Alexandria Real Estate Equities, Inc.
Reports:
3Q20 Net Income per Share – Diluted of $0.63;
3Q20 FFO per Share – Diluted, As Adjusted, of $1.83; and
Operational Excellence and Strong and Flexible Balance Sheet With Significant Liquidity

PASADENA, Calif. – October 26, 2020 – Alexandria Real Estate Equities, Inc. (NYSE:ARE) announced financial and operating results for the third quarter ended September 30, 2020.

Key highlights

			YTD	
Operating results	3Q20	3Q19	3Q20	3Q19
Total revenues:				
In millions	$ 545.0	$ 390.5	$1,421.9	$ 1,123.2
Growth	39.6 %		26.6 %	
Net income (loss) attributable to Alexandria's common stockholders – diluted				
In millions	$ 79.3	$ (49.8)	$ 324.2	$ 150.4
Per share	$ 0.63	$ (0.44)	$ 2.61	$ 1.35
Funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted				
In millions	$ 230.7	$ 197.1	$ 677.1	$ 579.6
Per share	$ 1.83	$ 1.75	$ 5.46	$ 5.19

Alexandria and its tenants at the vanguard and heart of the life science ecosystem

Bringing together our unique and pioneering strategic vertical platforms of essential Labspace® real estate, strategic venture investments, impactful thought leadership, and purposeful corporate responsibility, Alexandria is at the vanguard and heart of the vital life science ecosystem that is advancing solutions for COVID-19 and other key challenges to human health. Safe and effective vaccines and therapies, in addition to widespread testing, continue to be critically needed to combat the global COVID-19 pandemic. By maintaining continuous operations across our campuses and facilities, Alexandria has enabled our tenants, nearly 100 of which have programs focused on COVID-19, to continue to pursue their essential, mission-critical research, development, manufacturing, and commercialization efforts. Refer to "Alexandria and Its Innovative Tenants Are at the Vanguard and Heart of the Life Science Ecosystem Advancing Solutions for COVID-19" of this Earnings Press Release for additional detail.

Strong and flexible balance sheet with significant liquidity

- $3.9 billion of liquidity as of September 30, 2020, proforma for our unsecured senior line of credit amended in October 2020. Refer to "Key credit metrics" of our Supplemental Information for additional details.
- Minimal debt, 1.5% of total outstanding debt, maturing prior to 2024.
- 10.6 years weighted-average remaining term of debt as of September 30, 2020.
- Investment-grade credit ratings, which rank in the top 10% among all publicly traded REITs, of Baa1/Stable from Moody's Investors Service and BBB+/Stable from S&P Global Ratings, both as of September 30, 2020.

Continued dividend strategy to share growth in cash flows with stockholders

Common stock dividend declared for 3Q20 of $1.06 per common share, aggregating $4.18 per common share for the twelve months ended September 30, 2020, up 24 cents, or 6%, over the twelve months ended September 30, 2019. Our FFO payout ratio of 61% for the three months ended September 30, 2020, allows us to share growth in cash flows from operating activities with our stockholders while also retaining a significant portion for reinvestment.

A REIT industry-leading, high-quality tenant roster

- 54% of annual rental revenue from investment-grade or publicly traded large cap tenants.
- Weighted-average remaining lease term of 7.7 years.

Key strategic transactions generated capital for investment into our highly leased value-creation pipeline

- During 3Q20, we completed two strategic transactions in our SoMa submarket that generated capital aggregating $284.2 million for investment into our highly leased development and redevelopment projects currently under construction:
  - Disposition of 945 Market Street, aggregating 255,765 RSF, for a sales price of $198.0 million.
  - Termination of our contract with Pinterest, Inc. related to a future lease of 488,899 RSF at our 88 Bluxome Street development project, which has not commenced vertical construction. We recognized income of $86.2 million that comprise a termination fee of $89.5 million and related expenses of $3.3 million.

High-quality revenues and cash flows, strong Adjusted EBITDA margin, and operational excellence

Percentage of annual rental revenue in effect from:		
Investment-grade or publicly traded large cap tenants	54%	
Class A properties in AAA locations	73%	
Occupancy of operating properties in North America	94.9%	(1)
Operating margin	74%	(2)
Adjusted EBITDA margin	67%	
Weighted-average remaining lease term:		
All tenants	7.7	years
Top 20 tenants	11.0	years

(1) Includes 859,479 RSF, or 2.8%, of vacancy in our North America markets, representing lease-up opportunities at properties recently acquired. Excluding these acquired vacancies, occupancy of operating properties in North America was 97.7% as of September 30, 2020, up 60 bps from 97.1% as of June 30, 2020. Refer to "Occupancy" of our Supplemental Information for additional details regarding vacancy from recently acquired properties.

(2) Includes the effect of a termination fee recognized during 3Q20. Excluding this effect, our operating margin for 3Q20 would have been 70%.

Continued solid net operating income and internal growth

- Net operating income (cash basis) of $1.4 billion for 3Q20 annualized, up $483.7 million, or 50.2%, compared to 3Q19 annualized.
- 94% of our leases contain contractual annual rent escalations approximating 3%.
- Same property net operating income growth:
  - 2.9% and 4.9% (cash basis) for 3Q20 over 3Q19.
  - 2.3% and 4.8% (cash basis) for YTD 3Q20 over YTD 3Q19.
- Continued solid leasing activity and rental rate growth in 3Q20 over expiring rates on renewed and re-leased space:

	3Q20	YTD 3Q20
Total leasing activity – RSF	1,208,382	2,989,247
Leasing of development and redevelopment space – RSF	313,939	524,210
Lease renewals and re-leasing of space:		
RSF (included in total leasing activity above)	605,765	1,856,917
Rental rate increases	39.9%	40.7%
Rental rate increases (cash basis)	30.9%	21.5%

Sustained strength in tenant collections during the ongoing COVID-19 pandemic

- We have collected rents and tenant recoveries as follows:
  - 99.7% for the three months ended September 30, 2020; and
  - 99.7% for October 2020 as of October 23, 2020.
- As of June 30, 2020 and September 30, 2020, our tenant receivables balances were $7.2 million and $7.6 million, respectively, our two lowest quarter-end balances since 2013.

Key items included in operating results

Key items included in net income attributable to Alexandria's common stockholders:

					YTD			
	3Q20	3Q19	3Q20	3Q19	3Q20	3Q19	3Q20	3Q19
(In millions, except per share amounts)	Amount		Per Share – Diluted		Amount		Per Share – Diluted	
Unrealized (losses) gains on non-real estate investments	$ (14.0)	$ (70.0)	$ (0.11)	$ (0.62)	$ 140.5	$ 13.2	$ 1.13	$ 0.12
Gain on sales of real estate	1.6	—	0.01	—	1.6	—	0.01	—
Impairment of real estate	(7.7)	—	(0.06)	—	(30.5)	—	(0.24)	—
Impairment of non-real estate investments	—	(7.1)	—	(0.06)	(24.5)	(7.1)	(0.20)	(0.06)
Loss on early extinguishment of debt	(52.8)	(40.2)	(0.42)	(0.36)	(52.8)	(47.6)	(0.42)	(0.43)
Loss on early termination of interest rate hedge agreements	—	(1.7)	—	(0.02)	—	(1.7)	—	(0.02)
Termination fee[1]	86.2	—	0.69	—	86.2	—	0.69	—
Acceleration of stock compensation expense due to executive officer resignation	(4.5)	—	(0.04)	—	(4.5)	—	(0.04)	—
Preferred stock redemption charge	—	—	—	—	—	(2.6)	—	(0.02)
Total	$ 8.8	$ (119.0)	$ 0.07	$ (1.06)	$ 116.0	$ (45.8)	$ 0.93	$ (0.41)

(1) Refer to the previous page for additional details.

Strategic acquisitions with significant value-creation opportunities in key submarkets

- During 3Q20, we completed acquisitions of 24 properties aggregating 4.7 million SF, including 2.2 million RSF from our acquisition of Alexandria Center® for Life Science – Durham (described below) and 1.5 million RSF of future value-creation opportunities, for an aggregate purchase price of $1.3 billion. Refer to "Acquisitions" of this Earnings Press Release for additional details.
- In August 2020, we acquired Alexandria Center® for Life Science – Durham, a 16-building collaborative life science campus aggregating 2.2 million RSF, located in our Research Triangle market for $590.4 million. The campus comprises 12 operating properties, one operating property with future redevelopment opportunities, and three properties that are currently undergoing redevelopment. The 13 operating properties generate 99% of annual rental revenue from investment-grade tenants. The acquisition of this campus, which is in close proximity to renowned academic institutions, including Duke University, North Carolina State University, and the University of North Carolina at Chapel Hill, allows us to allocate capital into a key innovation cluster with significant opportunities for incremental net operating income and organic growth.

Highly leased value-creation pipeline, including COVID-19-focused R&D space

- Current and pre-leased near-term projects aggregating 4.1 million RSF, including COVID-19-focused R&D spaces, are highly leased/negotiating at 74% and will generate significant revenues and cash flows. Key highlights include:
  - Continued leasing/negotiating progress on projects that were under construction as of 2Q20, 80% leased/negotiating;
  - 902,381 RSF added to projects under construction that are 54% leased/negotiating;
  - 493,986 RSF of near-term projects that are highly leased/negotiating at 80%.
- Annual net operating income (cash basis), including our share of unconsolidated real estate joint ventures, is expected to increase by $27 million upon the burn-off of initial free rent on recently delivered projects.

Balance sheet management

Key metrics as of September 30, 2020

- $29.2 billion of total market capitalization.
- $21.3 billion of total equity capitalization.
- $3.9 billion of liquidity as of September 30, 2020, proforma for our unsecured senior line of credit amended in October 2020.

	3Q20		Goal
	Quarter Annualized	Trailing 12 Months	4Q20 Annualized
Net debt and preferred stock to Adjusted EBITDA	5.8x	6.0x	Less than or equal to 5.3x
Fixed-charge coverage ratio	4.3x	4.3x	Greater than or equal to 4.4x

ALEXANDRIA® Building the Future of Life-Changing Innovation™

Key metrics as of September 30, 2020 (continued)

Value-creation pipeline of new Class A development and redevelopment projects as a percentage of gross investments in real estate	3Q20
Current and pre-leased near-term projects 74% leased/negotiating	7%
Income-producing/potential cash flows/covered land play(1)	6%
Land	3%

(1) Includes projects that have existing buildings that are generating or can generate operating cash flows. Also includes development rights associated with existing operating campuses.

Key capital events

- In August 2020, we opportunistically issued $1.0 billion of unsecured senior notes payable due in 2033 at an interest rate of 1.875% ("1.875% Unsecured Senior Notes").
- We used a portion of the proceeds from our 1.875% Unsecured Senior Notes to refinance $500.0 million of our 3.90% unsecured senior notes payable due in 2023, pursuant to a partial cash tender offer completed on August 5, 2020, and a subsequent call for redemption for the remaining outstanding amounts, which settled on September 4, 2020. As a result of our debt refinancing, we recognized a loss on early extinguishment of debt of $50.8 million, including the write-off of unamortized loan fees.
- In October 2020, we amended our unsecured senior line of credit. Key changes include:

	New Agreement	Change
Commitments available for borrowing	$3.0 billion	Up $800 million
Interest rate	LIBOR+0.825%	Added a 0% LIBOR floor
Maturity date	January 6, 2026	Extended 2 years

- In January 2020 and July 2020, we completed $1.0 billion and $1.1 billion of forward equity sales agreements, respectively, to sell an aggregate of 6.9 million shares for each offering (13.8 million in aggregate) of our common stock (including the exercise of underwriters' options) at public offering prices of $155.00 per share and $160.50 per share, respectively, before underwriting discounts.
  - In March 2020, we settled 3.4 million shares and received proceeds of $500.0 million. In September 2020, we settled 8.7 million shares and received proceeds of $1.3 billion.
  - As of October 26, 2020, 1.8 million shares of our common stock remain outstanding under forward equity sales agreements, for which we expect to receive proceeds of $267.4 million, to be further adjusted as provided in the sales agreements, that will fund pending and recently completed acquisitions and the construction of our highly leased development projects. We expect to settle the remaining outstanding forward equity sales agreements in 2020.
- During 3Q20 and through October 26, 2020, there was no sale activity under our "at-the-market" common stock offering program ("ATM program"). As of October 26, 2020, we have $843.7 million remaining available under our ATM program.

Investments

- Our investments in publicly traded companies and privately held entities aggregated a carrying amount of $1.3 billion, including an adjusted cost basis of $788.8 million and unrealized gains of $542.1 million, as of September 30, 2020.
- Investment income of $3.3 million during 3Q20 included $17.4 million in realized gains and $14.0 million in unrealized losses.

Leader in corporate responsibility: catalyzing and leading the way for positive societal change

Industry leadership

- In July 2020, Alexandria Venture Investments, our strategic venture capital platform, was recognized as the most active biopharma investor by new deal volume from 2019 to 1H20 by Silicon Valley Bank in its "Mid-Year 2020 Healthcare Investments and Exits Report." Alexandria's venture activity provides us with, among other things, mission-critical data and knowledge on innovations and trends.
- In September 2020, Alexandria won the Commercial Brokers Association ("CBA") Boston Landlord of the Year award. The CBA was established as a freestanding division of the Greater Boston Real Estate Board in 2001 and represents over 400 members in the commercial brokerage community throughout Massachusetts.

Pioneering social responsibility initiatives to continue to drive unique, disruptive, and highly impactful solutions to tackle some of society's most complex and pressing challenges

Alexandria is profoundly committed to driving forward significant collaborative and innovative solutions to address some of today's most urgent and widespread societal challenges, including the COVID-19 pandemic, the opioid crisis, poverty, and disparities in educational opportunities. We align every aspect of our multifaceted business model and visionary social responsibility efforts to support our mission to advance human health, as well as to drive tangible and positive results in our local communities.

At the vanguard and heart of the life science ecosystem that is crucial to advancing innovative solutions for COVID-19

- Alexandria has enabled notable life science tenants to continue their essential on-site operations as part of the industry's collective efforts to improve the quality, capacity, and turnaround time for COVID-19 testing. In addition, we have leveraged our network of experts to focus on the health, safety, and well-being of our tenants and their employees by increasing and improving their access to COVID-19 testing in critical locations, such as New York City and Cambridge.
- Alexandria has pioneered and implemented robust, cutting-edge initiatives for safer buildings, which have been reviewed and validated by our COVID-19 Advisory Board, along with building optimization measures and operational protocols that encompass a variety of research-backed initiatives, including informational health and safety graphics, disinfectant cleaning guidelines, improved air filtration, effective health security communications, and the implementation of building-specific guidelines and policies that call for active cooperation of building occupants and service providers.

- As a testament to our comprehensive and industry-leading COVID-19 prevention guidelines and practices, which expand upon our existing rigorous health and safety standards, we were recognized by the Center for Active Design, the operator of Fitwel, as the first-ever company to achieve a Fitwel Viral Response Certification with Distinction, the highest designation within the new Viral Response Module developed by the world's leading healthy building certification system.
- Alexandria has sourced over 54,000 pieces of personal protective equipment worldwide and donated these mission-critical supplies to protect and support healthcare workers in some of the nation's hardest-hit cities, including New York City, Boston, Seattle, Los Angeles, and San Diego.
- Alexandria has donated more than $1 million to several highly impactful national and regional organizations supporting communities severely affected by the pandemic, including **ROAR (Relief Opportunities for All Restaurants)**, which makes financial relief available to New York City's nearly 1 million restaurant workers, and **Robin Hood**, New York City's largest poverty-fighting organization, of which our executive chairman and founder, Joel S. Marcus, has served on the board of directors since 2016.

Pioneering a fully integrated ecosystem to reverse the trajectory of the opioid epidemic and support addiction recovery

- Determined to reverse the trajectory of the U.S. opioid crisis, which is one of the most pervasive public health challenges in our nation's history, Alexandria, in partnership with Verily Life Sciences, envisioned an innovative, non-profit healthcare ecosystem dedicated to the full and sustained recovery of people living with addiction. To realize this vision, Alexandria and Verily Life Sciences pioneered a fully integrated campus to house an evidence-based comprehensive treatment model encompassing a full continuum of care with dedicated facilities and services for treatment, residential housing, group therapy, family reunification, workforce development programs, job placement, and community transition.
- As the strategic real estate partner in this mission-critical initiative, Alexandria catalyzed the vision for and led the design and development of the 4.3-acre, 59,000 RSF campus in Dayton, Ohio, aimed at revolutionizing the way addiction is treated. Since the opening of the Outpatient Clinic in the fall of 2019 and the Crisis Stabilization Unit in the winter of 2020, OneFifteen has served more than 1,500 patients and carried out more than 2,000 virtual visits. In September 2020, Alexandria delivered OneFifteen Living, a three-story residential housing facility that serves as a safe place for patients to live as they access on-campus treatment services.
- As overdose deaths rise dramatically against the backdrop of the COVID-19 pandemic, Alexandria is committed to addressing this public health crisis and developing effective, scalable solutions. It is our hope that OneFifteen's groundbreaking, evidence-based, comprehensive treatment strategy will drive superior health outcomes and serve as a model of recovery for the rest of the country to replicate.

Empowering students through educational opportunities that build foundations and pave paths for long-term success

- Alexandria is deeply committed to driving educational opportunities and providing the support and resources needed to build the foundations for underprivileged students to succeed and become engaged and leading members of society. Understanding that education is one of the most fundamental foundations for a safe, healthy, and good life and essential for opportunity and economic mobility, we have forged deep partnerships in our communities with highly impactful organizations that provide holistic educational resources to underserved populations.
- In Durham, North Carolina, we work closely with the **Emily Krzyzewski Center**, a non-profit organization that paves a path to success in higher education for academically focused, low-income K–12 students. Through programs that build and accelerate students' scholastic skills, the center has supported exceptional achievement throughout the students' years in high school and higher education and in their careers. Students receive holistic support that encompasses academic skills development, personal management and leadership training, college planning, and career exploration. Of those who complete Emily K's Scholars to College program, 100% are accepted to college each year.
- Through our long-term, hands-on partnership with **CS4ALL (Computer Science for All)**, we are helping to ensure that all of New York City's 1.1 million public school students, 72.8% of whom are considered low income, have access to high-quality computer science coursework throughout their K–12 education. We believe that STEM (science, technology, engineering, and mathematics) education is important for preparing students for academic success, the 21st-century job market, and beyond.
- In August 2020, we pledged to donate $1.5 million to the **San Carlos School District** and the **San Carlos Education Foundation**, extending our strong commitment to enhancing neighborhoods where we develop and operate. The generous donation fills the school district's funding gap resulting from the economic impact of COVID-19 and, importantly, will enable San Carlos public schools to continue to offer quality education to its students.
- In August 2020, we made a pledge to the **South San Francisco Unified School District** through the California Life Sciences Institute and California Life Sciences Association's joint South San Francisco Empowerment Initiative, which aims to build science competency while closing the digital gap. Through this contribution, we provided iPads, Chromebooks, and MacBook Airs to help K–12 students and teachers in South San Francisco stay connected in a digital learning environment.

ALEXANDRIA AND ITS INNOVATIVE TENANTS ARE AT THE VANGUARD AND HEART OF THE LIFE SCIENCE ECOSYSTEM ADVANCING SOLUTIONS FOR COVID-19 (1)

"Having a safe and effective medical countermeasure to prevent COVID-19 would enable us to not only save lives but also help end the global pandemic."

Anthony Fauci, MD
Director, NIAID

Source: National Institutes of Health, "NIH launches clinical trials network to test COVID-19 vaccines and other prevention tools," July 8, 2020.

ENHANCING TESTING QUALITY & CAPACITY

Abbott
CHAN ZUCKERBERG BIOHUB
color
LabCorp
Quest Diagnostics™
Roche
ThermoFisher SCIENTIFIC
verily

ADVANCING NEW & REPURPOSED THERAPIES

Adaptive biotechnologies®
AMGEN
APPLIED THERAPEUTICS
ATRECA
GILEAD
Lilly
NOVARTIS
VIR

DEVELOPING PREVENTATIVE VACCINES

AstraZeneca
GreenLight BIOSCIENCES™
gsk
Johnson & Johnson
MERCK
moderna
NIH National Institute of Allergy and Infectious Diseases
NOVAVAX
Pfizer
SANOFI

(1) Represents an illustrative subset of nearly 100 tenants focused on COVID-19-related efforts, with some of these companies working on multiple efforts that span testing, treatment, and/or vaccine development.

ALEXANDRIA'S TENANTS AND INVESTMENTS AT THE FOREFRONT OF DEVELOPING A SAFE AND EFFECTIVE VACCINE

"The scope of clinical trials underway for a COVID vaccine is unprecedented. Never before have so many massive trials been undertaken simultaneously in pursuit of a single goal. The oversight of safety boards is evidence of the integrity, rigor, and careful nature of this process." (1)

Scott Gottlieb, MD – Resident Fellow, American Enterprise Institute; Former FDA Commissioner

UNPRECEDENTED R&D COLLABORATION: OPERATION WARP SPEED

As a cornerstone of the U.S. government's effort to accelerate the development, manufacturing, and distribution of COVID-19 diagnostics, therapeutics, and vaccines, it has allocated **$10 billion** to Operation Warp Speed (OWS).

With a keen focus on **expediting the delivery of a safe and effective vaccine** by January 2021, OWS has awarded grants to a handful of industry partners, many of which are Alexandria tenants.

FEDERAL FUNDING(2)	COMPANY	CURRENT TRIAL STAGE(2)	ARE TENANT
Up to $2.5B	moderna	Phase III	✓
~$2.0B	gsk / SANOFI	Phase I/II	✓
Up to $1.95B	Pfizer	Phase III	✓
Up to $1.6B	NOVAVAX	Phase III	✓
~$1.46B	Johnson & Johnson	Phase III (3)	✓
Up to $1.2B	AstraZeneca	Phase III (3)	✓
$628M	emergent biosolutions	Manufacturing Contract	✓
$265M	FUJIFILM	Manufacturing Contract	✓

(1) Source: Scott Gottlieb, MD, Twitter, October 13, 2020, 6:19 a.m.
(2) Announced award value and clinical trial stage as of October 23, 2020.
(3) Johnson & Johnson has temporarily paused further dosing in all of its COVID-19 vaccine candidate clinical trials, including the Phase III ENSEMBLE trial, due to an unexplained illness in a study participant. AstraZeneca similarly paused its Phase III vaccine trial in early September due to an unexplained case of transverse myelitis in a study participant. As of October 23, 2020, the clinical holds for both Johnson & Johnson and AstraZeneca have been lifted after review by independent data safety monitoring boards and approval from the FDA.

Alexandria and its innovative tenants are at the vanguard and heart of the life science ecosystem advancing solutions for COVID-19

Safe and effective vaccines and therapies, in addition to widespread testing, continue to be critically needed to combat the global COVID-19 pandemic. By maintaining essential continuous operations across our campuses, Alexandria has enabled several of our life science tenants to pursue mission-critical COVID-19-related research and development. The heroic work being done by so many of our tenants and campus community members to help test for, treat, and prevent COVID-19, as well as provide medical supplies and protective equipment to neighboring hospitals, is profound and inspiring. We are currently tracking nearly 100 tenants across our cluster markets that are advancing solutions for COVID-19.

Developing preventative vaccines

A prophylactic vaccine should help bring about the effective end of the global COVID-19 pandemic. As such, researchers around the world are working tirelessly on over 135 COVID-19 vaccine programs, with at least 48 vaccine candidates in human trials.

In an effort to expedite the development, manufacturing, and distribution of COVID-19 vaccines, the U.S. government has called for unprecedented public-private collaboration, allocating several billions of dollars through various initiatives, including Operation Warp Speed. Leveraging their vaccine development expertise and innovative technology platforms, our tenants **AstraZeneca plc**, **Moderna, Inc.**, and **Pfizer Inc.** have the most advanced vaccine programs in late-stage clinical development, each of which has been further supported by government funding. Each company expects to announce critical data in the fourth quarter of 2020 which could form the basis for emergency use authorization ("EUA") from the FDA by year-end 2020 or in early 2021.

Additional tenants including **Emergent BioSolutions Inc.**, **FUJIFILM Diosynth Biotechnologies**, **GlaxoSmithKline**, **Johnson & Johnson**, **Merck & Co., Inc.**, **Novavax, Inc.**, and **Sanofi** have also been awarded government support for their efforts in the development, manufacturing, and/or distribution of COVID-19 vaccines. Clinical trial data and progress will continue to be reported by these companies over the coming months, with the goal of expediting the widespread delivery of a safe and effective COVID-19 vaccine to the public within the next 12 months.

Advancing new and repurposed therapies

On October 22, 2020, the FDA approved **Gilead Sciences, Inc.**'s antiviral drug Veklury® (remdesivir) for the treatment of COVID-19 patients requiring hospitalization. In addition, over 250 experimental therapies to treat COVID-19 are being studied in over 600 clinical trials around the world in addition to more than 150 therapeutic candidates in preclinical development. A substantial number of these programs are sponsored by our tenants and include the following notable efforts:

- **Eli Lilly and Company** is developing multiple potential antibody therapies for the treatment and potential prevention of COVID-19. On October 7, 2020, the company announced that it was seeking emergency use authorization from the FDA for its most advanced antibody (bamlanivimab), developed in partnership with AbCellera and the NIH, for the treatment of high-risk patients with mild to moderate COVID-19. On October 13, 2020, the NIH announced that it would pause enrollment of its Phase III study testing Lilly's antibody treatment in hospitalized patients out of "an abundance of caution" to allow an independent safety review of the trial data.
- **Vir Biotechnology, Inc.** ("Vir") and **GlaxoSmithKline** ("GSK") have entered into a strategic partnership to utilize Vir's neutralizing antibody platform to identify novel drug candidates that may be used as therapeutic or preventative COVID-19 treatments. On October 6, 2020, Vir and GSK announced that their most advanced antibody therapy for the early treatment of patients with COVID-19 has entered Phase III; they expect initial study data by year-end 2020 and complete results in the first quarter of 2021.

Several other Alexandria tenants, including **AbbVie Inc.**, **Amgen, AstraZeneca plc, Atreca Inc.**, **Enanta Pharmaceuticals, Inc.**, **Novartis AG**, and **Pfizer Inc.**, are similarly endeavoring to develop novel therapies and repurpose existing and investigational drugs to provide near-term treatments for moderate and severe COVID-19 patients and those at highest risk.

Improving testing quality and capacity

Abbott Laboratories, **Adaptive Biotechnologies Corporation**, **Color**, **Cue Health Inc.**, **Laboratory Corporation of America Holdings**, **Quest Diagnostics**, **Quidel Corporation**, **Roche**, **Thermo Fisher Scientific Inc.**, **Verily Life Sciences**, and others are working to improve testing quality, capacity, and turnaround time to more effectively determine who has an active COVID-19 infection, who has been exposed to the virus, and who has developed immunity against it. The increased availability of widespread COVID-19 testing is critical for curtailing the pandemic and facilitating a safer reopening of workplaces, communities, and society overall.

Acquisitions

September 30, 2020

(Dollars in thousands)

					Square Footage				Unlevered Yields		
Property	Submarket/Market	Date of Purchase	Number of Properties	Operating Occupancy	Future Development	Active Redevelopment	Operating With Future Development/ Redevelopment	Operating	Initial Stabilized	Initial Stabilized (Cash)	Purchase Price
Completed in 1H20			15	80%	1,739,825	63,774	439,244	1,492,599			$ 699,829
Completed in 3Q20:											
Alexandria Center® for Life Science – Durham	Research Triangle/ Research Triangle	8/21/20	16	84%	—	652,381	100,145	1,485,621	[1]	[1]	590,412
Reservoir Woods	Route 128/ Greater Boston	8/25/20	3	100	440,000	—	515,273	—	[2]	[2]	325,307
3181 Porter Drive	Greater Stanford/ San Francisco	8/6/20	1	100	—	—	—	104,011	7.2 %	5.0 %	115,200
One Upland Road	Route 128/ Greater Boston	8/19/20	1	100	450,000	—	—	243,082	6.3 % [3]	5.6 % [3]	110,257
11255 and 11355 North Torrey Pines Road	Torrey Pines/ San Diego	7/22/20	2	100	240,000 [4]	—	139,135	—	[2]	[2]	97,500
Other	Various	Various	1	75	327,488	—	42,380	—	N/A	N/A	44,244
Completed in 3Q20			24	90%	1,457,488	652,381	796,933	1,832,714			1,282,920
Projected in 4Q20:											
Completed acquisitions	Various	October 2020	3	100%	—	169,420	76,951	—	[2]	[2]	108,748
Pending acquisitions	Various										508,503
Projected in 4Q20											617,251
2020 guidance range										$2,400,000	– $2,800,000
Mercer Mega Block	Lake Union/Seattle	TBD[5]	—	N/A	800,000	—	—	—	[5]	[5]	$ 143,500

(1) The campus includes 16 properties, of which three properties aggregating 652,381 RSF are currently undergoing active redevelopment. We expect to achieve unlevered initial stabilized yields of 6.2% and 5.8% (cash basis) for the 13 operating properties. These operating properties generate 99% of annual rental revenue from investment-grade tenants. Refer to "New Class A development and redevelopment properties: current projects" of our Supplemental Information for additional details on the three properties undergoing active redevelopment.

(2) We expect to provide total estimated costs and related yields for development and redevelopment projects in the future, subsequent to the commencement of construction.

(3) Represents unlevered initial stabilized yields for the operating property excluding excess land.

(4) Represents total square footage upon completion of development or redevelopment of a new Class A property. Square footage presented includes RSF of buildings currently in operation. We intend to demolish the existing properties upon expiration of the existing in-place leases and commencement of future construction. Refer to "Definitions and reconciliations" of our Supplemental Information for additional details on value-creation square feet currently included in rental properties.

(5) We continue to diligently work through various long-lead-time due diligence items, with certain deadlines extending into early 2021. We are working toward completion of all due diligence items as soon as possible.

Dispositions

September 30, 2020

(Dollars in thousands)

Property	Submarket/Market	Date of Sale	Interest Sold	RSF	Sales Price	Sales Price per RSF	Gain
Completed:							
945 Market Street[1]	SoMa/San Francisco	9/4/20	99.5%	255,765	$ 198,000	$ 774	$ —
9808 and 9868 Scranton Road	Sorrento Mesa/San Diego	4/13/20	50%	219,628	51,104	$ 465	[2]
Other	Route 495/Greater Boston	8/7/20	100%	60,759	3,350	$ 55	1,603
				536,152	252,454		$ 1,603
Projected 4Q20:							
Pending	San Francisco	TBD	TBD		500,000 – 600,000		
Pending	Seattle	TBD	TBD		200,000 – 300,000		
Other	Various	TBD	TBD		47,546 – 147,546		
2020 guidance range					$ 1,000,000 – $ 1,300,000		

(1) Upon approval for sale by our Board of Directors in September 2020, the asset met the criteria for classification as held for sale, and we recognized an impairment charge of $6.8 million to lower the carrying amount to the estimated fair value less costs to sell. In September 2020, we completed the disposition and sold our ownership interest in this recently acquired property, which is expected to be used as retail space by the buyer.

(2) We completed the sale of a partial interest in properties at 9808 and 9868 Scranton Road in our Sorrento Mesa submarket to the existing SD Tech by Alexandria consolidated real estate joint venture, in which we have a 50% ownership interest. We retained control over this real estate joint venture, and therefore, we continue to consolidate these properties. For consolidated joint ventures, we account for the difference between the consideration received and the book value of the interest sold as an equity transaction, with no gain or loss recognized in earnings.

(Dollars in millions, except per share amounts)

The following updated guidance is based on our current view of existing market conditions and assumptions for the year ending December 31, 2020. There can be no assurance that actual amounts will not be materially higher or lower than these expectations. Also, refer to our discussion of "forward-looking statements" on page 12 of this Earnings Press Release for additional details.

Projected 2020 Earnings per Share and Funds From Operations per Share Attributable to Alexandria's Common Stockholders – Diluted

	As of 10/26/20	As of 7/27/20
Earnings per share[1]	\$3.09 to \$3.11	\$3.00 to \$3.08
Depreciation and amortization of real estate assets	5.15	5.15
Gain on sale of real estate	(0.01)	—
Impairment of real estate – rental properties[2]	0.12	0.06
Allocation to unvested restricted stock awards	(0.05)	(0.05)
Funds from operations per share[3]	\$8.30 to \$8.32	\$8.16 to \$8.24
Unrealized gains on non-real estate investments	(1.13)	(1.25)
Impairment of non-real estate investments	0.20	0.20
Impairment of real estate[4]	0.12	0.12
Loss on early extinguishment of debt[5]	0.42	—
Termination fee[6]	(0.69)	—
Acceleration of stock compensation expense due to executive officer resignation	0.04	—
Allocation to unvested restricted stock awards/other	0.03	0.03
Funds from operations per share, as adjusted[1]	\$7.29 to \$7.31	\$7.26 to \$7.34
Midpoint	\$7.30	\$7.30

	As of 10/26/20		As of 7/27/20	
Key Assumptions	**Low**	**High**	**Low**	**High**
Occupancy percentage in North America as of December 31, 2020	94.8%	95.4%	94.8%	95.4%
Lease renewals and re-leasing of space:				
Rental rate increases	30.5%	33.5%	28.0%	31.0%
Rental rate increases (cash basis)	16.0%	19.0%	14.0%	17.0%
Same property performance:				
Net operating income increase	1.0%	3.0%	1.0%	3.0%
Net operating income increase (cash basis)	4.5%	6.5%	4.5%	6.5%
Straight-line rent revenue	\$ 98	\$ 108	\$ 98	\$ 108
General and administrative expenses[7]	\$ 126	\$ 131	\$ 121	\$ 126
Capitalization of interest	\$ 117	\$ 127	\$ 117	\$ 127
Interest expense	\$ 170	\$ 180	\$ 170	\$ 180

(1) Excludes unrealized gains or losses after September 30, 2020, that are required to be recognized in earnings and are excluded from funds from operations per share, as adjusted.

(2) Includes a \$7.6 million impairment recognized during 1Q20 on our investment in a recently developed retail property held by our unconsolidated real estate joint venture. Additionally, during 3Q20 we recognized an impairment charge of \$7.7 million primarily to reduce the carrying amount of our property at 945 Market Street to its estimated fair value. We completed the disposition of this asset in September 2020.

(3) Refer to "Funds from operations and funds from operations, as adjusted, attributable to Alexandria's common stockholders" in "Definitions and reconciliations" of our Supplemental Information for additional details.

(4) Includes an impairment charge of \$10 million recognized in April 2020 to write off the carrying amount of the pre-acquisition deposit related to an operating tech office property for which our revised economic projections declined from our initial underwriting. The impairment was recognized concurrently with the submission of our notice to terminate the transaction.

(5) Includes losses on early extinguishment of debt aggregating \$53.4 million comprising (i) \$50.8 million related to the refinancing of our 3.90% unsecured senior notes payable due in 2023 in 3Q20, (ii) \$1.9 million related to the termination of our \$750 million unsecured senior line of credit in 3Q20, and (iii) \$651 thousand related to the amendment of our unsecured senior line of credit in October 2020.

(6) Refer to page 1 of this Earnings Press Release for additional details.

(7) Increase in the guidance range for general and administrative expenses attributable to the acceleration of stock compensation expense due to the resignation of an executive officer in 3Q20.

Guidance (continued)

September 30, 2020

(Dollars in millions)

Key Credit Metrics	2020 Guidance
Net debt and preferred stock to Adjusted EBITDA – 4Q20 annualized	Less than or equal to 5.3x
Fixed-charge coverage ratio – 4Q20 annualized	Greater than or equal to 4.4x

	As of 10/26/20				
Key Sources and Uses of Capital	**Range**		**Midpoint**	**Certain Completed Items**	**As of 7/27/20 Midpoint**
Sources of capital:					
Net cash provided by operating activities after dividends[1]	$ 185	$ 225	$ 205		$ 205
Incremental debt	635	575	605	see below	495
Real estate dispositions and partial interest sales	1,000	1,300	1,150	[2]	1,250
Common equity	2,080	2,600	2,340	$ 2,078 [3]	2,090
Total sources of capital	$ 3,900	$ 4,700	$ 4,300		$ 4,040
Uses of capital:					
Construction (see page 45 for additional information)	$ 1,200	$ 1,500	$ 1,350		$ 1,350
Acquisitions (see page 8 for additional information)	2,400	2,800	2,600	$ 2,091	1,800
Proceeds from complete unsecured senior notes offering held in cash	300	400	350	$300 – $400	—
Total uses of capital	$ 3,900	$ 4,700	$ 4,300		$ 3,150
Incremental debt (included above):					
Issuance of unsecured senior notes payable	$ 1,700	$ 1,700	$ 1,700	$ 1,700	$ 700
Principal repayments of unsecured senior notes payable	(500)	(500)	(500)	$ (500)	—
Unsecured senior line of credit, commercial paper, and other	(565)	(625)	(595)		(205)
Incremental debt	$ 635	$ 575	$ 605		$ 495
Excess sources of capital			$ —		$ 890

(1) Excludes significant termination fee proceeds.
(2) Refer to “Dispositions” in this Earnings Press Release for additional information.
(3) Refer to page 3 of this Earnings Press Release for additional detail on our forward equity sales agreements activity.

We will host a conference call on Tuesday, October 27, 2020, at 3:00 p.m. Eastern Time ("ET")/noon Pacific Time ("PT"), which is open to the general public, to discuss our financial and operating results for the third quarter ended September 30, 2020. To participate in this conference call, dial (833) 366-1125 or (412) 902-6738 shortly before 3:00 p.m. ET/noon PT and ask the operator to join the call for Alexandria Real Estate Equities, Inc. The audio webcast can be accessed at www.are.com in the "For Investors" section. A replay of the call will be available for a limited time from 5:00 p.m. ET/2:00 p.m. PT on Tuesday, October 27, 2020. The replay number is (877) 344-7529 or (412) 317-0088, and the access code is 10147053.

Additionally, a copy of this Earnings Press Release and Supplemental Information for the third quarter ended September 30, 2020, is available in the "For Investors" section of our website at www.are.com or by following this link: http://www.are.com/fs/2020q3.pdf.

For any questions, please contact Joel S. Marcus, executive chairman and founder; Stephen A. Richardson, co-chief executive officer; Peter M. Moglia, co-chief executive officer and co-chief investment officer; Dean A. Shigenaga, co-president and chief financial officer; or Sara M. Kabakoff, vice president – corporate communications, at (626) 578-0777; or Paula Schwartz, managing director of Rx Communications Group, at (917) 322-2216.

About the Company

Alexandria Real Estate Equities, Inc. (NYSE:ARE), an S&P 500® urban office real estate investment trust ("REIT"), is the first, longest-tenured, and pioneering owner, operator, and developer uniquely focused on collaborative life science, technology, and agtech campuses in AAA innovation cluster locations, with a total market capitalization of $29.2 billion as of September 30, 2020, and an asset base in North America of 47.4 million square feet ("SF"). The asset base in North America includes 31.2 million RSF of operating properties and 2.8 million RSF of Class A properties undergoing construction, 7.2 million RSF of near-term and intermediate-term development and redevelopment projects, and 6.2 million SF of future development projects. Founded in 1994, Alexandria pioneered this niche and has since established a significant market presence in key locations, including Greater Boston, San Francisco, New York City, San Diego, Seattle, Maryland, and Research Triangle. Alexandria has a longstanding and proven track record of developing Class A properties clustered in urban life science, technology, and agtech campuses that provide our innovative tenants with highly dynamic and collaborative environments that enhance their ability to successfully recruit and retain world-class talent and inspire productivity, efficiency, creativity, and success. Alexandria also provides strategic capital to transformative life science, technology, and agtech companies through our venture capital platform. We believe our unique business model and diligent underwriting ensure a high-quality and diverse tenant base that results in higher occupancy levels, longer lease terms, higher rental income, higher returns, and greater long-term asset value. For additional information on Alexandria, please visit www.are.com.

****

This document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include, without limitation, statements regarding our 2020 earnings per share attributable to Alexandria's common stockholders – diluted, 2020 funds from operations per share attributable to Alexandria's common stockholders – diluted, net operating income, and our projected sources and uses of capital. You can identify the forward-looking statements by their use of forward-looking words, such as "forecast," "guidance," "goals," "projects," "estimates," "anticipates," "believes," "expects," "intends," "may," "plans," "seeks," "should," or "will," or the negative of those words or similar words. These forward-looking statements are based on our current expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts, as well as a number of assumptions concerning future events. There can be no assurance that actual results will not be materially higher or lower than these expectations. These statements are subject to risks, uncertainties, assumptions, and other important factors that could cause actual results to differ materially from the results discussed in the forward-looking statements. Factors that might cause such a difference include, without limitation, our failure to obtain capital (debt, construction financing, and/or equity) or refinance debt maturities, increased interest rates and operating costs, adverse economic or real estate developments in our markets (including the impact of the ongoing COVID-19 pandemic), our failure to successfully place into service and lease any properties undergoing development or redevelopment and our existing space held for future development or redevelopment (including new properties acquired for that purpose), our failure to successfully operate or lease acquired properties, decreased rental rates, increased vacancy rates or failure to renew or replace expiring leases, defaults on or non-renewal of leases by tenants, adverse general and local economic conditions, an unfavorable capital market environment, decreased leasing activity or lease renewals, and other risks and uncertainties detailed in our filings with the Securities and Exchange Commission ("SEC"). Accordingly, you are cautioned not to place undue reliance on such forward-looking statements. All forward-looking statements are made as of the date of this Earnings Press Release, and unless otherwise stated, we assume no obligation to update this information and expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. For more discussion relating to risks and uncertainties that could cause actual results to differ materially from those anticipated in our forward-looking statements, and risks to our business in general, please refer to our SEC filings, including our most recent annual report on Form 10-K and any subsequent quarterly reports on Form 10-Q.

For additional discussion of the risks and other potential impacts posed by the outbreak of the COVID-19 pandemic and uncertainties we, our tenants, and the global and national economies face as a result, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our quarterly report on Form 10-Q filed with the SEC on October 26, 2020.

Alexandria®, Lighthouse Design® logo, Building the Future of Life-Changing Innovation™, Labspace®, Alexandria Center®, Alexandria Technology Square®, Alexandria Technology Center®, Alexandria Innovation Center®, Alexandria Summit®, LaunchLabs®, GradLabs™, and That's What's in Our DNA™ are copyrights and trademarks of Alexandria Real Estate Equities, Inc. All other company names, trademarks, and logos referenced herein are the property of their respective owners.

Consolidated Statements of Operations

September 30, 2020

(Dollars in thousands, except per share amounts)

	Three Months Ended					Nine Months Ended	
	9/30/20	6/30/20	3/31/20	12/31/19	9/30/19	9/30/20	9/30/19
Revenues:							
Income from rentals	$ 543,412 [1]	$ 435,856	$ 437,605	$ 404,721	$ 385,776	$ 1,416,873	$ 1,112,143
Other income	1,630	1,100	2,314	3,393	4,708	5,044	11,039
Total revenues	545,042	436,956	439,919	408,114	390,484	1,421,917	1,123,182
Expenses:							
Rental operations	140,443	123,911	129,103	121,852	116,450	393,457	323,640
General and administrative	36,913 [1]	31,775	31,963	29,782	27,930	100,651	79,041
Interest	43,318	45,014	45,739	45,493	46,203	134,071	128,182
Depreciation and amortization	176,831	168,027	175,496	140,518	135,570	520,354	404,094
Impairment of real estate	7,680	13,218	2,003	12,334	—	22,901	—
Loss on early extinguishment of debt	52,770	—	—	—	40,209	52,770	47,570
Total expenses	457,955	381,945	384,304	349,979	366,362	1,224,204	982,527
Equity in earnings (losses) of unconsolidated real estate joint ventures	3,778	3,893	(3,116)	4,777	2,951	4,555	5,359
Investment income (loss)	3,348	184,657	(21,821)	152,667	(63,076)	166,184	41,980
Gain on sales of real estate	1,586	—	—	474	—	1,586	—
Net income (loss)	95,799	243,561	30,678	216,053	(36,003)	370,038	187,994
Net income attributable to noncontrolling interests	(14,743)	(13,907)	(11,913)	(13,612)	(11,199)	(40,563)	(27,270)
Net income (loss) attributable to Alexandria Real Estate Equities, Inc.'s stockholders	81,056	229,654	18,765	202,441	(47,202)	329,475	160,724
Dividends on preferred stock	—	—	—	—	(1,173)	—	(3,204)
Preferred stock redemption charge	—	—	—	—	—	—	(2,580)
Net income attributable to unvested restricted stock awards	(1,730)	(3,054)	(1,925)	(2,823)	(1,398)	(5,304)	(4,532)
Net income (loss) attributable to Alexandria Real Estate Equities, Inc.'s common stockholders	$ 79,326	$ 226,600	$ 16,840	$ 199,618	$ (49,773)	$ 324,171	$ 150,408
Net income (loss) per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders:							
Basic	$ 0.64	$ 1.82	$ 0.14	$ 1.75	$ (0.44)	$ 2.62	$ 1.35
Diluted	$ 0.63	$ 1.82	$ 0.14	$ 1.74	$ (0.44)	$ 2.61	$ 1.35
Weighted-average shares of common stock outstanding:							
Basic	124,901	124,333	121,433	114,175	112,120	123,561	111,540
Diluted	125,828	124,448	121,785	114,974	112,120	124,027	111,712
Dividends declared per share of common stock	$ 1.06	$ 1.06	$ 1.03	$ 1.03	$ 1.00	$ 3.15	$ 2.97

(1) Refer to "Key items included in operating results" on page 2 of this Earnings Press Release for additional details.

Consolidated Balance Sheets

September 30, 2020

(In thousands)

	9/30/20	6/30/20	3/31/20	12/31/19	9/30/19
Assets					
Investments in real estate	$ 17,600,648	$ 16,281,125	$ 15,832,182	$ 14,844,038	$ 13,618,280
Investments in unconsolidated real estate joint ventures	330,792	326,858	325,665	346,890	340,190
Cash and cash equivalents	446,255	206,860	445,255	189,681	410,675
Restricted cash	38,788	34,680	43,116	53,008	42,295
Tenant receivables	7,641	7,208	14,976	10,691	10,668
Deferred rent	719,552	688,749	663,926	641,844	615,817
Deferred leasing costs	266,440	274,483	269,458	270,043	252,772
Investments	1,330,945	1,318,465	1,123,482	1,140,594	990,454
Other assets	1,169,610	930,680	983,875	893,714	777,003
Total assets	$ 21,910,671	$ 20,069,108	$ 19,701,935	$ 18,390,503	$ 17,058,154
Liabilities, Noncontrolling Interests, and Equity					
Secured notes payable	$ 342,363	$ 344,784	$ 347,136	$ 349,352	$ 351,852
Unsecured senior notes payable	7,230,819	6,738,486	6,736,999	6,044,127	6,042,831
Unsecured senior line of credit and commercial paper	249,989	440,000	221,000	384,000	343,000
Accounts payable, accrued expenses, and other liabilities	1,609,340	1,343,181	1,352,554	1,320,268	1,241,276
Dividends payable	143,040	133,681	129,981	126,278	115,575
Total liabilities	9,575,551	9,000,132	8,787,670	8,224,025	8,094,534
Commitments and contingencies					
Redeemable noncontrolling interests	11,232	12,122	12,013	12,300	12,099
Alexandria Real Estate Equities, Inc.'s stockholders' equity:					
7.00% Series D cumulative convertible preferred stock	—	—	—	—	57,461
Common stock	1,333	1,246	1,243	1,208	1,132
Additional paid-in capital	10,711,119	9,443,274	9,336,949	8,874,367	7,743,188
Accumulated other comprehensive loss	(10,638)	(13,080)	(15,606)	(9,749)	(11,549)
Alexandria Real Estate Equities, Inc.'s stockholders' equity	10,701,814	9,431,440	9,322,586	8,865,826	7,790,232
Noncontrolling interests	1,622,074	1,625,414	1,579,666	1,288,352	1,161,289
Total equity	12,323,888	11,056,854	10,902,252	10,154,178	8,951,521
Total liabilities, noncontrolling interests, and equity	$ 21,910,671	$ 20,069,108	$ 19,701,935	$ 18,390,503	$ 17,058,154

Funds From Operations and Funds From Operations per Share

September 30, 2020

(In thousands)

The following table presents a reconciliation of net income (loss) attributable to Alexandria's common stockholders, the most directly comparable financial measure presented in accordance with generally accepted accounting principles ("GAAP"), including our share of amounts from consolidated and unconsolidated real estate joint ventures, to funds from operations attributable to Alexandria's common stockholders – diluted, and funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted, for the periods below:

	Three Months Ended					Nine Months Ended	
	9/30/20	6/30/20	3/31/20	12/31/19	9/30/19	9/30/20	9/30/19
Net income (loss) attributable to Alexandria's common stockholders	**$ 79,326**	**$ 226,600**	**$ 16,840**	**$ 199,618**	**$ (49,773)**	**$ 324,171**	**$ 150,408**
Depreciation and amortization of real estate assets	173,622	165,040	172,628	137,761	135,570	511,290	404,094
Noncontrolling share of depreciation and amortization from consolidated real estate JVs	(15,256)	(15,775)	(15,870)	(10,176)	(8,621)	(46,901)	(20,784)
Our share of depreciation and amortization from unconsolidated real estate JVs	2,936	2,858	2,643	2,702	1,845	8,437	3,664
Gain on sales of real estate	(1,586)	—	—	(474)	—	(1,586)	—
Impairment of real estate – rental properties	7,680	—	7,644	12,334	—	15,324	—
Allocation to unvested restricted stock awards	(1,261)	(2,228)	(847)	(1,809)	—	(5,692)	(2,929)
Funds from operations attributable to Alexandria's common stockholders – diluted[1]	**245,461**	**376,495**	**183,038**	**339,956**	**79,021**	**805,043**	**534,453**
Unrealized losses (gains) on non-real estate investments	14,013	(171,652)	17,144	(148,268)	70,043	(140,495)	(13,221)
Impairment of non-real estate investments	—	4,702	19,780	9,991	7,133	24,482	7,133
Impairment of real estate	—	13,218	2,003	—	—	15,221	—
Loss on early extinguishment of debt	52,770	—	—	—	40,209	52,770	47,570
Loss on early termination of interest rate hedge agreements	—	—	—	—	1,702	—	1,702
Termination fee	(86,179)	—	—	—	—	(86,179)	—
Acceleration of stock compensation expense due to executive officer resignation	4,499	—	—	—	—	4,499	—
Preferred stock redemption charge	—	—	—	—	—	—	2,580
Allocation to unvested restricted stock awards	179	2,251	(591)	1,760	(1,002)	1,804	(657)
Funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted	**$ 230,743**	**$ 225,014**	**$ 221,374**	**$ 203,439**	**$ 197,106**	**$ 677,145**	**$ 579,560**

(1) Calculated in accordance with standards established by the Nareit Board of Governors. Refer to "Funds from operations and funds from operations, as adjusted, attributable to Alexandria's common stockholders" in the "Definitions and reconciliations" of our Supplemental Information for additional details.

(In thousands, except per share amounts)

ALEXANDRIA®
Building the Future of Life-Changing Innovation™

The following table presents a reconciliation of net income (loss) per share attributable to Alexandria's common stockholders, the most directly comparable financial measure presented in accordance with GAAP, including our share of amounts from consolidated and unconsolidated real estate joint ventures, to funds from operations per share attributable to Alexandria's common stockholders – diluted, and funds from operations per share attributable to Alexandria's common stockholders – diluted, as adjusted, for the periods below. Per share amounts may not add due to rounding.

	Three Months Ended					Nine Months Ended	
	9/30/20	6/30/20	3/31/20	12/31/19	9/30/19	9/30/20	9/30/19
Net income (loss) per share attributable to Alexandria's common stockholders – diluted	**$ 0.63**	**$ 1.82**	**$ 0.14**	**$ 1.74**	**$ (0.44)**	**$ 2.61**	**$ 1.35**
Depreciation and amortization of real estate assets	1.28	1.22	1.31	1.13	1.14	3.81	3.46
Gain on sales of real estate	(0.01)	—	—	—	—	(0.01)	—
Impairment of real estate – rental properties	0.06	—	0.06	0.11	—	0.12	—
Allocation to unvested restricted stock awards	(0.01)	(0.01)	(0.01)	(0.02)	—	(0.04)	(0.03)
Funds from operations per share attributable to Alexandria's common stockholders – diluted	**1.95**	**3.03**	**1.50**	**2.96**	**0.70**	**6.49**	**4.78**
Unrealized losses (gains) on non-real estate investments	0.11	(1.38)	0.14	(1.29)	0.62	(1.13)	(0.12)
Impairment of non-real estate investments	—	0.04	0.16	0.09	0.06	0.20	0.06
Impairment of real estate	—	0.11	0.02	—	—	0.12	—
Loss on early extinguishment of debt	0.42	—	—	—	0.36	0.42	0.43
Loss on early termination of interest rate hedge agreements	—	—	—	—	0.02	—	0.02
Termination fee	(0.69)	—	—	—	—	(0.69)	—
Acceleration of stock compensation expense due to executive officer resignation	0.04	—	—	—	—	0.04	—
Preferred stock redemption charge	—	—	—	—	—	—	0.02
Allocation to unvested restricted stock awards	—	0.01	—	0.01	(0.01)	0.01	—
Funds from operations per share attributable to Alexandria's common stockholders – diluted, as adjusted	**$ 1.83**	**$ 1.81**	**$ 1.82**	**$ 1.77**	**$ 1.75**	**$ 5.46**	**$ 5.19**
Weighted-average shares of common stock outstanding[1] for calculations of:							
Earnings per share – diluted	125,828	124,448	121,785	114,974	112,120	124,027	111,712
Funds from operations – diluted, per share	125,828	124,448	121,785	114,974	112,562	124,027	111,712
Funds from operations – diluted, as adjusted, per share	125,828	124,448	121,785	114,974	112,562	124,027	111,712

(1) Refer to "Weighted-average shares of common stock outstanding – diluted" in the "Definitions and reconciliations" of our Supplemental Information for additional details.