

ALEXANDRIA REAL ESTATE EQUITIES INC
Form 10-Q
August 04, 2010
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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 June 30, 2010

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
(State or other jurisdiction of
incorporation or organization)

95-4502084
(I.R.S. Employer Identification Number)

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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, or 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

Accelerated filer

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

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 July 30, 2010, 49,996,702 shares of common stock, par value \$.01 per share, were outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS (UNAUDITED)

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	June 30, 2010	December 31, 2009
Assets		
Investments in real estate:		
Rental properties	\$ 3,979,016	\$ 3,903,955
Less: accumulated depreciation	(562,755)	(520,647)
Rental properties, net	3,416,261	3,383,308
Land held for future development	309,514	255,025
Construction in progress	1,394,778	1,400,795
Investment in unconsolidated real estate entity	35,184	
Investments in real estate, net	5,155,737	5,039,128
Cash and cash equivalents	73,254	70,628
Restricted cash	37,660	47,291
Tenant receivables	3,059	3,902
Deferred rent	102,422	96,700
Investments	77,088	72,882
Other assets	115,939	126,696
Total assets	\$ 5,565,159	\$ 5,457,227
Liabilities and Equity		
Secured notes payable	\$ 859,831	\$ 937,017
Unsecured line of credit and unsecured term loan	1,446,000	1,226,000
Unsecured convertible notes	378,580	583,929
Accounts payable, accrued expenses, and tenant security deposits	300,035	282,516
Dividends payable	23,683	21,686
Total liabilities	3,008,129	3,051,148
Redeemable noncontrolling interests	17,014	41,441
Alexandria Real Estate Equities, Inc. stockholders' equity:		
Series C preferred stock	129,638	129,638
Series D convertible preferred stock	250,000	250,000
Common stock	496	438
Additional paid-in capital	2,158,591	1,977,062
Accumulated other comprehensive loss	(40,377)	(33,730)
Total Alexandria Real Estate Equities, Inc. stockholders' equity	2,498,348	2,323,408
Noncontrolling interests	41,668	41,230
Total equity	2,540,016	2,364,638
Total	\$ 5,565,159	\$ 5,457,227

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

Table of Contents**Alexandria Real Estate Equities, Inc.****Condensed Consolidated Income Statements***(Dollars in thousands, except per share amounts)**(Unaudited)*

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2010	2009	2010	2009
Revenues				
Rental	\$ 89,512	\$ 87,461	\$ 178,370	\$ 191,472
Tenant recoveries	26,576	24,668	53,134	51,464
Other income	922	8,910	1,993	9,662
Total Revenues	117,010	121,039	233,497	252,598
Expenses				
Rental operations	30,352	29,224	62,003	61,658
General and administrative	8,266	8,804		