

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):

July 20, 2023



American Assets Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-35030
(Commission
File No.)

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

3420 Carmel Mountain Road, Suite 100
San Diego, California 92121
(Address of principal executive offices and 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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Name of Registrant</u>	<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
American Assets Trust, Inc.	Common Stock, par value \$0.01 per share	AAT	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On July 25, 2023, American Assets Trust, Inc. (the “Company”) issued a press release regarding its financial results for the quarter ending June 30, 2023. Also on July 25, 2023, the Company made available on the “Investors” page of its website at www.americanassetstrust.com certain supplemental information concerning the Company’s financial results and operations for the quarter ending June 30, 2023. 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 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On July 20, 2023, the Board of Directors (“Board”) of the Company adopted amendments to the Company’s amended and restated bylaws (as amended, the “Amended and Restated Bylaws”), which became effective the same day. Among other things, the amendments effected by the Amended and Restated Bylaws:

- a. address the universal proxy rules adopted by the U.S. Securities and Exchange Commission, by clarifying that no person may solicit proxies in support of a director nominee other than the Board’s nominees unless such person has complied with Rule 14a-19 under the Exchange Act, including applicable notice and solicitation requirements; and
- b. require that a stockholder directly or indirectly soliciting proxies from other stockholders use a proxy card color other than white.

The Amended and Restated Bylaws also include certain technical, conforming, modernizing or clarifying changes.

The foregoing description of the changes contained in the Amended and Restated Bylaws does not purport to be complete and is qualified in its entirety by reference to the full text of the Amended and Restated Bylaws, a copy of which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

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 June 30, 2023 and made available on its website certain supplemental 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:

<u>Exhibit Number</u>	<u>Exhibit Description</u>
3.1**	Amended and Restated Bylaws of American Assets Trust, Inc.
99.1**	Press release issued by American Assets Trust, Inc. on July 25, 2023.
99.2**	American Assets Trust, Inc. Supplemental Information for the quarter ended June 30, 2023.
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document).

** 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

July 25, 2023

AMERICAN ASSETS TRUST, INC.
AMENDED AND RESTATED BYLAWS

(Effective July 20, 2023)

ARTICLE I

OFFICES

Section 1. *PRINCIPAL OFFICE.* The principal office of the Corporation in the State of Maryland shall be located at such place as the Board of Directors may designate.

Section 2. *ADDITIONAL OFFICES.* The Corporation may have additional offices, including a principal executive office, at such places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. *PLACE.* All meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place as shall be set in accordance with these Bylaws and stated in the notice of the meeting.

Section 2. *ANNUAL MEETING.* An annual meeting of the stockholders for the election of directors and the transaction of any business within the powers of the Corporation shall be held on the date and at the time and place set by the Board of Directors.

Section 3. *SPECIAL MEETINGS.*

(a) *General.* Each of the chairman of the board, chief executive officer, president and Board of Directors may call a special meeting of stockholders, and such person or group who has called any such special meeting shall, except as provided in Section 3(b)(5) of this Article II, set the date, time and place of such special meeting. Subject to Section 3(b) of this Article II, a special meeting of stockholders shall also be called by the secretary to act on any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on such matter at such meeting.

(b) Stockholder Requested Special Meetings.

(1) Any stockholder of record seeking to have stockholders request a special meeting shall, by sending written notice to the secretary (the "Record Date Request Notice") by registered mail, return receipt requested, request the Board of Directors to fix a record date to determine the stockholders entitled to request a special meeting (the "Request Record Date"). To be in proper form, such Record Date Request Notice shall set forth:

(i) as to the purpose of the special meeting and to any business that the requesting stockholder proposes to bring before the special meeting, (A) a reasonably detailed description of such purpose and the business to be conducted, the stockholder's reasons for proposing such business at the special meeting, and any material interest in such business of such stockholder or any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom, (B) the text of the proposal or business (including the text of any resolutions proposed for consideration) and (C) a reasonably detailed description of all agreements, arrangements and understandings (I) between or among the stockholder and/or any of the Stockholder Associated Persons or (II) between or among the stockholder and/or any of the Stockholder Associated Persons, on the one hand, and any other person or entity (including their names), on the other hand, in connection with the request for the special meeting or the business proposed to be conducted at the special meeting;

(ii) as to each requesting stockholder and Stockholder Associated Person, (A) the name and address of such stockholder or Stockholder Associated Person, as they appear on the Corporation's stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person, (B) the class, series and number of all shares of stock or other securities of the Corporation or any subsidiary thereof (collectively, the "Company Securities"), if any, which are owned (beneficially or of record) by such stockholder or Stockholder Associated Person, the date on which each such Company Security was acquired and the investment intent of such acquisition, and any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in any Company Securities of any such person; provided, that, for purposes of the foregoing and wherever else used in this Article II, references to "beneficial" ownership or other correlative terms shall be deemed to have the meaning given thereto under Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except that such person or entity shall in all events be deemed to beneficially own any shares of any class or series of the Corporation as to which such person or entity has a right to acquire beneficial ownership at any time in the future;

(iii) as to each requesting stockholder or Stockholder Associated Person, any Disclosable Interests (as defined below);

(iv) all information relating to each requesting stockholder or Stockholder Associated Person and each matter of business proposed to be acted on at the special meeting that must be disclosed in connection with the solicitation of proxies for the election of directors in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such a solicitation, in each case pursuant to, and in accordance with, Regulation 14A (or any successor provision) under the Exchange Act and the rules and regulations promulgated thereunder;

(v) the signature and date of signature of each requesting stockholder (or of their agents, duly authorized in a writing accompanying the Record Date Request Notice).

In addition, each stockholder submitting a Record Date Request Notice and each Stockholder Associated Person shall comply with all requirements of applicable law, including all requirements of the Exchange Act, with respect to any request to fix a Request Record Date.

(2) Upon receiving the Record Date Request Notice, the Board of Directors may fix a Request Record Date. The Request Record Date shall not precede and shall not be more than ten days after the close of business on the date on which the resolution fixing the Request Record Date is adopted by the Board of Directors. If the Board of Directors, within ten days after the date on which a valid Record Date Request Notice is received, fails to adopt a resolution fixing the Request Record Date, the Request Record Date shall be the close of business on the tenth day after the first date on which the Record Date Request Notice is received by the secretary. If the Board of Directors shall determine that any request to fix a record date or demand to call and hold a special meeting was not properly made in accordance with this Article II, or shall determine that the stockholder or stockholders requesting that the Board of Directors fix such record date or submitting a demand to call the special meeting have not otherwise complied with this Article II, then the Board of Directors shall not be required to fix a Request Record Date and the secretary shall not be required to call a special meeting of stockholders.

(3) In order for any stockholder to request a special meeting to act on any matter described in a Record Date Request Notice that may properly be considered at a meeting of stockholders, one or more written requests for a special meeting (collectively, the “Special Meeting Request”) signed and dated by stockholders of record (or by their agents duly authorized in a writing accompanying the Special Meeting Request) as of the applicable Request Record Date entitled to cast not less than a majority (the “Special Meeting Percentage”) of all of the votes entitled to be cast on such matter at such meeting shall be delivered to the secretary. No business may be considered at a special meeting called by the secretary in accordance with Section 3(b) of this Article II (a “Stockholder-Requested Special Meeting”) except as described in the applicable Record Date Request Notice or at the direction of the Board of Directors. The Special Meeting Request shall be sent to the secretary by registered mail, return receipt requested, and be received by the secretary within 60 days after the Request Record Date. Any requesting stockholder (or agent duly authorized in a writing accompanying the revocation of the Special Meeting Request) may revoke his, her or its Special Meeting Request at any time by written revocation delivered to the secretary. Each stockholder providing a Special Meeting Request (other than a stockholder that provides a Special Meeting Request in response to a solicitation made pursuant to a solicitation statement filed on Schedule 14A pursuant to, and in accordance with, Regulation 14A under the Exchange Act) shall provide the information about such stockholder and any Stockholder Associated Person required to be provided in a Record Date Request Notice pursuant to Section 3(b)(1) of this Article II (or, if applicable, shall update any information provided by such stockholder in a Record Date Request Notice), so that such information with respect to the stockholder and each Stockholder Associated Person is true and correct as of the record date for the Stockholder-Requested Special Meeting (the “Meeting Record Date”) and as of the date that is ten Business Days (as defined below) prior to the date of the Stockholder-Requested Special Meeting and the date(s) of any adjournment or postponement thereof. Any such update and supplement shall be sent to the secretary by courier or registered mail, return receipt requested, and shall be received by the secretary, in the case of information required to be provided as of the Meeting Record Date, not later than five (5) Business Days after the Meeting Record Date and, in the case of information required to be provided as of the date that is ten Business Days prior to the date of such Stockholder-Requested Special Meeting and the date(s) of any adjournment or postponement thereof, not later than eight (8) Business Days prior to the date of the Stockholder-Requested Special Meeting or, if practicable, the date(s) of any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the Stockholder-Requested Special Meeting has been adjourned or postponed). In addition, each stockholder providing a Special Meeting Request and each Stockholder Associated Person shall comply with all requirements of applicable law, including all requirements of the Exchange Act, with respect to any request to call a Stockholder-Requested Special Meeting.

(4) The secretary shall inform the requesting stockholders of the reasonably estimated cost of preparing and mailing or delivering the notice of the meeting (including the Corporation’s proxy materials). The secretary shall not be required to call a Stockholder-Requested Special Meeting and such meeting shall not be held unless, in addition to the Special Meeting Request required by Section 3(b)(3) of this Article II, the secretary receives payment of such reasonably estimated cost prior to the preparation and mailing or delivery of such notice of the meeting.

(5) A Stockholder-Requested Meeting shall be held at such place, date and time as may be designated by the Board of Directors; provided, however, that the date of any Stockholder-Requested Meeting shall be not more than 90 days after the Meeting Record Date; and provided further that if the Board of Directors fails to designate, within ten days after the date that a valid Special Meeting Request is actually received by the secretary (the “Delivery Date”), a date and time for a Stockholder-Requested Meeting, then such meeting shall be held at 2:00 p.m., Eastern Time, on the 90th day after the Meeting Record Date, or, if such 90th day is not a Business Day, on the first preceding Business Day; and provided further that in the event that the Board of Directors fails to designate a place for a Stockholder-Requested Meeting within ten days after the Delivery Date, then such meeting shall be held at the principal executive office of the Corporation. In fixing a date for any Stockholder-Requested Meeting, the chairman of the board, chief executive officer, president or Board of Directors may consider such factors as he, she or it deems relevant, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for the meeting and any plan of the Board of Directors to call an annual meeting or other special meeting. In the case of any Stockholder-Requested Meeting, if the Board of Directors fails to fix a Meeting Record Date that is a date within 30 days after the Delivery Date, then the close of business on the 30th day after the Delivery Date shall be the Meeting Record Date. The Board of Directors may revoke the notice for any Stockholder-Requested Meeting in the event that the requesting stockholders fail to comply with the provisions of Section 3(b)(4) of this Article II.

(6) If written revocations of the Special Meeting Request have been delivered to the secretary and the result is that stockholders of record (or their agents duly authorized in writing), as of the Request Record Date, entitled to cast less than the Special Meeting Percentage have delivered, and not revoked, requests for a special meeting on the matter to the secretary: (i) if the notice of meeting has not already been delivered, the secretary shall refrain from delivering the notice of the meeting and send to all requesting stockholders who have not revoked such requests written notice of any revocation of a request for a special meeting on the matter, or (ii) if the notice of meeting has been delivered and if the secretary first sends to all requesting stockholders who have not revoked requests for a special meeting on the matter written notice of any revocation of a request for the special meeting and written notice of the Corporation’s intention to revoke the notice of the meeting or for the chairman of the meeting to adjourn the meeting without action on the matter, (A) the secretary may revoke the notice of the meeting at any time before ten days before the commencement of the meeting or (B) the chairman of the meeting may call the meeting to order and adjourn the meeting without acting on the matter. Any request for a special meeting received after a revocation by the secretary of a notice of a meeting shall be considered a request for a new special meeting.

(7) The chairman of the board, chief executive officer, president or Board of Directors may appoint regionally or nationally recognized independent inspectors of elections to act as the agents of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported Special Meeting Request received by the secretary. For the purpose of permitting the inspectors to perform such review, no such purported Special Meeting Request shall be deemed to have been delivered to the secretary until the earlier of (i) five Business Days after receipt by the secretary of such purported request and (ii) such date as the independent inspectors certify to the Corporation that the valid requests received by the secretary represent, as of the Request Record Date, stockholders of record entitled to cast not less than the Special Meeting Percentage. Nothing contained in this paragraph shall in any way be construed to suggest or imply that the Corporation or any stockholder shall not be entitled to contest the validity of any request, whether during or after such five Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

(8) For purposes of this Article II, “Stockholder Associated Person” of any stockholder means (i) the beneficial owner or beneficial owners, if different, of shares of stock of the Corporation at whose request the notice is given pursuant to this Article II, (ii) any affiliate or associate (each within the meaning of Rule 12b-2 under the Exchange Act) of such stockholder or, if applicable, such beneficial owner and (iii) any other person with whom such stockholder or, if applicable, such beneficial owner (or any of their respective affiliates or associates) is Acting in Concert (as defined below).

(9) For purposes of this Article II, a person shall be deemed to be “Acting in Concert” with another person if such person knowingly acts (whether or not pursuant to an express agreement, arrangement or understanding) in concert with, or towards a common goal relating to the management, governance or control of the Corporation in parallel with, such other person where (i) each person is conscious of the other person’s conduct or intent and this awareness is an element in their decision-making processes and (ii) at least one additional factor suggests that such persons intend to act in concert or in parallel, which such additional factors may include, without limitation, exchanging information (whether publicly or privately), attending meetings, conducting discussions, or making or soliciting invitations to act in concert or in parallel; provided, that a person shall not be deemed to be Acting in Concert with any other person solely as a result of the solicitation or receipt of revocable proxies or consents from such other person in response to a solicitation made pursuant to, and in accordance with, Regulation 14A under the Exchange Act by way of a proxy or consent solicitation statement filed on Schedule 14A. A person Acting in Concert with another person shall be deemed to be Acting in Concert with any third party who is also Acting in Concert with such other person.

(10) For purposes of these Bylaws, “Business Day” shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of California are authorized or obligated by law or executive order to close.

Section 4. *NOTICE*. Not less than ten nor more than 90 days before each meeting of stockholders, the secretary shall give notice of such meeting in writing or by electronic transmission to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting. Such notice shall state the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called. Such notice may be delivered by mail, by presenting it to such stockholder personally, by leaving it at the stockholder’s residence or usual place of business, by electronic transmission or by any other means permitted by Maryland law. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder’s address as it appears on the records of the Corporation, with postage thereon prepaid. If transmitted electronically, such notice shall be deemed to be given when transmitted to the stockholder by an electronic transmission to any address or number of the stockholder at which the stockholder receives electronic transmissions. The Corporation may give a single notice to all stockholders who share an address, which single notice shall be effective as to any stockholder at such address, unless a stockholder objects to receiving such single notice or revokes a prior consent to receiving such single notice. Failure to give notice of any meeting to one or more stockholders, or any irregularity in such notice, shall not affect the validity of any meeting fixed in accordance with this Article II or the validity of any proceedings at any such meeting.

Subject to Section 11(a) of this Article II, any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice. The Corporation may postpone or cancel a meeting of stockholders by making a Public Announcement (as defined in Section 11(c)(3) of this Article II) of such postponement or cancellation prior to the meeting. Notice of the date, time and place to which the meeting is postponed shall be given not less than ten days prior to such date and otherwise in the manner set forth in this section.

Section 5. **ORGANIZATION AND CONDUCT.** Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment or appointed individual, by the chairman of the board or, in the case of a vacancy in the office or absence of the chairman of the board, by one of the following officers present at the meeting in the following order: the vice chairman of the board, if there is one, the chief executive officer, the president, the vice presidents in their order of rank and seniority, the secretary or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The secretary, or, in the secretary's absence, an assistant secretary, or, in the absence of both the secretary and assistant secretaries, an individual appointed by the Board of Directors or, in the absence of such appointment, an individual appointed by the chairman of the meeting shall act as secretary. In the event that the secretary presides at a meeting of stockholders, an assistant secretary, or, in the absence of all assistant secretaries, an individual appointed by the Board of Directors or the chairman of the meeting, shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of the chairman and without any action by the stockholders, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies and such other individuals as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments; (e) determining when and for how long the polls should be opened and when the polls should be closed; (f) maintaining order and security at the meeting; (g) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (h) concluding a meeting or recessing or adjourning the meeting to a later date and time and at a place announced at the meeting; and (i) complying with any state and local laws and regulations concerning safety and security. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 6. **QUORUM; ADJOURNMENTS.** At any meeting of stockholders, the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at such meeting on any matter shall constitute a quorum; but this section shall not affect any requirement under any statute or the charter of the Corporation (the "Charter") for the vote necessary for the approval of any matter. If, however, such quorum is not established at any meeting of the stockholders, the chairman of the meeting may adjourn the meeting *sine die* or from time to time to a date not more than 120 days after the original record date without notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

The stockholders present either in person or by proxy, at a meeting which has been duly called and at which a quorum has been established, may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough stockholders to leave fewer than would be required to establish a quorum.

Section 7. **VOTING.** A plurality of all the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to elect a director. Each share may be voted for as many individuals as there are directors to be elected and for whose election the share is entitled to be voted. A majority of the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required by statute or by the Charter. Unless otherwise provided by statute or by the Charter, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders. Voting on any question or in any election may be *viva voce* unless the chairman of the meeting shall order that voting be by ballot or otherwise.

Section 8. **PROXIES.** A holder of record of shares of stock of the Corporation may cast votes in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by law, including, without limitation, Rule 14a-19 promulgated under the Exchange Act. Such proxy or evidence of authorization of such proxy shall be filed with the secretary before or at the meeting. No proxy shall be valid more than eleven months after its date unless otherwise provided in the proxy.

Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board of Directors.

Section 9. **VOTING OF STOCK BY CERTAIN HOLDERS.** Stock of the Corporation registered in the name of a corporation, partnership, trust, limited liability company or other entity, if entitled to be voted, may be voted by the president or a vice president, general partner, trustee or managing member thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Any director or fiduciary may vote stock registered in the name of such person in the capacity of such director or fiduciary, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by it shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or desirable. On receipt by the Corporation of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the holder of record of the specified stock in place of the stockholder who makes the certification.

Section 10. **INSPECTORS.** The Board of Directors or the chairman of the meeting, in advance of or at any meeting, may, but need not, appoint one or more inspectors for the meeting and any successor to an inspector. The inspectors, if any, shall (a) determine the number of shares of stock represented at the meeting, in person or by proxy, and the validity and effect of proxies, (b) receive and tabulate all votes, ballots or consents, (c) report such tabulation to the chairman of the meeting, (d) hear and determine all challenges and questions arising in connection with the right to vote and (e) do such acts as are proper to fairly conduct the election or vote. Each such report shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be *prima facie* evidence thereof.

Section 11. *ADVANCE NOTICE OF STOCKHOLDER NOMINEES FOR DIRECTOR AND OTHER STOCKHOLDER PROPOSALS.*

(a) Annual Meetings of Stockholders.

(1) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be brought (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who (A) was a stockholder of record both at the time of giving of notice by the stockholder as provided for in this Section 11(a) of this Article II and at the time of the annual meeting, (B) is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and (C) has complied with this Section 11(a) of this Article II. Except for proposals properly made pursuant to, and in accordance with, Rule 14a-8 under the Exchange Act, and included in the notice of meeting given by or at the direction of the Board of Directors, the foregoing clause (iii) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of the stockholders.

(2) For any nomination or other business to be properly brought before an annual meeting by a stockholder pursuant to Section 11(a)(1)(iii) of this Article II, the stockholder must have given timely notice (as defined below) thereof in writing and in proper form to the secretary and provided any updates or supplements to such notice at the times and in the forms required by this Section 11 of this Article II and any such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 11 of this Article II and shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary of the date of the proxy statement (as defined in Section 11(c)(3) of this Article II) for the preceding year's annual meeting; provided, however, that in connection with the Corporation's first annual meeting or in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of such annual meeting, as originally convened, or the tenth day following the day on which Public Announcement of the date of such meeting is first made. The Public Announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(3) To be in proper form, such stockholder's notice to the secretary shall set forth:

(i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director (each a "Proposed Nominee"), all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to, and in accordance with, Regulation 14A (or any successor provision) under the Exchange Act (including the Proposed Nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);

(ii) as to any other business that the stockholder proposes to bring before the meeting, (A) a reasonably detailed description of such business, the stockholder's reasons for proposing such business at the meeting and any material interest in such business of such stockholder or any Stockholder Associated Person, individually or in the aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom, (B) the text of the proposal or business (including the text of any resolutions proposed for consideration) and (C) a reasonably detailed description of all agreements, arrangements and understandings (I) between or among the stockholder and/or any of the Stockholder Associated Persons or (II) between or among the stockholder and/or any of the Stockholder Associated Persons, on the one hand, and any other person or entity (including their names), on the other hand, in connection with the proposal of such business by such stockholder;

(iii) as to the stockholder giving the notice, any Proposed Nominee and any Stockholder Associated Person,

(A) the class, series and number of all shares of Company Securities, if any, which are owned (beneficially or of record) by such stockholder, Proposed Nominee or Stockholder Associated Person, the date on which each such Company Security was acquired and the investment intent of such acquisition, and any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in any Company Securities of any such person,

(B) the nominee holder for, and number of, any Company Securities owned beneficially but not of record by such stockholder, Proposed Nominee or Stockholder Associated Person,

(C) (I) any derivative, swap or other transaction or series of transactions engaged in, directly or indirectly, by such stockholder, any Proposed Nominee and any Stockholder Associated Person, the purpose or effect of which is to give such stockholder, Proposed Nominee or Stockholder Associated Person economic risk similar to ownership of shares or units of any Company Securities, including due to the fact that the value of such derivative, swap or other transactions are determined by reference to the price, value or volatility of any shares or units of any Company Securities, or which derivative, swap or other transactions provide, directly or indirectly, the opportunity to profit from any increase in the price or value of shares or units of any Company Securities ("Synthetic Equity Interests"), which Synthetic Equity Interests shall be disclosed without regard to whether (x) the derivative, swap or other transactions convey any voting rights in such shares or units to such stockholder, Proposed Nominee or Stockholder Associated Person, (y) the derivative, swap or other transactions are required to be, or are capable of being, settled through delivery of such shares or units or (z) such stockholder, Proposed Nominee or Stockholder Associated Person may have entered into other transactions that hedge or mitigate the economic effect of such derivative, swap or other transactions, (II) any proxy (other than a revocable proxy or consent given in response to a solicitation made pursuant to, and in accordance with, Regulation 14A under the Exchange Act by way of a solicitation statement filed on Schedule 14A), agreement, arrangement, understanding or relationship pursuant to which such stockholder, Proposed Nominee or Stockholder Associated Person has or shares a right to vote any shares or units of any Company Securities, (III) any agreement, arrangement, understanding or relationship, including any repurchase or similar so-called "stock borrowing" agreement or arrangement, engaged in, directly or indirectly, by such stockholder, Proposed Nominee or Stockholder Associated Person, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of shares or units of any Company Securities by, manage the risk of price changes for, or increase or decrease the voting power of, such stockholder, Proposed Nominee or Stockholder Associated Person with respect to the shares or units of any Company Securities, or which provides, directly or indirectly, the opportunity to profit from any decrease in the price or value of the shares or units of any Company Securities ("Short Interests"), (IV) any rights to dividends on the shares or units of any Company Securities owned beneficially by such stockholder, any Proposed Nominee or any Stockholder Associated Person that are separated or separable from the underlying Company Securities, (V) any performance-related fees (other than an asset based fee) that such stockholder, any Proposed Nominee or any Stockholder Associated Person is entitled to based on any increase or decrease in the price or value of shares or units of any Company Securities, or any Synthetic Equity Interests or Short Interests, if any, (VI) (x) if such stockholder or any Stockholder Associated Person with an interest in ownership, or that has taken an action referred to in Section 11(a)(3)(ii) or (iii) (other than this Section 11(a)(3)(C)(VI)) is not a natural person, the identity of the natural person or persons associated with such stockholder or Stockholder Associated Person responsible for the formulation of and decision to propose the business to be brought before the meeting or nominate any such Proposed Nominee (such person or persons, the "Responsible Person"), the manner in which such Responsible Person was selected, any fiduciary duties owed by such Responsible Person to the equity holders or other beneficiaries of such stockholder or Stockholder Associated Person, the qualifications and background of such Responsible Person and any material interests or relationships of such Responsible Person that are not shared generally by any other record or beneficial holder of the

shares or units of any Company Securities and that reasonably could have influenced the decision of such stockholder or Stockholder Associated Person to propose such business to be brought before the meeting or nominate any such Proposed Nominee, and (y) if such stockholder or any such Stockholder Associated Person is a natural person, the qualifications and background of such natural person and any material interests or relationships of such natural person that are not shared generally by any other record or beneficial holder of the shares or units of any Company Securities and that reasonably could have influenced the decision of such stockholder or Stockholder Associated Person to propose such business to be brought before the meeting or nominate any such Proposed Nominee, (VII) any significant equity interests or any Synthetic Equity Interests or Short Interests in any principal competitor of the Corporation held by such stockholder, any Proposed Nominee and any Stockholder Associated Person, (VIII) any direct or indirect interest of such stockholder, any Proposed Nominee and any Stockholder Associated Person in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), (IX) any pending or threatened litigation in which such stockholder, any Proposed Nominee or any Stockholder Associated Person is a party or material participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation, (X) any material transaction occurring during the prior twelve months between such stockholder, any Proposed Nominee and any Stockholder Associated Person, on the one hand, and the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation, on the other hand, (XI) a summary of any material discussions regarding the business proposed to be brought before the meeting or the nomination or identify of the Proposed Nominee (x) between or among any stockholder, any Proposed Nominee and any Stockholder Associated Person or (y) between or among any stockholder, any Proposed Nominee and any Stockholder Associated Person and any other record or beneficial holder of the shares or units of any Company Securities (including their names) and (XII) any other information relating to such stockholder, any Proposed Nominee and any Stockholder Associated Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such stockholder and any Stockholder Associated Person in support of the business proposed to be brought before the meeting or the election of any Proposed Nominee pursuant to, and in accordance with, Regulation 14A under the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (I) and (XII) are referred to as "Disclosable Interests"); provided, however, that the Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee solely as a result of being the stockholder directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner,

(D) Without limiting the foregoing, any other substantial interest, direct or indirect (including, without limitation, any existing or prospective commercial, business or contractual relationship with the Corporation), by security holdings or otherwise, of such stockholder, Proposed Nominee or Stockholder Associated Person, in the Corporation or any subsidiary thereof, other than an interest arising from the ownership of Company Securities where such stockholder, Proposed Nominee or Stockholder Associated Person receives no extra or special benefit not shared on a *pro rata* basis by all other holders of the same class or series, provided, however, that such interests shall not include interests acquired in the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee solely as a result of being the stockholder directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner,

(E) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among the stockholder and/or any Stockholder Associated Person, on the one hand, and each Proposed Nominee, his or her respective affiliates and associates and any other persons with whom such Proposed Nominee (or any of his or her respective affiliates and associates) is Acting in Concert, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such stockholder and any Stockholder Associated Person were the “registrant” for purposes of such rule and the Proposed Nominee were a director or executive officer of such registrant (the disclosures to be made pursuant to this paragraph are referred to as “Nominee Information”), and

(F) a representation that such stockholder giving the notice and any Stockholder Associated Person intends or is part of a group which intends to (i) in the case of business proposals, deliver a proxy statement or form of proxy to holders of at least the percentage of the Corporation’s outstanding capital stock required to approve or adopt the proposal or otherwise solicit proxies from stockholders in support of such proposal or (ii) in the case of nominations, deliver a proxy statement and solicit the holders of shares representing at least 67% of the voting power of shares entitled to vote on the election of directors in support of director nominees other than the Corporation’s nominees in accordance with Rule 14a-19 promulgated under the Exchange Act.

(iv) as to the stockholder giving the notice, any Stockholder Associated Person with an interest or ownership referred to in Sections 11(a)(3)(ii) or (iii) of this Article II and any Proposed Nominee,

(A) the name and address of such stockholder, as they appear on the Corporation’s stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person and any Proposed Nominee, and

(B) the investment strategy or objective, if any, of such stockholder and each such Stockholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such stockholder and each such Stockholder Associated Person; and

(v) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business on the date of such stockholder’s notice.

(4) Such stockholder's notice shall, with respect to any Proposed Nominee, be accompanied by (i) a certificate executed by the Proposed Nominee certifying that such Proposed Nominee (A) will serve as a director of the Corporation if elected, (B) is not and will not become a party to (I) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such Proposed Nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (II) any Voting Commitment that could limit or interfere with such Proposed Nominee's ability to comply, if elected as a director of the Corporation, with such Proposed Nominee's duties under applicable law, (C) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed to the Corporation and (D) would be in compliance, if elected as a director of the Corporation, and will comply with applicable publicly disclosed corporate governance, conflict of interest, confidentiality, stock ownership and trading policies and guidelines of the Corporation; and (ii) an attached completed Proposed Nominee questionnaire (which questionnaire shall be provided by the Corporation, upon request, to the stockholder providing the notice and shall include all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to, and in accordance with, Regulation 14A (or any successor provision) under the Exchange Act and the rules thereunder, or would be required pursuant to the rules of any national securities exchange or over-the-counter market on which the Corporation's stock is listed or admitted to trading (the "Exchange Rules").

(5) Notwithstanding anything in this Section 11(a) of this Article II to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased, and there is no Public Announcement of such action at least 130 days prior to the first anniversary of the date of the proxy statement (as defined in Section 11(c)(3) of this Article II) for the preceding year's annual meeting, a stockholder's notice required by this Section 11(a) of this Article II shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive office of the Corporation not later than 5:00 p.m., Eastern Time, on the tenth day following the day on which such Public Announcement is first made by the Corporation.

(6) In addition to the requirements of this Section 11 with respect to any nomination proposed to be made at a meeting, each stockholder giving notice and each Stockholder Associated Person shall comply with all applicable requirements of the Exchange Act with respect to any such nominations. Notwithstanding the foregoing provisions of this Section 11, unless otherwise required by law, (i) no stockholder giving notice or Stockholder Associated Person shall solicit proxies in support of director nominees other than the Corporation's nominees unless such stockholder giving notice or Stockholder Associated Person has complied with Rule 14a-19 promulgated under the Exchange Act in connection with the solicitation of such proxies, including, without limitation, the provision to the Corporation of notices required thereunder in a timely manner and (ii) if any stockholder giving notice or Stockholder Associated Person (1) provides notice pursuant to Rule 14a-19(b) promulgated under the Exchange Act and (2) subsequently fails to comply with the requirements of Rule 14a-19(a)(2) and Rule 14a-19(a)(3) promulgated under the Exchange Act, including, without limitation, the provision to the Corporation of notices required thereunder in a timely manner, or fails to timely provide reasonable evidence sufficient to satisfy the Corporation that such stockholder giving notice or Stockholder Associated Person has met the requirements of Rule 14a-19(a)(3) promulgated under the Exchange Act in accordance with the following sentence, then the nomination of each such proposed nominee shall be disregarded, notwithstanding that the nominee is included as a nominee in the Corporation's proxy statement, notice of meeting or other proxy materials for any annual meeting (or any supplement thereto) and notwithstanding that proxies or votes in respect of the election of such proposed nominees may have been received by the Corporation (which proxies and votes shall be disregarded). If any stockholder giving notice or Stockholder Associated Person provides notice pursuant to Rule 14a-19(b) promulgated under the Exchange Act, such stockholder giving notice or Stockholder Associated Person shall deliver to the Corporation, no later than seven (7) business days prior to the applicable meeting, reasonable evidence that it has met the requirements of Rule 14a-19(a)(3) promulgated under the Exchange Act.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (i) by or at the direction of the Board of Directors or (ii) provided that the special meeting has been called in accordance with Section 3(a) of this Article II for the purpose of electing directors, by any stockholder of the Corporation who is a stockholder of record both at the time of giving of notice provided for in this Section 11 of this Article II and at the time of the special meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the notice procedures set forth in this Section 11 of this Article II. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any stockholder may nominate an individual or individuals (as the case may be) for election as a director as specified in the Corporation's notice of meeting, if the stockholder's notice, containing the information required by Section 11(a)(3) of this Article II, shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 120th day prior to such special meeting and not later than 5:00 p.m., Eastern Time on the later of the 90th day prior to such special meeting or the tenth day following the day on which Public Announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The Public Announcement of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(c) General.

(1) If information submitted pursuant to this Section 11 of this Article II by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate in any material respect, such information may be deemed not to have been provided in accordance with this Section 11 of this Article II. Any such stockholder shall notify the Corporation of any inaccuracy or change (within two Business Days of becoming aware of such inaccuracy or change) in any such information. Upon written request by the secretary or the Board of Directors, any such stockholder shall provide, within five Business Days of delivery of such request (or such other period as may be specified in such request), (A) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 11 of this Article II, and (B) a written update of any information (including, if requested, by the Corporation, written confirmation by such stockholder that it continues to bring such nomination or other business proposal before the meeting) submitted by the stockholder pursuant to this Section 11 of this Article II as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or a written update was requested may be deemed not to have been provided in accordance with this Section 11 of this Article II.

(2) Only such individuals who are nominated in accordance with this Section 11 of this Article II shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 11 of this Article II. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 11 of this Article II.

(3) For purposes of this Section 11, "the date of the proxy statement" shall have the same meaning as "the date of the company's proxy statement released to shareholders" as used in Rule 14a-8(e) promulgated under the Exchange Act, as interpreted by the Securities and Exchange Commission from time to time. "Public Announcement" shall mean disclosure (i) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (ii) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act.

(4) Notwithstanding the foregoing provisions of this Section 11 of this Article II, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 11 of this Article II. Nothing in this Section 11 of this Article II shall be deemed to affect any right of a stockholder to request inclusion of a proposal in, or the right of the Corporation to omit a proposal from, the Corporation's proxy statement pursuant to, and in accordance with, Rule 14a-8 (or any successor provision) under the Exchange Act. Nothing in this Section 11 of this Article II shall require disclosure of revocable proxies received by the stockholder or Stockholder Associated Person pursuant to a solicitation of proxies after the filing of an effective Schedule 14A by such stockholder or Stockholder Associated Person pursuant to, and in accordance with, Regulation 14A under the Exchange Act.

Section 12. **CONTROL SHARE ACQUISITION ACT.** Notwithstanding any other provision of the Charter or these Bylaws, Title 3, Subtitle 7 of the Maryland General Corporation Law, or any successor statute (the "**MGCL**"), shall not apply to any acquisition by any person of shares of stock of the Corporation. This section may be repealed, in whole or in part, at any time, whether before or after an acquisition of control shares and, upon such repeal, may, to the extent provided by any successor bylaw, apply to any prior or subsequent control share acquisition.

Section 13. **TELEPHONIC MEETINGS.** The Board of Directors or chairman of the meeting may permit one or more stockholders to participate in a meeting of stockholders by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting.

ARTICLE III

DIRECTORS

Section 1. **GENERAL POWERS.** The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

Section 2. **NUMBER, TENURE AND RESIGNATIONS.** At any regular meeting or at any special meeting called for that purpose, a majority of the entire Board of Directors may establish, increase or decrease the number of directors, provided that the number thereof shall never be less than the minimum number required by the MGCL, nor more than 15, and further provided that the tenure of office of a director shall not be affected by any decrease in the number of directors. Any director of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation.

Section 3. **ANNUAL AND REGULAR MEETINGS.** An annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of stockholders, no notice other than this Bylaw being necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings of the Board of Directors without other notice than such resolution.

Section 4. **SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by or at the request of the chairman of the board, the chief executive officer, the president or a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place for the holding of special meetings of the Board of Directors without other notice than such resolution.

Section 5. **NOTICE.** Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, courier or United States mail to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by courier shall be deemed to be given when deposited with or delivered to a courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute or these Bylaws.

Section 6. **QUORUM.** A majority of the directors shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that, if less than a majority of such directors is present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and provided further that if, pursuant to applicable law, the Charter or these Bylaws, the vote of a majority or other percentage of a particular group of directors is required for action, a quorum must also include a majority or such other percentage of such group.

The directors present at a meeting which has been duly called and at which a quorum has been established may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough directors to leave fewer than required to establish a quorum.

Section 7. **VOTING.** The action of a majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws. If enough directors have withdrawn from a meeting to leave fewer than required to establish a quorum, but the meeting is not adjourned, the action of the majority of that number of directors necessary to constitute a quorum at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws.

Section 8. **ORGANIZATION.** At each meeting of the Board of Directors, the chairman of the board or, in the absence of the chairman, the vice chairman of the board, if any, shall act as chairman of the meeting. In the absence of both the chairman and vice chairman of the board, the chief executive officer or, in the absence of the chief executive officer, the president or, in the absence of the president, a director chosen by a majority of the directors present, shall act as chairman of the meeting. The secretary or, in his or her absence, an assistant secretary, or, in the absence of the secretary and all assistant secretaries, an individual appointed by the chairman of the meeting, shall act as secretary of the meeting.

Section 9. **TELEPHONE MEETINGS.** Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 10. **CONSENT BY DIRECTORS WITHOUT A MEETING.** Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each director and is filed with the minutes of proceedings of the Board of Directors.

Section 11. *VACANCIES.* If for any reason any or all of the directors cease to be directors, such event shall not terminate the Corporation or affect these Bylaws or the powers of the remaining directors hereunder. Until such time as the Corporation becomes subject to Section 3-804(c) of the MGCL, any vacancy on the Board of Directors for any cause other than an increase in the number of directors may be filled by a majority of the remaining directors, even if such majority is less than a quorum; any vacancy in the number of directors created by an increase in the number of directors may be filled by a majority vote of the entire Board of Directors; and any individual so elected as director shall serve until the next annual meeting of stockholders and until his or her successor is elected and qualifies. At such time as the Corporation becomes subject to Section 3-804(c) of the MGCL and except as may be provided by the Board of Directors in setting the terms of any class or series of preferred stock, any vacancy on the Board of Directors may be filled only by a majority of the remaining directors, even if the remaining directors do not constitute a quorum. Any director elected to fill a vacancy shall serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualifies.

Section 12. *COMPENSATION.* Directors shall not receive any stated salary for their services as directors but, by resolution of the Board of Directors, may receive compensation per year and/or per meeting and/or per visit to real property or other facilities owned or leased by the Corporation and for any service or activity they performed or engaged in as directors. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board of Directors or of any committee thereof and for their expenses, if any, in connection with each property visit and any other service or activity they perform or engage in as directors; but nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving compensation therefor.

Section 13. *RELIANCE.* Each director and officer of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect to a director, by a committee of the Board of Directors on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence.

Section 14. *RATIFICATION.* The Board of Directors or the stockholders may ratify and make binding on the Corporation any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter. Moreover, any action or inaction questioned in any stockholders' derivative proceeding or any other proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non-disclosure, miscomputation, the application of improper principles or practices of accounting or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and if so ratified, shall have the same force and effect as if the questioned action or inaction had been originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders and shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 15. *CERTAIN RIGHTS OF DIRECTORS AND OFFICERS.* Any director or officer, in his or her personal capacity or in a capacity as an affiliate, employee, or agent of any other person, or otherwise, may have business interests and engage in business activities similar to, in addition to or in competition with those of or relating to the Corporation.

ARTICLE IV
COMMITTEES

Section 1. **NUMBER, TENURE AND QUALIFICATIONS.** The Board of Directors may appoint from among its members an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee and one or more other committees, composed of one or more directors, to serve at the pleasure of the Board of Directors. The exact composition of each committee, including the total number of directors and the number of Independent Directors on each such committee, shall at all times comply with the listing requirements and rules and regulations of the New York Stock Exchange, as modified or amended from time to time, and the rules and regulations of the Securities and Exchange Commission, as modified or amended from time to time. For purposes of this section, "Independent Director" shall have the definition set forth in Section 303A.01 of the New York Stock Exchange Listed Company Manual, as amended from time to time, or such superseding definition as is hereafter promulgated by the New York Stock Exchange.

Section 2. **POWERS.** The Board of Directors may delegate to committees appointed under Section 1 of this Article IV any of the powers of the Board of Directors, except as prohibited by law.

Section 3. **MEETINGS.** Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. The act of a majority of the committee members present at a meeting shall be the act of such committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee (if there are at least two members of the committee) may fix the time and place of its meeting unless the Board shall otherwise provide. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint another director to act in the place of such absent member.

Section 4. **TELEPHONE MEETINGS.** Members of a committee of the Board of Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 5. **CONSENT BY COMMITTEES WITHOUT A MEETING.** Any action required or permitted to be taken at any meeting of a committee of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each member of the committee and is filed with the minutes of proceedings of such committee.

Section 6. **VACANCIES.** Subject to the provisions hereof, the Board of Directors shall have the power at any time to change the membership of any committee, to fill any vacancy, to designate an alternate member to replace any absent or disqualified member or to dissolve any such committee.

ARTICLE V

OFFICERS

Section 1. *GENERAL PROVISIONS.* The officers of the Corporation shall include a president, a secretary and a treasurer and may include a chairman of the board, a vice chairman of the board, a chief executive officer, one or more vice presidents, a chief operating officer, a chief financial officer, one or more assistant secretaries and one or more assistant treasurers. In addition, the Board of Directors may from time to time elect such other officers with such powers and duties as it shall deem necessary or desirable. The officers of the Corporation shall be elected annually by the Board of Directors, except that the chief executive officer or president may from time to time appoint one or more vice presidents, assistant secretaries and assistant treasurers or other officers. Each officer shall serve until his or her successor is elected and qualifies or until his or her death, or his or her resignation or removal in the manner hereinafter provided. Any two or more offices except president and vice president may be held by the same person. Election of an officer or agent shall not of itself create contract rights between the Corporation and such officer or agent.

Section 2. *REMOVAL AND RESIGNATION.* Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board, the chief executive officer, the president or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 3. *VACANCIES.* A vacancy in any office may be filled by the Board of Directors for the balance of the term.

Section 4. *CHIEF EXECUTIVE OFFICER.* The Board of Directors may designate a chief executive officer. In the absence of such designation, the chairman of the board shall be the chief executive officer of the Corporation. The chief executive officer shall have general responsibility for implementation of the policies of the Corporation, as determined by the Board of Directors, and for the management of the business and affairs of the Corporation. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. *CHIEF OPERATING OFFICER.* The Board of Directors may designate a chief operating officer. The chief operating officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 6. *CHIEF FINANCIAL OFFICER.* The Board of Directors may designate a chief financial officer. The chief financial officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 7. *CHAIRMAN OF THE BOARD.* The Board of Directors may designate from among its members a chairman of the board, who shall not, solely by reason of such designation, be an officer of the Corporation. The Board of Directors may designate the chairman of the board as an executive or non-executive chairman. The chairman of the board shall preside over the meetings of the Board of Directors. The chairman of the board shall perform such other duties as may be assigned to him or her by the Board of Directors.

Section 8. *PRESIDENT.* In the absence of a chief executive officer, the president shall in general supervise and control all of the business and affairs of the Corporation. In the absence of a designation of a chief operating officer by the Board of Directors, the president shall be the chief operating officer. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 9. *VICE PRESIDENTS.* In the absence of the president or in the event of a vacancy in such office, the vice president (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election or, in the absence of any designation, then in the order of their election) shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president; and shall perform such other duties as from time to time may be assigned to such vice president by the chief executive officer, the president or the Board of Directors. The Board of Directors may designate one or more vice presidents as executive vice president, senior vice president, or vice president for particular areas of responsibility.

Section 10. *SECRETARY.* The secretary shall (a) keep the minutes of the proceedings of the stockholders, the Board of Directors and committees of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors.

Section 11. *TREASURER.* The treasurer shall have the custody of the funds and securities of the Corporation, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors and in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors. In the absence of a designation of a chief financial officer by the Board of Directors, the treasurer shall be the chief financial officer of the Corporation.

The treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and Board of Directors, at the regular meetings of the Board of Directors or whenever it may so require, an account of all his or her transactions as treasurer and of the financial condition of the Corporation.

Section 12. *ASSISTANT SECRETARIES AND ASSISTANT TREASURERS.* The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or treasurer, respectively, or by the chief executive officer, the president or the Board of Directors.

Section 13. *COMPENSATION.* The compensation of the officers shall be fixed from time to time by or under the authority of the Board of Directors and no officer shall be prevented from receiving such compensation by reason of the fact that he or she is also a director.

ARTICLE VI

CONTRACTS, CHECKS AND DEPOSITS

Section 1. *CONTRACTS.* The Board of Directors may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when duly authorized or ratified by action of the Board of Directors and executed by an authorized person.

Section 2. *CHECKS AND DRAFTS.* All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 3. *DEPOSITS.* All funds of the Corporation not otherwise employed shall be deposited or invested from time to time to the credit of the Corporation in such banks, trust companies or other financial institutions as the Board of Directors, the chief executive officer, the president, the chief financial officer, or any other officer designated by the Board of Directors may determine.

ARTICLE VII

STOCK

Section 1. *CERTIFICATES.* The Board of Directors may authorize the Corporation to issue some or all of the shares of any class or series of its stock without certificates. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be in such form as prescribed by the Board of Directors or a duly authorized officer, shall contain the statements and information required by the MGCL and shall be signed by the officers of the Corporation in the manner permitted by the MGCL. In the event that the Corporation issues shares of stock without certificates, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates. There shall be no differences in the rights and obligations of stockholders based on whether or not their shares are represented by certificates. If shares of a class or series of stock are authorized by the Board of Directors to be issued without certificates, no stockholder shall be entitled to a certificate or certificates representing any shares of such class or series of stock held by such stockholder unless otherwise determined by the Board of Directors and then only upon written request by such stockholder to the secretary of the Corporation.

Section 2. *TRANSFERS.* All transfers of shares of stock shall be made on the books of the Corporation, by the holder of the shares, in person or by his or her attorney, in such manner as the Board of Directors or any officer of the Corporation may prescribe and, if such shares are certificated, upon surrender of certificates duly endorsed. The issuance of a new certificate upon the transfer of certificated shares is subject to the determination of the Board of Directors that such shares shall no longer be represented by certificates. Upon the transfer of any uncertificated shares, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class or series of stock will be subject in all respects to the Charter and all of the terms and conditions contained therein.

Section 3. *REPLACEMENT CERTIFICATE.* Any officer of the Corporation may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, stolen or mutilated, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, destroyed, stolen or mutilated; provided, however, if such shares have ceased to be certificated, no new certificate shall be issued unless requested in writing by such stockholder and the Board of Directors has determined that such certificates may be issued. Unless otherwise determined by an officer of the Corporation, the owner of such lost, destroyed, stolen or mutilated certificate or certificates, or his or her legal representative, shall be required, as a condition precedent to the issuance of a new certificate or certificates, to give the Corporation a bond in such sums as it may direct as indemnity against any claim that may be made against the Corporation.

Section 4. *FIXING OF RECORD DATE.* The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

When a record date for the determination of stockholders entitled to notice of and to vote at any meeting of stockholders has been set as provided in this section, such record date shall continue to apply to the meeting if adjourned or postponed, except if the meeting is adjourned or postponed to a date more than 120 days after the record date originally fixed for the meeting, in which case a new record date for such meeting may be determined as set forth herein.

Section 5. *STOCK LEDGER.* The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate stock ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 6. *FRACTIONAL STOCK; ISSUANCE OF UNITS.* The Board of Directors may authorize the Corporation to issue fractional stock or authorize the issuance of scrip, all on such terms and under such conditions as it may determine. Notwithstanding any other provision of the Charter or these Bylaws, the Board of Directors may issue units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board of Directors may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

ARTICLE VIII

ACCOUNTING YEAR

The Board of Directors shall have the power, from time to time, to fix the fiscal year of the Corporation by a duly adopted resolution.

ARTICLE IX

DISTRIBUTIONS

Section 1. *AUTHORIZATION.* Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors, subject to the provisions of law and the Charter. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of law and the Charter.

Section 2. *CONTINGENCIES.* Before payment of any dividends or other distributions, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its absolute discretion, think proper as a reserve fund for contingencies, for equalizing dividends or other distributions, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine, and the Board of Directors may modify or abolish any such reserve.

ARTICLE X

INVESTMENT POLICY

Subject to the provisions of the Charter, the Board of Directors may from time to time adopt, amend, revise or terminate any policy or policies with respect to investments by the Corporation as it shall deem appropriate in its sole discretion.

ARTICLE XI

SEAL

Section 1. *SEAL.* The Board of Directors may authorize the adoption of a seal by the Corporation. The seal shall contain the name of the Corporation and the year of its incorporation and the words "Incorporated Maryland." The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 2. *AFFIXING SEAL.* Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "(SEAL)" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

ARTICLE XII

INDEMNIFICATION AND ADVANCE OF EXPENSES

To the maximum extent permitted by Maryland law in effect from time to time, the Corporation shall indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, shall pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation and who is made or threatened to be made a party to the proceeding by reason of his or her service in that capacity or (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, serves or has served as a director, officer, partner, trustee, member or manager of another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise and who is made or threatened to be made a party to the proceeding by reason of his or her service in that capacity. The rights to indemnification and advance of expenses provided by the Charter and these Bylaws shall vest immediately upon election of a director or officer. The Corporation may, with the approval of its Board of Directors, provide such indemnification and advance for expenses to an individual who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. The indemnification and payment or reimbursement of expenses provided in these Bylaws shall not be deemed exclusive of or limit in any way other rights to which any person seeking indemnification or payment or reimbursement of expenses may be or may become entitled under any bylaw, resolution, insurance, agreement or otherwise.

Neither the amendment nor repeal of this Article, nor the adoption or amendment of any other provision of the Charter or these Bylaws inconsistent with this Article, shall apply to or affect in any respect the applicability of the preceding paragraph of this Article XII with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

ARTICLE XIII

WAIVER OF NOTICE

Whenever any notice of a meeting is required to be given pursuant to the Charter or these Bylaws or pursuant to applicable law, a waiver thereof in writing or by electronic transmission, given by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice of such meeting, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

ARTICLE XIV

AMENDMENT OF BYLAWS

The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of these Bylaws and to make new Bylaws.



American Assets Trust, Inc. Reports Second Quarter 2023 Financial Results

Net income available to common stockholders of \$12.0 million and \$28.1 million for the three and six months ended June 30, 2023, respectively, or \$0.20 and \$0.47 per diluted share, respectively.

Funds From Operations per diluted share increased 2% and 8% year-over-year for the three and six months ended June 30, 2023, respectively, or \$0.59 and \$1.25 per diluted share, respectively.

Increased 2023 FFO per diluted share guidance to a range of \$2.28 to \$2.36 with a midpoint of \$2.32, an approximate 2% increase over prior guidance.

SAN DIEGO, California - 7/25/2023 - American Assets Trust, Inc. (NYSE: AAT) (the "company") today reported financial results for its second quarter ended June 30, 2023.

Second Quarter Highlights

- Net income available to common stockholders of \$12.0 million and \$28.1 million for the three and six months ended June 30, 2023, respectively, or \$0.20 and \$0.47 per diluted share, respectively.
- Funds From Operations ("FFO") increased 2% and 8% year-over-year to \$0.59 and \$1.25 per diluted share for the three and six months ended June 30, 2023, respectively, compared to the same periods in 2022.
- Same-store cash Net Operating Income ("NOI") increased 7.7% and 7.0% year-over-year for the three and six months ended June 30, 2023, respectively, compared to the same periods in 2022.
- Increased 2023 FFO per diluted share guidance to a range of \$2.28 to \$2.36 with a midpoint of \$2.32, an approximate 2% increase over the prior 2023 guidance midpoint of \$2.28.
- Leased approximately 119,000 comparable office square feet at an average straight-line basis and cash-basis contractual rent increase of 5% and decrease of 4%, respectively, during the second quarter.
- Leased approximately 97,000 comparable retail square feet at an average straight-line basis and cash-basis contractual rent increase of 2% and 3%, respectively, during the second quarter.

Financial Results

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net income attributable to American Assets Trust, Inc. stockholders	\$ 11,983	\$ 10,582	\$ 28,119	\$ 21,105
Basic and diluted income attributable to common stockholders per share	\$ 0.20	\$ 0.18	\$ 0.47	\$ 0.35
FFO attributable to common stock and common units	\$ 45,034	\$ 44,522	\$ 95,414	\$ 88,295
FFO per diluted share and unit	\$ 0.59	\$ 0.58	\$ 1.25	\$ 1.16

The year-over-year increase in net income attributable to common stockholders is primarily due to (i) a \$6.3 million net settlement payment received on January 3, 2023 related to certain building systems at our Hassalo on Eighth property, (ii) a \$2.5 million net increase in our retail segment due to new tenant leases (iii) a \$2.3 million net increase in our office segment due to higher annualized base rents and (iv) a \$1.9 million net increase at Waikiki Beach Walk - Embassy Suites due to increased tourism into Hawaii. These increases were offset by higher interest expense of \$3.0 million on the \$225 million Amended and Restated Term Loan Agreement and higher general and

administrative expenses of \$2.8 million due to an increase in stock-based compensation expense, general legal expenses and employee-related costs in 2023.

The quarter-over quarter increase in FFO was primarily due to an increase in our retail segment related to new tenant leases, an increase in revenue at our Waikiki Beach Walk - Embassy Suites, and an increase in revenue and average monthly base rents in our multifamily segment. These increases in FFO were offset by higher interest expense and general and administrative expenses as described above.

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

Leasing

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

	June 30, 2023	March 31, 2023	June 30, 2022
Total Portfolio			
Office	87.4%	88.1%	91.0%
Retail	94.6%	93.8%	92.5%
Multifamily	85.9%	91.8%	92.0%
Mixed-Use:			
Retail	94.6%	95.0%	94.9%
Hotel	83.2%	81.9%	75.8%
Same-Store Portfolio			
Office ⁽¹⁾	90.3%	91.0%	93.4%
Retail	94.6%	93.8%	92.5%
Multifamily	85.9%	91.8%	92.0%
Mixed-Use:			
Retail	94.6%	95.0%	94.9%
Hotel	83.2%	81.9%	75.8%

(1) Same-store office leased percentages include Bel-Spring 520 which was acquired on March 8, 2022. Same-store office leased percentages exclude (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022 approximately one year after completing renovations of the building and (iii) land held for development.

During the second quarter of 2023, the company signed 34 leases for approximately 242,400 square feet of office and retail space, as well as 350 multifamily apartment leases. Renewals accounted for 75% of the comparable office leases, 100% of the comparable retail leases, and 59% of the residential leases.

Office and Retail

On a comparable space basis (i.e. leases for which there was a former tenant) during the second quarter of 2023 and trailing four quarters ended June 30, 2023, our retail and office leasing spreads are shown below:

		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.	Straight-Line Basis % Change Over Prior Rent
Office	Q2 2023	12	119,000	(3.5)%	\$82.89	\$85.93	4.5%
	Last 4 Quarters	42	296,000	4.9%	\$65.44	\$62.39	14.3%
Retail	Q2 2023	20	97,000	2.9%	\$34.14	\$33.18	2.1%
	Last 4 Quarters	69	302,000	8.1%	\$34.31	\$31.72	15.8%

Multifamily

The average monthly base rent per leased unit for our multifamily properties for the second quarter of 2023 was \$2,587 compared to an average monthly base rent per leased unit of \$2,297 for the second quarter of 2022, which is an increase of approximately 12.6%.

Same-Store Cash Net Operating Income

For the three and six months ended June 30, 2023, same-store cash NOI increased 7.7% and 7.0%, respectively, compared to the three and six months ended June 30, 2022. The same-store cash NOI by segment was as follows (in thousands):

	Three Months Ended ⁽¹⁾			Six Months Ended ⁽²⁾		
	June 30,		Change	June 30,		Change
	2023	2022		2023	2022	
Cash Basis:						
Office	\$ 35,825	\$ 32,958	8.7 %	\$ 68,408	\$ 64,632	5.8 %
Retail	18,108	16,827	7.6	35,806	33,521	6.8
Multifamily	8,438	7,975	5.8	17,493	15,996	9.4
Mixed-Use	5,870	5,600	4.8	11,365	10,202	11.4
Same-store Cash NOI	<u>\$ 68,241</u>	<u>\$ 63,360</u>	<u>7.7 %</u>	<u>\$ 133,072</u>	<u>\$ 124,351</u>	<u>7.0 %</u>

(1) Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.

(2) Same-store portfolio excludes (i) One Beach Street, due to significant redevelopment activity; (ii) Bel-Spring 520 which was acquired on March 8, 2022; (iii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iv) land held for development.

Same-store cash NOI is a non-GAAP supplemental earnings measure which the company considers meaningful in measuring its operating performance. A reconciliation of same-store cash NOI to net income is attached to this press release.

Balance Sheet and Liquidity

At June 30, 2023, the company had gross real estate assets of \$3.7 billion and liquidity of \$484.7 million, comprised of cash and cash equivalents of \$84.7 million and \$400.0 million of availability on its line of credit. At June 30, 2023, the company had only 1 out of 31 assets encumbered by a mortgage.

Dividends

The company declared dividends on its shares of common stock of \$0.33 per share for the second quarter of 2023. The dividends were paid on June 22, 2023.

In addition, the company has declared a dividend on its common stock of \$0.33 per share for the third quarter of 2023. The dividend will be paid in cash on September 21, 2023 to stockholders of record on September 7, 2023.

Guidance

The company increased its 2023 FFO per diluted share guidance to a range of \$2.28 to \$2.36 per share, an increase of approximately 2% at midpoint from the prior 2023 FFO per diluted share guidance range of \$2.23 to \$2.33 per share.

The company's guidance excludes any impact from future acquisitions, dispositions, equity issuances or repurchases, debt financings or repayments. Management will discuss the company's guidance in more detail on tomorrow's earnings 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, credit spreads 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 second quarter of 2023 on Wednesday, July 26, 2023 at 8:00 a.m. Pacific Time ("PT"). To participate in the event by telephone, please dial 1-800-715-9871 and use conference number 7784863. 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 second quarter 2023 results may be found on the "Financial Reporting" tab of the "Investors" page 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)

	<u>June 30, 2023</u> <i>(unaudited)</i>	<u>December 31, 2022</u>
Assets		
Real estate, at cost		
Operating real estate	\$ 3,489,314	\$ 3,468,537
Construction in progress	220,906	202,385
Held for development	547	547
	<u>3,710,767</u>	<u>3,671,469</u>
Accumulated depreciation	(988,560)	(936,913)
Real estate, net	2,722,207	2,734,556
Cash and cash equivalents	84,709	49,571
Accounts receivable, net	7,348	7,848
Deferred rent receivables, net	89,042	87,192
Other assets, net	109,154	108,714
Total assets	<u>\$ 3,012,460</u>	<u>\$ 2,987,881</u>
Liabilities and equity		
Liabilities:		
Secured notes payable, net	\$ 74,623	\$ 74,578
Unsecured notes payable, net	1,613,663	1,539,453
Unsecured line of credit, net	—	34,057
Accounts payable and accrued expenses	62,961	65,992
Security deposits payable	8,680	8,699
Other liabilities and deferred credits, net	76,417	79,577
Total liabilities	<u>1,836,344</u>	<u>1,802,356</u>
Commitments and contingencies		
Equity:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 60,724,630 and 60,718,653 shares issued and outstanding at June 30, 2023 and December 31, 2022, respectively	607	607
Additional paid-in capital	1,465,346	1,461,201
Accumulated dividends in excess of net income	(262,745)	(251,167)
Accumulated other comprehensive income	11,524	10,624
Total American Assets Trust, Inc. stockholders' equity	<u>1,214,732</u>	<u>1,221,265</u>
Noncontrolling interests	(38,616)	(35,740)
Total equity	<u>1,176,116</u>	<u>1,185,525</u>
Total liabilities and equity	<u>\$ 3,012,460</u>	<u>\$ 2,987,881</u>

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue:				
Rental income	\$ 103,901	\$ 99,016	\$ 206,611	\$ 196,002
Other property income	5,820	5,139	10,864	9,623
Total revenue	109,721	104,155	217,475	205,625
Expenses:				
Rental expenses	28,711	25,853	56,216	49,998
Real estate taxes	11,086	11,287	22,718	22,716
General and administrative	8,609	7,612	17,608	14,754
Depreciation and amortization	29,823	31,087	59,724	61,499
Total operating expenses	78,229	75,839	156,266	148,967
Operating income	31,492	28,316	61,209	56,658
Interest expense, net	(16,368)	(14,547)	(32,097)	(29,213)
Other income (expense), net	273	(181)	6,951	(343)
Net income	15,397	13,588	36,063	27,102
Net income attributable to restricted shares	(190)	(154)	(379)	(309)
Net income attributable to unitholders in the Operating Partnership	(3,224)	(2,852)	(7,565)	(5,688)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 11,983	\$ 10,582	\$ 28,119	\$ 21,105
Net income per share				
Basic income attributable to common stockholders per share	\$ 0.20	\$ 0.18	\$ 0.47	\$ 0.35
Weighted average shares of common stock outstanding - basic	60,146,210	60,040,243	60,145,414	60,039,467
Diluted income attributable to common stockholders per share	\$ 0.20	\$ 0.18	\$ 0.47	\$ 0.35
Weighted average shares of common stock outstanding - diluted	76,327,747	76,221,780	76,326,951	76,221,004
Dividends declared per common share	\$ 0.33	\$ 0.32	\$ 0.66	\$ 0.64

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		Six Months Ended	
	June 30, 2023		June 30, 2023	
Funds From Operations (FFO)				
Net income	\$	15,397	\$	36,063
Depreciation and amortization of real estate assets		29,823		59,724
FFO, as defined by NAREIT	\$	45,220	\$	95,787
Less: Nonforfeitable dividends on restricted stock awards		(186)		(373)
FFO attributable to common stock and units	\$	45,034	\$	95,414
FFO per diluted share/unit	\$	0.59	\$	1.25
Weighted average number of common shares and units, diluted		76,328,181		76,328,678

Reconciliation of Same-Store Cash NOI to Net Income

The company's reconciliation of Same-Store Cash NOI to Net Income is as follows (in thousands, unaudited):

	Three Months Ended ⁽¹⁾		Six Months Ended ⁽²⁾	
	June 30,		June 30,	
	2023	2022	2023	2022
Same-store cash NOI	68,241	\$ 63,360	\$ 133,072	\$ 124,351
Non-same-store cash NOI	(305)	(215)	391	72
Tenant improvement reimbursements ⁽³⁾	197	2,975	338	3,133
Cash NOI	\$ 68,133	\$ 66,120	\$ 133,801	\$ 127,556
Non-cash revenue and other operating expenses ⁽⁴⁾	1,791	895	4,740	5,355
General and administrative	(8,609)	(7,612)	(17,608)	(14,754)
Depreciation and amortization	(29,823)	(31,087)	(59,724)	(61,499)
Interest expense, net	(16,368)	(14,547)	(32,097)	(29,213)
Other income (expense), net	273	(181)	6,951	(343)
Net income	\$ 15,397	\$ 13,588	\$ 36,063	\$ 27,102
Number of properties included in same-store analysis	30	27	29	27

(1) Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.

(2) Same-store portfolio excludes (i) One Beach Street, due to significant redevelopment activity; (ii) Bel-Spring 520 which was acquired on March 8, 2022; (iii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iv) land held for development.

(3) Tenant improvement reimbursements are excluded from same-store cash NOI to provide a more accurate measure of operating performance.

(4) Represents adjustments related to 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, the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles, and straight-line rent expense for our lease of the Annex at The Landmark at One Market.

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

Funds from Operations

The company calculates FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO represents net income (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.

Cash Net Operating Income

The company uses NOI internally to evaluate and compare the operating performance of the company's properties. The company believes cash NOI provides useful information to investors regarding the company's financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level, and when compared across periods, can be used to determine trends in earnings of the company's properties as this measure is not affected by (1) the non-cash revenue and expense recognition items, (2) the cost of funds of the property owner, (3) the impact of depreciation and amortization expenses as well as gains or losses from the sale of operating real estate assets that are included in net income computed in accordance with GAAP or (4) general and administrative expenses and other gains and losses that are specific to the property owner. The company believes the exclusion of these items from net income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the company's properties as well as trends in occupancy rates, rental rates and operating costs. Cash NOI is a measure of the operating performance of the company's properties but does not measure the company's performance as a whole. Cash NOI is therefore not a substitute for net income as computed in accordance with GAAP.

Cash NOI is a non-GAAP financial measure of performance. The company defines cash 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), adjusted for non-cash revenue and operating expense items such as straight-line rent, amortization of lease intangibles, amortization of lease incentives and other adjustments. Cash NOI also excludes general and administrative expenses, depreciation and amortization, interest expense, other nonproperty income and losses, acquisition-related expense, gains and losses from property dispositions, extraordinary items, tenant improvements, and leasing commissions. Other REITs may use different methodologies for calculating cash NOI, and accordingly, the company's cash NOI may not be comparable to the cash NOIs of other REITs.

About American Assets Trust, Inc.

American Assets Trust, Inc. is a full service, vertically integrated and self-administered real estate investment trust ("REIT"), headquartered in San Diego, California. The company has over 55 years of experience in acquiring, improving, developing and managing premier office, retail, 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, Washington, Oregon, Texas and Hawaii. The company's office portfolio comprises approximately 4.1 million rentable square feet, and its retail portfolio comprises approximately 3.1 million rentable square feet. In addition, the company owns one mixed-use property (including approximately 94,000 rentable square feet of retail space and a 369-room all-suite hotel) and 2,110 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. 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: the impact of epidemics, pandemics, or other outbreaks of illness, disease or virus (such as the outbreak of COVID-19 and its variants) and the actions taken by government authorities and others related thereto, including the ability of our company, our properties and our tenants to operate; 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 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

SECOND QUARTER 2023

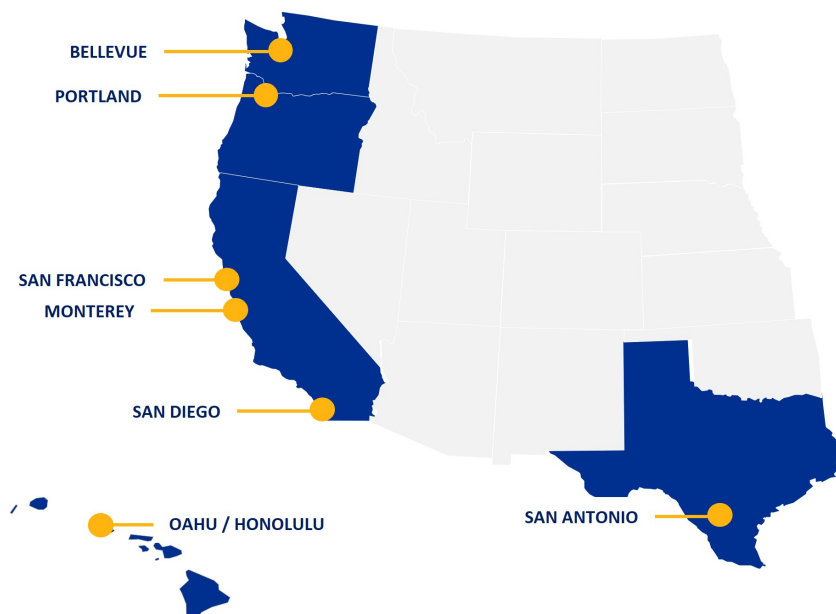
Supplemental Information



Investor and Media Contact
American Assets Trust, Inc.
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	Office	Retail	Multifamily	Mixed-Use	
	Square Feet	Square Feet	Units	Square Feet	Suites
San Diego	1,588,956	1,322,200	1,453 ⁽¹⁾	—	—
Bellevue	1,030,434	—	—	—	—
Portland	908,178	44,236	657	—	—
Monterey	—	673,155	—	—	—
San Antonio	—	588,148	—	—	—
San Francisco	522,696	35,159	—	—	—
Oahu	—	429,718	—	93,925	369
Total	4,050,264	3,092,616	2,110	93,925	369

Note: Circled areas represent all markets in which American Assets Trust, Inc. currently owns and operates its real estate properties. 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 June 30, 2023.

(1) Includes 120 RV spaces.

(2) Percentage of Net Operating Income (NOI) calculated for the three months ended June 30, 2023. Reconciliation of NOI to net income is included in the Glossary of Terms.

	Square Feet	%	NOI % ⁽²⁾
Office	4.1 million	57%	53%
Retail	3.1 million	43%	26%
Totals	7.2 million		

SECOND QUARTER 2023 SUPPLEMENTAL INFORMATION

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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: the impact of epidemics, pandemics, or other outbreaks of illness, disease or virus (such as the outbreak of COVID-19 and its variants) and the actions taken by government authorities and others related thereto, including the ability of our company, our properties and our tenants to operate; 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 of 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>June 30, 2023</u>	<u>December 31, 2022</u>
ASSETS	(unaudited)	
Real estate, at cost		
Operating real estate	\$ 3,489,314	\$ 3,468,537
Construction in progress	220,906	202,385
Held for development	547	547
	<u>3,710,767</u>	<u>3,671,469</u>
Accumulated depreciation	(988,560)	(936,913)
Net real estate	2,722,207	2,734,556
Cash and cash equivalents	84,709	49,571
Accounts receivable, net	7,348	7,848
Deferred rent receivable, net	89,042	87,192
Other assets, net	109,154	108,714
TOTAL ASSETS	<u>\$ 3,012,460</u>	<u>\$ 2,987,881</u>
LIABILITIES AND EQUITY		
LIABILITIES:		
Secured notes payable, net	\$ 74,623	\$ 74,578
Unsecured notes payable, net	1,613,663	1,539,453
Unsecured line of credit, net	—	34,057
Accounts payable and accrued expenses	62,961	65,992
Security deposits payable	8,680	8,699
Other liabilities and deferred credits, net	76,417	79,577
Total liabilities	<u>1,836,344</u>	<u>1,802,356</u>
Commitments and contingencies		
EQUITY:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 60,724,630 and 60,718,653 shares issued and outstanding at June 30, 2023 and December 31, 2022, respectively	607	607
Additional paid in capital	1,465,346	1,461,201
Accumulated dividends in excess of net income	(262,745)	(251,167)
Accumulated other comprehensive income	11,524	10,624
Total American Assets Trust, Inc. stockholders' equity	<u>1,214,732</u>	<u>1,221,265</u>
Noncontrolling interests	(38,616)	(35,740)
Total equity	<u>1,176,116</u>	<u>1,185,525</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 3,012,460</u>	<u>\$ 2,987,881</u>

CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
REVENUE:				
Rental income	\$ 103,901	\$ 99,016	\$ 206,611	\$ 196,002
Other property income	5,820	5,139	10,864	9,623
Total revenue	109,721	104,155	217,475	205,625
EXPENSES:				
Rental expenses	28,711	25,853	56,216	49,998
Real estate taxes	11,086	11,287	22,718	22,716
General and administrative	8,609	7,612	17,608	14,754
Depreciation and amortization	29,823	31,087	59,724	61,499
Total operating expenses	78,229	75,839	156,266	148,967
OPERATING INCOME				
	31,492	28,316	61,209	56,658
Interest expense, net	(16,368)	(14,547)	(32,097)	(29,213)
Other income (expense), net	273	(181)	6,951	(343)
NET INCOME				
	15,397	13,588	36,063	27,102
Net income attributable to restricted shares	(190)	(154)	(379)	(309)
Net income attributable to unitholders in the Operating Partnership	(3,224)	(2,852)	(7,565)	(5,688)
NET INCOME ATTRIBUTABLE TO AMERICAN ASSETS TRUST, INC. STOCKHOLDERS	\$ 11,983	\$ 10,582	\$ 28,119	\$ 21,105
EARNINGS PER COMMON SHARE				
Basic income from operations attributable to common stockholders per share	\$ 0.20	\$ 0.18	\$ 0.47	\$ 0.35
Weighted average shares of common stock outstanding - basic	60,146,210	60,040,243	60,145,414	60,039,467
Diluted income from continuing operations attributable to common stockholders per share	\$ 0.20	\$ 0.18	\$ 0.47	\$ 0.35
Weighted average shares of common stock outstanding - diluted	76,327,747	76,221,780	76,326,951	76,221,004

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Funds from Operations (FFO) ⁽¹⁾				
Net income	\$ 15,397	\$ 13,588	\$ 36,063	\$ 27,102
Depreciation and amortization of real estate assets	29,823	31,087	59,724	61,499
FFO, as defined by NAREIT	45,220	44,675	95,787	88,601
Less: Nonforfeitable dividends on restricted stock awards	(186)	(153)	(373)	(306)
FFO attributable to common stock and common units	\$ 45,034	\$ 44,522	\$ 95,414	\$ 88,295
FFO per diluted share/unit	\$ 0.59	\$ 0.58	\$ 1.25	\$ 1.16
Weighted average number of common shares and common units, diluted ⁽²⁾	76,328,181	76,222,271	76,328,678	76,221,747
Funds Available for Distribution (FAD) ⁽¹⁾	\$ 30,926	\$ 34,263	\$ 68,158	\$ 63,385
Dividends				
Dividends declared and paid	\$ 25,379	\$ 24,547	\$ 50,756	\$ 49,092
Dividends declared and paid per share/unit	\$ 0.33	\$ 0.32	\$ 0.66	\$ 0.64

FFO is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. Reconciliations of FFO to net income are included in the Glossary of Terms.

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Funds Available for Distribution (FAD) ⁽¹⁾				
FFO	\$ 45,220	\$ 44,675	\$ 95,787	\$ 88,601
Adjustments:				
Tenant improvements, leasing commissions and maintenance capital expenditures	(15,260)	(12,004)	(28,378)	(24,324)
Net effect of straight-line rents ⁽³⁾	(1,065)	(108)	(3,284)	(3,789)
Amortization of net above (below) market rents ⁽⁴⁾	(794)	(837)	(1,578)	(1,666)
Net effect of other lease assets ⁽⁵⁾	67	50	121	100
Amortization of debt issuance costs and debt fair value adjustment	834	639	1,718	1,279
Non-cash compensation expense	2,110	2,001	4,145	3,490
Nonforfeitable dividends on restricted stock awards	(186)	(153)	(373)	(306)
FAD	\$ 30,926	\$ 34,263	\$ 68,158	\$ 63,385
Summary of Capital Expenditures				
Tenant improvements and leasing commissions	\$ 7,623	\$ 7,781	\$ 13,627	\$ 14,962
Maintenance capital expenditures	7,637	4,223	14,751	9,362
	\$ 15,260	\$ 12,004	\$ 28,378	\$ 24,324

Notes:

- (1) See Glossary of Terms.
- (2) For the three and six months ended June 30, 2023 and 2022, 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, amortization of lease intangibles, and straight-line rent expense for our leases at the Annex at The Landmark at One Market.

FFO is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. Reconciliations of FFO to net income are included in the Glossary of Terms.

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

	Prior 2023 Guidance Range ⁽¹⁾⁽²⁾		Revised 2023 Guidance Range ⁽²⁾	
Funds from Operations (FFO):				
Net income	\$ 55,704	\$ 63,340	\$ 58,331	\$ 64,439
Depreciation and amortization of real estate assets	115,392	115,392	116,530	116,530
FFO, as defined by NAREIT	171,096	178,732	174,861	180,969
Less: Nonforfeitable dividends on restricted stock awards	(804)	(804)	(761)	(761)
FFO attributable to common stock and units	\$ 170,292	\$ 177,928	\$ 174,100	\$ 180,208
Weighted average number of common shares and units, diluted	76,364,096	76,364,096	76,359,443	76,359,443
FFO per diluted share, updated	\$ 2.23	\$ 2.33	\$ 2.28	\$ 2.36

Notes:

- (1) The Prior 2023 Guidance Range as reported in the company's First Quarter 2023 Supplemental Information.
(2) The company's guidance excludes any impact from future acquisitions, dispositions, equity issuances or repurchases, future debt financings or repayments.

FFO is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. Reconciliations of FFO to net income are included in the Glossary of Terms.

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 NET OPERATING INCOME (NOI)

(Unaudited, amounts in thousands)

	Three Months Ended June 30, 2023 ⁽¹⁾				
	Office	Retail	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store	\$ 52,213	\$ 25,901	\$ 15,193	\$ 16,408	\$ 109,715
Non-same store	6	—	—	—	6
Total	52,219	25,901	15,193	16,408	109,721
Real estate expenses					
Same-store	14,583	7,555	6,786	10,562	39,486
Non-same store	311	—	—	—	311
Total	14,894	7,555	6,786	10,562	39,797
Net Operating Income (NOI)					
Same-store	37,630	18,346	8,407	5,846	70,229
Non-same store	(305)	—	—	—	(305)
Total	\$ 37,325	\$ 18,346	\$ 8,407	\$ 5,846	\$ 69,924
Same-store NOI	\$ 37,630	\$ 18,346	\$ 8,407	\$ 5,846	\$ 70,229
Net effect of straight-line rents ⁽²⁾	(1,129)	10	31	24	(1,064)
Amortization of net above (below) market rents ⁽³⁾	(534)	(260)	—	—	(794)
Net effect of other lease assets ⁽⁴⁾	54	13	—	—	67
Tenant improvement reimbursements ⁽⁵⁾	(196)	(1)	—	—	(197)
Same-store cash NOI ⁽⁵⁾	\$ 35,825	\$ 18,108	\$ 8,438	\$ 5,870	\$ 68,241

Notes:

- (1) Same-store and non-same store classifications are determined based on properties held on June 30, 2023 and 2022. 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, amortization of lease intangibles and straight-line rent expense for our leases at the Annex at The Landmark at One Market.
- (5) Tenant improvement reimbursements are excluded from same-store cash NOI to provide a more accurate measure of operating performance.

NOI and same-store cash NOI are non-GAAP supplemental earnings measures which we consider meaningful in measuring our operating performance. Reconciliations of NOI and same-store cash NOI to net income are included in the Glossary of Terms.

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

(Unaudited, amounts in thousands)

	Six Months Ended June 30, 2023 ⁽¹⁾				
	Office	Retail	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store	\$ 101,549	\$ 51,528	\$ 30,756	\$ 32,002	\$ 215,835
Non-same store	1,640	—	—	—	1,640
Total	103,189	51,528	30,756	32,002	217,475
Real estate expenses					
Same-store	28,621	15,259	13,317	20,644	77,841
Non-same store	1,093	—	—	—	1,093
Total	29,714	15,259	13,317	20,644	78,934
Net Operating Income (NOI)					
Same-store	72,928	36,269	17,439	11,358	137,994
Non-same store	547	—	—	—	547
Total	\$ 73,475	\$ 36,269	\$ 17,439	\$ 11,358	\$ 138,541
Same-store NOI	\$ 72,928	\$ 36,269	\$ 17,439	\$ 11,358	\$ 137,994
Net effect of straight-line rents ⁽²⁾	(3,331)	36	54	7	(3,234)
Amortization of net above (below) market rents ⁽³⁾	(951)	(520)	—	—	(1,471)
Net effect of other lease assets ⁽⁴⁾	97	24	—	—	121
Tenant improvement reimbursements ⁽⁵⁾	(335)	(3)	—	—	(338)
Same-store cash NOI ⁽⁵⁾	\$ 68,408	\$ 35,806	\$ 17,493	\$ 11,365	\$ 133,072

Notes:

- (1) Same-store and non-same store classifications are determined based on properties held on June 30, 2023 and 2022. 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, amortization of lease intangibles, and straight-line rent expense for our leases at the Annex at The Landmark at One Market.
- (5) Tenant improvement reimbursements are excluded from Same-store Cash NOI to provide a more accurate measure of operating performance.

NOI and same-store cash NOI are non-GAAP supplemental earnings measures which we consider meaningful in measuring our operating performance. Reconciliations of NOI and same-store cash NOI to net income are included in the Glossary of Terms.

SAME-STORE CASH NOI COMPARISON EXCLUDING REDEVELOPMENT

(Unaudited, amounts in thousands)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	Change	2023	2022	Change
Cash Basis:						
Office	\$ 35,825	\$ 32,958	8.7 %	\$ 68,408	\$ 64,632	5.8 %
Retail	18,108	16,827	7.6	35,806	33,521	6.8
Multifamily	8,438	7,975	5.8	17,493	15,996	9.4
Mixed-Use	5,870	5,600	4.8	11,365	10,202	11.4
Same-store Cash NOI ⁽²⁾⁽³⁾	\$ 68,241	\$ 63,360	7.7 %	\$ 133,072	\$ 124,351	7.0 %

Notes:

- (1) Excluding lease termination fees, for the three and six months ended June 30, 2023 and 2022, the change in same-store cash NOI would be 7.4% and 6.9% respectively .
 (2) See Glossary of Terms.

Same-store cash NOI is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of same-store cash NOI to net income is included in the Glossary of Terms.

SAME-STORE CASH NOI COMPARISON WITH REDEVELOPMENT

(Unaudited, amounts in thousands)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	Change	2023	2022	Change
Cash Basis:						
Office	\$ 35,542	\$ 32,766	8.5 %	\$ 67,837	\$ 64,249	5.6 %
Retail	18,108	16,827	7.6	35,806	33,521	6.8
Multifamily	8,438	7,975	5.8	17,493	15,996	9.4
Mixed-Use	5,870	5,600	4.8	11,365	10,202	11.4
Same-store Cash NOI with Redevelopment ⁽¹⁾	<u>\$ 67,958</u>	<u>\$ 63,168</u>	<u>7.6 %</u>	<u>\$ 132,501</u>	<u>\$ 123,968</u>	<u>6.9 %</u>

Notes:

(1) Excluding lease termination fees, for the three and six months ended June 30, 2023 and 2022, the change in same-store cash NOI with redevelopment would be 7.3% and 6.8% respectively.

(2) See Glossary of Terms.

Same-store cash NOI with redevelopment is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of same-store cash NOI with redevelopment to net income is included in the Glossary of Terms.

CASH NOI BY REGION

(Unaudited, amounts in thousands)

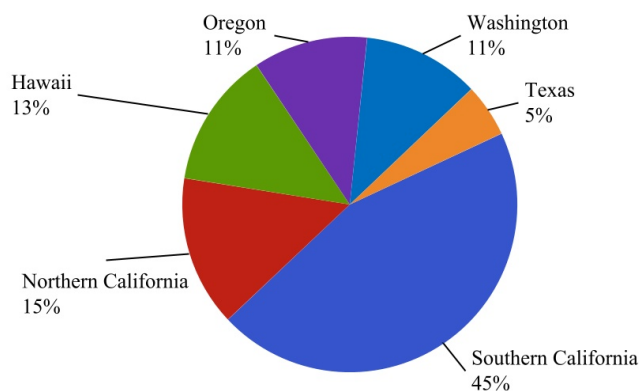
	Three Months Ended June 30, 2023				
	Office	Retail	Multifamily	Mixed-Use	Total
Cash Basis:					
Southern California	\$ 14,613	\$ 8,979	\$ 7,077	\$ —	\$ 30,669
Northern California	7,371	2,415	—	—	9,786
Hawaii	—	3,058	—	5,870	8,928
Oregon	6,036	164	1,361	—	7,561
Texas	—	3,493	—	—	3,493
Washington	7,696	—	—	—	7,696
Total Cash NOI	<u>\$ 35,716</u>	<u>\$ 18,109</u>	<u>\$ 8,438</u>	<u>\$ 5,870</u>	<u>\$ 68,133</u>

Cash NOI is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of cash NOI to net income is included in the Glossary of Terms.

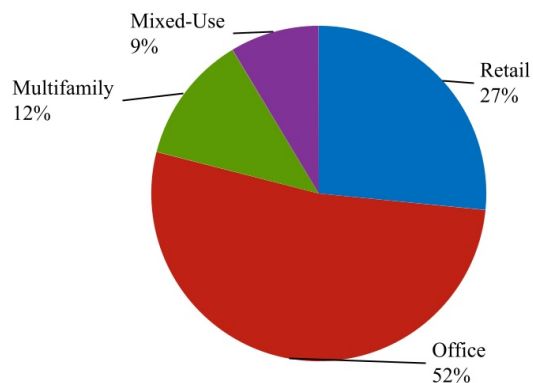
Three Months Ended June 30, 2023

Cash NOI Breakdown

Portfolio Diversification by Geographic Region



Portfolio Diversification by Segment



Cash NOI is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of cash NOI to net income is included in the Glossary of Terms.

PROPERTY REVENUE AND OPERATING EXPENSES

(Unaudited, amounts in thousands)

Three Months Ended June 30, 2023

Property	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾	Rental Adjustments ⁽⁵⁾	Cash NOI ⁽⁶⁾
Office Portfolio						
La Jolla Commons	\$ 7,975	\$ 219	\$ 2,310	\$ (2,792)	\$ —	\$ 7,712
Torrey Reserve Campus ⁽⁷⁾	6,332	50	349	(1,807)	(444)	4,480
Torrey Point	1,424	117	22	(387)	(350)	826
Solana Crossing	2,030	168	75	(598)	(59)	1,616
The Landmark at One Market	10,265	73	390	(3,236)	—	7,492
One Beach Street	—	—	—	(121)	—	(121)
First & Main	2,824	216	806	(1,081)	69	2,834
Lloyd Portfolio ⁽⁷⁾	4,196	422	272	(1,563)	(10)	3,317
City Center Bellevue	6,114	533	186	(1,708)	(166)	4,959
Eastgate Office Park	1,178	58	593	(761)	(20)	1,048
Corporate Campus East III	1,101	77	446	(447)	—	1,177
Bel-Spring 520	554	12	221	(239)	(36)	512
Subtotal Office Portfolio	\$ 43,993	\$ 1,945	\$ 5,670	\$ (14,740)	\$ (1,016)	\$ 35,852
Retail Portfolio						
Carmel Country Plaza	\$ 958	\$ 29	\$ 195	\$ (214)	\$ (5)	\$ 963
Carmel Mountain Plaza	3,303	214	851	(938)	90	3,520
South Bay Marketplace	644	44	230	(222)	—	696
Gateway Marketplace	663	—	230	(254)	—	639
Lomas Santa Fe Plaza	1,656	20	302	(450)	9	1,537
Solana Beach Towne Centre	1,647	25	513	(568)	7	1,624
Del Monte Center	2,311	287	888	(1,375)	30	2,141
Geary Marketplace	285	—	139	(150)	—	274
The Shops at Kalakaua	276	15	50	(91)	—	250
Waialele Center	3,125	396	889	(1,607)	5	2,808
Alamo Quarry Market	3,628	137	1,236	(1,560)	52	3,493
Hassalo on Eighth - Retail	225	25	39	(125)	—	164
Subtotal Retail Portfolio	\$ 18,721	\$ 1,192	\$ 5,562	\$ (7,554)	\$ 188	\$ 18,109

PROPERTY REVENUE AND OPERATING EXPENSES (CONTINUED)

(Unaudited, amounts in thousands)

Property	Three Months Ended June 30, 2023					
	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾	Rental Adjustments ⁽⁵⁾	Cash NOI ⁽⁶⁾
Multifamily Portfolio						
Loma Palisades	\$ 4,121	\$ 245	\$ —	\$ (1,560)	\$ (3)	\$ 2,803
Imperial Beach Gardens	1,129	71	—	(526)	—	674
Mariner's Point	573	31	—	(253)	—	351
Santa Fe Park RV Resort	493	31	—	(300)	—	224
Pacific Ridge Apartments	5,101	255	—	(2,321)	(10)	3,025
Hassalo on Eighth - Multifamily	2,844	413	—	(1,826)	(70)	1,361
Subtotal Multifamily Portfolio	\$ 14,261	\$ 1,046	\$ —	\$ (6,786)	\$ (83)	\$ 8,438
Mixed-Use Portfolio						
Waikiki Beach Walk - Retail	\$ 2,241	\$ 1,153	\$ 832	\$ (1,621)	\$ (13)	\$ 2,592
Waikiki Beach Walk - Embassy Suites™	10,480	1,739	—	(8,941)	—	3,278
Subtotal Mixed-Use Portfolio	\$ 12,721	\$ 2,892	\$ 832	\$ (10,562)	\$ (13)	\$ 5,870
Subtotal Development Properties	\$ —	\$ 7	\$ —	\$ (143)	\$ —	\$ (136)
Total	\$ 89,696	\$ 7,082	\$ 12,064	\$ (39,785)	\$ (924)	\$ 68,133

Cash NOI is a non-GAAP supplemental earnings measure which the company considers meaningful in measuring its operating performance. A reconciliation of total cash NOI to net income is included in the Glossary of Terms.

Notes:

- (1) Base rent for our office and retail portfolio and the retail portion of our mixed-use portfolio represents base rent for the three months ended June 30, 2023 (before deferrals, abatements, and tenant improvement reimbursements) and excludes the impact of straight-line rent and above (below) market rent adjustments. Total abatements for our office portfolio were approximately \$1.3 million for the three months ended June 30, 2023. Total abatements for our retail portfolio and mixed-use portfolio were minimal for the three months ended June 30, 2023. 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 \$0.1 million of abatements for our multifamily portfolio for the three months ended June 30, 2023. For Waikiki Beach Walk - Embassy Suites™, base rent is equal to the actual room revenue for the three months ended June 30, 2023. Total tenant improvement reimbursements for our office portfolio, retail portfolio and the retail portion of our mixed-use portfolio were approximately \$0.2 million in the aggregate for the three months ended June 30, 2023.
- (2) Represents additional property-related income for the three months ended June 30, 2023, 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 June 30, 2023.
- (4) Represents property operating expenses for the three months ended June 30, 2023. Property operating expenses includes all rental expenses, except non cash rent expense.
- (5) Represents various rental adjustments related to base rent (deferrals, abatements, and tenant improvement reimbursements).
- (6) See Glossary of Terms.
- (7) Base rent shown includes amounts related to American Assets Trust, L.P.'s corporate leases at Torrey Point and Lloyd Portfolio. This intercompany rent is eliminated in the consolidated statement of operations. The base rent and abatement were both \$0.4 million for the three months ended June 30, 2023.

SEGMENT CAPITAL EXPENDITURES

(Unaudited, amounts in thousands)

Segment	Three Months Ended June 30, 2023					
	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
Office Portfolio	\$ 6,095	\$ 5,586	\$ 11,681	\$ 850	\$ 7,281	\$ 19,812
Retail Portfolio	1,492	153	1,645	—	—	1,645
Multifamily Portfolio	—	1,216	1,216	—	—	1,216
Mixed-Use Portfolio	36	682	718	—	—	718
Total	\$ 7,623	\$ 7,637	\$ 15,260	\$ 850	\$ 7,281	\$ 23,391

Segment	Six Months Ended June 30, 2023					
	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
Office Portfolio	\$ 9,812	\$ 10,017	\$ 19,829	\$ 5,330	\$ 15,378	\$ 40,537
Retail Portfolio	3,632	538	4,170	—	—	4,170
Multifamily Portfolio	—	2,529	2,529	—	—	2,529
Mixed-Use Portfolio	183	1,667	1,850	—	—	1,850
Total	\$ 13,627	\$ 14,751	\$ 28,378	\$ 5,330	\$ 15,378	\$ 49,086

SUMMARY OF OUTSTANDING DEBT

(Unaudited, amounts in thousands)

Debt	Amount Outstanding at June 30, 2023	Interest Rate	Annual Debt Service ⁽¹⁾	Maturity Date
City Center Bellevue	75,000	5.08 %	3,874	October 1, 2027
Secured Notes Payable / Weighted Average ⁽²⁾	\$ 75,000	5.08 %	\$ 3,874	
Term Loan A ⁽³⁾	\$ 100,000	2.70 %	\$ 2,700	January 5, 2027
Term Loan B ⁽⁴⁾	150,000	5.47 %	8,227	January 5, 2025
Term Loan C ⁽⁵⁾	75,000	5.47 %	4,114	January 5, 2025
Series F Notes ⁽⁶⁾	100,000	3.85 %	3,780	July 19, 2024
Series B Notes	100,000	4.45 %	4,450	February 2, 2025
Series C Notes	100,000	4.50 %	4,500	April 1, 2025
Series D Notes ⁽⁷⁾	250,000	3.87 %	10,725	March 1, 2027
Series E Notes ⁽⁸⁾	100,000	4.18 %	4,240	May 23, 2029
Series G Notes ⁽⁹⁾	150,000	3.88 %	5,865	July 30, 2030
3.375% Senior Unsecured Notes ⁽¹⁰⁾	500,000	3.38 %	16,875	February 1, 2031
Unsecured Notes Payable / Weighted Average ⁽¹¹⁾	\$ 1,625,000	3.96 %	\$ 65,476	
Unsecured Line of Credit ⁽¹²⁾	\$ —			

Notes:

- (1) Includes interest and principal payments due over the next twelve months.
- (2) The Secured Notes Payable total does not include debt issuance costs, net of \$0.38 million.
- (3) Term Loan A has a stated maturity of January 5, 2027, with no further extension options. Term Loan A accrues interest at a variable rate, which we fixed as part of an interest rate swap for an effective interest rate of 2.70%, subject to adjustments based on our consolidated leverage ratio.
- (4) On January 5, 2023, the fully-drawn borrowings on Term Loan B were increased from \$100 million to \$150 million and the maturity date was extended from March 1, 2023 to January 5, 2025, with one, twelve-month extension option. Prior thereto, we entered into forward starting interest rate swaps that are intended to fix the interest rate on the \$150 million Term Loan B at approximately 5.47% for the first year of the extended term loan and 5.57% for the second year of the extended term loan, subject to adjustments based on our consolidated leverage ratio.
- (5) On January 5, 2023, the fully-drawn borrowings on Term Loan C were increased from \$50 million to \$75 million and the maturity date was extended from March 1, 2023 to January 5, 2025, with one, twelve-month extension option. Prior thereto, we entered into forward starting interest rate swaps that are intended to fix the interest rate on the \$75 million Term Loan C at approximately 5.47% for the first year of the extended term loan and 5.57% for the second year of the extended term loan, subject to adjustments based on our consolidated leverage ratio.
- (6) \$100 million of 3.78% Senior Guaranteed Notes, Series F, due July 19, 2024. Net of the settlement of the treasury lock contract, the effective interest rate for the Series F Notes is approximately 3.85%, through maturity.
- (7) \$250 million of 4.29% Senior Guaranteed Notes, Series D, due March 1, 2027. Net of the settlement of the forward-starting interest rate swap, the effective interest rate for the Series D Notes is approximately 3.87% per annum, through maturity.
- (8) \$100 million of 4.24% Senior Guaranteed Notes, Series E, due May 23, 2029. Net of the settlement of the treasury lock contract, the effective interest rate for the Series E Notes is approximately 4.18%, through maturity.
- (9) \$150 million of 3.91% Senior Guaranteed Notes, Series G, due July 30, 2030. Net of the settlement of the treasury lock contract, the effective interest rate for the Series G Notes is approximately 3.88% through maturity.
- (10) \$500 million of 3.375% Senior Unsecured Notes due February 1, 2031. Net of debt issuance discount, the effective interest rate for the 3.375% Notes is approximately 3.502% through maturity.
- (11) The Unsecured Notes Payable total does not include debt issuance costs and discounts, net of \$11.3 million.
- (12) The unsecured revolving line of credit (the "Revolver Loan") has a capacity of \$400 million plus an accordion feature that may allow us to increase the availability thereunder up to an additional \$400 million, subject to meeting specified requirements and obtaining additional commitments from lenders. The Revolver Loan matures on January 5, 2026, subject to our option to extend the Revolver Loan up to two times, with each such extension for a six-month period. The Revolver Loan currently accrues interest at SOFR, plus the applicable SOFR adjustment and a spread which ranges from 1.05%-1.50%, based on our consolidated leverage ratio. The 2022 Revolver Loan total does not include debt issuance costs, net of \$1.6 million.

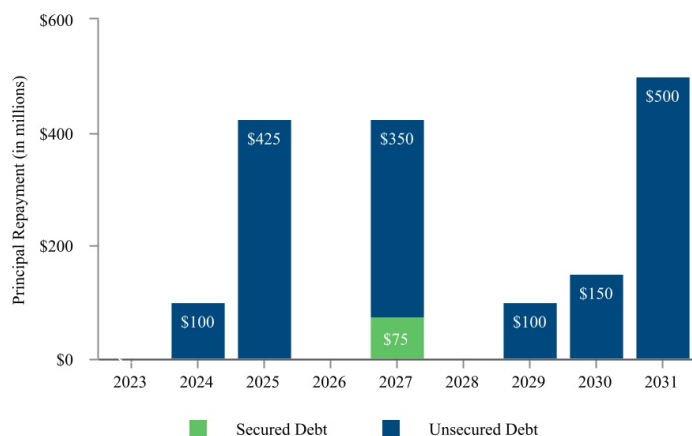
(Unaudited, amounts in thousands, except per share data)

Market data	June 30, 2023
Common shares outstanding	60,725
Common units outstanding	16,182
Common shares and common units outstanding	76,907
Market price per common share	\$ 19.20
Equity market capitalization	\$ 1,476,614
Total debt	\$ 1,700,000
Total market capitalization	\$ 3,176,614
Less: Cash on hand	\$ (84,709)
Total enterprise value	\$ 3,091,905
Total unencumbered assets, gross	\$ 3,715,488
Total debt/Total capitalization	53.5 %
Total debt/Total enterprise value	55.0 %
Net debt/Total enterprise value ⁽¹⁾	52.2 %
Total unencumbered assets, gross/Unsecured debt	228.6 %

Credit Ratings		
Rating Agency	Rating	Outlook
Fitch	BBB	Stable
Moody's	Baa3	Stable
Standard & Poors	BBB-	Stable

	Quarter Annualized	Trailing 12 Months
Total debt/Adjusted EBITDA ⁽²⁾⁽³⁾	6.9 x	6.8 x
Net debt/Adjusted EBITDA ⁽¹⁾⁽²⁾⁽³⁾	6.6 x	6.5 x
Interest coverage ratio ⁽⁴⁾	3.5 x	3.9 x
Fixed charge coverage ratio ⁽⁴⁾	3.5 x	3.9 x

Debt Maturity Schedule as of June 30, 2023



Weighted Average Fixed Interest Rate	2023	2024	2025	2026	2027	2028	2029	2030	2031
	— %	3.8 %	5.0 %	— %	3.8 %	— %	4.2 %	3.9 %	3.4 %

Total Weighted Average Fixed Interest Rate: 4.01%

Weighted Average Term to Maturity: 4.6

Notes:

- Net debt is equal to total debt less cash on hand.
- See Glossary of Terms for discussion of EBITDA and Adjusted EBITDA.
- As used here, Adjusted EBITDA represents the actual for the three months ended June 30, 2023, annualized.
- Calculated as Adjusted EBITDA divided by interest on borrowed funds, including capitalized interest and excluding debt fair value adjustments and loan fee amortization.

Adjusted EBITDA is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. Reconciliations of Adjusted EBITDA to net income are included in the Glossary of Terms.

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.

Development/Redevelopment Projects								Project Costs (in thousands) ⁽³⁾	
Property	Location	Start Date	Completion Date	Estimated Stabilized Yield ⁽¹⁾	Rentable Square Feet	Percent Leased	Estimated Stabilization Date ⁽²⁾	Cost Incurred to Date	Total Estimated Investment
Office Property:									
La Jolla Commons	University Town Center, San Diego, CA	April 2021	September 2023	6.5% - 7.5%	213,000	—%	2025	\$116,526	\$175,000
One Beach Street	San Francisco, CA	February 2021	December 2023	TBD	102,000	—%	2025	\$33,765	\$42,800

Development/Redevelopment Pipeline						
Property	Property Type	Location	Estimated Rentable Square Feet	Multifamily Units	Opportunity	
Waikale Center	Retail	Honolulu, HI	90,000	N/A	Development of 90,000 square feet retail building (former KMart Space)	
Lomas Santa Fe Plaza	Retail	Solana Beach, CA	45,000	N/A	Development of 45,000 square feet retail building	
Lloyd Portfolio - multiple phases ⁽⁴⁾	Mixed Use	Portland, OR				
Phase 2B - Oregon Square			385,000	N/A	Development of build-to-suit office towers	

Notes:

- (1) The estimated stabilized yield is calculated based on total estimated project costs, as defined above, when the project has reached stabilized occupancy.
- (2) Based on management's estimation of stabilized occupancy (90%).
- (3) Project costs exclude capitalized interest cost which is calculated in accordance with Accounting Standards Codification 835-20-50-1.
- (4) The Lloyd Portfolio was acquired in 2011, consisting of approximately 600,000 rentable square feet on more than 16 acres located in the Lloyd District of Portland, Oregon. The portion of the property that has been designated for additional development is expected to include a high density, transit oriented, mixed-use urban village, with the potential to be in excess of approximately three million square feet. The entitlement for such development opportunity allows a 12:1 Floor Area Ratio with a 250 foot height limit and provides for retail, office and/or multifamily development. Additional development plans are in the early stages and will continue to progress as demand and economic conditions allow.

PORTFOLIO DATA

As of June 30, 2023

Office and Retail Portfolios

Property	Location	Year Built/ Renovated	Number of Buildings	Net Rentable Square Feet ⁽¹⁾	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base Rent per Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
Office Properties									
La Jolla Commons	San Diego, CA	2008/2014	2	724,648	99.0%	\$ 45,336,047	\$63.19		
Torrey Reserve Campus	San Diego, CA	1996-2000/2014-2016/2021	14	547,035	92.9	26,654,898	52.45		
Torrey Point	San Diego, CA	2017	2	93,264	100.0	5,702,363	61.14		
Solana Crossing	Solana Beach, CA	1982/2005	4	224,009	81.7	7,961,173	43.50		
The Landmark at One Market	San Francisco, CA	1917/2000	1	422,426	100.0	41,068,497	97.22		
One Beach Street	San Francisco, CA	1924/1972/1987/1992	1	100,270	—	—	—		
First & Main	Portland, OR	2010	1	360,314	95.0	11,301,249	33.02		
Lloyd Portfolio	Portland, OR	1940-2015	3	547,864	87.1	16,709,887	35.02		
City Center Bellevue	Bellevue, WA	1987	1	496,357	85.5	24,519,462	57.78		
Eastgate Office Park	Bellevue, WA	1985	4	281,204	58.6	6,474,645	39.29		
Corporate Campus East III	Bellevue, WA	1986	4	159,578	85.0	5,982,755	44.11		
Bel-Spring 520	Bellevue, WA	1983	2	93,295	76.1	2,877,723	40.53		
Subtotal/Weighted Average Office Portfolio ⁽⁸⁾			39	4,050,264	87.4%	\$ 194,588,699	\$54.97		
Retail Properties									
Carmel Country Plaza	San Diego, CA	1991	9	78,098	89.8%	\$ 3,812,629	\$54.36		Sharp Healthcare, San Diego County Credit Union
Carmel Mountain Plaza ⁽⁹⁾	San Diego, CA	1994/2014	15	528,416	98.5	13,999,205	26.90	At Home Stores	Dick's Sporting Goods, Sprouts Farmers Market, Nordstrom Rack, Total Wine
South Bay Marketplace ⁽⁹⁾	San Diego, CA	1997	9	132,877	100.0	2,586,920	19.47		Ross Dress for Less, Grocery Outlet
Gateway Marketplace	San Diego, CA	1997/2016	3	127,861	100.0	2,654,183	20.76	Hobby Lobby	Smart & Final, Aldi
Lomas Santa Fe Plaza	Solana Beach, CA	1972/1997	9	208,297	99.3	6,643,924	32.12		Vons, Home Goods
Solana Beach Towne Centre	Solana Beach, CA	1973/2000/2004	12	246,651	96.7	6,657,371	27.91		Dixieline Probuild, Marshalls
Del Monte Center ⁽⁹⁾	Monterey, CA	1967/1984/2006	16	673,155	82.1	9,380,033	16.97	Macy's	Century Theatres, Whole Foods Market, H&M, Apple, Sephora, Williams-Sonoma
Geary Marketplace	Walnut Creek, CA	2012	3	35,159	100.0	1,223,970	34.81		Sprouts Farmers Market
The Shops at Kalakaua	Honolulu, HI	1971/2006	3	11,671	77.7	1,105,775	121.94		Hawaii Beachware & Fashion, Diesel U.S.A. Inc.
Waialele Center	Waipahu, HI	1993/2008	9	418,047	100.0	12,723,425	30.44	Lowe's, Safeway	UFC Gym, OfficeMax, Old Navy
Alamo Quarry Market ⁽⁹⁾	San Antonio, TX	1997/1999	16	588,148	99.4	15,161,639	25.93	Regal Cinemas	Whole Foods Market, Nordstrom Rack, Williams-Sonoma, Sephora, Home Goods
Hassalo on Eighth	Portland, OR	2015	3	44,236	65.5	949,487	32.77		Providence Health & Services, Sola Salons
Subtotal/Weighted Average Retail Portfolio ⁽⁸⁾			107	3,092,616	94.6%	\$ 76,898,561	\$26.28		
Total/Weighted Average Office and Retail Portfolio ⁽⁸⁾			146	7,142,880	90.5%	\$ 271,487,260	\$42.00		

As of June 30, 2023

Property	Location	Year Built/ Renovated	Number of Buildings	Units	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Average Monthly Base Rent per Leased Unit ⁽⁴⁾
Loma Palisades	San Diego, CA	1958/2001 - 2008/2021	80	548	93.1%	\$ 16,755,024	\$ 2,737
Imperial Beach Gardens	Imperial Beach, CA	1959/2008	26	160	96.3	4,612,428	\$ 2,495
Mariner's Point	Imperial Beach, CA	1986	8	88	97.7	2,353,596	\$ 2,281
Santa Fe Park RV Resort ⁽¹⁰⁾	San Diego, CA	1971/2007-2008	1	124	87.1	2,312,868	\$ 1,785
Pacific Ridge Apartments	San Diego, CA	2013	3	533	68.9	17,518,836	\$ 3,975
Hassalo on Eighth - Velomor	Portland, OR	2015	1	177	89.3	3,088,440	\$ 1,628
Hassalo on Eighth - Aster Tower	Portland, OR	2015	1	337	89.0	5,894,628	\$ 1,638
Hassalo on Eighth - Elwood	Portland, OR	2015	1	143	90.9	2,402,484	\$ 1,540
Total/Weighted Average Multifamily Portfolio			121	2,110	85.9%	\$ 54,938,304	\$ 2,526

Mixed-Use Portfolio

Retail Portion	Location	Year Built/ Renovated	Number of Buildings	Net Rentable Square Feet ⁽¹⁾	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base Rent per Leased Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
Waikiki Beach Walk - Retail	Honolulu, HI	2006	3	93,925	94.6 %	\$ 9,505,364	\$ 106.98		Yard House, Roy's

Hotel Portion	Location	Year Built/ Renovated	Number of Buildings	Units	Average Occupancy ⁽¹¹⁾	Average Daily Rate ⁽¹¹⁾	Revenue per Available Room ⁽¹¹⁾
Waikiki Beach Walk - Embassy Suites™	Honolulu, HI	2008/2014/2020	2	369	84.4 %	\$ 370.03	\$ 312.44

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, 2010 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 June 30, 2023, including leases which may not have commenced as of June 30, 2023. Percentage leased for our multifamily properties includes total units rented and occupied as of June 30, 2023.
- Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) under commenced leases for the month ended June 30, 2023 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. The foregoing notwithstanding:
 - The annualized base rent for La Jolla Commons has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$34,628,900 to our estimate of annual triple net operating expenses of \$10,707,147 for an estimated annualized base rent on a modified gross lease basis of \$45,336,047 for La Jolla Commons.
 - The annualized base rent for Eastgate Office Park has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$4,606,856 to our estimate of annual triple net operating expenses of \$1,867,789 for an estimated annualized base rent on a modified gross lease basis of \$6,474,645 for Eastgate Office Park.
 - The annualized base rent for Corporate Campus East III has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$4,450,769 to our estimate of annual triple net operating expenses of \$1,531,986 for an estimated annualized base rent on a modified gross lease basis of \$5,982,755 for Corporate Campus East III.
 - The annualized base rent for Bel-Spring 520 has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$2,218,843 to our estimate of annual triple net operating expenses of \$658,880 for an estimated annualized base rent on a modified gross lease basis of \$2,877,723 for Bel-Spring 520.
- Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of June 30, 2023. Annualized base rent per leased unit is calculated by dividing annualized base rent by units under lease as of June 30, 2023. The foregoing notwithstanding, the annualized base rent per leased square foot for La Jolla Commons, Eastgate Office Park, Corporate Campus East III and Bel-Spring 520 has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases. See footnote 3 for further explanation.

- (5) Retail anchor tenants are defined as retail tenants leasing 50,000 square feet or more.
- (6) Other principal retail tenants, excluding anchor tenants.
- (7) This property contains 422,426 net rentable square feet consisting of The Landmark at One Market (378,206 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, 2026, which we have the option to extend until 2031 pursuant to one five-year extension option.
- (8) Lease data for signed but not commenced leases as of June 30, 2023 is in the following table:

	Leased Square Feet Under Signed But Not Commenced Leases (a)	Annualized Base Rent (b)	Annualized Base Rent per Leased Square Foot (b)	Pro Forma Annualized Base Rent per Leased Square Foot (c)
Office Portfolio	42,860	\$ 1,797,036	\$ 41.93	\$ 55.49
Retail Portfolio	33,903	\$ 813,720	\$ 24.00	\$ 26.57
Total Retail and Office Portfolio	76,763	\$ 2,610,756	\$ 34.01	\$ 42.40

- (a) Office portfolio leases signed but not commenced of 21,955, 11,362 and 9,543 square feet are expected to commence during the third and fourth quarters of 2023 and the third quarter of 2024, respectively. Retail portfolio leases signed but not commenced of 3,238, 2,703, 25,837 and 2,125 square feet are expected to commence during the third and fourth quarters of 2023 and the third and fourth quarters of 2024, respectively.
- (b) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements) for signed but not commenced leases as of June 30, 2023 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 for signed by not commenced leases.
- (c) Pro forma annualized base rent is calculated by dividing annualized base rent for commenced leases and for signed but not commenced leases as of June 30, 2023, by square footage under lease as of June 30, 2023.
- (9) 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 (a)	Aggregate Annualized Base Rent
Carmel Mountain Plaza	5	17,607	\$ 693,847
South Bay Marketplace	1	2,824	\$ 114,552
Del Monte Center	1	212,500	\$ 96,000
Alamo Quarry Market	3	20,694	\$ 410,151

2,912 square feet of the ground leases at Carmel Mountain Plaza expire during the third quarter of 2023, with no extension options as of June 30, 2023.

- (10) 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 June 30, 2023, the highest average monthly occupancy rate for this property was 96%, occurring in July and December 2022. The number of units at the Santa Fe Park RV Resort includes 120 RV spaces and four apartments.
- (11) Average occupancy represents the percentage of available units that were sold during the three months ended June 30, 2023, 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 June 30, 2023 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 June 30, 2023 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.

OFFICE LEASING SUMMARY

As of June 30, 2023

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.
2nd Quarter 2023	12	100%	119,307	\$82.89	\$85.93	\$ (362,425)	(3.5)%	4.5 %	4.6	\$ 5,407,994	\$45.33
1st Quarter 2023	8	100%	56,139	\$60.18	\$54.67	\$ 309,262	10.1 %	22.5 %	5.2	\$ 2,731,132	\$48.65
4th Quarter 2022	13	100%	77,588	\$46.90	\$40.65	\$ 485,400	15.4 %	25.0 %	4.0	\$ 1,107,926	\$14.28
3rd Quarter 2022	9	100%	43,061	\$57.35	\$46.38	\$ 472,341	23.7 %	34.7 %	4.7	\$ 943,110	\$21.90
Total 12 months	42	100%	296,095	\$65.44	\$62.39	\$ 904,578	4.9 %	14.3 %	4.6	\$ 10,190,162	\$34.42

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.
2nd Quarter 2023	3	25%	6,431	\$40.42	\$32.86	\$ 48,626	23.0 %	19.6 %	3.8	\$ 194,677	\$30.27
1st Quarter 2023	1	13%	2,256	\$46.80	\$37.98	\$ 19,899	23.2 %	20.6 %	5.3	\$ 128,811	\$57.10
4th Quarter 2022	1	8%	2,422	\$53.96	\$48.83	\$ 12,430	10.5 %	19.2 %	3.2	\$ 85,558	\$35.33
3rd Quarter 2022	1	11%	17,969	\$67.50	\$45.84	\$ 389,194	47.2 %	55.0 %	5.3	\$ 718,760	\$40.00
Total 12 months	6	14%	29,078	\$58.78	\$42.61	\$ 470,149	37.9 %	43.0 %	4.8	\$ 1,127,806	\$38.79

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.
2nd Quarter 2023	9	75%	112,876	\$85.31	\$88.95	\$ (411,051)	(4.1)%	4.2 %	4.7	\$ 5,213,317	\$46.19
1st Quarter 2023	7	88%	53,883	\$60.74	\$55.37	\$ 289,363	9.7 %	22.6 %	5.2	\$ 2,602,321	\$48.30
4th Quarter 2022	12	92%	75,166	\$46.67	\$40.38	\$ 472,970	15.6 %	25.2 %	4.0	\$ 1,022,368	\$13.60
3rd Quarter 2022	8	89%	25,092	\$50.08	\$46.76	\$ 83,147	7.1 %	19.6 %	4.4	\$ 224,350	\$8.94
Total 12 months	36	86%	267,017	\$66.16	\$64.54	\$ 434,429	2.5 %	12.1 %	4.6	\$ 9,062,356	\$33.94

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.
2nd Quarter 2023	13	120,365	\$82.50	4.6	\$ 5,410,110	\$44.95
1st Quarter 2023	15	79,862	\$56.36	4.9	\$ 3,613,519	\$45.25
4th Quarter 2022	17	97,415	\$47.63	5.0	\$ 3,029,309	\$31.10
3rd Quarter 2022	13	59,461	\$54.70	5.1	\$ 1,777,265	\$29.89
Total 12 months	58	357,103	\$62.51	4.9	\$ 13,830,203	\$38.73

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) Beginning Q4 2022, includes renewals at fixed contractual rates specified in the lease. For all periods prior to Q4 2022, renewals at fixed contractual rates specified in the lease were excluded.

RETAIL LEASING SUMMARY

As of June 30, 2023

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.
2nd Quarter 2023	20	100%	96,955	\$34.14	\$33.18	\$ 93,178	2.9 %	2.1 %	4.7	\$ 10,000	\$0.10
1st Quarter 2023	12	100%	30,756	\$48.74	\$44.50	\$ 130,496	9.5 %	27.7 %	6.2	\$ 428,200	\$13.92
4th Quarter 2022	20	100%	103,274	\$32.13	\$28.11	\$ 414,341	14.3 %	12.8 %	4.2	\$ 415,000	\$4.02
3rd Quarter 2022	17	100%	71,469	\$31.46	\$29.45	\$ 143,598	6.8 %	27.7 %	4.1	\$ 309,280	\$4.33
Total 12 months	69	100%	302,454	\$34.31	\$31.72	\$ 781,613	8.1 %	15.8 %	4.5	\$ 1,162,480	\$3.84

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.
2nd Quarter 2023	—	—	—	—	—	—	—	—	—	—	—
1st Quarter 2023	1	8%	1,598	\$40.50	\$27.27	\$ 21,135	48.5 %	145.7 % ⁽⁶⁾	7.0	\$ 15,000	\$9.39
4th Quarter 2022	—	—	—	—	—	—	—	—	—	—	—
3rd Quarter 2022	3	18%	5,007	\$43.91	\$44.38	\$ (2,360)	(1.1)%	202.9 % ⁽⁶⁾	6.8	\$ 121,280	\$24.22
Total 12 months	4	6%	6,605	\$43.08	\$40.24	\$ 18,775	7.1 %	184.0 %	6.8	\$ 136,280	\$20.63

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.
2nd Quarter 2023	20	100%	96,955	\$34.14	\$33.18	\$ 93,178	2.9 %	2.1 %	4.7	\$ 10,000	\$0.10
1st Quarter 2023	11	92%	29,158	\$49.20	\$45.45	\$ 109,361	8.3 %	22.7 %	6.2	\$ 413,200	\$14.17
4th Quarter 2022	20	100%	103,274	\$32.13	\$28.11	\$ 414,341	14.3 %	12.8 %	4.2	\$ 415,000	\$4.02
3rd Quarter 2022	14	82%	66,462	\$30.52	\$28.33	\$ 145,958	7.8 %	15.0 %	3.9	\$ 188,000	\$2.83
Total 12 months	65	94%	295,849	\$34.11	\$31.53	\$ 762,838	8.2 %	12.1 %	4.5	\$ 1,026,200	\$3.47

Total Lease Summary - Comparable and Non-Comparable ⁽¹⁾

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.
2nd Quarter 2023	21	121,955	\$30.83	5.8	\$ 3,360,000	\$27.55
1st Quarter 2023	16	35,589	\$52.66	6.1	\$ 586,200	\$16.47
4th Quarter 2022	29	146,288	\$32.16	4.4	\$ 2,439,635	\$16.68
3rd Quarter 2022	21	79,033	\$32.62	4.2	\$ 526,410	\$6.66
Total 12 months	87	382,865	\$33.74	5.0	\$ 6,912,245	\$18.05

Notes:

- (1) Comparable leases represent those leases signed on spaces for which there was a previous lease, including leases signed for the retail portion of our mixed-use property.
- (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) Beginning Q4 2022, includes renewals at fixed contractual rates specified in the lease. For all periods prior to Q4 2022, renewals at fixed contractual rates specified in the lease were excluded.
- (6) Prior tenants' rent was modified to cash-basis, therefore there is no straight-line rent for comparison.

MULTIFAMILY LEASING SUMMARY

As of June 30, 2023

Lease Summary - Loma Palisades

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	510	93.1%	\$16,755,024	\$2,737
1st Quarter 2023	522	95.3%	\$16,533,012	\$2,638
4th Quarter 2022	517	94.3%	\$16,734,228	\$2,699
3rd Quarter 2022	520	94.9%	\$15,681,372	\$2,513

Lease Summary - Imperial Beach Gardens

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	154	96.3%	\$4,612,428	\$2,495
1st Quarter 2023	147	91.9%	\$4,457,952	\$2,526
4th Quarter 2022	146	91.3%	\$4,539,336	\$2,590
3rd Quarter 2022	152	95.0%	\$4,362,156	\$2,392

Lease Summary - Mariner's Point

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	86	97.7%	\$2,353,596	\$2,281
1st Quarter 2023	83	94.3%	\$2,358,588	\$2,369
4th Quarter 2022	83	94.3%	\$2,202,696	\$2,212
3rd Quarter 2022	84	95.5%	\$2,264,520	\$2,245

Lease Summary - Santa Fe Park RV Resort

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	108	87.1%	\$2,312,868	\$1,785
1st Quarter 2023	101	81.5%	\$1,884,216	\$1,554
4th Quarter 2022	119	96.0%	\$2,043,288	\$1,430
3rd Quarter 2022	105	83.3%	\$2,051,340	\$1,629

Lease Summary - Pacific Ridge Apartments

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	367	68.9%	\$17,518,836	\$3,975
1st Quarter 2023	493	92.5%	\$22,314,864	\$3,772
4th Quarter 2022	472	88.6%	\$20,721,768	\$3,657
3rd Quarter 2022	484	90.8%	\$21,882,600	\$3,768

MULTIFAMILY LEASING SUMMARY (CONTINUED)

As of June 30, 2023

Lease Summary - Hassalo on Eighth - Velomor

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	158	89.3%	\$3,088,440	\$1,628
1st Quarter 2023	169	95.5%	\$3,120,420	\$1,538
4th Quarter 2022	162	91.5%	\$2,980,404	\$1,534
3rd Quarter 2022	170	96.1%	\$3,265,704	\$1,600

Lease Summary - Hassalo on Eighth - Aster Tower

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	300	89.0%	\$5,894,628	\$1,638
1st Quarter 2023	302	89.6%	\$6,220,644	\$1,717
4th Quarter 2022	317	94.1%	\$6,193,788	\$1,628
3rd Quarter 2022	312	92.6%	\$6,210,420	\$1,658

Lease Summary - Hassalo on Eighth - Elwood

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	130	90.9%	\$2,402,484	\$1,540
1st Quarter 2023	119	83.2%	\$2,285,124	\$1,601
4th Quarter 2022	121	84.6%	\$2,308,080	\$1,590
3rd Quarter 2022	137	95.8%	\$2,505,240	\$1,524

Total Multifamily Lease Summary

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2023	1,813	85.9%	\$54,938,304	\$2,526
1st Quarter 2023	1,936	91.8%	\$59,174,820	\$2,546
4th Quarter 2022	1,937	91.8%	\$57,723,588	\$2,483
3rd Quarter 2022	1,964	93.0%	\$58,223,352	\$2,470

Notes:

- (1) Number of leased units and percentage leased for our multifamily properties includes total units rented and occupied 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.

MIXED-USE LEASING SUMMARY

As of June 30, 2023

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⁾
2nd Quarter 2023	88,856	94.6%	\$9,505,364	\$107
1st Quarter 2023	89,206	95.0%	\$9,184,583	\$103
4th Quarter 2022	88,141	93.8%	\$8,785,614	\$100
3rd Quarter 2022	89,100	94.9%	\$8,534,364	\$96

Lease Summary - Hotel Portion

Quarter	Number of Leased Units	Average Occupancy ⁽⁴⁾	Average Daily Rate ⁽⁴⁾	Annualized Revenue per Available Room ⁽⁴⁾
2nd Quarter 2023	311	84.4%	\$370	\$312
1st Quarter 2023	302	81.9%	\$368	\$302
4th Quarter 2022	265	71.8%	\$380	\$273
3rd Quarter 2022	311	84.2%	\$398	\$335

Notes:

- (1) Percentage leased for mixed-use property includes square footage under leases as of June 30, 2023, including leases which may not have commenced as of June 30, 2023.
- (2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for the month ended June 30, 2023 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 June 30, 2023.
- (4) Average occupancy represents the percentage of available units that were sold during the three months ended June 30, 2023, 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.

LEASE EXPIRATIONS

As of June 30, 2023

Assumes no exercise of lease options

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total			
	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	Mixed-Use	% of	% of	Annualized	Expiring Sq. Ft.	% of	Annualized
		Sq. Ft.	Sq. Ft.	Total Sq. Ft.		Base Rent Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.		Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.		Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾
Month to Month	51,329	1.3 %	0.7 %	\$1.11	17,606	0.6 %	0.2 %	\$45.01	9,400	10.0 %	0.1 %	\$24.82	78,335	1.1 %	\$13.82	
2023	173,606	4.3	2.4	\$40.41	56,874	1.8	0.8	\$37.65	5,743	6.1	0.1	\$61.73	236,223	3.3	\$40.26	
2024	276,869	6.8	3.8	\$46.28	405,537	13.1	5.6	\$30.24	9,669	10.3	0.1	\$115.95	692,075	9.6	\$37.85	
2025	342,210	8.4	4.7	\$41.14	283,402	9.2	3.9	\$28.63	21,497	22.9	0.3	\$93.76	647,109	8.9	\$37.41	
2026	376,605	9.3	5.2	\$43.17	280,893	9.1	3.9	\$34.44	5,618	6.0	0.1	\$185.13	663,116	9.2	\$40.67	
2027	405,820	10.0	5.6	\$55.00	440,862	14.3	6.1	\$29.47	4,614	4.9	0.1	\$134.01	851,296	11.8	\$42.21	
2028	390,446	9.6	5.4	\$60.91	705,419	22.8	9.7	\$18.43	8,820	9.4	0.1	\$166.35	1,104,685	15.3	\$34.63	
2029	854,489	21.1	11.8	\$64.46	266,047	8.6	3.7	\$22.34	3,156	3.4	—	\$196.98	1,123,692	15.5	\$54.86	
2030	276,592	6.8	3.8	\$41.16	45,228	1.5	0.6	\$36.62	—	—	—	—	321,820	4.4	\$40.52	
2031	151,356	3.7	2.1	\$43.81	119,558	3.9	1.7	\$21.69	14,965	15.9	0.2	114.34	285,879	4.0	\$38.25	
2032	59,956	1.5	0.8	\$40.07	147,722	4.8	2.0	\$28.39	—	—	—	—	207,678	2.9	\$31.76	
Thereafter	136,999	3.4	1.9	\$58.41	121,650	3.9	1.7	\$29.03	5,374	5.7	0.1	60.00	264,023	3.6	\$44.91	
Signed Leases Not Commenced	42,860	1.1	0.6	—	33,903	1.1	0.5	—	—	—	—	—	76,763	1.1	—	
Available	511,127	12.6	7.1	—	167,915	5.4	2.3	—	5,069	5.4	0.1	—	684,111	9.5	—	
Total ⁽²⁾	4,050,264	100.0 %	56.0 %	\$44.40	3,092,616	100.0 %	42.7 %	\$24.87	93,925	100.0 %	1.3 %	\$101.20	7,236,805	100.0 %	\$36.79	

Assumes all lease options are exercised

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total			
	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	Mixed-Use	% of	% of	Annualized	Expiring Sq. Ft.	% of	Annualized
		Sq. Ft.	Sq. Ft.	Total Sq. Ft.		Base Rent Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.		Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾	Sq. Ft.	Sq. Ft.		Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾
Month to Month	51,329	1.3 %	0.7 %	\$1.11	17,606	0.6 %	0.2 %	\$45.01	9,400	10.0 %	0.1 %	\$24.82	78,335	1.1 %	\$13.82	
2023	93,485	2.3	1.3	\$40.06	50,037	1.6	0.7	\$33.26	5,743	6.1	0.1	\$61.73	149,265	2.1	\$38.61	
2024	75,068	1.9	1.0	\$51.77	234,619	7.6	3.2	\$32.07	4,267	4.5	0.1	\$150.00	313,954	4.3	\$38.38	
2025	124,376	3.1	1.7	\$48.27	110,641	3.6	1.5	\$27.35	9,939	10.6	0.1	\$152.80	244,956	3.4	\$43.06	
2026	71,829	1.8	1.0	\$38.33	69,395	2.2	1.0	\$48.44	5,618	6.0	0.1	\$185.13	146,842	2.0	\$48.72	
2027	85,563	2.1	1.2	\$50.65	176,916	5.7	2.4	\$30.03	3,703	3.9	0.1	\$147.79	266,182	3.7	\$38.30	
2028	145,484	3.6	2.0	\$45.17	177,151	5.7	2.4	\$24.80	1,906	2.0	—	\$222.36	324,541	4.5	\$35.09	
2029	175,835	4.3	2.4	\$44.07	100,120	3.2	1.4	\$29.80	8,558	9.1	0.1	\$128.86	284,513	3.9	\$41.60	
2030	244,228	6.0	3.4	\$36.29	68,423	2.2	0.9	\$35.15	11,558	12.3	0.2	\$43.00	324,209	4.5	\$36.29	
2031	222,864	5.5	3.1	\$49.47	58,112	1.9	0.8	\$46.57	14,965	15.9	0.2	\$114.34	295,941	4.1	\$52.18	
2032	281,153	6.9	3.9	\$49.65	170,916	5.5	2.4	\$28.37	911	1.0	—	\$78.00	452,980	6.3	\$41.68	
Thereafter	1,925,063	47.5	26.6	\$57.60	1,656,862	53.6	22.9	\$22.86	12,288	13.1	0.2	\$111.15	3,594,213	49.7	\$41.77	
Signed Leases Not Commenced	42,860	1.1	0.6	—	33,903	1.1	0.5	—	—	—	—	—	76,763	1.1	—	
Available	511,127	12.6	7.1	—	167,915	5.4	2.3	—	5,069	5.4	0.1	—	684,111	9.5	—	
Total ⁽²⁾	4,050,264	100.0 %	56.0 %	\$44.40	3,092,616	100.0 %	42.7 %	\$24.87	93,925	100.0 %	1.3 %	\$101.20	7,236,805	100.0 %	\$36.79	

As of June 30, 2023

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 June 30, 2023 for the leases expiring during the applicable period by (ii) 12 months.
- (2) Individual items may not add up to total due to rounding.

Type	At June 30, 2023			At June 30, 2022		
	Size	Leased ⁽¹⁾	Leased %	Size	Leased ⁽¹⁾	Leased %
Overall Portfolio⁽²⁾ Statistics						
Office Properties (square feet)	4,050,264	3,539,137	87.4 %	3,988,222	3,630,320	91.0 %
Retail Properties (square feet)	3,092,616	2,924,701	94.6 %	3,092,616	2,860,245	92.5 %
Multifamily Properties (units)	2,110	1,813	85.9 %	2,112	1,944	92.0 %
Mixed-Use Properties (square feet)	93,925	88,856	94.6 %	93,925	89,100	94.9 %
Mixed-Use Properties (units)	369	307 ⁽³⁾	83.2 %	369	280 ⁽³⁾	75.8 %
Same-Store⁽²⁾ Statistics						
Office Properties (square feet) ⁽⁴⁾	3,918,058	3,539,137	90.3 %	3,887,952	3,630,320	93.4 %
Retail Properties (square feet)	3,092,616	2,924,701	94.6 %	3,092,616	2,860,245	92.5 %
Multifamily Properties (units)	2,110	1,813	85.9 %	2,112	1,944	92.0 %
Mixed-Use Properties (square feet)	93,925	88,856	94.6 %	93,925	89,100	94.9 %
Mixed-Use Properties (units)	369	307 ⁽³⁾	83.2 %	369	280 ⁽³⁾	75.8 %

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 and occupied as of that date.
- (2) See Glossary of Terms.
- (3) Represents average occupancy for the six months ended June 30, 2023 and 2022.
- (4) Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.

As of June 30, 2023

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 Google LLC	The Landmark at One Market	12/31/2029	253,198	6.3 %	3.5 %	\$ 26,420,853	13.6 %	9.4 %
2 LPL Holdings, Inc.	La Jolla Commons	4/30/2029	421,001	10.4	5.8	19,886,757	10.2	7.1
3 Autodesk, Inc. (1)	The Landmark at One Market	12/31/2027 12/31/2028	138,615	3.4	1.9	13,670,631	7.0	4.9
4 Smartsheet, Inc. (2)	City Center Bellevue	12/31/2026 4/30/2029	123,041	3.0	1.7	6,906,241	3.5	2.5
5 Illumina, Inc.	La Jolla Commons	10/31/2027	73,176	1.8	1.0	4,609,212	2.4	1.6
6 VMware, Inc.	City Center Bellevue	3/31/2028	75,000	1.9	1.0	4,528,458	2.3	1.6
7 Clearresult Operating, LLC	First & Main	4/30/2025	101,848	2.5	1.4	3,483,504	1.8	1.2
8 Industrious (3)	City Center Bellevue	4/30/2033 3/31/2034	55,256	1.4	0.8	3,111,931	1.6	1.1
9 State of Oregon: Department of Environmental Quality	Lloyd Portfolio	10/31/2031	87,787	2.2	1.2	2,935,024	1.5	1.0
10 Top technology tenant (4)	La Jolla Commons	8/31/2030	40,800	1.0	0.6	2,521,440	1.3	0.9
Top 10 Office Tenants Total			1,369,722	33.9 %	18.9 %	\$ 88,074,051	45.2 %	31.3 %

Notes:

- (1) For Autodesk, Inc., 45,795 and 92,820 of leased square feet have a lease expiration of December 31, 2027 and 2028, respectively.
(2) For Smartsheet, Inc., 73,669 and 49,372 of leased square feet have a lease expiration of December 31, 2026 and April 30, 2029, respectively.
(3) For Industrious, 18,090 and 37,166 of leased square feet have a lease expiration of April 30, 2033 and March 31, 2034, respectively.
(4) Name withheld per tenant's request.

As of June 30, 2023

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	5/31/2028	155,000	5.0 %	2.1 %	\$ 4,092,000	5.3 %	1.5 %
2 Sprouts Farmers Market (1)	Solana Beach Towne Centre, Carmel Mountain Plaza, Geary Marketplace	6/30/2024 3/31/2025 9/30/2032	71,431	2.3	1.0	2,121,187	2.8	0.8
3 Nordstrom Rack (2)	Carmel Mountain Plaza, Alamo Quarry Market	9/30/2027 10/31/2027	69,047	2.2	1.0	1,804,269	2.3	0.6
4 Marshalls (3)	Solana Beach Towne Centre, Carmel Mountain Plaza	1/31/2025 1/31/2029	68,055	2.2	0.9	1,728,228	2.2	0.6
5 Vons	Lomas Santa Fe Plaza	12/31/2027	49,895	1.6	0.7	1,609,086	2.1	0.6
6 At Home Stores	Carmel Mountain Plaza	7/31/2029	107,870	3.5	1.5	1,384,552	1.8	0.5
7 Regal Cinemas	Alamo Quarry Market	3/31/2028	72,447	2.3	1.0	1,340,270	1.7	0.5
8 Old Navy (4)	Alamo Quarry Market, Southbay Marketplace, Waikele Center	9/30/2024 4/30/2028 7/31/2030	52,936	1.7	0.7	1,274,460	1.7	0.5
9 Safeway	Waikele Center	1/31/2040	50,050	1.6	0.7	1,201,200	1.6	0.4
10 Michaels (5)	Carmel Mountain Plaza, Alamo Quarry Market	1/31/2024 2/29/2028	46,850	1.5	0.6	1,124,218	1.5	0.4
Top 10 Retail Tenants Total			743,581	23.9 %	10.2 %	\$ 17,679,470	23.0 %	6.4 %

Notes:

- (1) For Sprouts Farmers Market, 14,986, 30,973 and 25,472 of leased square feet have a lease expiration of June 30, 2024 (Solana Beach Towne Centre), March 31, 2025 (Carmel Mountain Plaza), and September 30, 2032 (Geary Marketplace), respectively.
- (2) For Nordstrom Rack, 39,047 and 30,000 of leased square feet have a lease expiration of September 30, 2027 (Carmel Mountain Plaza) and October 31, 2027 (Alamo Quarry Market), respectively.
- (3) For Marshalls, 39,295 and 28,760 of leased square feet have a lease expiration of January 31, 2025 (Solana Beach Towne Centre) and 2029 (Carmel Mountain Plaza), respectively.
- (4) For Old Navy, 15,021, 20,000 and 17,915 of leased square feet have a lease expiration of September 30, 2024 (Alamo Quarry Market), April 30, 2028 (Southbay Marketplace) and July 31, 2030 (Waikele Center), respectively.
- (5) For Michaels, 22,969 and 23,881 of leased square feet have a lease expiration of January 31, 2024 (Carmel Mountain Plaza) and February 29, 2028 (Alamo Quarry Market), respectively.

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 six months ended June 30, 2023 and 2022 is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	Net income	\$ 15,397	\$ 13,588	\$ 36,063
Depreciation and amortization	29,823	31,087	59,724	61,499
Interest expense, net	16,368	14,547	32,097	29,213
Interest income	(460)	(21)	(893)	(57)
Income tax expense	187	202	457	400
EBITDA	\$ 61,315	\$ 59,403	\$ 127,448	\$ 118,157

Adjusted EBITDA: Adjusted EBITDA is a non-GAAP measure that begins with EBITDA and includes adjustments for certain items that we believe are not representative of ongoing operating performance. Specifically, we include an early extinguishment of debt adjustment and pro forma adjustment to reflect a full period of NOI on the operating properties we acquire during the quarter, to assume all transactions occurred at the beginning of the quarter. We use Adjusted EBITDA as a supplemental performance measure because we believe these items create significant earnings volatility which in turn results in less comparability between reporting periods and less predictability regarding future earnings potential.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	EBITDA	\$ 61,315	\$ 59,403	\$ 127,448
Pro forma adjustments	—	—	—	—
Adjusted EBITDA	\$ 61,315	\$ 59,403	\$ 127,448	\$ 118,157

Earnings Before Interest, Taxes, Depreciation, and Amortization for Real Estate (EBITDA_{re}): EBITDA_{re} is a supplemental non-GAAP measure of real estate companies' operating performances. The National Association of Real Estate Investment Trusts (NAREIT) defines EBITDA_{re} as follows: net income or loss, computed in accordance with GAAP plus depreciation and amortization, net interest expense, income taxes, gain or loss on sale of real estate including gain or loss on change of control, impairments of real estate, and adjustments to reflect the entity's share of EBITDA_{re} of unconsolidated affiliates, if any. EBITDA_{re} 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_{re} for the three and six months ended June 30, 2023 and 2022 is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	Net income	\$ 15,397	\$ 13,588	\$ 36,063
Depreciation and amortization	29,823	31,087	59,724	61,499
Interest expense, net	16,368	14,547	32,097	29,213
Interest income	(460)	(21)	(893)	(57)
Income tax expense	187	202	457	400
EBITDA _{re}	\$ 61,315	\$ 59,403	\$ 127,448	\$ 118,157

Funds From Operations (FFO): FFO is a supplemental measure of real estate companies' operating performances. 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.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Reconciliation of NOI to net income				
Total NOI	\$ 69,924	\$ 67,015	\$ 138,541	\$ 132,911
General and administrative	(8,609)	(7,612)	(17,608)	(14,754)
Depreciation and amortization	(29,823)	(31,087)	(59,724)	(61,499)
Operating Income	\$ 31,492	\$ 28,316	\$ 61,209	\$ 56,658
Interest expense, net	(16,368)	(14,547)	(32,097)	(29,213)
Other income (expense), net	273	(181)	6,951	(343)
Net income	\$ 15,397	\$ 13,588	\$ 36,063	\$ 27,102
Net income attributable to restricted shares	(190)	(154)	(379)	(309)
Net income attributable to unitholders in the Operating Partnership	(3,224)	(2,852)	(7,565)	(5,688)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 11,983	\$ 10,582	\$ 28,119	\$ 21,105

Overall Portfolio: Includes all operating properties owned by us as of June 30, 2023.

Cash NOI: We define cash 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), adjusted for non-cash revenue and operating expense items such as straight-line rent, amortization of lease intangibles, amortization of lease incentives and other adjustments. Cash NOI also excludes general and administrative expenses, depreciation and amortization, interest expense, other non-property income and losses, acquisition-related expense, gains and losses from property dispositions, extraordinary items, tenant improvements, and leasing commissions. Other REITs may use different methodologies for calculating cash NOI, and accordingly, our cash NOI may not be comparable to the cash NOIs of other REITs. We believe cash NOI provides useful information to investors regarding the company's financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level, and when compared across periods, can be used to determine trends in earnings of the company's properties as this measure is not affected by (1) the non-cash revenue and expense recognition items, (2) the cost of funds of the property owner, (3) the impact of depreciation and amortization expenses as well as gains or losses from the sale of operating real estate assets that are included in net income computed in accordance with GAAP or (4) general and administrative expenses and other gains and losses that are specific to the property owner. We believe the exclusion of these items from net (loss) income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the company's properties as well as trends in occupancy rates, rental rates and operating costs. Cash NOI is a measure of the operating performance of the company's properties but does not measure the company's performance as a whole. Cash NOI is therefore not a substitute for net income as computed in accordance with GAAP. A Reconciliation of Total Cash NOI to Operating Income is presented below:

Reconciliation of Total Cash NOI to Net Income	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Total Cash NOI	\$ 68,133	\$ 66,120	\$ 133,801	\$ 127,556
Non-cash revenue and other operating expenses ⁽¹⁾	1,791	895	4,740	5,355
General and administrative	(8,609)	(7,612)	(17,608)	(14,754)
Depreciation and amortization	(29,823)	(31,087)	(59,724)	(61,499)
Operating income	\$ 31,492	\$ 28,316	\$ 61,209	\$ 56,658
Interest expense, net	(16,368)	(14,547)	(32,097)	(29,213)
Other income (expense), net	273	(181)	6,951	(343)
Net income	\$ 15,397	\$ 13,588	\$ 36,063	\$ 27,102

(1) Represents adjustments related to 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; the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles, and straight-line rent expense for our leases of the Annex at The Landmark at One Market.

Same-Store Cash NOI Comparison with Redevelopment: As noted below in the definition of Same-Store, Non-Same Store and Redevelopment Same-Store, 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. Redevelopment same-store is considered by management to be an important measure because it assists in eliminating disparities due to the redevelopment of properties during the particular period presented, and thus provides a more consistent performance measure for the comparison of the company's stabilized and redevelopment properties, as applicable. Additionally, redevelopment same-store is considered by management to be an important measure because it assists in evaluating the timing of the start and stabilization of our redevelopment opportunities and the impact that these redevelopments have in enhancing our operating performance. We present Same-Store Cash NOI Comparison with Redevelopment using cash NOI to evaluate and compare the operating performance of the company's properties, as defined above. A reconciliation of Same-Store Cash NOI Comparison with Redevelopment on a cash basis to operating income is presented below:

	Three Months Ended ⁽¹⁾		Six Months Ended ⁽²⁾	
	June 30,		June 30,	
	2023	2022	2023	2022
Reconciliation of Same-Store Cash NOI Comparison with Redevelopment to Operating Income				
Same-Store Cash NOI	\$ 68,241	\$ 63,360	\$ 133,072	\$ 124,351
Redevelopment Cash NOI ⁽³⁾	(283)	(192)	(571)	(383)
Same-Store Cash NOI with Redevelopment	67,958	63,168	132,501	123,968
Tenant improvement reimbursements	197	2,975	338	3,133
Total Same-Store Cash NOI with Redevelopment	\$ 68,155	\$ 66,143	\$ 132,839	\$ 127,101
Non-Same Store Cash NOI	(22)	(23)	962	455
Total Cash NOI	\$ 68,133	\$ 66,120	\$ 133,801	\$ 127,556
Non-cash revenue and other operating expenses ⁽⁴⁾	1,791	895	4,740	5,355
General and administrative	(8,609)	(7,612)	(17,608)	(14,754)
Depreciation and amortization	(29,823)	(31,087)	(59,724)	(61,499)
Operating income	\$ 31,492	\$ 28,316	\$ 61,209	\$ 56,658
Interest expense, net	(16,368)	(14,547)	(32,097)	(29,213)
Other income (expense), net	273	(181)	6,951	(343)
Net income	\$ 15,397	\$ 13,588	\$ 36,063	\$ 27,102

- Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.
- Same-store portfolio excludes (i) One Beach Street, due to significant redevelopment activity; (ii) Bel-Spring 520 which was acquired on March 8, 2022; (iii) the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iv) land held for development.
- Redevelopment property refers to One Beach Street, the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and Lloyd Portfolio - Land.
- Represents adjustments related to 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; the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles and straight-line rent expense for our leases of the Annex at The Landmark at One Market.

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 June 30, 2023 to 2022			Comparison of Six Months Ended June 30, 2023 to 2022		
	Same-Store	Non Same-Store	Redevelopment Same-Store	Same-Store	Non Same-Store	Redevelopment Same-Store
Office Properties						
La Jolla Commons	X		X	X		
Torrey Reserve Campus	X		X	X		X
Torrey Point	X		X	X		X
Solana Crossing (formerly 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 Portfolio ⁽¹⁾	X	X	X	X	X	X
City Center Bellevue	X		X	X		X
Eastgate Office Park	X		X	X		X
Corporate Campus East III	X		X	X		X
Bel-Spring 520	X		X		X	
Retail Properties						
Carmel Country Plaza	X		X	X		X
Carmel Mountain Plaza	X		X	X		X
South Bay Marketplace	X		X	X		X
Gateway Marketplace	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
Waikele Center	X		X	X		X
Alamo Quarry Market	X		X	X		X
Hassalo on Eighth - Retail	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
Pacific Ridge Apartments	X		X	X		X
Hassalo on Eighth	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						
La Jolla Commons - Land		X			X	
Solana Crossing - Land		X			X	
Lloyd Portfolio - Land		X	X		X	X

- (1) The 710 building at Lloyd District Portfolio is considered non same-store and same-store redevelopment, since it was placed into operations on November 1, 2022, approximately one year after completing renovations of the building.

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.