

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):
November 4, 2014

American Assets Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

11455 El Camino Real, Suite 200
San Diego, California 92130
(Address of principal executive offices)

001-35030
(Commission
File No.)

27-3338708
(I.R.S. Employer
Identification No.)

92130
(Zip Code)

(858) 350-2600

Registrant's telephone number, including area code:

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425).
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On November 4, 2014, American Assets Trust, Inc. (the “Company”) issued a press release regarding its financial results for the quarter ending September 30, 2014. Also on November 4, 2014, the Company made available on its website at www.americanassetstrust.com certain supplemental information concerning the Company’s financial results and operations for the quarter ending September 30, 2014. Copies of the press release and supplemental information are attached hereto as Exhibits 99.1 and 99.2, respectively.

Exhibits 99.1 and 99.2, are being furnished pursuant to Item 2.02 and shall not be deemed “filed” for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 7.01 Regulation FD Disclosure.

As discussed in Item 2.02 above, the Company issued a press release regarding its financial results for the quarter ending September 30, 2014 and made available on its website certain supplement information relating thereto.

The information being furnished pursuant to Item 7.01 and shall not be deemed “filed” for any purpose, including for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

The following exhibits are filed herewith:

Exhibit Number **Exhibit Description**

99.1** Press release issued by American Assets Trust, Inc. on November 4, 2014.

99.2** American Assets Trust, Inc. Supplemental Information for the quarter ended September 30, 2014.

** Furnished herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

American Assets Trust, Inc.

By: /s/ Robert F. Barton

Robert F. Barton
Executive Vice President, CFO

November 4, 2014

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Description</u>
99.1	Press release issued by American Assets Trust, Inc. on November 4, 2014.
99.2	American Assets Trust, Inc. Supplemental Information for the quarter ended September 30, 2014.



American Assets Trust, Inc. Reports Third Quarter 2014 Financial Results

**FFO per share increases 8% and 4% year-over-year for the three and nine months ended September 30, 2014, respectively
Increases quarterly dividend 6% to \$0.2325 per share of common stock**

SAN DIEGO, California - 11/4/14 - American Assets Trust, Inc. (NYSE: AAT) (the "Company") today reported financial results for its third quarter ended September 30, 2014.

Financial Results and Recent Developments

- **Funds From Operations increased 8% and 4% to \$0.42 and \$1.20 per diluted share for the three and nine months ended September 30, 2014, respectively, compared to the same periods in 2013**
- **Increasing 2014 annual guidance to a range of \$1.59 to \$1.61 of FFO per diluted share, a 1% increase over the prior midpoint**
- **Increasing quarterly dividend 6% to \$0.2325 per share of common stock for the fourth quarter of 2014**
- **Introducing 2015 annual guidance range of \$1.65 to \$1.73 of FFO per diluted share, a 6% increase over the 2014 annual guidance midpoint**
- **Net income available to common stockholders of \$6.4 million and \$14.7 million for the three and nine months ended September 30, 2014, respectively, or \$0.15 and \$0.35 per diluted share, respectively**
- **Leased approximately 48,000 comparable retail square feet at an average cash-basis and GAAP-basis contractual rent increase of 16% and 17%, respectively**
- **Leased approximately 25,400 comparable office square feet at an average cash-basis and GAAP-basis contractual rent increase of 3% and 11%, respectively**
- **Signed 26 retail and office leases for approximately 121,700 square feet**

During the third quarter of 2014, the Company generated funds from operations ("FFO") for common stockholders of \$25.4 million, or \$0.42 per diluted share, compared to \$22.8 million, or \$0.39 per diluted share, for the quarter ended September 30, 2013. For the nine months ended September 30, 2014, the Company generated FFO for common stockholders of \$71.9 million, or \$1.20 per diluted share, compared to \$66.0 million, or \$1.15 per diluted share, for the nine months ended September 30, 2013. The increase in FFO from the corresponding period in 2013 was largely due to a decrease in interest expense as a result of the Company's payoff of the outstanding mortgage at Alamo Quarry Market during the fourth quarter of 2013. The increase for the nine months ended September 30, 2014 was also attributed to a net termination fee received for a canceled acquisition during the second quarter of 2014.

Net income attributable to common stockholders was \$6.4 million, or \$0.15 per basic and diluted share, respectively, for the three months ended September 30, 2014 compared to \$4.2 million, or \$0.11 per basic and diluted share, for the three months ended September 30, 2013. For the nine months ended September 30, 2014, net income attributable to common stockholders was \$14.7 million, or \$0.35 per basic and diluted share, respectively, compared to net income attributable to common stockholders of \$10.5 million, or \$0.27 per basic and diluted share, for the nine months ended September 30, 2013. The increase in net income attributable to common stockholders was largely due to a decrease in interest expense and receipt of a termination fee as noted above.

FFO is a non-GAAP supplemental earnings measure which the Company considers meaningful in measuring its operating performance. A reconciliation of FFO to net income is attached to this press release.

Portfolio Results

The portfolio leased status as of the end of the indicated quarter was as follows:

	September 30, 2014	June 30, 2014	September 30, 2013
Total Portfolio			
Retail	98.7%	98.8%	95.6%
Office	89.9%	88.5%	91.4%
Multifamily	96.4%	98.8%	96.7%
Mixed-Use:			
Retail	99.5%	99.5%	97.9%
Hotel	82.6%	80.7%	88.7%
Same-Store Portfolio			
Retail	98.7%	98.8%	95.5%
Office	94.1%	92.5%	96.9%
Multifamily	96.4%	98.8%	96.7%
Mixed-Use:			
Retail	99.5%	99.5%	97.9%
Hotel	82.6%	80.7%	88.7%

During the third quarter of 2014, the Company signed 26 leases for approximately 121,700 square feet of retail and office space, as well as 307 multifamily apartment leases. Renewals accounted for 90.9% of the comparable retail leases, 75.0% of the comparable office leases and 68.4% of the residential leases.

Retail and Office

On a comparable space basis (i.e., leases for which there was a former tenant) during the third quarter of 2014, our retail and office leasing spreads are shown below:

Q3 2014	Number of Leases Signed	Comparable Leased Sq. Ft.	Average Cash Basis % Change Over Prior Rent	Average Cash Contractual Rent Per Sq. Ft.	Prior Average Cash Contractual Rent Per Sq. Ft.	GAAP Straight-Line Basis % Change Over Prior Rent
Retail	11	48,000	16.0%	\$31.59	\$27.22	16.8%
Office	8	25,400	3.3%	\$35.37	\$34.24	11.0%

Multifamily

At September 30, 2014, the average monthly base rent per leased unit was \$1,476 compared to an average monthly base rent per leased unit of \$1,410 at September 30, 2013.

Same-Store Operating Income

For the three and nine months ended September 30, 2014, same-store property operating income increased 5.4% and 1.1%, respectively, on a cash basis compared to the corresponding periods in 2013. For the three and nine months ended September 30, 2014, same-store property operating income increased 4.1% and 0.6%, respectively, on a GAAP basis compared to the corresponding periods in 2013. The same-store property operating income by segment was as follows (in thousands):

	Three Months Ended ⁽¹⁾			Nine Months Ended ⁽¹⁾		
	September 30,			September 30,		
	2014	2013	Change	2014	2013	Change
Cash Basis:						
Retail	\$ 17,390	\$ 16,905	2.9 %	\$ 50,655	\$ 51,529	(1.7) %
Office	10,950	9,975	9.8	31,669	30,081	5.3
Multifamily	2,788	2,630	6.0	8,147	7,621	6.9
Mixed-Use	6,759	6,434	5.1	17,015	17,070	(0.3)
	<u>\$ 37,887</u>	<u>\$ 35,944</u>	<u>5.4 %</u>	<u>\$ 107,486</u>	<u>\$ 106,301</u>	<u>1.1 %</u>
GAAP Basis:						
Retail	\$ 18,011	\$ 17,097	5.3 %	\$ 52,083	\$ 51,762	0.6 %
Office	11,730	11,555	1.5	34,571	34,867	(0.8)
Multifamily	2,788	2,630	6.0	8,147	7,621	6.9
Mixed-Use	6,699	6,383	5.0	16,854	16,704	0.9
	<u>\$ 39,228</u>	<u>\$ 37,665</u>	<u>4.1 %</u>	<u>\$ 111,655</u>	<u>\$ 110,954</u>	<u>0.6 %</u>

(1) Same-store portfolio excludes (i) Torrey Reserve Campus and Lloyd District Portfolio due to significant redevelopment activity during the period and (ii) land held for development.

On a same-store basis, retail property operating income increased for the three months ended September 30, 2014 compared to the same periods in 2013 primarily due to the increase in percentage leased in 2014. On a same-store basis, retail property operating income decreased on a cash basis for the nine months ended September 30, 2014 primarily due to the expiration of the Foodland Super Market lease at Waialeke Center on January 25, 2014.

On a same-store basis, office property operating income increased for the three and nine months ended September 30, 2014 compared to the same periods in 2013 primarily due to leases at The Landmark at One Market and City Center Bellevue, offset by the expiration of the Tax and Treasury Administration lease at First & Main during the fourth quarter of 2013. The difference between operating income on a cash basis and GAAP basis for the nine months ended September 30, 2014 is attributed to the expiration of below market leases at City Center Bellevue in 2014.

On a same-store basis, multifamily property operating income increased for the three and nine months ended September 30, 2014 compared to the corresponding periods in 2013 primarily due to an increase in average occupancy and average monthly base rent during 2014.

On a same-store basis, mixed-use property operating income increased for the three months ended September 30, 2014 compared to the corresponding period in 2013 primarily due to an increase in the percentage leased and parking income at the retail portion of our mixed-use property. On a same-store basis, mixed-use property operating income on a cash basis decreased for the nine months ended September 30, 2014 compared to the corresponding period in 2013 primarily due to a decrease in occupancy and lower revenue per available room at the hotel portion of our mixed-use property in connection with the hotel room refresh. The difference between operating income on a cash basis and GAAP basis for the nine months ended September 30, 2014 is attributed to the expiration of above market leases at the retail portion of our mixed-use property during 2013.

Development

Our redevelopment efforts at Lloyd District Portfolio and Torrey Reserve Campus are ongoing. Both projects remain within budget and on schedule, with the newly completed building at Torrey Reserve Campus being ahead of schedule on leasing activity. Projected costs of the redevelopment at Lloyd District Portfolio are approximately \$192 million, of which approximately \$101 million has been incurred to date. We expect to incur the remaining costs for redevelopment of the Lloyd District Portfolio in 2014 and 2015. We expect the Lloyd District Portfolio redevelopment to be stabilized in 2017 with an estimated stabilized yield of approximately 6.25% to 7.25% based on initial estimates. Projected costs of the redevelopment at Torrey Reserve Campus are approximately \$34 million, of which approximately \$28 million has been incurred to date. We expect to incur the remaining costs for this project in 2014 and 2015. We expect the Torrey Reserve Campus redevelopment to be stabilized in 2015 with an estimated stabilized yield of approximately 8.6%. Our redevelopment and development opportunities are subject to market conditions and actual results may vary.

Private Placement of Notes

On October 31, 2014, we entered into a Note Purchase Agreement with a group of institutional purchasers that provided for the private placement of an aggregate of \$350 million of senior guaranteed notes, of which (i) \$150 million are designated as 4.04% Senior Guaranteed Notes, Series A due October 31, 2021 (the "Series A Notes"), (ii) \$100 million are designated as 4.45% Senior Guaranteed Notes, Series B, due February 2, 2025 (the "Series B Notes") and (iii) \$100 million are designated as 4.50% Senior Guaranteed Notes, Series C, due April 1, 2025 (the "Series C Notes", and collectively with the Series A Notes and Series B Notes, are referred to herein as, the "Notes"). The Series A Notes were issued on October 31, 2014. The Series B Notes are expected to be issued on February 2, 2015 and the Series C Notes are expected to be issued on April 1, 2015, each subject to customary closing conditions. Upon issuance, the Notes will pay interest quarterly on the last day of January, April, July and October until their respective maturities.

Prior to closing of the Series A Notes, we entered into a one-month forward-starting interest swap to reduce the interest rate variability exposure of the projected interest cash outflows under the then-prospective private placement of the Series A Notes described above. As a result, net of the settlement of the forward-starting interest rate swap, the fixed interest rate in accordance with GAAP for the Series A Notes is approximately 3.88% per annum, through maturity.

Balance Sheet and Liquidity

At September 30, 2014, the Company had gross real estate assets of \$2.1 billion and liquidity of \$345.1 million, comprised of cash and cash equivalents of \$95.1 million and \$250.0 million of availability on its line of credit.

For the three months ended September 30, 2014, we issued 599,582 shares of common stock through the ATM equity program at a weighted average price per share of \$35.01, resulting in net proceeds of \$20.7 million. For the nine months ended September 30, 2014, we issued 2,710,067 shares of common stock through the ATM equity program at a weighted average price per share of \$33.84, resulting in net proceeds of \$90.6 million. We intend to use the net proceeds primarily to fund our development activities at Torrey Reserve Campus and Lloyd District Portfolio. As of September 30, 2014, we had the capacity to issue up to an additional \$32.3 million in shares of common stock under our ATM equity program.

On September 12, 2014, we entered into a common stock purchase agreement (the "Purchase Agreement") with Insurance Company of the West, a California corporation ("ICW") which is an insurance company majority owned and controlled by Ernest Rady, the Executive Chairman of our Board of Directors. The Purchase Agreement provided for the sale by us to ICW, in a private placement, of 400,000 shares of our common stock at a purchase price of \$33.76 per share, resulting in gross proceeds to us of approximately \$13.5 million. The price per share paid by ICW was equal to the closing price of a share of our common stock on the New York Stock Exchange on the date of the Purchase Agreement. These shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from us in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under securities laws only in certain limited circumstances. ICW must bear the economic risk of this investment indefinitely unless the shares are registered pursuant to securities laws, or an exemption from registration is available.

Dividends

The Company declared dividends on its shares of common stock of \$0.22 per share for the third quarter of 2014. The dividends were paid on September 26, 2014.

In addition, the Company has declared a dividend on its common stock of \$0.2325 per share for the quarter ending December 31, 2014, which is a 6% increase over the prior quarterly dividend of \$0.22 per share. The dividend will be paid on December 26, 2014 to stockholders of record on December 12, 2014.

Guidance

The Company increased its guidance for full year 2014 FFO per diluted share to a range of \$1.59 to \$1.61 per share from the prior range of \$1.56 to \$1.62 per share, an increase of 1% over the prior midpoint. Additionally, the Company is providing its initial guidance for a full year 2015 FFO per diluted share of a range of \$1.65 to \$1.73, an increase of 6% from the 2014 annual guidance midpoint. The Company's guidance excludes any impact from future acquisitions, dispositions, equity issuances or repurchases, future debt financings or repayments, except that guidance includes the remaining issuance of the Company's existing at-the-market equity program in 2015. The Company will discuss key assumptions regarding the guidance tomorrow on the conference call.

The foregoing estimates are forward-looking and reflect management's view of current and future market conditions, including certain assumptions with respect to leasing activity, rental rates, occupancy levels, interest rates and the amount and timing of acquisition and development activities. The Company's actual results may differ materially from these estimates.

Conference Call

The Company will hold a conference call to discuss the results for the third quarter of 2014 on Wednesday, November 5, 2014 at 8:00 a.m. Pacific Time ("PT"). To participate in the event by telephone, please dial 1-877-474-9506 and use the pass code 13039346. A telephonic replay of the conference call will be available beginning at 10:00 a.m. PT on Wednesday, November 5, 2014 through Wednesday, November 12, 2014. To access the replay, dial 1-888-286-8010 and use the pass code 12157070. A live on-demand audio webcast of the conference call will be available on the Company's website at www.americanassetstrust.com. A replay of the call will also be available on the Company's website.

Supplemental Information

Supplemental financial information regarding the Company's third quarter 2014 results may be found in the "Investor Relations" section of the Company's website at www.americanassetstrust.com. This supplemental information provides additional detail on items such as property occupancy, financial performance by property and debt maturity schedules.

Financial Information
American Assets Trust, Inc.
Consolidated Balance Sheets
(In Thousands, Except Share Data)

	September 30, 2014 (unaudited)	December 31, 2013
Assets		
Real estate, at cost		
Operating real estate	\$ 1,927,359	\$ 1,919,015
Construction in progress	153,958	67,389
Held for development	9,139	9,013
	2,090,456	1,995,417
Accumulated depreciation	(352,417)	(318,581)
Net real estate	1,738,039	1,676,836
Cash and cash equivalents	95,145	48,987
Restricted cash	11,835	9,124
Accounts receivable, net	7,552	7,295
Deferred rent receivables, net	34,814	32,531
Other assets, net	51,275	57,670
Total assets	\$ 1,938,660	\$ 1,832,443
Liabilities and equity		
Liabilities:		
Secured notes payable	\$ 953,190	\$ 952,174
Term loan	100,000	—
Line of credit	—	93,000
Accounts payable and accrued expenses	53,231	37,063
Security deposits payable	5,276	5,163
Other liabilities and deferred credits, net	55,992	58,465
Total liabilities	1,167,689	1,145,865
Commitments and contingencies		
Equity:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 43,614,913 and 40,512,563 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively	436	405
Additional paid-in capital	794,432	692,196
Accumulated dividends in excess of net income	(57,269)	(44,090)
Accumulated other comprehensive loss	624	—
Total American Assets Trust, Inc. stockholders' equity	738,223	648,511
Noncontrolling interests	32,748	38,067
Total equity	770,971	686,578
Total liabilities and equity	\$ 1,938,660	\$ 1,832,443

American Assets Trust, Inc.
Unaudited Consolidated Statements of Income
(In Thousands, Except Shares and Per Share Data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Revenue:				
Rental income	\$ 63,593	\$ 62,405	\$ 182,868	\$ 181,332
Other property income	3,750	2,913	10,654	9,080
Total revenue	67,343	65,318	193,522	190,412
Expenses:				
Rental expenses	17,374	17,430	50,494	50,402
Real estate taxes	5,899	5,768	17,054	16,044
General and administrative	4,682	4,031	13,929	12,658
Depreciation and amortization	16,352	16,648	50,902	50,614
Total operating expenses	44,307	43,877	132,379	129,718
Operating income	23,036	21,441	61,143	60,694
Interest expense	(13,325)	(14,764)	(40,396)	(44,244)
Other income (expense), net	(621)	(419)	352	(763)
Net income	9,090	6,258	21,099	15,687
Net income attributable to restricted shares	(95)	(132)	(259)	(397)
Net income attributable to unitholders in the Operating Partnership	(2,578)	(1,903)	(6,108)	(4,752)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 6,417	\$ 4,223	\$ 14,732	\$ 10,538
Net income per share				
Basic income attributable to common stockholders per share	\$ 0.15	\$ 0.11	\$ 0.35	\$ 0.27
Weighted average shares of common stock outstanding - basic	42,539,019	39,816,753	41,653,229	39,439,488
Diluted income attributable to common stockholders per share	\$ 0.15	\$ 0.11	\$ 0.35	\$ 0.27
Weighted average shares of common stock outstanding - diluted	60,444,276	57,777,667	59,559,944	57,423,959
Dividends declared per common share	\$ 0.22	\$ 0.21	\$ 0.66	\$ 0.63

Reconciliation of Net Income to Funds From Operations

The Company's FFO attributable to common stockholders and operating partnership unitholders and reconciliation to net income is as follows (in thousands except shares and per share data, unaudited):

	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2014
Funds From Operations (FFO)		
Net income	\$ 9,090	\$ 21,099
Depreciation and amortization of real estate assets	16,352	50,902
FFO, as defined by NAREIT	\$ 25,442	\$ 72,001
Less: Nonforfeitable dividends on incentive stock awards	(25)	(96)
FFO attributable to common stock and units	\$ 25,417	\$ 71,905
FFO per diluted share/unit	\$ 0.42	\$ 1.20
Weighted average number of common shares and units, diluted	60,742,610	59,857,742

Reported results are preliminary and not final until the filing of the Company's Form 10-Q with the Securities and Exchange Commission and, therefore, remain subject to adjustment.

Use of Non-GAAP Information

The Company calculates FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts, or NAREIT. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, impairment losses, real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated partnerships and joint ventures.

FFO is a supplemental non-GAAP financial measure. Management uses FFO as a supplemental performance measure because it believes that FFO is beneficial to investors as a starting point in measuring the Company's operational performance. Specifically, in excluding real estate related depreciation and amortization and gains and losses from property dispositions, which do not relate to or are not indicative of operating performance, FFO provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. The Company also believes that, as a widely recognized measure of the performance of REITs, FFO will be used by investors as a basis to compare the Company's operating performance with that of other REITs. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of the Company's properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of the Company's properties, all of which have real economic effects and could materially impact the Company's results from operations, the utility of FFO as a measure of the Company's performance is limited. In addition, other equity REITs may not calculate FFO in accordance with the NAREIT definition as the Company does, and, accordingly, the Company's FFO may not be comparable to such other REITs' FFO. Accordingly, FFO should be considered only as a supplement to net income as a measure of the Company's performance. FFO should not be used as a measure of the Company's liquidity, nor is it indicative of funds available to fund the Company's cash needs, including the Company's ability to pay dividends or service indebtedness. FFO also should not be used as a supplement to or substitute for cash flow from operating activities computed in accordance with GAAP.

About American Assets Trust, Inc.

American Assets Trust, Inc. (the "Company") is a full service, vertically integrated and self-administered real estate investment trust, or REIT, headquartered in San Diego, California. For over 40 years, the Company has been acquiring, improving, developing and managing premier retail, office and residential properties throughout the United States in some of the nation's most dynamic, high-barrier-to-entry markets primarily in Southern California, Northern California, Oregon, Washington and Hawaii. The Company's retail portfolio comprises approximately 3.1 million rentable square feet, and its office portfolio comprises approximately 2.6 million square feet. In addition, the Company owns one mixed-use property (including approximately 97,000 rentable square feet of retail space and a 369-room all-suite hotel) and over 900 multifamily units. In 2011, the Company was formed to succeed to the real estate business of American Assets, Inc., a privately held corporation founded in 1967 and, as such, has significant experience, long-standing relationships and extensive knowledge of its core markets, submarkets and asset classes. For additional information, please visit www.americanassetstrust.com.

Forward Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws, which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. While forward-looking statements reflect the Company's good faith beliefs, assumptions and expectations, they are not guarantees of future performance. For a further discussion of these and other factors that could cause the Company's future results to differ materially from any forward-looking statements, see the section entitled "Risk Factors" in the Company's most recent annual report on Form 10-K, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission. The Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.

Source: American Assets Trust, Inc.

Investor and Media Contact:

American Assets Trust
Robert F. Barton
Executive Vice President and Chief Financial Officer
858-350-2607

THIRD QUARTER 2014

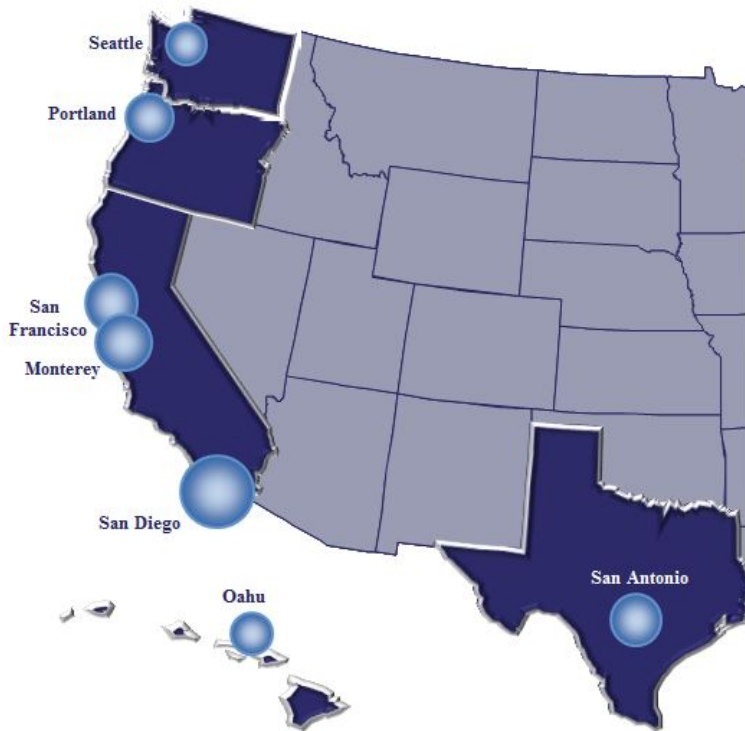
Supplemental Information



Investor and Media Contact
American Assets Trust
Robert F. Barton
Executive Vice President and Chief Financial Officer
858-350-2607

AMERICAN
ASSETS
TRUST 

**American Assets Trust, Inc.'s Portfolio is concentrated in high-barrier-to-entry markets
with favorable supply/demand characteristics**



Market	Retail	Office	Multifamily	Mixed-Use	
	Square Feet	Square Feet	Units	Square Feet	Suites
San Diego	1,217,923	688,185	922 ⁽¹⁾	—	—
San Francisco	35,156	519,548	—	—	—
Oahu	549,399	—	—	96,707	369
Monterey	675,678	—	—	—	—
San Antonio	589,501	—	—	—	—
Portland	—	942,021	—	—	—
Seattle	—	495,038	—	—	—
Total	3,067,657	2,644,792	922	96,707	369

Note: Circled areas represent all markets in which American Assets Trust, Inc. (the "Company") currently owns and operates its real estate assets. Size of circle denotes approximation of square feet / units. Net rentable square footage may be adjusted from the prior periods to reflect re-measurement of leased space at the properties.

Data is as of September 30, 2014.

(1) Includes 122 RV spaces.

	Square Feet	%
Retail	3.1 million	54%
Office	2.6 million	46%
Totals	5.7 million	

THIRD QUARTER 2014 SUPPLEMENTAL INFORMATION	
1. FINANCIAL HIGHLIGHTS	
Consolidated Balance Sheets	5
Consolidated Statements of Income	6
Funds From Operations (FFO), FFO As Adjusted & Funds Available for Distribution	7
Corporate Guidance	9
Same-Store Portfolio Net Operating Income (NOI)	10
Same-Store Portfolio NOI Comparison excluding Redevelopment	12
Same-Store Portfolio NOI Comparison with Redevelopment	13
NOI By Region	14
NOI Breakdown	15
Property Revenue and Operating Expenses	16
Segment Capital Expenditures	18
Summary of Outstanding Debt	19
Market Capitalization	20
Summary of Development Opportunities	21
2. PORTFOLIO DATA	
Property Report	23
Retail Leasing Summary	25
Office Leasing Summary	26
Multifamily Leasing Summary	27
Mixed-Use Leasing Summary	28
Lease Expirations	29
Portfolio Leased Statistics	31
Top Tenants - Retail	32
Top Tenants - Office	33
3. APPENDIX	
Glossary of Terms	35

This Supplemental Information contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act). Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: adverse economic or real estate developments in our markets; our failure to generate sufficient cash flows to service our outstanding indebtedness; defaults on, early terminations of or non-renewal of leases by tenants, including significant tenants; difficulties in identifying properties to acquire and completing acquisitions; difficulties in completing dispositions; our failure to successfully operate acquired properties and operations; our inability to develop or redevelop our properties due to market conditions; fluctuations in interest rates and increased operating costs; risks related to joint venture arrangements; our failure to obtain necessary outside financing; on-going litigation; general economic conditions; financial market fluctuations; risks that affect the general retail, office, multifamily and mixed-use environment; the competitive environment in which we operate; decreased rental rates or increased vacancy rates; conflicts of interests with our officers or directors; lack or insufficient amounts of insurance; environmental uncertainties and risks related to adverse weather conditions and natural disasters; other factors affecting the real estate industry generally; limitations imposed on our business and our ability to satisfy complex rules in order for us to continue to qualify as a REIT for U.S. federal income tax purposes; and changes in governmental regulations or interpretations thereof, such as real estate and zoning laws and increases in real property tax rates and taxation of REITs.

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, or new information, data or methods, future events or other changes. For a further discussion of these and other factors that could impact our future results, refer to our most recent Annual Report on Form 10-K and other risks described in documents subsequently filed by us from time to time with the Securities and Exchange Commission.

FINANCIAL HIGHLIGHTS

CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except shares and per share data)

	<u>September 30, 2014</u> (unaudited)	<u>December 31, 2013</u> (audited)
ASSETS		
Real estate, at cost		
Operating real estate	\$ 1,927,359	\$ 1,919,015
Construction in progress	153,958	67,389
Held for development	9,139	9,013
	<u>2,090,456</u>	<u>1,995,417</u>
Accumulated depreciation	(352,417)	(318,581)
Net real estate	1,738,039	1,676,836
Cash and cash equivalents	95,145	48,987
Restricted cash	11,835	9,124
Accounts receivable, net	7,552	7,295
Deferred rent receivable, net	34,814	32,531
Other assets, net	51,275	57,670
TOTAL ASSETS	<u>\$ 1,938,660</u>	<u>\$ 1,832,443</u>
LIABILITIES AND EQUITY		
LIABILITIES:		
Secured notes payable	\$ 953,190	\$ 952,174
Term loan	100,000	—
Line of credit	—	93,000
Accounts payable and accrued expenses	53,231	37,063
Security deposits payable	5,276	5,163
Other liabilities and deferred credits, net	55,992	58,465
Total liabilities	<u>1,167,689</u>	<u>1,145,865</u>
Commitments and contingencies		
EQUITY:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 43,614,913 and 40,512,563 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively	436	405
Additional paid in capital	794,432	692,196
Accumulated dividends in excess of net income	(57,269)	(44,090)
Accumulated other comprehensive loss	624	—
Total American Assets Trust, Inc. stockholders' equity	<u>738,223</u>	<u>648,511</u>
Noncontrolling interests	32,748	38,067
Total equity	<u>770,971</u>	<u>686,578</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 1,938,660</u>	<u>\$ 1,832,443</u>

CONSOLIDATED STATEMENTS OF INCOME



(Unaudited, amounts in thousands, except shares and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
REVENUE:				
Rental income	\$ 63,593	\$ 62,405	\$ 182,868	\$ 181,332
Other property income	3,750	2,913	10,654	9,080
Total revenue	67,343	65,318	193,522	190,412
EXPENSES:				
Rental expenses	17,374	17,430	50,494	50,402
Real estate taxes	5,899	5,768	17,054	16,044
General and administrative	4,682	4,031	13,929	12,658
Depreciation and amortization	16,352	16,648	50,902	50,614
Total operating expenses	44,307	43,877	132,379	129,718
OPERATING INCOME	23,036	21,441	61,143	60,694
Interest expense	(13,325)	(14,764)	(40,396)	(44,244)
Other income (expense), net	(621)	(419)	352	(763)
NET INCOME	9,090	6,258	21,099	15,687
Net income attributable to restricted shares	(95)	(132)	(259)	(397)
Net income attributable to unitholders in the Operating Partnership	(2,578)	(1,903)	(6,108)	(4,752)
NET INCOME ATTRIBUTABLE TO AMERICAN ASSETS TRUST, INC. STOCKHOLDERS	\$ 6,417	\$ 4,223	\$ 14,732	\$ 10,538
EARNINGS PER COMMON SHARE				
Basic income attributable to common stockholders per share	\$ 0.15	\$ 0.11	\$ 0.35	\$ 0.27
Weighted average shares of common stock outstanding - basic	42,539,019	39,816,753	41,653,229	39,439,488
Diluted income attributable to common stockholders per share	\$ 0.15	\$ 0.11	\$ 0.35	\$ 0.27
Weighted average shares of common stock outstanding - diluted	60,444,276	57,777,667	59,559,944	57,423,959

FUNDS FROM OPERATIONS, FFO AS ADJUSTED & FUNDS AVAILABLE FOR DISTRIBUTION

(Unaudited, amounts in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Funds from Operations (FFO) ⁽¹⁾				
Net income	\$ 9,090	\$ 6,258	\$ 21,099	\$ 15,687
Depreciation and amortization of real estate assets	16,352	16,648	50,902	50,614
FFO, as defined by NAREIT	25,442	22,906	72,001	66,301
Less: Nonforfeitable dividends on incentive stock awards	(25)	(88)	(96)	(265)
FFO attributable to common stock and common units	\$ 25,417	\$ 22,818	\$ 71,905	\$ 66,036
FFO per diluted share/unit	\$ 0.42	\$ 0.39	\$ 1.20	\$ 1.15
Weighted average number of common shares and common units, diluted ⁽²⁾	60,742,610	57,987,760	59,857,742	57,634,269
Funds Available for Distribution (FAD) ⁽¹⁾				
	\$ 20,209	\$ 17,899	\$ 54,611	\$ 53,739
Dividends				
Dividends declared and paid	\$ 13,535	\$ 12,265	\$ 39,988	\$ 36,645
Dividends declared and paid per share/unit	\$ 0.22	\$ 0.21	\$ 0.66	\$ 0.63

FUNDS FROM OPERATIONS, FFO AS ADJUSTED & FUNDS AVAILABLE FOR DISTRIBUTION (CONTINUED)

(Unaudited, amounts in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Funds Available for Distribution (FAD) ⁽¹⁾				
FFO	\$ 25,442	\$ 22,906	\$ 72,001	\$ 66,301
Adjustments:				
Tenant improvements, leasing commissions and maintenance capital expenditures	(5,640)	(4,839)	(18,376)	(13,546)
Net effect of straight-line rents ⁽³⁾	(925)	(801)	(2,663)	(2,214)
Amortization of net above (below) market rents ⁽⁴⁾	(729)	(1,031)	(1,971)	(1,758)
Net effect of other lease intangibles ⁽⁵⁾	26	43	99	153
Amortization of debt issuance costs and debt fair value adjustment	1,015	983	3,046	2,949
Non-cash compensation expense	1,045	726	2,571	2,119
Nonforfeitable dividends on incentive stock awards	(25)	(88)	(96)	(265)
FAD	\$ 20,209	\$ 17,899	\$ 54,611	\$ 53,739

Summary of Capital Expenditures

Tenant improvements and leasing commissions	\$ 3,722	\$ 3,338	\$ 9,420	\$ 8,618
Maintenance capital expenditures	1,918	1,501	8,956	4,928
	\$ 5,640	\$ 4,839	\$ 18,376	\$ 13,546

Notes:

- (1) See Glossary of Terms.
- (2) For the three and nine months ended September 30, 2014 and 2013, the weighted average common shares and common units used to compute FFO per diluted share/unit include operating partnership common units and unvested restricted stock awards that are subject to time vesting. The shares/units used to compute FFO per diluted share/unit include additional shares/units which were excluded from the computation of diluted EPS, as they were anti-dilutive for the periods presented.
- (3) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (4) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (5) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our leases of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

(Unaudited, amounts in thousands, except share and per share data)

	Prior 2014 Guidance Range ^{(1) (2)}		Revised 2014 Guidance Range ⁽²⁾	
Funds from Operations (FFO):				
Net income	\$ 27,296	\$ 30,863	\$ 30,116	\$ 31,355
Depreciation and amortization of real estate assets	65,913	65,913	65,833	65,833
FFO, as defined by NAREIT	93,209	96,776	95,949	97,188
Less: Nonforfeitable dividends on incentive stock awards	(145)	(145)	(161)	(161)
FFO attributable to common stock and units	\$ 93,064	\$ 96,631	\$ 95,788	\$ 97,027
Weighted average number of common shares and units, diluted	59,659,835	59,659,835	60,254,882	60,254,882
FFO per diluted share, updated	\$ 1.56	\$ 1.62	\$ 1.59	\$ 1.61

	2015 Guidance Range ⁽²⁾	
Funds from Operations (FFO):		
Net income	\$ 44,080	\$ 49,070
Depreciation and amortization of real estate assets	58,253	58,253
FFO, as defined by NAREIT	102,333	107,323
Less: Nonforfeitable dividends on incentive stock awards	(180)	(180)
FFO attributable to common stock and units	\$ 102,153	\$ 107,143
Weighted average number of common shares and units, diluted	61,899,738	61,899,738
FFO per diluted share	\$ 1.65	\$ 1.73

Notes:

(1) Prior 2014 Guidance Range as reported in the Company's Second Quarter 2014 Supplemental Information report.

(2) The Company's guidance excludes any impact from future acquisitions, dispositions, equity issuances or repurchases, future debt financings or repayments, except that guidance includes the remaining issuance of the Company's existing at-the-market equity program in 2015.

These estimates are forward-looking and reflect management's view of current and future market conditions, including certain assumptions with respect to leasing activity, rental rates, occupancy levels, interest rates and the amount and timing of acquisition and development activities. Our actual results may differ materially from these estimates.

SAME-STORE PORTFOLIO NET OPERATING INCOME (NOI)

(Unaudited, amounts in thousands)

	Three Months Ended September 30, 2014				
	Retail	Office	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store portfolio	\$ 24,170	\$ 16,206	\$ 4,320	\$ 15,430	\$ 60,126
Non-same store portfolio ⁽¹⁾	7	7,210	—	—	7,217
Total	24,177	23,416	4,320	15,430	67,343
Real estate expenses					
Same-store portfolio	6,159	4,476	1,532	8,731	20,898
Non-same store portfolio ⁽¹⁾	38	2,337	—	—	2,375
Total	6,197	6,813	1,532	8,731	23,273
Net Operating Income (NOI), GAAP basis					
Same-store portfolio	18,011	11,730	2,788	6,699	39,228
Non-same store portfolio ⁽¹⁾	(31)	4,873	—	—	4,842
Total	\$ 17,980	\$ 16,603	\$ 2,788	\$ 6,699	\$ 44,070
Same-store portfolio NOI, GAAP basis	\$ 18,011	\$ 11,730	\$ 2,788	\$ 6,699	\$ 39,228
Net effect of straight-line rents ⁽²⁾	(265)	(181)	—	(48)	(494)
Amortization of net above (below) market rents ⁽³⁾	(356)	(557)	—	133	(780)
Net effect of other lease intangibles ⁽⁴⁾	—	(42)	—	(25)	(67)
Same-store portfolio NOI, cash basis	\$ 17,390	\$ 10,950	\$ 2,788	\$ 6,759	\$ 37,887

Notes:

- (1) Same-store portfolio and non-same store portfolio are determined based on properties held on September 30, 2014 and 2013. See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our lease of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

SAME-STORE PORTFOLIO NET OPERATING INCOME (NOI) (CONTINUED)

(Unaudited, amounts in thousands)

	Nine Months Ended September 30, 2014				
	Retail	Office	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store portfolio	\$ 70,705	\$ 47,585	\$ 12,660	\$ 41,395	\$ 172,345
Non-same store portfolio ⁽¹⁾	41	21,136	—	—	21,177
Total	70,746	68,721	12,660	41,395	193,522
Real estate expenses					
Same-store portfolio	18,622	13,014	4,513	24,541	60,690
Non-same store portfolio ⁽¹⁾	81	6,777	—	—	6,858
Total	18,703	19,791	4,513	24,541	67,548
Net Operating Income (NOI), GAAP basis					
Same-store portfolio	52,083	34,571	8,147	16,854	111,655
Non-same store portfolio ⁽¹⁾	(40)	14,359	—	—	14,319
Total	\$ 52,043	\$ 48,930	\$ 8,147	\$ 16,854	\$ 125,974
Same-store portfolio NOI, GAAP basis	\$ 52,083	\$ 34,571	\$ 8,147	\$ 16,854	\$ 111,655
Net effect of straight-line rents ⁽²⁾	(329)	(1,140)	—	(174)	(1,643)
Amortization of net above (below) market rents ⁽³⁾	(1,099)	(1,660)	—	410	(2,349)
Net effect of other lease intangibles ⁽⁴⁾	—	(102)	—	(75)	(177)
Same-store portfolio NOI, cash basis	\$ 50,655	\$ 31,669	\$ 8,147	\$ 17,015	\$ 107,486

Notes:

- (1) Same-store portfolio and non-same store portfolio are determined based on properties held on September 30, 2014 and 2013. See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our lease of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

SAME-STORE PORTFOLIO NOI COMPARISON EXCLUDING REDEVELOPMENT

(Unaudited, amounts in thousands)

	Three Months Ended			Nine Months Ended		
	September 30,			September 30,		
	2014	2013	Change	2014	2013	Change
Cash Basis:						
Retail	\$ 17,390	\$ 16,905	2.9%	\$ 50,655	\$ 51,529	(1.7)%
Office	10,950	9,975	9.8	31,669	30,081	5.3
Multifamily	2,788	2,630	6.0	8,147	7,621	6.9
Mixed-Use	6,759	6,434	5.1	17,015	17,070	(0.3)
	<u>\$ 37,887</u>	<u>\$ 35,944</u>	<u>5.4%</u>	<u>\$ 107,486</u>	<u>\$ 106,301</u>	<u>1.1 %</u>
GAAP Basis:						
Retail	\$ 18,011	\$ 17,097	5.3%	\$ 52,083	\$ 51,762	0.6 %
Office	11,730	11,555	1.5	34,571	34,867	(0.8)
Multifamily	2,788	2,630	6.0	8,147	7,621	6.9
Mixed-Use	6,699	6,383	5.0	16,854	16,704	0.9
	<u>\$ 39,228</u>	<u>\$ 37,665</u>	<u>4.1%</u>	<u>\$ 111,655</u>	<u>\$ 110,954</u>	<u>0.6 %</u>

SAME-STORE PORTFOLIO NOI COMPARISON WITH REDEVELOPMENT

(Unaudited, amounts in thousands)

	Three Months Ended			Nine Months Ended		
	September 30,			September 30,		
	2014	2013	Change	2014	2013	Change
Cash Basis:						
Retail	\$ 17,390	\$ 16,905	2.9%	\$ 50,655	\$ 51,529	(1.7)%
Office	15,546	14,379	8.1	45,670	43,944	3.9
Multifamily	2,788	2,630	6.0	8,147	7,621	6.9
Mixed-Use	6,759	6,434	5.1	17,015	17,070	(0.3)
	<u>\$ 42,483</u>	<u>\$ 40,348</u>	<u>5.3%</u>	<u>\$ 121,487</u>	<u>\$ 120,164</u>	<u>1.1 %</u>
GAAP Basis:						
Retail	\$ 18,011	\$ 17,097	5.3%	\$ 52,083	\$ 51,762	0.6 %
Office	16,614	16,029	3.6	48,937	47,896	2.2
Multifamily	2,788	2,630	6.0	8,147	7,621	6.9
Mixed-Use	6,699	6,383	5.0	16,854	16,704	0.9
	<u>\$ 44,112</u>	<u>\$ 42,139</u>	<u>4.7%</u>	<u>\$ 126,021</u>	<u>\$ 123,983</u>	<u>1.6 %</u>

NOI BY REGION

(Unaudited, amounts in thousands)

	Three Months Ended September 30, 2014				
	Retail	Office	Multifamily	Mixed-Use	Total
Southern California					
NOI, GAAP basis ⁽¹⁾	\$ 7,394	\$ 4,379	\$ 2,788	\$ —	\$ 14,561
Net effect of straight-line rents ⁽²⁾	(59)	(86)	—	—	(145)
Amortization of net above (below) market rents ⁽³⁾	(275)	2	—	—	(273)
Net effect of other lease intangibles ⁽⁴⁾	—	92	—	—	92
NOI, cash basis	7,060	4,387	2,788	—	14,235
Northern California					
NOI, GAAP basis ⁽¹⁾	2,883	4,371	—	—	7,254
Net effect of straight-line rents ⁽²⁾	(126)	(142)	—	—	(268)
Amortization of net above (below) market rents ⁽³⁾	(78)	(179)	—	—	(257)
Net effect of other lease intangibles ⁽⁴⁾	—	(41)	—	—	(41)
NOI, cash basis	2,679	4,009	—	—	6,688
Hawaii					
NOI, GAAP basis ⁽¹⁾	4,314	—	—	6,699	11,013
Net effect of straight-line rents ⁽²⁾	(31)	—	—	(48)	(79)
Amortization of net above (below) market rents ⁽³⁾	53	—	—	133	186
Net effect of other lease intangibles ⁽⁴⁾	—	—	—	(25)	(25)
NOI, cash basis	4,336	—	—	6,759	11,095
Oregon					
NOI, GAAP basis ⁽¹⁾	—	3,645	—	—	3,645
Net effect of straight-line rents ⁽²⁾	—	(328)	—	—	(328)
Amortization of net above (below) market rents ⁽³⁾	—	(22)	—	—	(22)
NOI, cash basis	—	3,295	—	—	3,295
Texas					
NOI, GAAP basis ⁽¹⁾	3,389	—	—	—	3,389
Net effect of straight-line rents ⁽²⁾	(49)	—	—	—	(49)
Amortization of net above (below) market rents ⁽³⁾	(56)	—	—	—	(56)
NOI, cash basis	3,284	—	—	—	3,284
Washington					
NOI, GAAP basis ⁽¹⁾	—	4,208	—	—	4,208
Net effect of straight-line rents ⁽²⁾	—	(56)	—	—	(56)
Amortization of net above (below) market rents ⁽³⁾	—	(307)	—	—	(307)
NOI, cash basis	—	3,845	—	—	3,845
Total					
NOI, GAAP basis ⁽¹⁾	17,980	16,603	2,788	6,699	44,070
Net effect of straight-line rents ⁽²⁾	(265)	(612)	—	(48)	(925)
Amortization of net above (below) market rents ⁽³⁾	(356)	(506)	—	133	(729)
Net effect of other lease intangibles ⁽⁴⁾	—	51	—	(25)	26
NOI, cash basis	\$ 17,359	\$ 15,536	\$ 2,788	\$ 6,759	\$ 42,442

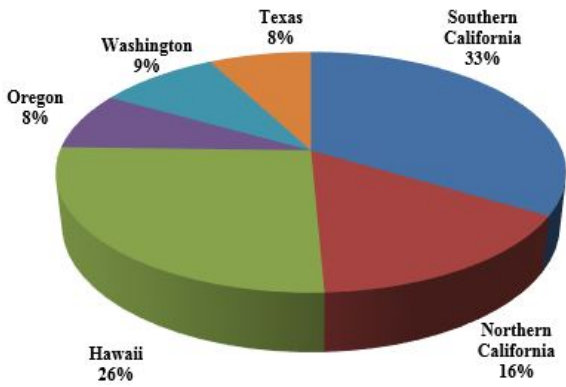
Notes:

- (1) See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our leases of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

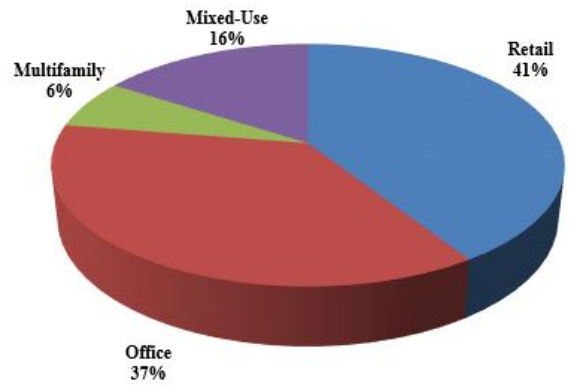
Three Months Ended September 30, 2014

Portfolio NOI, Cash Basis Breakdown

Portfolio Diversification by Geographic Region

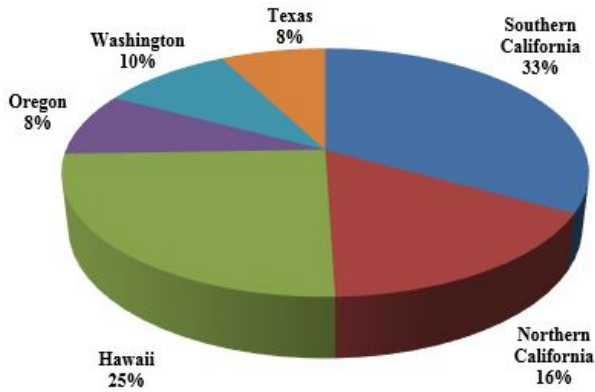


Portfolio Diversification by Segment

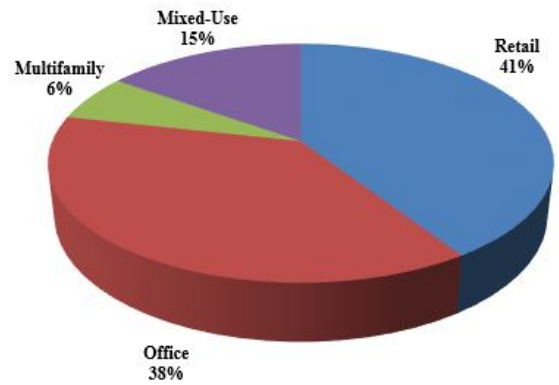


Portfolio NOI, GAAP Basis Breakdown

Portfolio Diversification by Geographic Region



Portfolio Diversification by Segment



PROPERTY REVENUE AND OPERATING EXPENSES

(Unaudited, amounts in thousands)

Property	Three Months Ended September 30, 2014			
	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾
Retail Portfolio				
Carmel Country Plaza	\$ 878	\$ 21	\$ 199	\$ (191)
Carmel Mountain Plaza	2,890	78	737	(792)
South Bay Marketplace	556	1	176	(167)
Rancho Carmel Plaza	174	10	45	(74)
Lomas Santa Fe Plaza	1,155	21	230	(334)
Solana Beach Towne Centre	1,426	43	465	(443)
Del Monte Center	2,246	266	909	(1,059)
Geary Marketplace	292	—	142	(117)
The Shops at Kalakaua	455	23	39	(69)
Waikole Center	3,931	357	993	(1,367)
Alamo Quarry Market	3,255	291	1,291	(1,553)
Subtotal Retail Portfolio	\$ 17,258	\$ 1,111	\$ 5,226	\$ (6,166)
Office Portfolio				
Torrey Reserve Campus ⁽⁵⁾	\$ 3,883	\$ 454	\$ 195	\$ (1,132)
Solana Beach Corporate Centre	1,693	3	85	(460)
The Landmark at One Market	5,144	28	181	(1,815)
One Beach Street	655	3	70	(257)
First & Main	2,188	157	179	(730)
Lloyd District Portfolio ⁽⁵⁾	2,307	321	110	(1,194)
City Center Bellevue	4,003	690	406	(1,254)
Subtotal Office Portfolio	\$ 19,873	\$ 1,656	\$ 1,226	\$ (6,842)
Multifamily Portfolio				
Loma Palisades	\$ 2,690	\$ 208	\$ —	\$ (1,024)
Imperial Beach Gardens	699	63	—	(265)
Mariner's Point	318	33	—	(133)
Santa Fe Park RV Resort	285	24	—	(110)
Subtotal Multifamily Portfolio	\$ 3,992	\$ 328	\$ —	\$ (1,532)

PROPERTY REVENUE AND OPERATING EXPENSES (CONTINUED)

(Unaudited, amounts in thousands)

Property	Three Months Ended September 30, 2014			
	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾
Mixed-Use Portfolio				
Waikiki Beach Walk - Retail	\$ 2,610	\$ 1,092	\$ 951	\$ (1,691)
Waikiki Beach Walk - Embassy Suites™	10,123	740	—	(7,066)
Subtotal Mixed-Use Portfolio	\$ 12,733	\$ 1,832	\$ 951	\$ (8,757)
Total	\$ 53,856	\$ 4,927	\$ 7,403	\$ (23,297)

Notes:

- (1) Base rent for our retail and office portfolio and the retail portion of our mixed-use portfolio represents base rent for the three months ended September 30, 2014 (before abatements) and excludes the impact of straight-line rent and above (below) market rent adjustments. Total abatements for our retail and office portfolio were approximately \$40 and \$363, respectively, for the three months ended September 30, 2014. There were no abatements for the retail portion of our mixed-use portfolio for the three months ended September 30, 2014. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses. Multifamily portfolio base rent represents base rent (including parking, before abatements) less vacancy allowance and employee rent credits and includes additional rents (additional rents include insufficient notice penalties, month-to-month charges and pet rent). There were no abatements for our multifamily portfolio for the three months ended September 30, 2014. For Waikiki Beach Walk - Embassy Suites™, base rent is equal to the actual room revenue for the three months ended September 30, 2014.
- (2) Represents additional property-related income for the three months ended September 30, 2014, which includes: (i) percentage rent, (ii) other rent (such as storage rent, license fees and association fees) and (iii) other property income (such as late fees, default fees, lease termination fees, parking revenue, the reimbursement of general excise taxes, laundry income and food and beverage sales).
- (3) Represents billed tenant expense reimbursements for the three months ended September 30, 2014.
- (4) Represents property operating expenses for the three months ended September 30, 2014. Property operating expenses includes all rental expenses, except non-cash rent expense and the provision for bad debt recorded for deferred rent receivables.
- (5) Base rent shown includes amounts related to American Assets Trust, L.P.'s leases at Torrey Reserve Campus and Lloyd District Portfolio. This intercompany rent is eliminated in the consolidated statement of operations. The base rent and abatements were both \$197 for the three months ended September 30, 2014.

SEGMENT CAPITAL EXPENDITURES

(Unaudited, amounts in thousands)

Three Months Ended September 30, 2014

Segment	Tenant Improvements and Leasing Commissions	Maintenance Capital Expenditures	Total Tenant Improvements, Leasing Commissions and Maintenance Capital Expenditures	Redevelopment and Expansions	New Development	Total Capital Expenditures
Retail Portfolio	\$ 1,655	\$ 198	\$ 1,853	\$ 188	\$ 53	\$ 2,094
Office Portfolio	2,057	1,038	3,095	3,796	356	7,247
Multifamily Portfolio	—	247	247	—	24,760	25,007
Mixed-Use Portfolio	10	435	445	—	—	445
Total	\$ 3,722	\$ 1,918	\$ 5,640	\$ 3,984	\$ 25,169	\$ 34,793

Nine Months Ended September 30, 2014

Segment	Tenant Improvements and Leasing Commissions	Maintenance Capital Expenditures	Total Tenant Improvements, Leasing Commissions and Maintenance Capital Expenditures	Redevelopment and Expansions	New Development	Total Capital Expenditures
Retail Portfolio	\$ 3,241	\$ 491	\$ 3,732	\$ 864	\$ 129	\$ 4,725
Office Portfolio	6,099	4,589	10,688	11,370	870	22,928
Multifamily Portfolio	—	574	574	—	66,073	66,647
Mixed-Use Portfolio	80	3,302	3,382	—	—	3,382
Total	\$ 9,420	\$ 8,956	\$ 18,376	\$ 12,234	\$ 67,072	\$ 97,682

SUMMARY OF OUTSTANDING DEBT

(Unaudited, amounts in thousands)

Debt	Amount Outstanding at September 30, 2014	Interest Rate	Annual Debt Service	Maturity Date	Balance at Maturity
Waialele Center ⁽¹⁾⁽²⁾	\$ 140,700	5.15%	\$ 141,927	November 1, 2014	\$ 140,700
The Shops at Kalakaua ⁽¹⁾	19,000	5.45%	19,702	May 1, 2015	19,000
The Landmark at One Market ⁽¹⁾⁽³⁾	133,000	5.61%	139,274	July 5, 2015	133,000
Del Monte Center ⁽¹⁾	82,300	4.93%	85,734	July 8, 2015	82,300
First & Main ⁽¹⁾	84,500	3.97%	3,397	July 1, 2016	84,500
Imperial Beach Gardens ⁽¹⁾	20,000	6.16%	1,250	September 1, 2016	20,000
Mariner's Point ⁽¹⁾	7,700	6.09%	476	September 1, 2016	7,700
South Bay Marketplace ⁽¹⁾	23,000	5.48%	1,281	February 10, 2017	23,000
Waikiki Beach Walk - Retail ⁽¹⁾	130,310	5.39%	7,117	July 1, 2017	130,310
Solana Beach Corporate Centre III-IV ⁽⁴⁾	36,487	6.39%	2,798	August 1, 2017	35,136
Loma Palisades ⁽¹⁾	73,744	6.09%	4,553	July 1, 2018	73,744
One Beach Street ⁽¹⁾	21,900	3.94%	875	April 1, 2019	21,900
Torrey Reserve - North Court ⁽⁴⁾	21,152	7.22%	1,836	June 1, 2019	19,443
Torrey Reserve - VCI, VCII, VCIII ⁽⁴⁾	7,127	6.36%	560	June 1, 2020	6,439
Solana Beach Corporate Centre I-II ⁽⁴⁾	11,347	5.91%	855	June 1, 2020	10,169
Solana Beach Towne Centre ⁽⁴⁾	37,823	5.91%	2,849	June 1, 2020	33,898
City Center Bellevue ⁽¹⁾	111,000	3.98%	4,479	November 1, 2022	111,000
Total / Weighted Average	\$ 961,090	5.22%	\$ 418,963		\$ 952,239
Unamortized fair value adjustment	(7,900)				
Secured Notes Payable	\$ 953,190				
Unsecured Term Loan ⁽⁵⁾	\$ 100,000				

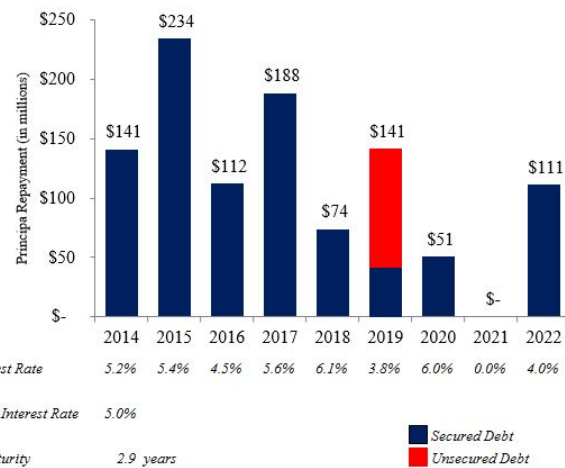
Notes:

- (1) Interest only.
- (2) Loan repaid in full, without premium or penalty, on October 31, 2014 in connection with the closing of our privately placed debt offering of \$150 million of seven-year senior guaranteed notes with an effective rate of approximately 3.88% (including interest rate swap costs).
- (3) Maturity date is the earlier of the loan maturity date under the loan agreement, or the "Anticipated Repayment Date" as specifically defined in the loan agreement, which is the date after which substantial economic penalties apply if the loan has not been paid off.
- (4) Principal payments based on a 30-year amortization schedule.
- (5) The term loan matures in January 2016 and we have three 12-month options to extend its maturity to 2019. At September 30, 2014, the all-in interest rate (including interest rate swap costs) on our outstanding term loan was 3.08%.

(Unaudited, amounts in thousands, except per share data)

Market data	September 30, 2014
Common shares outstanding	43,615
Common units outstanding	17,905
Common shares and common units outstanding	61,520
Market price per common share	\$ 32.97
Equity market capitalization	\$ 2,028,314
Total debt	\$ 1,061,090
Total market capitalization	\$ 3,089,404
Less: Cash on hand	\$ (95,145)
Total enterprise value	\$ 2,994,259
Total assets, gross	\$ 2,291,077
Total unencumbered assets, gross	\$ 621,867
Total debt/Total capitalization	34.3%
Total debt/Total enterprise value	35.4%
Net debt/Total enterprise value ⁽¹⁾	32.3%
Total debt/Total assets, gross	46.3%
Net debt/Total assets, gross ⁽¹⁾	42.2%
Total unencumbered assets, gross/Unsecured debt	621.9%
Total debt/EBITDA ⁽²⁾⁽³⁾	6.7x
Net debt/EBITDA ⁽¹⁾⁽²⁾⁽³⁾	6.1x
Interest coverage ratio ⁽⁴⁾	2.9x
Fixed charge coverage ratio ⁽⁴⁾	2.9x

Debt Maturity Schedule as of September 30, 2014



Notes:

- (1) Net debt is equal to total debt less cash on hand.
- (2) See Glossary of Terms for discussion of EBITDA.
- (3) As used here, EBITDA represents the actual for the three months ended September 30, 2014 annualized.
- (4) Calculated as EBITDA divided by interest on borrowed funds, including capitalized interest and excluding debt fair value adjustments and loan fee amortization.

SUMMARY OF DEVELOPMENT OPPORTUNITIES

Our portfolio has numerous potential opportunities to create future shareholder value. These opportunities could be subject to government approvals, lender consents, tenant consents, market conditions, availability of debt and/or equity financing, etc. Many of these opportunities are in their preliminary stages and may not ultimately come to fruition. This schedule will update as we modify various assumptions and markets conditions change. Square footages and units set forth below are estimates only and ultimately may differ materially from actual square footages and units.

In-Process Development Projects

Property	Location	Start Date	Estimated Completion Date	Estimated Stabilization Date ⁽¹⁾	Estimated Rentable Square Feet	Multifamily Units	Project Costs (in thousands) ⁽²⁾					Estimated Stabilized Yield ⁽³⁾
							Three Months		Cost Incurred to Date	Total Estimated Investment		
							Ended September 30, 2014	Ended September 30, 2014				
<u>Office Property:</u>												
Torrey Reserve III & IV	San Diego, CA	2012	2015	2015	81,500	N/A	\$3,345	\$8,032	\$27,833	\$34,100		8.60% - 8.25%
Sorrento Pointe	San Diego, CA	2014	2016	2017	88,000	N/A	\$118	\$404	\$7,019	\$46,231		9.25%
<u>Mixed Use Property:</u>												
Lloyd District Portfolio	Portland, OR	2013	2015	2017	47,000	657	\$28,851	\$69,819	\$100,739	\$191,828		6.25% - 7.25%

Development/Redevelopment Pipeline

Property	Property Type	Location	Estimated Square Footage	Multifamily Units
Solana Beach Corporate Centre (Building 5)	Retail	Solana Beach, CA	10,000	N/A
Lomas Santa Fe Plaza	Retail	Solana Beach, CA	45,000	N/A
Solana Beach - Highway 101 ⁽⁴⁾	Mixed Use	Solana Beach, CA	48,000	36

Notes:

- (1) Based on management's estimation of stabilized occupancy (90%).
- (2) For all properties, project costs exclude capitalized interest cost which is calculated in accordance with Accounting Standards Codification 835-20-50-1. In addition, for Torrey Reserve III & IV and Lloyd District Portfolio, project costs exclude allocated land costs.
- (3) The estimated stabilized yield is calculated based on total estimated project costs, as defined above, when the project has reached stabilized occupancy.
- (4) Represents commercial portion of development opportunity for Solana Beach - Highway 101.

PORTFOLIO DATA

As of September 30, 2014

Retail and Office Portfolios

Property	Location	Year Built/ Renovated	Number of Buildings	Net Rentable		Annualized Base Rent (3)	Annualized Base Rent per Leased		Retail Anchor Tenant(s) (5)	Other Principal Retail Tenants (6)
				Square Feet (1)	Percentage Leased (2)		Square Foot (4)	per Leased		
Retail Properties										
Carmel Country Plaza	San Diego, CA	1991	9	78,098	96.2%	\$ 3,522,521	\$46.89			Sharp Healthcare, San Diego County Credit Union
Carmel Mountain Plaza (7)	San Diego, CA	1994	13	520,228	99.5	11,552,858	22.32	Sears		Sports Authority, Saks Fifth Avenue Off 5th
South Bay Marketplace (7)	San Diego, CA	1997	9	132,877	100.0	2,221,231	16.72			Ross Dress for Less, Grocery Outlet
Rancho Carmel Plaza	San Diego, CA	1993	3	30,421	78.0	713,093	30.05			Oggi's Pizza & Brewing Co., Saloncentric
Lomas Santa Fe Plaza	Solana Beach, CA	1972/1997	9	209,569	97.0	4,836,944	23.79			Vons, Home Goods
Solana Beach Towne Centre	Solana Beach, CA	1973/2000/2004	12	246,730	97.9	5,713,565	23.65			Dixieline Probuild, Marshalls
Del Monte Center (7)	Monterey, CA	1967/1984/2006	16	675,678	99.3	9,587,096	14.29	Macy's, KLA Monterrey		Century Theatres, Macy's Furniture Gallery
Geary Marketplace	Walnut Creek, CA	2012	3	35,156	100.0	1,167,310	33.20			Sprouts Farmer Market, Freebirds Wild Burrito
The Shops at Kalakaua	Honolulu, HI	1971/2006	3	11,671	100.0	1,819,860	155.93			Hawaii Beachware & Fashion, Diesel U.S.A. Inc.
Waikale Center	Waipahu, HI	1993/2008	9	537,728	99.5	15,726,572	29.39	Lowe's, Kmart, Sports Authority		UFC Gym, Old Navy
Alamo Quarry Market (7)	San Antonio, TX	1997/1999	16	589,501	98.5	13,123,033	22.60	Regal Cinemas		Bed Bath & Beyond, Whole Foods Market
Subtotal/Weighted Average Retail Portfolio			102	3,067,657	98.7%	\$ 69,984,083	\$23.11			
Office Properties										
Torrey Reserve Campus	San Diego, CA	1996-2000	10	476,020	87.6%	\$ 15,705,394	\$37.66			
Solana Beach Corporate Centre	Solana Beach, CA	1982/2005	4	212,165	91.5	6,841,040	35.24			
The Landmark at One Market (8)	San Francisco, CA	1917/2000	1	421,934	100.0	20,576,976	48.77			
One Beach Street	San Francisco, CA	1924/1972/1987/1992	1	97,614	84.2	2,618,097	31.85			
First & Main	Portland, OR	2010	1	360,813	86.3	8,756,536	28.12			
Lloyd District Portfolio	Portland, OR	1940-2011	6	581,208	80.0	9,171,063	19.72			
City Center Bellevue	Bellevue, WA	1987	1	495,038	97.9	16,567,457	34.18			
Subtotal/Weighted Average Office Portfolio			24	2,644,792	89.9%	\$ 80,236,563	\$33.75			
Total/Weighted Average Retail and Office Portfolio			126	5,712,449	94.6%	\$ 150,220,646	\$27.80			

As of September 30, 2014

Property	Location	Year Built/ Renovated	Number		Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Average
			Buildings	Units			Monthly Base Rent per Leased Unit ⁽⁴⁾
Loma Palisades	San Diego, CA	1958/2001-2008	80	548	100.0%	\$ 10,826,460	\$ 1,646
Imperial Beach Gardens	Imperial Beach, CA	1959/2008-present	26	160	100.0	2,812,800	\$ 1,465
Mariner's Point	Imperial Beach, CA	1986	8	88	100.0	1,276,440	\$ 1,209
Santa Fe Park RV Resort ⁽⁹⁾	San Diego, CA	1971/2007-2008	1	126	74.0	831,780	\$ 743
Total/Weighted Average Multifamily Portfolio			115	922	96.4%	\$ 15,747,480	\$ 1,476

Mixed-Use Portfolio

Retail Portion	Location	Year Built/ Renovated	Net		Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base Rent per Leased Square Foot ⁽⁴⁾	Retail	Other Principal Retail Tenants ⁽⁶⁾
			Number of Buildings	Square Feet ⁽¹⁾				Anchor Tenant(s) ⁽⁵⁾	
Waikiki Beach Walk - Retail	Honolulu, HI	2006	3	96,707	99.5%	\$ 10,453,280	\$ 108.64		Yard House, Roy's

Hotel Portion	Location	Year Built/ Renovated	Number		Average Occupancy ⁽¹⁰⁾	Average Daily Rate ⁽¹⁰⁾	Annualized
			Buildings	Units			Revenue per Available Room ⁽¹⁰⁾
Waikiki Beach Walk - Embassy Suites™	Honolulu, HI	2008	2	369	86.3%	\$ 345.61	\$ 308.90

Notes:

- The net rentable square feet for each of our retail properties and the retail portion of our mixed-use property is the sum of (1) the square footages of existing leases, plus (2) for available space, the field-verified square footage. The net rentable square feet for each of our office properties is the sum of (1) the square footages of existing leases, plus (2) for available space, management's estimate of net rentable square feet based, in part, on past leases. The net rentable square feet included in such office leases is generally determined consistently with the Building Owners and Managers Association, or BOMA, 1996 measurement guidelines. Net rentable square footage may be adjusted from the prior periods to reflect re-measurement of leased space at the properties.
- Percentage leased for each of our retail and office properties and the retail portion of the mixed-use property includes square footage under leases as of September 30, 2014, including leases which may not have commenced as of September 30, 2014. Percentage leased for our multifamily properties includes total units rented as of September 30, 2014.
- Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for the month ended September 30, 2014 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses.
- Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of September 30, 2014. Annualized base rent per leased unit is calculated by dividing annualized base rent by units under lease as of September 30, 2014.
- Retail anchor tenants are defined as retail tenants leasing 50,000 square feet or more.
- Other principal retail tenants are defined as the two tenants leasing the most square footage, excluding anchor tenants.
- Net rentable square feet at certain of our retail properties includes pad sites leased pursuant to the ground leases in the following table:

Property	Number of Ground Leases	Square Footage Leased Pursuant to Ground Leases	Aggregate Annualized Base Rent
Carmel Mountain Plaza	7	132,112	\$ 1,293,816
South Bay Marketplace	1	2,824	\$ 91,320
Del Monte Center	2	295,100	\$ 201,291
Alamo Quarry Market	4	31,994	\$ 470,075

- This property contains 421,934 net rentable square feet consisting of The Landmark at One Market (377,714 net rentable square feet) as well as a separate long-term leasehold interest in approximately 44,220 net rentable square feet of space located in an adjacent six-story leasehold known as the Annex. We currently lease the Annex from an affiliate of the Paramount Group pursuant to a long-term master lease effective through June 30, 2016, which we have the option to extend until 2026 pursuant to two five-year extension options.
- The Santa Fe Park RV Resort is subject to seasonal variation, with higher rates of occupancy occurring during the summer months. During the 12 months ended September 30, 2014, the highest average monthly occupancy rate for this property was 98%, occurring in July 2014. The number of units at the Santa Fe Park RV Resort includes 122 RV spaces and four apartments.
- Average occupancy represents the percentage of available units that were sold during the three months ended September 30, 2014, and is calculated by dividing the number of units sold by the product of the total number of units and the total number of days in the period. Average daily rate represents the average rate paid for the units sold and is calculated by dividing the total room revenue (i.e., excluding food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services) for the three months ended September 30, 2014 by the number of units sold. Revenue per available room, or RevPAR, represents the total unit revenue per total available units for the three months ended September 30, 2014 and is calculated by multiplying average occupancy by the average daily rate. RevPAR does not include food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services. Offline rooms in connection with the room refresh at Embassy Suites Hotel is adjusted for in calculating annualized revenue per available room for the third quarter of 2014.

RETAIL LEASING SUMMARY

As of September 30, 2014

Total Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	11	100%	48,420	\$31.59	\$27.22	\$ 211,283	16.0 %	16.8 %	4.8	\$ 106,580	\$2.20
2nd Quarter 2014	18	100%	81,909	\$31.80	\$27.78	\$ 329,242	14.5 %	25.0 %	8.3	\$ 2,799,260	\$34.18
1st Quarter 2014	15	100%	62,667	\$29.15	\$26.55	\$ 162,804	9.8 %	20.9 %	5.8	\$ 529,318	\$8.45
4th Quarter 2013	14	100%	79,122	\$36.61	\$36.60	\$ 373	— %	6.4 %	6.6	\$ 240,100	\$3.03
Total 12 months	58	100%	272,118	\$32.55	\$29.96	\$ 703,702	8.6 %	16.2 %	6.6	\$ 3,675,258	\$13.51

New Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	1	9%	3,650	\$35.00	\$27.00	\$ 29,201	29.6 %	62.3 %	10.7	\$ 106,580	\$29.20
2nd Quarter 2014	5	28%	10,424	\$36.55	\$28.23	\$ 86,749	29.5 %	37.3 %	7.6	\$ 669,260	\$64.20
1st Quarter 2014	1	7%	1,609	\$42.00	\$40.76	\$ 1,996	3.0 %	3.0 %	5.0	\$ 16,090	\$10.00
4th Quarter 2013	4	29%	12,377	\$77.23	\$58.46	\$ 232,378	32.1 %	36.3 %	8.0	\$ 240,100	\$19.40
Total 12 months	11	19%	28,060	\$54.60	\$42.12	\$ 350,324	29.6 %	36.6 %	8.0	\$ 1,032,030	\$36.78

Renewal Lease Summary - Comparable ⁽¹⁾⁽⁵⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	10	91%	44,770	\$31.31	\$27.24	\$ 182,082	14.9 %	13.5 %	4.3	\$ —	\$0.00
2nd Quarter 2014	13	72%	71,485	\$31.11	\$27.71	\$ 242,493	12.2 %	23.2 %	8.4	\$ 2,130,000	\$29.80
1st Quarter 2014	14	93%	61,058	\$28.81	\$26.18	\$ 160,808	10.1 %	21.6 %	5.9	\$ 513,228	\$8.41
4th Quarter 2013	10	71%	66,745	\$29.07	\$32.55	\$ (232,005)	(10.7)%	(4.4)%	6.3	\$ —	\$0.00
Total 12 months	47	81%	244,058	\$30.01	\$28.56	\$ 353,378	5.1 %	12.6 %	6.4	\$ 2,643,228	\$10.83

Total Lease Summary - Comparable and Non-Comparable

Quarter	Number of Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	12	49,920	\$33.09	4.9	\$ 129,080	\$2.59
2nd Quarter 2014	25	148,960	\$26.52	8.9	\$ 4,712,117	\$31.63
1st Quarter 2014	15	62,667	\$29.15	5.8	\$ 529,318	\$8.45
4th Quarter 2013	21	128,422	\$32.37	7.6	\$ 1,704,715	\$13.27
Total 12 months	73	389,969	\$29.71	7.5	\$ 7,075,230	\$18.14

- Notes:
- (1) Comparable leases represent those leases signed on spaces for which there was a previous lease.
 - (2) Contractual rent represents contractual minimum rent under the new lease for the first twelve months of the term.
 - (3) Prior rent represents the minimum rent paid under the previous lease in the final twelve months of the term.
 - (4) Weighted average is calculated on the basis of square footage.
 - (5) Excludes renewals at fixed contractual rates specified in the lease.

OFFICE LEASING SUMMARY

As of September 30, 2014

Total Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	8	100%	25,358	\$35.37	\$34.24	\$ 28,455	3.3 %	11.0 %	3.2	\$ 175,132	\$6.91
2nd Quarter 2014	9	100%	33,680	\$36.35	\$38.93	\$ (87,152)	(6.6)%	(4.8)%	3.4	\$ 203,965	\$6.06
1st Quarter 2014	4	100%	4,406	\$36.88	\$33.19	\$ 16,274	11.1 %	13.8 %	3.3	\$ 30,626	\$6.95
4th Quarter 2013	16	100%	163,157	\$28.76	\$28.89	\$ (21,093)	(0.4)%	12.3 %	7.2	\$ 2,693,623	\$16.51
Total 12 months	37	100%	226,601	\$30.79	\$31.06	\$ (63,516)	(0.9)%	8.8 %	6.1	\$ 3,103,346	\$13.70

New Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	2	25%	4,737	\$32.40	\$35.63	\$ (15,310)	(9.1)%	(2.6)%	3.0	\$ 65,767	\$13.88
2nd Quarter 2014	4	44%	14,459	\$37.94	\$46.10	\$ (117,911)	(17.7)%	(20.0)%	4.7	\$ 156,430	\$10.82
1st Quarter 2014	2	50%	2,469	\$35.58	\$32.67	\$ 7,192	8.9 %	10.3 %	4.3	\$ 30,626	\$12.40
4th Quarter 2013	5	31%	68,796	\$25.81	\$27.57	\$ (120,948)	(6.4)%	12.3 %	9.8	\$ 1,981,147	\$28.80
Total 12 months	13	35%	90,461	\$28.36	\$31.09	\$ (246,977)	(8.8)%	2.8 %	8.5	\$ 2,233,970	\$24.70

Renewal Lease Summary - Comparable ⁽¹⁾⁽⁵⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	6	75%	20,621	\$36.05	\$33.93	\$ 43,765	6.3 %	14.3 %	3.2	\$ 109,365	\$5.30
2nd Quarter 2014	5	56%	19,221	\$35.15	\$33.55	\$ 30,759	4.8 %	11.9 %	2.3	\$ 47,535	\$2.47
1st Quarter 2014	2	50%	1,937	\$38.54	\$33.86	\$ 9,082	13.8 %	18.3 %	2.0	\$ —	\$0.00
4th Quarter 2013	11	69%	94,361	\$30.91	\$29.85	\$ 99,855	3.5 %	12.3 %	5.4	\$ 712,476	\$7.55
Total 12 months	24	65%	136,140	\$32.40	\$31.05	\$ 183,461	4.3 %	12.7 %	4.6	\$ 869,376	\$6.38

Total Lease Summary - Comparable and Non-Comparable

Quarter	Number of Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
3rd Quarter 2014	14	71,751	\$31.64	6.9	\$ 2,344,232	\$32.67
2nd Quarter 2014	16	76,843	\$37.23	3.2	\$ 1,225,844	\$15.95
1st Quarter 2014	9	28,773	\$40.57	5.5	\$ 930,102	\$32.33
4th Quarter 2013	23	198,307	\$29.35	7.1	\$ 4,207,999	\$21.22
Total 12 months	62	375,674	\$32.26	6.1	\$ 8,708,177	\$23.18

- Notes:
- (1) Comparable leases represent those leases signed on spaces for which there was a previous lease.
 - (2) Contractual rent represents contractual minimum rent under the new lease for the first twelve months of the term.
 - (3) Prior rent represents the minimum rent paid under the previous lease in the final twelve months of the term.
 - (4) Weighted average is calculated on the basis of square footage.
 - (5) Excludes renewals at fixed contractual rates specified in the lease.

MULTIFAMILY LEASING SUMMARY

As of September 30, 2014

Lease Summary - Loma Palisades

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
3rd Quarter 2014	548	100.0%	\$10,826,460	\$1,646
2nd Quarter 2014	548	100.0%	\$10,604,556	\$1,613
1st Quarter 2014	548	100.0%	\$10,600,776	\$1,612
4th Quarter 2013	539	98.4%	\$10,439,364	\$1,613

Lease Summary - Imperial Beach Gardens

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
3rd Quarter 2014	160	100.0%	\$2,812,800	\$1,465
2nd Quarter 2014	160	100.0%	\$2,769,432	\$1,442
1st Quarter 2014	160	100.0%	\$2,737,956	\$1,426
4th Quarter 2013	156	97.5%	\$2,692,248	\$1,438

Lease Summary - Mariner's Point

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
3rd Quarter 2014	88	100.0%	\$1,276,440	\$1,209
2nd Quarter 2014	88	100.0%	\$1,279,980	\$1,212
1st Quarter 2014	87	98.9%	\$1,246,392	\$1,193
4th Quarter 2013	88	100.0%	\$1,203,624	\$1,140

Lease Summary - Santa Fe Park RV Resort

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
3rd Quarter 2014	93	74.0%	\$831,780	\$743
2nd Quarter 2014	115	91.0%	\$1,063,188	\$773
1st Quarter 2014	93	74.0%	\$813,420	\$727
4th Quarter 2013	106	84.0%	\$828,720	\$652

Total Multifamily Lease Summary

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
3rd Quarter 2014	889	96.4%	\$15,747,480	\$1,476
2nd Quarter 2014	911	98.8%	\$15,717,156	\$1,438
1st Quarter 2014	888	96.3%	\$15,398,544	\$1,445
4th Quarter 2013	889	96.4%	\$15,163,956	\$1,422

Notes:

- (1) Percentage leased for our multifamily properties includes total units rented as of each respective quarter end date.
- (2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) as of each respective quarter end date.
- (3) Annualized base rent per leased unit is calculated by dividing annualized base rent, by units under lease as of each respective quarter end date.

As of September 30, 2014

Lease Summary - Retail Portion

Quarter	Number of Leased Square Feet	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Annualized base Rent per Leased Square Foot ⁽³⁾
3rd Quarter 2014	96,179	99.5%	\$10,453,280	\$109
2nd Quarter 2014	96,179	99.5%	\$10,461,500	\$109
1st Quarter 2014	95,682	98.9%	\$10,163,129	\$106
4th Quarter 2013	94,623	97.8%	\$10,235,236	\$108

Lease Summary - Hotel Portion

Quarter	Number of Leased Units	Average Occupancy ⁽⁴⁾	Average Daily Rate ⁽⁴⁾	Annualized Revenue per Available Room ⁽⁴⁾
3rd Quarter 2014	318	86.3%	\$346	\$309
2nd Quarter 2014	263	71.3%	\$294	\$262
1st Quarter 2014	333	90.2%	\$300	\$271
4th Quarter 2013	305	82.6%	\$290	\$239

Notes:

- (1) Percentage leased for mixed-use property includes square footage under leases as of September 30, 2014, including leases which may not have commenced as of September 30, 2014.
- (2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for the month ended September 30, 2014 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses.
- (3) Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of September 30, 2014.
- (4) Average occupancy represents the percentage of available units that were sold during the three months ended September 30, 2014, and is calculated by dividing the number of units sold by the product of the total number of units and the total number of days in the period. Average daily rate represents the average rate paid for the units sold and is calculated by dividing the total room revenue (i.e., excluding food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services) for each respective quarter period by the number of units sold. Revenue per available room, or RevPAR, represents the total unit revenue per total available units for each respective quarter period and is calculated by multiplying average occupancy by the average daily rate. RevPAR does not include food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services. Offline rooms in connection with the room refresh at Embassy Suites Hotel is adjusted for in calculating annualized revenue per available room for the third quarter of 2014.

LEASE EXPIRATIONS

As of September 30,
2014

Assumes no exercise of lease options

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	Total	Annualized
		Office	Total	Base Rent		Retail	Total	Base Rent		Mixed-Use	Total	Base Rent		Sq. Ft.	Per Sq. Ft. ⁽¹⁾
Sq. Ft.	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	
Month to Month	23,563	0.9%	0.4%	\$2.89	19,353	0.6%	0.3%	\$6.99	3,002	3.1%	0.1%	—	45,918	0.8%	\$4.43
2014	57,125	2.2	1.0	\$28.69	33,912	1.1	0.6	\$25.65	2,563	2.7	—	\$203.18	93,600	1.6	\$32.37
2015	265,474	10.0	4.6	\$34.52	142,580	4.6	2.5	\$33.77	10,665	11.0	0.2	\$229.75	418,719	7.2	\$39.24
2016	287,212	10.9	4.9	\$31.80	185,611	6.1	3.2	\$35.42	13,006	13.4	0.2	\$137.20	485,829	8.4	\$36.00
2017	370,927	14.0	6.4	\$36.02	380,413	12.4	6.5	\$25.18	8,908	9.2	0.2	\$147.57	760,248	13.1	\$31.90
2018	207,827 ⁽²⁾	7.9	3.6	\$37.69	1,046,913	34.1	18.0	\$19.36	10,767	11.1	0.2	\$123.84	1,265,507	21.8	\$23.26
2019	293,621 ⁽³⁾	11.1	5.1	\$39.36	351,299	11.5	6.0	\$26.88	15,279	15.8	0.3	\$77.65	660,199	11.4	\$33.61
2020	285,292	10.8	4.9	\$39.74	240,031	7.8	4.1	\$13.47	19,265	19.9	0.3	\$42.17	544,588	9.4	\$28.25
2021	232,612	8.8	4.0	\$37.53	45,011	1.5	0.8	\$50.95	—	—	—	—	277,623	4.8	\$39.71
2022	9,364	0.4	0.2	\$20.00	150,468	4.9	2.6	\$30.81	11,464	11.9	0.2	\$72.56	171,296	2.9	\$33.01
2023	96,281	3.6	1.7	\$27.24	55,613	1.8	1.0	\$23.99	—	—	—	—	151,894	2.6	\$26.05
Thereafter	149,085	5.6	2.6	\$30.88	305,230	9.9	5.3	\$22.30	1,260	1.3	—	\$174.00	455,575	7.8	\$25.53
Signed Leases Not Commenced	98,270	3.7	1.7	—	71,204	2.3	1.2	—	—	—	—	—	169,474	2.9	—
Available	268,139	10.1	4.6	—	40,019	1.3	0.7	—	528	0.5	—	—	308,686	5.3	—
Total ⁽⁴⁾	2,644,792	100.0%	45.5%	\$30.34	3,067,657	NaN	52.8%	\$22.81	96,707	NaN	1.7%	\$108.09	5,809,156	NaN	\$27.66

Assumes all lease options are exercised

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	Total	Annualized
		Office	Total	Base Rent		Retail	Total	Base Rent		Mixed-Use	Total	Base Rent		Sq. Ft.	Per Sq. Ft. ⁽¹⁾
Sq. Ft.	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.	Per Sq. Ft. ⁽¹⁾	
Month to Month	23,563	0.9%	0.4%	\$2.89	19,353	0.6%	0.3%	\$6.99	3,002	3.1%	0.1%	—	45,918	0.8%	\$4.43
2014	43,886	1.7	0.8	\$33.13	27,800	0.9	0.5	\$23.50	2,563	2.7	—	\$203.18	74,249	1.3	\$35.39
2015	143,129	5.4	2.5	\$30.70	68,151	2.2	1.2	\$33.22	4,451	4.6	0.1	\$194.50	215,731	3.7	\$34.88
2016	199,944	7.6	3.4	\$30.24	59,659	1.9	1.0	\$31.42	8,978	9.3	0.2	\$141.82	268,581	4.6	\$34.23
2017	57,550	2.2	1.0	\$37.49	135,004	4.4	2.3	\$28.83	7,868	8.1	0.1	\$141.36	200,422	3.5	\$35.73
2018	91,060	3.4	1.6	\$33.17	86,177	2.8	1.5	\$30.17	10,767	11.1	0.2	\$123.84	188,004	3.2	\$36.99
2019	69,888	2.6	1.2	\$39.59	101,507	3.3	1.7	\$32.95	3,589	3.7	0.1	\$147.48	174,984	3.0	\$37.95
2020	172,965	6.5	3.0	\$34.33	171,731	5.6	3.0	\$23.57	3,373	3.5	0.1	\$85.52	348,069	6.0	\$29.52
2021	94,447 ⁽²⁾	3.6	1.6	\$35.69	58,908	1.9	1.0	\$56.06	10,242	10.6	0.2	\$204.62	163,597	2.8	\$53.60
2022	329,289	12.5	5.7	\$36.70	87,098	2.8	1.5	\$35.62	11,464	11.9	0.2	\$72.56	427,851	7.4	\$37.44
2023	154,878	5.9	2.7	\$41.26	144,194	4.7	2.5	\$32.49	—	—	—	—	299,072	5.1	\$37.03
Thereafter	897,784 ⁽³⁾	33.9	15.5	\$36.25	1,996,852	65.1	34.4	\$20.07	29,882	30.9	0.5	\$53.63	2,924,518	50.3	\$25.38
Signed Leases Not Commenced	98,270	3.7	1.7	—	71,204	2.3	1.2	—	—	—	—	—	169,474	2.9	—
Available	268,139	10.1	4.6	—	40,019	1.3	0.7	—	528	0.5	—	—	308,686	5.3	—
Total ⁽⁴⁾	2,644,792	NaN	45.5%	\$30.34	3,067,657	NaN	52.8%	\$22.81	96,707	100.0%	1.7%	\$108.09	5,809,156	100.0%	\$27.66

LEASE EXPIRATIONS (CONTINUED)

As of September 30, 2014

Notes:

- (1) Annualized base rent per leased square foot is calculated by dividing (i) annualized base rent for leases expiring during the applicable period, by (ii) square footage under such expiring leases. Annualized base rent is calculated by multiplying (i) base rental payments (defined as cash base rents (before abatements)) for the month ended September 30, 2014 for the leases expiring during the applicable period by (ii) 12 months.
- (2) The expirations include 8,957 square feet currently leased by McDermott Will & Emery at Torrey Reserve Campus through November 30, 2014, for which Adamis Pharmaceuticals Corp. has signed an agreement to lease such space beginning December 1, 2014 through November 30, 2018 with an option to extend the lease through November 30, 2021.
- (3) The expirations include 16,087 square feet currently leased by McDermott Will & Emery at Torrey Reserve Campus through November 30, 2014, for which Troutman Sanders LP has signed an agreement to lease such space beginning December 1, 2014 through November 30, 2019 with options to extend the lease through November 30, 2024.
- (4) Individual items may not add up to total due to rounding.

Type	At September 30, 2014			At September 30, 2013		
	Size	Leased ⁽¹⁾	Leased %	Size	Leased ⁽¹⁾	Leased %
Overall Portfolio ⁽²⁾ Statistics						
Retail Properties (square feet)	3,067,657	3,027,638	98.7%	3,068,645	2,932,570	95.6%
Office Properties (square feet)	2,644,792	2,376,653	89.9%	2,645,567	2,416,982	91.4%
Multifamily Properties (units)	922	889	96.4%	922	892	96.7%
Mixed-Use Properties (square feet)	96,707	96,179	99.5%	96,707	94,692	97.9%
Mixed-Use Properties (units)	369	305 ⁽³⁾	82.6%	369	327 ⁽³⁾	88.7%
Same-Store⁽²⁾ Statistics						
Retail Properties (square feet)	3,067,657	3,027,638	98.7%	3,033,489	2,897,414	95.5%
Office Properties (square feet)	1,587,564 ⁽⁴⁾	1,494,284	94.1%	1,092,796 ⁽⁴⁾	1,059,031	96.9%
Multifamily Properties (units)	922	889	96.4%	922	892	96.7%
Mixed-Use Properties (square feet)	96,707	96,179	99.5%	96,707	94,692	97.9%
Mixed-Use Properties (units)	369	305 ⁽³⁾	82.6%	369	327 ⁽³⁾	88.7%

Notes:

- (1) Leased square feet includes square feet under lease as of each date, including leases which may not have commenced as of that date. Leased units for our multifamily properties include total units rented as of that date.
- (2) See Glossary of Terms.
- (3) Represents average occupancy for the nine months ended September 30, 2014 and 2013.
- (4) The same-store portfolio excludes Torrey Reserve Campus and Lloyd District Portfolio due to significant redevelopment activity.

TOP TENANTS - RETAIL

As of September 30, 2014

Tenant	Property(ies)	Lease Expiration	Total Leased Square Feet	Rentable Square Feet as a Percentage of Total Retail	Rentable Square Feet as a Percentage of Total	Annualized Base Rent	Annualized Base Rent as a Percentage of Total Retail	Annualized Base Rent as a Percentage of Total
1 Lowe's	Waikele Center	5/31/2018	155,000	5.1%	2.7%	\$ 4,381,887	6.3%	2.7%
2 Kmart	Waikele Center	6/30/2018	119,590	3.9	2.1	4,185,650	6.0	2.6
3 Sports Authority	Waikele Center, Carmel Mountain Plaza,	7/18/2018 11/30/2018	90,722	3.0	1.6	2,133,950	3.0	1.3
4 Nordstrom Rack	Carmel Mountain Plaza, Alamo Quarry Market	9/30/2022 10/31/2022	69,047	2.3	1.2	1,990,316	2.8	1.2
5 Sprouts Farmers Market	Solana Beach Towne Centre, Carmel Mountain Plaza, Geary Marketplace	6/30/2019 3/31/2025 9/30/2032	71,431	2.3	1.2	1,832,018	2.6	1.1
6 Old Navy	South Bay Marketplace, Waikele Center, Alamo Quarry Market	4/30/2016 7/31/2016 9/30/2017	59,780	1.9	1.0	*	*	*
7 Vons	Lomas Santa Fe Plaza	12/31/2017	49,895	1.6	0.9	1,216,700	1.7	0.8
8 Marshalls	Solana Beach Towne Centre, Carmel Mountain Plaza	1/31/2015 1/31/2019	68,055	2.2	1.2	1,175,170	1.7	0.7
9 Regal Cinemas	Alamo Quarry Market	3/31/2018	72,447	2.4	1.2	1,122,929	1.6	0.7
10 Gap	Del Monte Center, Waikele Center, Alamo Quarry Market	9/20/2020 2/28/2022 4/30/2024	36,614	1.2	0.6	982,039	1.4	0.6
Top 10 Retail Tenants Total			792,581	25.9%	13.7%	\$19,020,659	27.1%	11.7%

* Data withheld at tenant's request.

TOP TENANTS - OFFICE

As of September 30, 2014

Tenant	Property	Lease Expiration	Total Leased Square Feet	Rentable Square Feet as a Percentage of Total Office	Rentable Square Feet as a Percentage of Total	Annualized Base Rent	Annualized Base Rent as a Percentage of Total Office	Annualized Base Rent as a Percentage of Total
1 salesforce.com	The Landmark at One Market	6/30/2019 4/30/2020 5/31/2021	254,118	9.6%	4.4%	\$12,915,452	16.1%	8.0%
2 Autodesk, Inc.	The Landmark at One Market	12/31/2015 12/31/2017	114,664	4.3	2.0	5,504,269	6.9	3.4
3 Veterans Benefits Administration	First & Main	8/31/2020	93,572	3.5	1.6	3,006,453	3.7	1.9
4 Insurance Company of the West	Torrey Reserve Campus	12/31/2016	81,040	3.1	1.4	2,598,814	3.2	1.6
5 Caradigm USA LLC	City Center Bellevue	8/14/2017	68,956	2.6	1.2	2,231,416	2.8	1.4
6 Treasury Call Center	First & Main	8/31/2020	63,648	2.4	1.1	2,184,302	2.7	1.4
7 HDR Engineering, Inc.	City Center Bellevue	12/31/2017	56,024	2.1	1.0	1,988,852	2.5	1.2
8 Alliant International University	One Beach Street	10/31/2019	64,161	2.4	1.1	1,796,968	2.2	1.1
9 Portland Energy Conservation	First & Main	1/31/2021	73,422	2.8	1.3	1,684,998	2.1	1.0
10 California Bank & Trust	Torrey Reserve Campus	2/29/2024	34,731	1.3	0.6	1,606,037	2.0	1.0
Top 10 Office Tenants Total			904,336	34.1%	15.7%	\$35,517,561	44.2%	22.0%

APPENDIX

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA): EBITDA is a non-GAAP measure that means net income or loss plus depreciation and amortization, net interest expense, income taxes, gain or loss on sale of real estate and impairments of real estate, if any. EBITDA is presented because it approximates a key performance measure in our debt covenants, but it should not be considered an alternative measure of operating results or cash flow from operations as determined in accordance with GAAP. The reconciliation of net income to EBITDA for the three and nine months ended September 30, 2014 and 2013 is as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2014	2013	2014	2013
Net income	\$ 9,090	\$ 6,258	\$ 21,099	\$ 15,687
Depreciation and amortization	16,352	16,648	50,902	50,614
Interest expense	13,325	14,764	40,396	44,244
Interest income	(44)	(54)	(101)	(88)
Income tax expense	665	473	494	861
EBITDA	\$ 39,388	\$ 38,089	\$ 112,790	\$ 111,318

Funds From Operations (FFO): FFO is a supplemental measure of real estate companies' operating performances. The National Association of Real Estate Investment Trusts (NAREIT) defines FFO as follows: net income, computed in accordance with GAAP plus depreciation and amortization of real estate assets and excluding extraordinary items, gains and losses on sale of real estate and impairment losses. NAREIT developed FFO as a relative measure of performance and liquidity of an equity REIT in order to recognize that the value of income-producing real estate historically has not depreciated on the basis determined under GAAP. However, FFO does not represent cash flows from operating activities in accordance with GAAP (which, unlike FFO, generally reflects all cash effects of transactions and other events in the determination of net income); should not be considered an alternative to net income as an indication of our performance; and is not necessarily indicative of cash flow as a measure of liquidity or ability to pay dividends. We consider FFO a meaningful, additional measure of operating performance primarily because it excludes the assumption that the value of real estate assets diminishes predictably over time, and because industry analysts have accepted it as a performance measure. Comparison of our presentation of FFO to similarly titled measures for other REITs may not necessarily be meaningful due to possible differences in the application of the NAREIT definition used by such REITs.

Funds Available for Distribution (FAD): FAD is a supplemental measure of our liquidity. We compute FAD by subtracting from FFO As Adjusted tenant improvements, leasing commissions and maintenance capital expenditures, eliminating the net effect of straight-line rents, amortization of above (below) market rents for acquisition properties, the effects of other lease intangibles, adding noncash amortization of deferred financing costs and debt fair value adjustments, adding noncash compensation expense, and adding (subtracting) unrealized losses (gains) on marketable securities. FAD provides an additional perspective on our ability to fund cash needs and make distributions by adjusting FFO for the impact of certain cash and noncash items, as well as adjusting FFO for recurring capital expenditures and leasing costs. However, other REITs may use different methodologies for calculating FAD and, accordingly, our FAD may not be comparable to other REITs.

Net Operating Income (NOI): We define NOI as operating revenues (rental income, tenant reimbursements, lease termination fees, ground lease rental income and other property income) less property and related expenses (property expenses, ground lease expense, property marketing costs, real estate taxes and insurance). NOI excludes general and administrative expenses, interest expense, depreciation and amortization, acquisition-related expense, other nonproperty income and losses, gains and losses from property dispositions, extraordinary items, tenant improvements and leasing commissions. Other REITs may use different methodologies for calculating NOI, and accordingly, our NOI may not be comparable to other REITs. Since NOI excludes general and administrative expenses, interest expense, depreciation and amortization, acquisition-related expenses, other nonproperty income and losses, gains and losses from property dispositions, and extraordinary items, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial real estate and the impact to operations from trends in occupancy rates, rental rates, and operating costs, providing a perspective on operations not immediately apparent from net income. However, NOI should not be viewed as an alternative measure of our financial performance since it does not reflect general and administrative expenses, interest expense, depreciation and amortization costs, other nonproperty income and losses, the level of capital expenditures and leasing costs necessary to maintain the operating performance of the properties, or trends in development and construction activities which are significant economic costs and activities that could materially impact our results from operations.

Reconciliation of NOI to net income	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2014	2013	2014	2013
Total NOI	\$ 44,070	\$ 42,120	\$ 125,974	\$ 123,966
General and administrative	(4,682)	(4,031)	(13,929)	(12,658)
Depreciation and amortization	(16,352)	(16,648)	(50,902)	(50,614)
Interest expense	(13,325)	(14,764)	(40,396)	(44,244)
Other income (expense), net	(621)	(419)	352	(763)
Net income	9,090	6,258	21,099	15,687
Net income attributable to restricted shares	(95)	(132)	(259)	(397)
Net loss attributable to unitholders in the Operating Partnership	(2,578)	(1,903)	(6,108)	(4,752)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 6,417	\$ 4,223	\$ 14,732	\$ 10,538

Overall Portfolio: Includes all operating properties owned by us as of September 30, 2014.

Same-Store Portfolio, Non-Same Store Portfolio and Redevelopment Same-Store: Information provided on a same-store basis includes the results of properties that we owned and operated for the entirety of both periods being compared except for properties for which significant redevelopment or expansion occurred during either of the periods being compared, properties under development, properties classified as held for development and properties classified as discontinued operations. Information provided on a redevelopment same-store basis includes the results of properties undergoing significant redevelopment for the entirety or portion of both periods being compared. The following table shows the properties included in the same-store, non-same store and redevelopment same-store portfolio for the comparative periods presented.

	Comparison of Three Months Ended			Comparison of Nine Months Ended		
	September 30, 2014 to 2013			September 30, 2014 to 2013		
	Same-Store	Non Same-Store	Redevelopment Same-Store	Same-Store	Non Same-Store	Redevelopment Same-Store
Retail Properties						
Carmel Country Plaza	X		X	X		X
Carmel Mountain Plaza	X		X	X		X
South Bay Marketplace	X		X	X		X
Rancho Carmel Plaza	X		X	X		X
Lomas Santa Fe Plaza	X		X	X		X
Solana Beach Towne Centre	X		X	X		X
Del Monte Center	X		X	X		X
Geary Marketplace	X		X	X		X
The Shops at Kalakaua	X		X	X		X
Waialae Center	X		X	X		X
Alamo Quarry Market	X		X	X		X
Office Properties						
Torrey Reserve Campus		X	X		X	X
Solana Beach Corporate Centre	X		X	X		X
The Landmark at One Market	X		X	X		X
One Beach Street	X		X	X		X
First & Main	X		X	X		X
Lloyd District Portfolio		X	X		X	X
City Center Bellevue	X		X	X		X
Multifamily Properties						
Loma Palisades	X		X	X		X
Imperial Beach Gardens	X		X	X		X
Mariner's Point	X		X	X		X
Santa Fe Park RV Resort	X		X	X		X
Mixed-Use Properties						
Waikiki Beach Walk - Retail	X		X	X		X
Waikiki Beach Walk - Embassy Suites™	X		X	X		X
Development Properties						
Sorrento Pointe - Land		X			X	
Torrey Reserve - Land		X			X	
Solana Beach Corporate Centre - Land		X			X	
Solana Beach - Highway 101 - Land		X			X	
Lloyd District Portfolio - Land		X			X	

Tenant Improvements and Incentives: Represents not only the total dollars committed for the improvement (fit-out) of a space as it relates to a specific lease but may also include base building costs (i.e. expansion, escalators, new entrances, etc.) which are required to make the space leasable. Incentives include amounts paid to tenants as an inducement to sign a lease that do not represent building improvements.