

ALEXANDRIA REAL ESTATE EQUITIES INC

Form 10-Q

November 09, 2012

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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 September 30, 2012

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 November 7, 2012, 63,688,102 shares of common stock, par value \$.01 per share, were outstanding.

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Table of Contents**PART I FINANCIAL INFORMATION****Item 1. FINANCIAL STATEMENTS (UNAUDITED)****Alexandria Real Estate Equities, Inc.****Condensed Consolidated Balance Sheets**

(In thousands)  
(Unaudited)

	September 30, 2012	December 31, 2011
<b>Assets</b>		
Investments in real estate, net	\$ 6,300,027	\$ 6,008,440
Cash and cash equivalents	94,904	78,539
Restricted cash	44,863	23,332
Tenant receivables	10,124	7,480
Deferred rent	160,914	142,097
Deferred leasing and financing costs, net	152,021	135,550
Investments	107,808	95,777
Other assets	94,356	82,914
<b>Total assets</b>	<b>\$ 6,965,017</b>	<b>\$ 6,574,129</b>
<b>Liabilities, Noncontrolling Interests, and Equity</b>		
Secured notes payable	\$ 719,350	\$ 724,305
Unsecured senior notes payable	549,794	84,959
Unsecured senior line of credit	413,000	370,000
Unsecured senior bank term loans	1,350,000	1,600,000
Accounts payable, accrued expenses, and tenant security deposits	376,785	325,393
Dividends payable	39,468	36,579
<b>Total liabilities</b>	<b>3,448,397</b>	<b>3,141,236</b>
<b>Commitments and contingencies</b>		
Redeemable noncontrolling interests	15,610	16,034
<b>Alexandria Real Estate Equities, Inc.'s stockholders' equity:</b>		
Series C Preferred Stock		129,638
Series D Convertible Preferred Stock	250,000	250,000
Series E Preferred Stock	130,000	
Common stock	632	616
Additional paid-in capital	3,094,987	3,028,558
Accumulated other comprehensive loss	(19,729)	(34,511)
Alexandria Real Estate Equities, Inc.'s stockholders' equity	3,455,890	3,374,301
Noncontrolling interests	45,120	42,558
<b>Total equity</b>	<b>3,501,010</b>	<b>3,416,859</b>

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Total liabilities, noncontrolling interests, and equity	\$	6,965,017	\$	6,574,129
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The accompanying notes are an integral part of these condensed consolidated financial statements.

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
<b>Revenues:</b>				
Rental	\$ 108,367	\$ 102,353	\$ 318,247	\$ 309,532
Tenant recoveries	34,448	33,226	99,006	95,270
Other income	2,640	2,475	14,650	4,178
<b>Total revenues</b>	<b>145,455</b>	<b>138,054</b>	<b>431,903</b>	<b>408,980</b>
<b>Expenses:</b>				
Rental operations	44,614	40,859	127,884	118,014