

ALEXANDRIA REAL ESTATE EQUITIES INC
Form 10-Q
May 09, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2007

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)

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

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(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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

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

As of May 1, 2007, 29,474,020 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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Alexandria Real Estate Equities, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(In thousands)

	March 31, 2007 <i>(Unaudited)</i>	December 31, 2006
Assets		
Rental properties, net	\$ 2,927,871	\$ 2,924,881
Properties undergoing development and land held for development	467,001	397,701
Cash and cash equivalents	9,012	2,948
Tenant security deposits and other restricted cash	46,943	34,360
Tenant receivables	7,104	6,330
Deferred rent	71,158	68,412
Investments	73,760	74,824
Other assets	118,882	108,021
Total assets	\$ 3,721,731	\$ 3,617,477
Liabilities and Stockholders' Equity		
Secured notes payable	\$ 1,111,594	\$ 1,174,866
Unsecured line of credit and unsecured term loan	605,000	850,000
Unsecured convertible notes	460,000	
Accounts payable, accrued expenses and tenant security deposits	170,593	158,119
Dividends payable	24,413	25,363
Total liabilities	2,371,600	2,208,348
Minority interest	58,470	57,477
Stockholders' equity		
Series B preferred stock		57,500
Series C preferred stock	129,638	129,638
Common stock	291	290
Additional paid-in capital	1,142,437	1,139,629
Accumulated other comprehensive income	19,295	24,595
Total stockholders' equity	1,291,661	1,351,652
Total liabilities and stockholders' equity	\$ 3,721,731	\$ 3,617,477

See the accompanying Notes to Condensed Consolidated Financial Statements.

Alexandria Real Estate Equities, Inc. and Subsidiaries
Condensed Consolidated Income Statements
(Unaudited)
(Dollars in thousands, except per share amounts)

	Three Months Ended	
	March 31,	
	2007	2006
Revenues		
Rental	\$ 73,280	\$ 52,293
Tenant recoveries	20,609	13,992
Other income	3,750	1,998
	97,639	68,283
Expenses		
Rental operations	24,129	15,341
General and administrative	8,082	6,451
Interest	20,556	14,865
Depreciation and amortization	23,466	15,197
	76,233	51,854
Minority interest	907	370
Income from continuing operations	20,499	16,059
Income from discontinued operations, net	1,285	696
Net income	21,784	16,755
Dividends on preferred stock	3,877	4,022
Preferred stock redemption charge	2,799	