859	64%	

	Investment(1)					Initial Stabilized Yield(1)				
		Cost To Complete								
Property/Market Submarket	CIP	2013	Thereafter	Total at Completion	Cost Per RSF	Cash	GAAP	Projected Start Date(1)	Occupancy Date(1)	Initial Stabilization Date(1)
All active development projects in North America										
Consolidated development projects in North America										
225 Binney Street/Greater Boston Cambridge	$ 118,595	$ 61,678	$	$ 180,273	$ 591	7.5%	8.1%	4Q11	4Q13	4Q13
499 Illinois Street/San Francisco Bay Area Mission Bay	$ 116,110	$ 14,298	$ 22,801	$ 153,209	$ 688	6.4%	7.2%	2Q11	2Q14	2014
269 East Grand Avenue/San Francisco Bay Area South San Francisco(4)	$ 8,037	$ 13,100	$ 30,163	$ 51,300	$ 478	8.1%	9.3%	1Q13	4Q14	2014
430 East 29th Street/Greater NYC Manhattan	$ 239,086	$ 113,879	$ 110,280	$ 463,245	$ 1,103	6.6%	6.5%	4Q12	4Q13	2015
75/125 Binney Street/Greater Boston Cambridge(5)	$ 97,445	$ 90,871	$ 163,123	$ 351,439	$ 910	8.0%	8.2%	1Q13	1Q15	2015
Consolidated development projects in North America	$ 579,273	$ 293,826	$ 326,367	$ 1,199,466						
Unconsolidated joint venture										
360 Longwood Avenue/Greater Boston Longwood	$ 148,596	$ 67,744	$ 133,660	$ 350,000	$ 846	8.3%	8.9%	2Q12	4Q14	2016
JV partner capital/JV construction loan	$ (123,638)	$ (51,761)	$ (133,660)	$ (309,059)						
ARE investment in 360 Longwood Avenue (27.5% ownership interest)	$ 24,958	$ 15,983	$	$ 40,941						

Total	$ 604,231	$ 309,809	$ 326,367	$ 1,240,407

(1) All project information, including RSF; investment; Initial Stabilized Yields; and project start, occupancy and stabilization dates, relate to the discrete portion of each property undergoing active development or redevelopment. A redevelopment project does not necessarily represent the entire property or the entire vacant portion of a property. Our Initial Stabilized Yield on a cash basis reflects cash rents at date of stabilization and does not reflect contractual rent escalations beyond the stabilization date. Our cash rents related to our value-added projects are expected to increase over time and our average stabilized cash yields are expected, in general, to be greater than our Initial Stabilized Yields. Our estimates for initial cash and GAAP yields, and total costs at completion, represent our initial estimates at the commencement of the project. We expect to update this information upon completion of the project, or sooner if there are significant changes to the expected project yields or costs. As of March 31, 2013, 96% of our leases contained annual rent escalations that were either fixed or based on a consumer price index or another index.

(2) Represents 131,000 RSF subject to an executed letter of intent with the remainder subject to letters of intent or lease negotiations.

(3) ARIAD Pharmaceuticals, Inc. has potential additional expansion opportunities at 75 Binney Street through June 2014.

(4) Funding for 70% of the estimated total investment at completion for 269 East Grand Avenue is expected to be provided primarily by a secured construction loan.

(5) Funding for 60% to 70% of the estimated total project costs is expected to be provided by a secured construction loan.

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The following tables provide detail on all of our active redevelopment projects in North America as of March 31, 2013 (dollars in thousands, except per RSF amounts):

	Project RSF(1)			Leased Status RSF(1)							
Property/Market Submarket	**In Service**	**CIP**	**Total**	**Leased**	**Negotiating**	**Marketing**	**Total**	**% Leased/ Negotiating**	**Former Use**	**Use After Conversion**	**Client Tenants**
All active redevelopment projects in North America											
400 Technology Square/Greater Boston Cambridge	162,153	49,971	212,124	169,939		42,185	212,124	80%	Office	Laboratory	Ragon Institute of MGH, MIT and Harvard; Epizyme, Inc.; Warp Drive Bio, LLC; Aramco Services Company, Inc.
285 Bear Hill Road/Greater Boston Route 128		26,270	26,270	26,270			26,270	100%	Office/ Manufacturing	Laboratory	Intelligent Medical Devices, Inc.
343 Oyster Point/San Francisco Bay Area South San Francisco		53,980	53,980	42,445		11,535	53,980	79%	Office	Laboratory	Calithera BioSciences, Inc.; CytomX Therapeutics, Inc.
4757 Nexus Center Drive/San Diego University Town Center		68,423	68,423	68,423			68,423	100%	Manufacturing/ Warehouse/Office/ R&D	Laboratory	Genomatica, Inc.
9800 Medical Center Drive/Suburban Washington, D.C. Rockville	8,001	67,055	75,056	75,056			75,056	100%	Office/Laboratory	Laboratory	National Institutes of Health
1551 Eastlake Avenue/Seattle Lake Union	77,821	39,661	117,482	77,821		39,661	117,482	66%	Office	Laboratory	Puget Sound Blood Center and Program
1616 Eastlake Avenue/Seattle Lake Union	40,756	26,020	66,776	40,756		26,020	66,776	61%	Office	Laboratory	Infectious Disease Research Institute
Total	288,731	331,380	620,111	500,710		119,401	620,111	81%			

	Investment(1)										
	March 31, 2013		To Complete				Initial Stabilized Yield(1)				
Property/Market Submarket	**In Service**	**CIP**	**2013**	**Thereafter**	**Total at Completion**	**Cost Per RSF**	**Cash**	**GAAP**	**Project Start Date(1)**	**Initial Occupancy Date(1)**	**Stabilization Date(1)**
All active redevelopment projects in North America											
400 Technology Square/Greater Boston Cambridge	$ 99,980	$ 32,212	$ 9,176	$ 3,320	$ 144,688	$ 682	8.1%	8.9%	4Q11	4Q12	4Q13
285 Bear Hill Road/Greater Boston Route 128	$	$ 4,654	$ 4,542	$	$ 9,196	$ 350	8.4%	8.8%	4Q11	3Q13	2013
343 Oyster Point/San Francisco Bay Area South San Francisco	$	$ 10,912	$ 5,560	$ 867	$ 17,339	$ 321	9.6%	9.8%	1Q12	3Q13	2014
4757 Nexus Center Drive/San Diego University Town Center	$	$ 5,879	$ 23,747	$ 5,203	$ 34,829	$ 509	7.6%	7.8%	4Q12	4Q13	4Q13(2)
9800 Medical Center Drive/Suburban Washington, D.C. Rockville	$ 7,454	$ 61,251	$ 11,999	$	$ 80,704	(3)	5.4%	5.4%	3Q09	1Q13	2013

1551 Eastlake Avenue/Seattle Lake Union	$ 40,711	$ 16,841	$ 6,458	$	$ 64,010	$ 545	6.7%	6.7%	4Q11	4Q11	4Q13
1616 Eastlake Avenue/Seattle Lake Union	$ 22,589	$ 9,721	$ 853	$ 4,653	$ 37,816	$ 566	8.4%	8.6%	4Q12	2Q13	2014
Total	$ 170,734	$ 141,470	$ 62,335	$ 14,043	$ 388,582						

(1) All project information, including RSF; investment; Initial Stabilized Yields; and project start, occupancy and stabilization dates, relates to the discrete portion of each property undergoing active development or redevelopment. A redevelopment project does not necessarily represent the entire property or the entire vacant portion of a property. Our Initial Stabilized Yield on a cash basis reflects cash rents at date of stabilization and does not reflect contractual rent escalations beyond the stabilization date. Our cash rents related to our value-added projects are expected to increase over time and our average stabilized cash yields are expected, in general, to be greater than our Initial Stabilized Yields. Our estimates for initial cash and GAAP yields, and total costs at completion, represent our initial estimates at the commencement of the project. We expect to update this information upon completion of the project, or sooner if there are significant changes to the expected project yields or costs. As of March 31, 2013, 96% of our leases contained annual rent escalations that were either fixed or based on a consumer price index or another index.

(2) We expect to deliver 54,102 RSF, or 79% of the total project, to Genomatica, Inc. in the fourth quarter of 2013. Genomatica, Inc. is contractually required to lease the remaining 14,411 RSF 18 to 24 months following the delivery of the initial 54,102 RSF space.

(3) Our multi-tenant four building property at 9800 Medical Center Drive contains an aggregate of 281,586 RSF. Our total cash investment in the entire four building property upon completion of the redevelopment will approximate $580 per square foot. Our total expected cash investment for the four building property of approximately $580 per square foot includes our expected total investment at completion related to the 75,056 RSF redevelopment of approximately $1,075 per square foot.

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The following table summarizes the components of the square footage of our future value-added projects in North America as of March 31, 2013 (dollars in thousands, except per square foot amounts):

		Land Undergoing Preconstruction Activities (Additional CIP)(1)			Land Held for Future Development(1)			Total(1)		
Property/Market	**Submarket**	**Book Value**	**Square Feet(2)**	**Cost per Square Foot**	**Book Value**	**Square Feet(2)**	**Cost per Square Foot**	**Book Value**	**Square Feet(2)**	**Cost per Square Foot**
Greater Boston:										
Alexandria Center at Kendall Square Residential	Cambridge/Inner Suburbs	$ 1,582	78,000	$ 20	$ 3,413	150,000	$ 23	$ 4,995	228,000	$ 22
Alexandria Center at Kendall Square Lab/Office	Cambridge/Inner Suburbs	251,874	974,264	259				251,874	974,264	259
Subtotal	Alexandria Center at Kendall Square	253,456	1,052,264	241	3,413	150,000	23	256,869	1,202,264	214
Technology Square	Cambridge/Inner Suburbs				7,803	100,000	78	7,803	100,000	78
Greater Boston		$ 253,456	1,052,264	$ 241	$ 11,216	250,000	$ 45	$ 264,672	1,302,264	$ 203
San Francisco Bay Area:										
Owens Street	Mission Bay	$		$	$ 27,762	290,059	$ 96	$ 27,762	290,059	$ 96
Grand Ave	South San Francisco				42,853	397,132	108	42,853	397,132	108
Rozzi/Eccles	South San Francisco				72,879	514,307	142	72,879	514,307	142
San Francisco Bay Area		$		$	$ 143,494	1,201,498	$ 119	$ 143,494	1,201,498	$ 119
San Diego:										
Science Park Road	Torrey Pines	$ 16,298	176,500	$ 92	$		$	$ 16,298	176,500	$ 92
5200 Illumina Way	University Town Center	14,298	392,983	36				14,298	392,983	36
10300 Campus Point	University Town Center	3,857	140,000	28				3,857	140,000	28
Executive Drive	University Town Center	3,919	49,920	79				3,919	49,920	78
San Diego		$ 38,372	759,403	$ 51	$		$	$ 38,372	759,403	$ 51
Suburban Washington D.C.:										
Medical Center Drive	Rockville	$		$	$ 7,548	292,000	$ 26	$ 7,548	292,000	$ 26
Research Boulevard	Rockville				6,698	347,000	19	6,698	347,000	19
Firstfield Road	Gaithersburg				4,052	95,000	43	4,052	95,000	43
Freedom Center Drive and Pyramid Place	Virginia				11,791	424,905	28	11,791	424,905	28
Suburban Washington D.C.		$		$	$ 30,089	1,158,905	$ 26	$ 30,089	1,158,905	$ 26
Seattle:										
Dexter/Terry Ave	Lake Union	$		$	$ 18,747	232,300	$ 81	$ 18,747	232,300	$ 81
Eastlake Ave	Lake Union	13,472	106,000	127	15,241	160,266	95	28,713	266,266	108
Seattle		$ 13,472	106,000	$ 127	$ 33,988	392,566	$ 87	$ 47,460	498,566	$ 95
Other Markets		$		$	$ 20,146	789,212	$ 26	$ 20,146	789,212	$ 26
Future value-added projects in North America		$ 305,300	1,917,667	$ 159	$ 238,933	3,792,181	$ 63	$ 544,233	5,709,848	$ 95

(1) In addition to assets included in our gross investment in real estate, we hold options/rights for parcels supporting the future ground-up development of approximately 420,000 RSF in Alexandria Center™ for Life Science New York City related to an option under our ground lease. Also, our asset base contains additional embedded development opportunities aggregating approximately 644,000 RSF which represents additional development and expansion rights related to existing rental properties. The 644,000 RSF related to these additional development opportunities was previously included in land held for future development.

(2) Square feet amounts are updated as necessary to reflect refinement of design of each building.

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The following table summarizes the components of the square footage of our future redevelopment projects in North America as of March 31, 2013:

Market Submarket	Future Redevelopment Square Feet(1)
Greater Boston	109,457
San Francisco Bay Area South San Francisco	40,314
San Diego	87,488
Suburban Washington, D.C.	490,000
Seattle	14,914
Other markets	94,211
Total future redevelopment in North America	836,384

(1) Our asset base also includes non-laboratory space (office, warehouse, and industrial space) identified for future conversion into life science laboratory space through redevelopment. These spaces are classified in investments in real estate, net, in the condensed consolidated balance sheets.

As of March 31, 2013, our rental properties, net, in Asia, consisted of five operating properties aggregating approximately 603,987 square feet, with occupancy of 67.1%. Annualized base rent of our operating properties in Asia was approximately $4.3 million as of March 31, 2013. Our primary sources of revenues are rental income and tenant recoveries from leases of our properties.

We also had construction projects in Asia aggregating approximately 718,119 and 734,444 RSF as of March 31, 2013, and December 31, 2012, respectively.

Our investments in real estate, net, in Asia, consisted of the following as of March 31, 2013 (dollars in thousands, except per square foot amounts):

	March 31, 2013		
	Book Value	Square Feet	Cost per Square Foot
Rental properties, net, in China	$ 21,352	299,484	$ 71
Rental properties, net, in India	35,337	304,503	116
CIP/current value-added projects:			
Active development in China	58,500	309,476	189
Active development in India	29,713	309,500	96
Active redevelopment projects in India	13,144	99,143	133
	101,357	718,119	141
Land held for future development/land undergoing preconstruction activities (additional CIP) India	83,735	6,829,000	