

**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):
February 16, 2016

American Assets Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

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

001-35030
(Commission
File No.)

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

92130
(Zip Code)

(858) 350-2600

Registrant's telephone number, including area code:

Not Applicable

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

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

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

Item 2.02 Results of Operations and Financial Condition.

On February 16, 2016, American Assets Trust, Inc. (the “Company”) issued a press release regarding its financial results for the quarter and fiscal year ending December 31, 2015. Also on February 16, 2016, the Company made available on its website at www.americanassetstrust.com certain supplemental information concerning the Company’s financial results and operations for the quarter and fiscal year ending December 31, 2015. Copies of the press release and supplemental information are attached hereto as Exhibits 99.1 and 99.2, respectively.

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

Item 7.01 Regulation FD Disclosure.

As discussed in Item 2.02 above, the Company issued a press release regarding its financial results for the quarter and fiscal year ending December 31, 2015 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>
99.1**	Press release issued by American Assets Trust, Inc. on February 16, 2016.
99.2**	American Assets Trust, Inc. Supplemental Information for the year ended December 31, 2015.

** 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

February 16, 2016

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Description</u>
99.1	Press release issued by American Assets Trust, Inc. on February 16, 2016.
99.2	American Assets Trust, Inc. Supplemental Information for the year ended December 31, 2015.



American Assets Trust, Inc. Reports Fourth Quarter and Year-End 2015 Financial Results

FFO per share increases 7% and 9% year-over-year for the three months and year ended December 31, 2015, respectively
Same-Store Cash NOI increases 10% and 8% year-over-year for the three months and year ended December 31, 2015, respectively

SAN DIEGO, California - 2/16/2016 - American Assets Trust, Inc. (NYSE: AAT) (the "company") today reported financial results for its fourth quarter and year ended December 31, 2015.

Financial Results and Recent Developments

- **Funds From Operations increased 7% and 9% year-over-year to \$0.45 and \$1.76 per diluted share for the three months and year ended December 31, 2015, respectively, compared to the same periods in 2014**
- **Net income available to common stockholders of \$8.2 million and \$38.5 million, respectively, for the three months and year ended December 31, 2015, or \$0.18 and \$0.87 per diluted share, respectively**
- **Same-store cash NOI increased 10% and 8%, respectively, for the three months and year ended December 31, 2015 compared to the same periods in 2014**
- **Same-store GAAP NOI increased 9% and 7%, respectively, for the three months and year ended December 31, 2015 compared to the same periods in 2014**
- **Leased approximately 92,000 comparable office square feet at an average cash-basis and GAAP-basis contractual rent increase of 4% and 11%, respectively, during the three months ended December 31, 2015**
- **Leased approximately 79,000 comparable retail square feet at an average cash-basis and GAAP-basis contractual rent increase of 4% and 20%, respectively, during the three months ended December 31, 2015**

During the fourth quarter of 2015, the company generated funds from operations ("FFO") for common stockholders of \$28.4 million, or \$0.45 per diluted share, compared to \$25.7 million, or \$0.42 per diluted share, for the quarter ended December 31, 2014. For the year ended December 31, 2015, the company generated FFO for common stockholders of \$110.0 million, or \$1.76 per diluted share, compared to \$97.6 million, or \$1.62 per diluted share, for the year ended December 31, 2014. The increase in FFO from the corresponding periods in 2014 was due to growth in same-store net operating income and a decrease in interest expense attributed to the company's refinancing activities.

Net income attributable to common stockholders was \$8.2 million, or \$0.18 per basic and diluted share for the three months ended December 31, 2015 compared to \$7.0 million, or \$0.16 per basic and diluted share for the three months ended December 31, 2014. For the year ended December 31, 2015, net income attributable to common stockholders was \$38.5 million, or \$0.87 and \$0.86 per basic and diluted share, compared to net income attributable to common stockholders of \$21.8 million, or \$0.52 and \$0.51 per basic and diluted share, for the year ended December 31, 2014. The increase in net income attributable to common stockholders for the year ended December 31, 2015 was due to the gain on the sale of Rancho Carmel Plaza during the third quarter of 2015 and a decrease in interest expense, as noted above.

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

Portfolio Results

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

	December 31, 2015	September 30, 2015	December 31, 2014
Total Portfolio			
Retail	98.6%	98.3%	98.6%
Office	92.4%	93.2%	91.4%
Multifamily ⁽¹⁾	73.4%	91.4%	97.1%
Mixed-Use:			
Retail	100.0%	100.0%	99.6%
Hotel	89.6%	89.6%	79.8%
Same-Store Portfolio			
Retail	98.6%	98.3%	98.6%
Office	98.1%	98.4%	95.3%
Multifamily ⁽¹⁾	95.6%	93.6%	97.1%
Mixed-Use:			
Retail	100.0%	100.0%	99.6%
Hotel	89.6%	89.6%	79.8%

(1) Total multifamily leased percentage at December 31, 2015 includes Hassalo on Eighth, which became available for occupancy in July and October of 2015. Same-store multifamily leased percentages exclude Hassalo on Eighth.

During the fourth quarter of 2015, the company signed 40 leases for approximately 194,100 square feet of retail and office space, as well as 331 multifamily apartment leases. Renewals accounted for 92.3% of the comparable retail leases, 66.7% of the comparable office leases and 28.7% of the residential leases.

Retail and Office

On a comparable space basis (i.e. leases for which there was a former tenant) during the fourth quarter of 2015 and trailing four quarters ending December 31, 2015, 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.	GAAP Straight-Line Basis % Change Over Prior Rent
Retail	Q4 2015	13	79,000	3.9%	\$23.57	\$22.69	20.2%
	Last 4 Quarters	67	235,800	13.6%	\$33.44	\$29.43	19.2%
Office	Q4 2015	15	92,000	4.4%	\$36.91	\$35.37	10.6%
	Last 4 Quarters	58	327,300	21.3%	\$43.90	\$36.18	29.4%

Multifamily

Construction of 657 multifamily units at our Hassalo on Eighth development was completed in 2015 with the Velomor building available for occupancy in July 2015 and the Aster Tower and Elwood buildings available for occupancy in October 2015. As of December 31, 2015, Hassalo on Eighth was approximately 42.3% leased with average monthly base rent per leased unit of \$1,502.

To date, we have leased 157 of the Velomor building's 177 units, or approximately 89%; 148 of Aster Tower's 337 units, or approximately 44%; and 62 of the Elwood building's 143 units, or approximately 43%. In total, to date, we have leased 367 units of 657 units at Hassalo on Eighth, or approximately 56%. We expect stabilization of all three multifamily buildings to be achieved during the second half of 2016.

At December 31, 2015, the average monthly base rent per leased unit for same-store properties was \$1,637 compared to an average monthly base rent per leased unit of \$1,503 at December 31, 2014, an increase of 8.9%.

Same-Store Operating Income

For the three months and year ended December 31, 2015, same-store property operating income increased 9.9% and 7.7%, respectively, on a cash basis compared to the corresponding periods in 2014. For the three months and year ended December 31, 2015, same-store property operating income increased 8.8% and 7.3%, respectively, on a GAAP basis compared to the corresponding periods in 2014. The same-store property operating income by segment was as follows (in thousands):

	Three Months Ended ⁽¹⁾ December 31,			Year Ended ⁽¹⁾ December 31,		
	2015	2014	Change	2015	2014	Change
Cash Basis:						
Retail	\$ 18,706	\$ 17,844	4.8 %	\$ 71,764	\$ 68,021	5.5 %
Office	11,763	10,803	8.9	46,034	42,472	8.4
Multifamily	2,993	2,730	9.6	11,549	10,877	6.2
Mixed-Use	6,491	4,963	30.8	24,981	21,978	13.7
	<u>\$ 39,953</u>	<u>\$ 36,340</u>	<u>9.9 %</u>	<u>\$ 154,328</u>	<u>\$ 143,348</u>	<u>7.7 %</u>
GAAP Basis:						
Retail	\$ 18,864	\$ 18,491	2.0 %	\$ 72,836	\$ 70,097	3.9 %
Office	12,916	11,746	10.0	50,924	46,317	9.9
Multifamily	2,993	2,730	9.6	11,549	10,877	6.2
Mixed-Use	6,407	4,878	31.3	24,565	21,732	13.0
	<u>\$ 41,180</u>	<u>\$ 37,845</u>	<u>8.8 %</u>	<u>\$ 159,874</u>	<u>\$ 149,023</u>	<u>7.3 %</u>

(1) Same-store portfolio excludes (i) Torrey Reserve Campus and Lloyd District Portfolio due to significant redevelopment activity during the period; (ii) Rancho Carmel Plaza as it was sold on August 6, 2015; (iii) Hassalo on Eighth - Multifamily, which became available for occupancy in July and October of 2015; and (iv) land held for development.

On a same-store basis, retail property operating income increased for the three months and year ended December 31, 2015 compared to the same periods in 2014 primarily due to higher annualized base rent attributed to new leases, specifically at Lomas Santa Fe Plaza, Del Monte Center, Carmel Mountain Plaza and Waikale Center.

On a same-store basis, office property operating income increased for the three months and year ended December 31, 2015 compared to the same periods in 2014 primarily due to higher annualized base rents, specifically at First & Main, One Beach Street, The Landmark at One Market and City Center Bellevue.

On a same-store basis, multifamily property operating income increased for the three months and year ended December 31, 2015 compared to the corresponding periods in 2014 primarily due to an increase in average monthly base rent during 2015.

On a same-store basis, mixed-use property operating income increased for the three months and year ended December 31, 2015 compared to the corresponding periods in 2014 primarily due to an increase in occupancy and higher revenue per available room at the hotel portion of our mixed-use property, which is attributed to the completion of the 2014 hotel room refresh project.

Development

Our development efforts at Torrey Point are ongoing with plans including two Class A office buildings of approximately 90,000 square feet in the aggregate, with panoramic unobstructed views of the Torrey Pines State Park Beach, Torrey Reserve and the Pacific Ocean. Projected costs of the development at Torrey Point are approximately \$53 million, of which approximately \$12 million has been incurred to date. We expect to incur the remaining costs for development of Torrey Point in 2016 and 2017. We expect the Torrey Point development to be stabilized in 2018 with an estimated stabilized cash yield of approximately 7.54% to 8.55%.

Our development opportunities are subject to market conditions and actual results may vary.

Balance Sheet and Liquidity

At December 31, 2015, the company had gross real estate assets of \$2.2 billion and liquidity of \$259.9 million, comprised of cash and cash equivalents of \$39.9 million and \$220.0 million of availability on its line of credit.

For the year ended December 31, 2015, we issued 1,612,451 shares of common stock through our at-the-market ("ATM") equity program at a weighted average price per share of \$40.77, resulting in net proceeds of \$64.7 million. For the three months ended December 31, 2015, we had no sales of shares of common stock through our ATM equity program. As of December 31, 2015, we had the capacity to issue up to an additional \$216.6 million in shares of common stock under our ATM equity program.

Dividends

The company declared dividends on its shares of common stock of \$0.25 per share for the fourth quarter of 2015. The dividends were paid on December 23, 2015.

In addition, the company has declared a dividend on its common stock of \$0.25 per share for the quarter ending March 31, 2016. The dividend will be paid on March 25, 2016 to stockholders of record on March 11, 2016.

Guidance

The company reaffirms its guidance for full year 2016 FFO per diluted share of a range of \$1.82 to \$1.88 per share. The company's guidance excludes any impact from future acquisitions, dispositions, equity issuances or repurchases, future debt financings or repayments. The company will discuss key assumptions regarding the guidance tomorrow on the conference call.

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

Conference Call

The company will hold a conference call to discuss the results for the fourth quarter and year end of 2015 on Wednesday, February 17, 2016 at 8:00 a.m. Pacific Time ("PT"). To participate in the event by telephone, please dial 1-877-474-9504 and use the pass code 81986394. A telephonic replay of the conference call will be available beginning at 12:00 p.m. PT on Wednesday, February 17, 2016 through Wednesday, February 24, 2016. To access the replay, dial 1-888-286-8010 and use the pass code 46450858. 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 fourth quarter and year end 2015 results may be found in the "Investor Relations" section of the company's website at www.americanassetstrust.com. This supplemental information provides additional detail on items such as property occupancy, financial performance by property and debt maturity schedules.

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

	December 31, 2015	December 31, 2014
Assets		
Real estate, at cost		
Operating real estate	\$ 2,163,444	\$ 1,931,698
Construction in progress	73,121	195,736
Held for development	9,463	9,390
	<u>2,246,028</u>	<u>2,136,824</u>
Accumulated depreciation	(411,166)	(361,424)
Net real estate	1,834,862	1,775,400
Cash and cash equivalents	39,925	59,357
Restricted cash	11,623	10,994
Accounts receivable, net	7,518	6,727
Deferred rent receivables, net	38,422	35,883
Other assets, net	46,069	53,401
Total assets	<u>\$ 1,978,419</u>	<u>\$ 1,941,762</u>
Liabilities and equity		
Liabilities:		
Secured notes payable	\$ 579,743	\$ 812,811
Unsecured notes payable	450,000	250,000
Unsecured line of credit	30,000	—
Accounts payable and accrued expenses	31,821	50,861
Security deposits payable	5,956	5,521
Other liabilities and deferred credits, net	51,972	55,993
Total liabilities	<u>1,149,492</u>	<u>1,175,186</u>
Commitments and contingencies		
Equity:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 45,407,719 and 43,701,669 shares issued and outstanding at December 31, 2015 and December 31, 2014, respectively	454	437
Additional paid-in capital	863,432	795,065
Accumulated dividends in excess of net income	(64,066)	(60,291)
Accumulated other comprehensive (loss) income	(258)	92
Total American Assets Trust, Inc. stockholders' equity	<u>799,562</u>	<u>735,303</u>
Noncontrolling interests	29,365	31,273
Total equity	<u>828,927</u>	<u>766,576</u>
Total liabilities and equity	<u>\$ 1,978,419</u>	<u>\$ 1,941,762</u>

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

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Revenue:				
Rental income	\$ 68,111	\$ 63,210	\$ 261,887	\$ 246,078
Other property income	3,419	3,268	13,736	13,922
Total revenue	71,530	66,478	275,623	260,000
Expenses:				
Rental expenses	20,377	17,773	73,187	68,267
Real estate taxes	6,109	5,910	24,819	22,964
General and administrative	3,913	4,603	20,074	18,532
Depreciation and amortization	17,238	15,666	63,392	66,568
Total operating expenses	47,637	43,952	181,472	176,331
Operating income				
Interest expense	(13,010)	(12,569)	(47,260)	(52,965)
Gain on sale of real estate	—	—	7,121	—
Other income (expense), net	343	89	(97)	441
Net income	11,226	10,046	53,915	31,145
Net income attributable to restricted shares	(53)	(115)	(168)	(374)
Net income attributable to unitholders in the Operating Partnership	(2,961)	(2,907)	(15,238)	(9,015)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 8,212	\$ 7,024	\$ 38,509	\$ 21,756
Net income per share				
Basic income attributable to common stockholders per share	\$ 0.18	\$ 0.16	\$ 0.87	\$ 0.52
Weighted average shares of common stock outstanding - basic	45,219,849	43,192,168	44,439,112	42,041,126
Diluted income attributable to common stockholders per share	\$ 0.18	\$ 0.16	\$ 0.86	\$ 0.51
Weighted average shares of common stock outstanding - diluted	63,119,365	61,097,425	62,339,163	59,947,474
Dividends declared per common share	\$ 0.25	\$ 0.2325	\$ 0.9475	\$ 0.8925

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):

	Three Months Ended December 31, 2015	Year Ended December 31, 2015
Funds From Operations (FFO)		
Net income	\$ 11,226	\$ 53,915
Depreciation and amortization of real estate assets	17,238	63,392
Gain on sale of real estate	—	(7,121)
FFO, as defined by NAREIT	\$ 28,464	\$ 110,186
Less: Nonforfeitable dividends on incentive stock awards	(51)	(159)
FFO attributable to common stock and units	\$ 28,413	\$ 110,027
FFO per diluted share/unit	\$ 0.45	\$ 1.76
Weighted average number of common shares and units, diluted	63,123,114	62,342,953

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

Use of Non-GAAP Information

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

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

About American Assets Trust, Inc.

American Assets Trust, Inc. (the "company") is a full service, vertically integrated and self-administered real estate investment trust, or REIT, headquartered in San Diego, California. For over 40 years, the company has been acquiring, improving, developing and managing premier retail, office and residential properties throughout the United States in some of the nation's most dynamic, high-barrier-to-entry markets primarily in Southern California, Northern California, Oregon, Washington and Hawaii. The company's retail portfolio comprises approximately 3.0 million rentable square feet, and its office portfolio comprises approximately 2.7 million square feet. In addition, the company owns one mixed-use property (including approximately 97,000 rentable square feet of retail space and a 369-room all-suite hotel) and 1,579 multifamily units. In 2011, the company was formed to succeed to the real estate business of American Assets, Inc., a privately held corporation founded in 1967 and, as such, has significant experience, long-standing relationships and extensive knowledge of its core markets, submarkets and asset classes. For additional information, please visit www.americanassetstrust.com.

Forward Looking Statements

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

Source: American Assets Trust, Inc.

Investor and Media Contact:

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

FOURTH QUARTER 2015

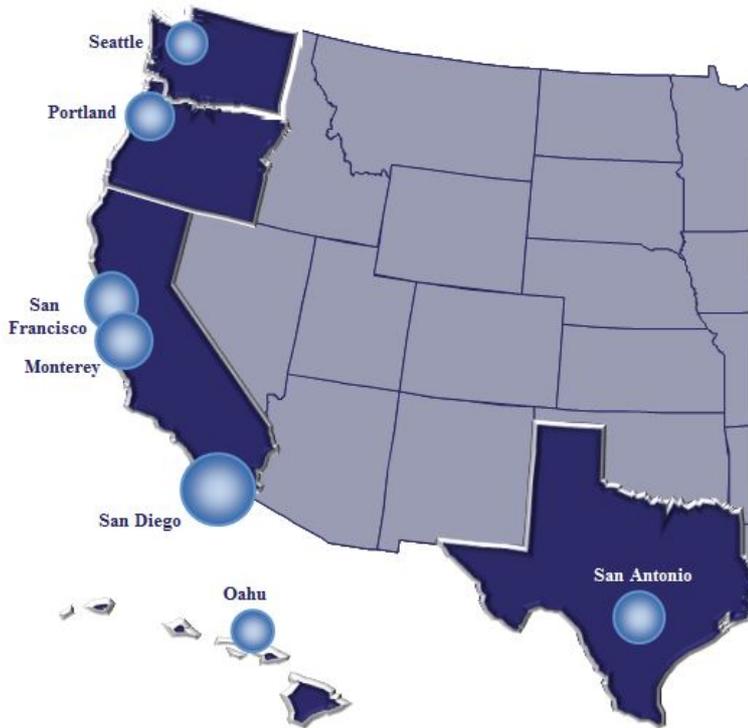
Supplemental Information



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



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



Market	Retail	Office	Multifamily	Mixed-Use	
	Square Feet	Square Feet	Units	Square Feet	Suites
San Diego	1,195,690	705,650	922 ⁽¹⁾	—	—
San Francisco	35,156	516,985	—	—	—
Oahu	549,308	—	—	96,707	369
Monterey	675,678	—	—	—	—
San Antonio	589,362	—	—	—	—
Portland	—	941,186	657	—	—
Seattle	—	494,753	—	—	—
Total	3,045,194	2,658,574	1,579	96,707	369

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

Data is as of December 31, 2015.

(1) Includes 122 RV spaces.

	Square Feet	%
Retail	3.0 million	53%
Office	2.7 million	47%
Totals	5.7 million	

FOURTH QUARTER 2015 SUPPLEMENTAL INFORMATION**1. FINANCIAL HIGHLIGHTS**

Consolidated Balance Sheets	5
Consolidated Statements of Income	6
Funds From Operations (FFO), FFO As Adjusted & Funds Available for Distribution	7
Same-Store Portfolio Net Operating Income (NOI)	9
Same-Store Portfolio NOI Comparison excluding Redevelopment	11
Same-Store Portfolio NOI Comparison with Redevelopment	12
NOI By Region	13
NOI Breakdown	14
Property Revenue and Operating Expenses	15
Segment Capital Expenditures	17
Summary of Outstanding Debt	18
Market Capitalization	19
Summary of Development Opportunities	20

2. PORTFOLIO DATA

Property Report	22
Retail Leasing Summary	24
Office Leasing Summary	25
Multifamily Leasing Summary	26
Mixed-Use Leasing Summary	28
Lease Expirations	29
Portfolio Leased Statistics	31
Top Tenants - Retail	32
Top Tenants - Office	33

3. APPENDIX

Glossary of Terms	35
-------------------	----

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

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

FINANCIAL HIGHLIGHTS

CONSOLIDATED BALANCE SHEETS



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

December 31, 2015

December 31, 2014

ASSETS			
Real estate, at cost			
Operating real estate	\$	2,163,444	\$ 1,931,698
Construction in progress		73,121	195,736
Held for development		9,463	9,390
		<u>2,246,028</u>	<u>2,136,824</u>
Accumulated depreciation		(411,166)	(361,424)
Net real estate		<u>1,834,862</u>	<u>1,775,400</u>
Cash and cash equivalents		39,925	59,357
Restricted cash		11,623	10,994
Accounts receivable, net		7,518	6,727
Deferred rent receivable, net		38,422	35,883
Other assets, net		46,069	53,401
TOTAL ASSETS	\$	<u>1,978,419</u>	\$ <u>1,941,762</u>
LIABILITIES AND EQUITY			
LIABILITIES:			
Secured notes payable	\$	579,743	\$ 812,811
Unsecured notes payable		450,000	250,000
Unsecured line of credit		30,000	—
Accounts payable and accrued expenses		31,821	50,861
Security deposits payable		5,956	5,521
Other liabilities and deferred credits, net		51,972	55,993
Total liabilities		<u>1,149,492</u>	<u>1,175,186</u>
Commitments and contingencies			
EQUITY:			
American Assets Trust, Inc. stockholders' equity			
Common stock, \$0.01 par value, 490,000,000 shares authorized, 45,407,719 and 43,701,669 shares issued and outstanding at December 31, 2015 and December 31, 2014, respectively		454	437
Additional paid in capital		863,432	795,065
Accumulated dividends in excess of net income		(64,066)	(60,291)
Accumulated other comprehensive income		(258)	92
Total American Assets Trust, Inc. stockholders' equity		<u>799,562</u>	<u>735,303</u>
Noncontrolling interests		29,365	31,273
Total equity		<u>828,927</u>	<u>766,576</u>
TOTAL LIABILITIES AND EQUITY	\$	<u>1,978,419</u>	\$ <u>1,941,762</u>

CONSOLIDATED STATEMENTS OF INCOME

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

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
REVENUE:				
Rental income	\$ 68,111	\$ 63,210	\$ 261,887	\$ 246,078
Other property income	3,419	3,268	13,736	13,922
Total revenue	71,530	66,478	275,623	260,000
EXPENSES:				
Rental expenses	20,377	17,773	73,187	68,267
Real estate taxes	6,109	5,910	24,819	22,964
General and administrative	3,913	4,603	20,074	18,532
Depreciation and amortization	17,238	15,666	63,392	66,568
Total operating expenses	47,637	43,952	181,472	176,331
OPERATING INCOME				
	23,893	22,526	94,151	83,669
Interest expense	(13,010)	(12,569)	(47,260)	(52,965)
Gain on sale of real estate	—	—	7,121	—
Other income (expense), net	343	89	(97)	441
NET INCOME				
	11,226	10,046	53,915	31,145
Net income attributable to restricted shares	(53)	(115)	(168)	(374)
Net income attributable to unitholders in the Operating Partnership	(2,961)	(2,907)	(15,238)	(9,015)
NET INCOME ATTRIBUTABLE TO AMERICAN ASSETS TRUST, INC. STOCKHOLDERS				
	\$ 8,212	\$ 7,024	\$ 38,509	\$ 21,756
EARNINGS PER COMMON SHARE				
Basic income attributable to common stockholders per share	\$ 0.18	\$ 0.16	\$ 0.87	\$ 0.52
Weighted average shares of common stock outstanding - basic	45,219,849	43,192,168	44,439,112	42,041,126
Diluted income attributable to common stockholders per share	\$ 0.18	\$ 0.16	\$ 0.86	\$ 0.51
Weighted average shares of common stock outstanding - diluted	63,119,365	61,097,425	62,339,163	59,947,474

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

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

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Funds from Operations (FFO) ⁽¹⁾				
Net income	\$ 11,226	\$ 10,046	\$ 53,915	\$ 31,145
Depreciation and amortization of real estate assets	17,238	15,666	63,392	66,568
Gain on sale of real estate	—	—	(7,121)	—
FFO, as defined by NAREIT	28,464	25,712	110,186	97,713
Less: Nonforfeitable dividends on incentive stock awards	(51)	(41)	(159)	(137)
FFO attributable to common stock and common units	<u>\$ 28,413</u>	<u>\$ 25,671</u>	<u>\$ 110,027</u>	<u>\$ 97,576</u>
FFO per diluted share/unit	<u>\$ 0.45</u>	<u>\$ 0.42</u>	<u>\$ 1.76</u>	<u>\$ 1.62</u>
Weighted average number of common shares and common units, diluted ⁽²⁾	<u>63,123,114</u>	<u>61,407,083</u>	<u>62,342,953</u>	<u>60,256,335</u>
Funds Available for Distribution (FAD) ⁽¹⁾	<u>\$ 21,665</u>	<u>\$ 18,055</u>	<u>\$ 80,469</u>	<u>\$ 72,666</u>
Dividends				
Dividends declared and paid	\$ 15,827	\$ 14,323	\$ 59,412	\$ 54,311
Dividends declared and paid per share/unit	\$ 0.2500	\$ 0.2325	\$ 0.9475	\$ 0.8925

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

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

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Funds Available for Distribution (FAD) ⁽¹⁾				
FFO	\$ 28,464	\$ 25,712	\$ 110,186	\$ 97,713
Adjustments:				
Tenant improvements, leasing commissions and maintenance capital expenditures	(7,171)	(9,411)	(30,957)	(27,787)
Net effect of straight-line rents ⁽³⁾	(724)	435	(2,926)	(2,228)
Amortization of net above (below) market rents ⁽⁴⁾	(745)	(790)	(2,919)	(2,761)
Net effect of other lease intangibles ⁽⁵⁾	98	26	153	125
Amortization of debt issuance costs and debt fair value adjustment	1,054	1,029	4,214	4,075
Non-cash compensation expense	740	1,095	2,877	3,666
Nonforfeitable dividends on incentive stock awards	(51)	(41)	(159)	(137)
FAD	\$ 21,665	\$ 18,055	\$ 80,469	\$ 72,666

Summary of Capital Expenditures

Tenant improvements and leasing commissions	\$ 3,997	\$ 5,173	\$ 18,888	\$ 14,593
Maintenance capital expenditures	3,174	4,238	12,069	13,194
	\$ 7,171	\$ 9,411	\$ 30,957	\$ 27,787

Notes:

(1) See Glossary of Terms.

(2) For the three months and year ended December 31, 2015 and 2014, the weighted average common shares and common units used to compute FFO per diluted share/unit include operating partnership common units and unvested restricted stock awards that are subject to time vesting. The shares/units used to compute FFO per diluted share/unit include additional shares/units which were excluded from the computation of diluted EPS, as they were anti-dilutive for the periods presented.

(3) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.

(4) Represents the adjustment related to the acquisition of buildings with above (below) market rents.

(5) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our leases of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

SAME-STORE PORTFOLIO NET OPERATING INCOME (NOI)

(Amounts in thousands)

	Three Months Ended December 31, 2015				
	Retail	Office	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store portfolio	\$ 25,404	\$ 18,124	\$ 4,592	\$ 15,388	\$ 63,508
Non-same store portfolio ⁽¹⁾	7	6,906	1,109	—	8,022
Total	25,411	25,030	5,701	15,388	71,530
Real estate expenses					
Same-store portfolio	6,540	5,208	1,599	8,981	22,328
Non-same store portfolio ⁽¹⁾	47	2,628	1,483	—	4,158
Total	6,587	7,836	3,082	8,981	26,486
Net Operating Income (NOI), GAAP basis					
Same-store portfolio	18,864	12,916	2,993	6,407	41,180
Non-same store portfolio ⁽¹⁾	(40)	4,278	(374)	—	3,864
Total	\$ 18,824	\$ 17,194	\$ 2,619	\$ 6,407	\$ 45,044
Same-store portfolio NOI, GAAP basis	\$ 18,864	\$ 12,916	\$ 2,993	\$ 6,407	\$ 41,180
Net effect of straight-line rents ⁽²⁾	155	(608)	—	(1)	(454)
Amortization of net above (below) market rents ⁽³⁾	(313)	(578)	—	117	(774)
Net effect of other lease intangibles ⁽⁴⁾	—	33	—	(32)	1
Same-store portfolio NOI, cash basis	\$ 18,706	\$ 11,763	\$ 2,993	\$ 6,491	\$ 39,953

Notes:

- (1) Same-store portfolio and non-same store portfolio are determined based on properties held on December 31, 2015 and 2014. See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our lease of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

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

(Amounts in thousands)

	Year Ended December 31, 2015				
	Retail	Office	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store portfolio	\$ 98,141	\$ 70,024	\$ 17,964	\$ 59,722	\$ 245,851
Non-same store portfolio ⁽¹⁾	654	27,627	1,491	—	29,772
Total	98,795	97,651	19,455	59,722	275,623
Real estate expenses					
Same-store portfolio	25,305	19,100	6,415	35,157	85,977
Non-same store portfolio ⁽¹⁾	367	9,743	1,919	—	12,029
Total	25,672	28,843	8,334	35,157	98,006
Net Operating Income (NOI), GAAP basis					
Same-store portfolio	72,836	50,924	11,549	24,565	159,874
Non-same store portfolio ⁽¹⁾	287	17,884	(428)	—	17,743
Total	\$ 73,123	\$ 68,808	\$ 11,121	\$ 24,565	\$ 177,617
Same-store portfolio NOI, GAAP basis	\$ 72,836	\$ 50,924	\$ 11,549	\$ 24,565	\$ 159,874
Net effect of straight-line rents ⁽²⁾	143	(2,470)	—	67	(2,260)
Amortization of net above (below) market rents ⁽³⁾	(1,215)	(2,322)	—	474	(3,063)
Net effect of other lease intangibles ⁽⁴⁾	—	(98)	—	(125)	(223)
Same-store portfolio NOI, cash basis	\$ 71,764	\$ 46,034	\$ 11,549	\$ 24,981	\$ 154,328

Notes:

- (1) Same-store portfolio and non-same store portfolio are determined based on properties held on December 31, 2015 and 2014. See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our lease of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

SAME-STORE PORTFOLIO NOI COMPARISON EXCLUDING REDEVELOPMENT

(Amounts in thousands)

	Three Months Ended			Year Ended		
	December 31,			December 31,		
	2015	2014	Change	2015	2014	Change
Cash Basis:						
Retail	\$ 18,706	\$ 17,844	4.8%	\$ 71,764	\$ 68,021	5.5%
Office	11,763	10,803	8.9	46,034	42,472	8.4
Multifamily	2,993	2,730	9.6	11,549	10,877	6.2
Mixed-Use	6,491	4,963	30.8	24,981	21,978	13.7
	<u>\$ 39,953</u>	<u>\$ 36,340</u>	<u>9.9%</u>	<u>\$ 154,328</u>	<u>\$ 143,348</u>	<u>7.7%</u>
GAAP Basis:						
Retail	\$ 18,864	\$ 18,491	2.0%	\$ 72,836	\$ 70,097	3.9%
Office	12,916	11,746	10.0	50,924	46,317	9.9
Multifamily	2,993	2,730	9.6	11,549	10,877	6.2
Mixed-Use	6,407	4,878	31.3	24,565	21,732	13.0
	<u>\$ 41,180</u>	<u>\$ 37,845</u>	<u>8.8%</u>	<u>\$ 159,874</u>	<u>\$ 149,023</u>	<u>7.3%</u>

SAME-STORE PORTFOLIO NOI COMPARISON WITH REDEVELOPMENT

(Amounts in thousands)

	Three Months Ended			Year Ended		
	December 31,			December 31,		
	2015	2014	Change	2015	2014	Change
Cash Basis:						
Retail	\$ 18,706	\$ 17,844	4.8%	\$ 71,764	\$ 68,021	5.5%
Office	16,016	15,502	3.3	64,008	61,172	4.6
Multifamily	2,993	2,730	9.6	11,549	10,877	6.2
Mixed-Use	6,491	4,963	30.8	24,981	21,978	13.7
	<u>\$ 44,206</u>	<u>\$ 41,039</u>	<u>7.7%</u>	<u>\$ 172,302</u>	<u>\$ 162,048</u>	<u>6.3%</u>
GAAP Basis:						
Retail	\$ 18,864	\$ 18,491	2.0%	\$ 72,836	\$ 70,097	3.9%
Office	17,198	16,544	4.0	68,816	65,481	5.1
Multifamily	2,993	2,730	9.6	11,549	10,877	6.2
Mixed-Use	6,407	4,878	31.3	24,565	21,732	13.0
	<u>\$ 45,462</u>	<u>\$ 42,643</u>	<u>6.6%</u>	<u>\$ 177,766</u>	<u>\$ 168,187</u>	<u>5.7%</u>

NOI BY REGION

(Amounts in thousands)

	Three Months Ended December 31, 2015				
	Retail	Office	Multifamily	Mixed-Use	Total
Southern California					
NOI, GAAP basis ⁽¹⁾	\$ 7,451	\$ 3,998	\$ 2,993	\$ —	\$ 14,442
Net effect of straight-line rents ⁽²⁾	(75)	(122)	—	—	(197)
Amortization of net above (below) market rents ⁽³⁾	(195)	—	—	—	(195)
Net effect of other lease intangibles ⁽⁴⁾	—	93	—	—	93
NOI, cash basis	7,181	3,969	2,993	—	14,143
Northern California					
NOI, GAAP basis ⁽¹⁾	3,011	4,852	—	—	7,863
Net effect of straight-line rents ⁽²⁾	17	(357)	—	—	(340)
Amortization of net above (below) market rents ⁽³⁾	(97)	(179)	—	—	(276)
Net effect of other lease intangibles ⁽⁴⁾	—	32	—	—	32
NOI, cash basis	2,931	4,348	—	—	7,279
Hawaii					
NOI, GAAP basis ⁽¹⁾	4,634	—	—	6,407	11,041
Net effect of straight-line rents ⁽²⁾	197	—	—	(1)	196
Amortization of net above (below) market rents ⁽³⁾	52	—	—	117	169
Net effect of other lease intangibles ⁽⁴⁾	—	—	—	(32)	(32)
NOI, cash basis	4,883	—	—	6,491	11,374
Oregon					
NOI, GAAP basis ⁽¹⁾	—	4,157	(374)	—	3,783
Net effect of straight-line rents ⁽²⁾	—	(313)	(114)	—	(427)
Amortization of net above (below) market rents ⁽³⁾	—	(66)	—	—	(66)
Net effect of other lease intangibles ⁽⁴⁾	—	5	—	—	5
NOI, cash basis	—	3,783	(488)	—	3,295
Texas					
NOI, GAAP basis ⁽¹⁾	3,728	—	—	—	3,728
Net effect of straight-line rents ⁽²⁾	16	—	—	—	16
Amortization of net above (below) market rents ⁽³⁾	(72)	—	—	—	(72)
NOI, cash basis	3,672	—	—	—	3,672
Washington					
NOI, GAAP basis ⁽¹⁾	—	4,187	—	—	4,187
Net effect of straight-line rents ⁽²⁾	—	28	—	—	28
Amortization of net above (below) market rents ⁽³⁾	—	(305)	—	—	(305)
NOI, cash basis	—	3,910	—	—	3,910
Total					
NOI, GAAP basis ⁽¹⁾	18,824	17,194	2,619	6,407	45,044
Net effect of straight-line rents ⁽²⁾	155	(764)	(114)	(1)	(724)
Amortization of net above (below) market rents ⁽³⁾	(312)	(550)	—	117	(745)
Net effect of other lease intangibles ⁽⁴⁾	—	130	—	(32)	98
NOI, cash basis	\$ 18,667	\$ 16,010	\$ 2,505	\$ 6,491	\$ 43,673

Notes:

(1) See Glossary of Terms.

(2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.

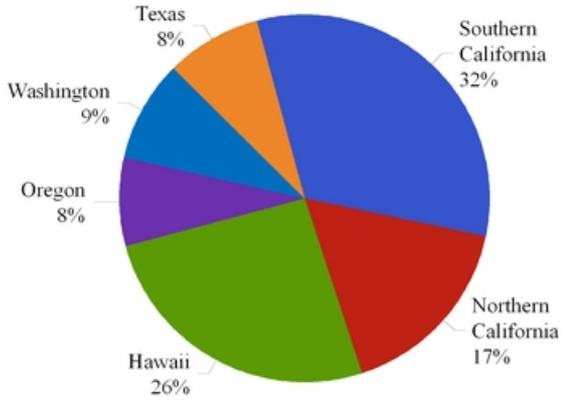
(3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.

(4) Represents adjustments related to amortization of lease incentives paid to tenants and amortization of lease intangibles and straight-line rent expense for our leases of the Annex at The Landmark at One Market and retail space at Waikiki Beach Walk - Retail.

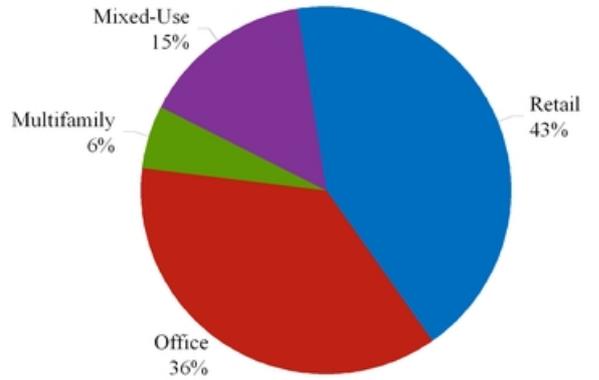
Three Months Ended December 31, 2015

Portfolio NOI, Cash Basis Breakdown

Portfolio Diversification by Geographic Region

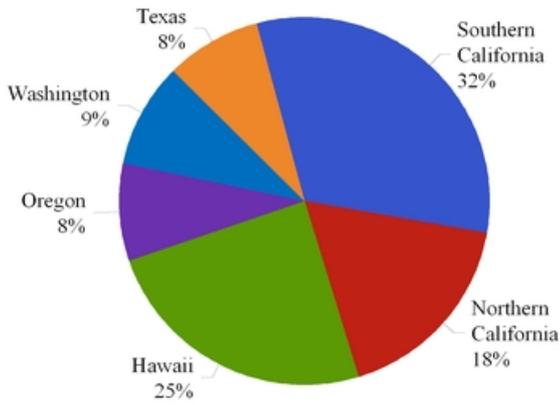


Portfolio Diversification by Segment

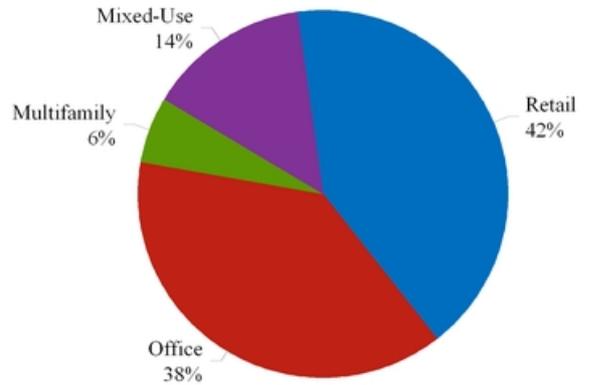


Portfolio NOI, GAAP Basis Breakdown

Portfolio Diversification by Geographic Region



Portfolio Diversification by Segment



PROPERTY REVENUE AND OPERATING EXPENSES

(Amounts in thousands)

Property	Three Months Ended December 31, 2015			
	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾
Retail Portfolio				
Carmel Country Plaza	\$ 907	\$ 18	\$ 278	\$ (246)
Carmel Mountain Plaza	3,048	43	781	(893)
South Bay Marketplace	566	13	194	(191)
Lomas Santa Fe Plaza	1,312	25	301	(392)
Solana Beach Towne Centre	1,507	8	508	(484)
Del Monte Center	2,402	519	1,190	(1,490)
Geary Marketplace	299	2	152	(143)
The Shops at Kalakaua	462	24	40	(71)
Waialele Center	4,279	433	1,136	(1,414)
Alamo Quarry Market	3,397	359	1,128	(1,212)
Subtotal Retail Portfolio	\$ 18,179	\$ 1,444	\$ 5,708	\$ (6,536)
Office Portfolio				
Torrey Reserve Campus ⁽⁵⁾	\$ 3,882	\$ 41	\$ 222	\$ (1,203)
Solana Beach Corporate Centre	1,753	15	40	(465)
The Landmark at One Market	5,350	26	287	(2,072)
One Beach Street	973	1	90	(308)
First & Main	2,556	230	263	(783)
Lloyd District Portfolio ⁽⁵⁾	2,627	393	76	(1,421)
City Center Bellevue	4,323	688	443	(1,545)
Subtotal Office Portfolio	\$ 21,464	\$ 1,394	\$ 1,421	\$ (7,797)
Multifamily Portfolio				
Loma Palisades	\$ 2,942	\$ 181	\$ —	\$ (1,073)
Imperial Beach Gardens	751	62	—	(244)
Mariner's Point	361	28	—	(124)
Santa Fe Park RV Resort	247	20	—	(158)
Hassalo on Eighth ⁽⁶⁾	1,076	93	—	(1,483)
Subtotal Multifamily Portfolio	\$ 5,377	\$ 384	\$ —	\$ (3,082)

PROPERTY REVENUE AND OPERATING EXPENSES (CONTINUED)

(Amounts in thousands)

Property	Three Months Ended December 31, 2015			
	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾
Mixed-Use Portfolio				
Waikiki Beach Walk - Retail	\$ 2,722	\$ 1,382	\$ 1,012	\$ (1,692)
Waikiki Beach Walk - Embassy Suites™	9,659	725	—	(7,316)
Subtotal Mixed-Use Portfolio	\$ 12,381	\$ 2,107	\$ 1,012	\$ (9,008)
Total	\$ 57,401	\$ 5,329	\$ 8,141	\$ (26,423)

Notes:

- (1) Base rent for our retail and office portfolio and the retail portion of our mixed-use portfolio represents base rent for the three months ended December 31, 2015 (before abatements) and excludes the impact of straight-line rent and above (below) market rent adjustments. Total abatements for our retail and office portfolio were approximately \$87 and \$470, respectively, for the three months ended December 31, 2015. There were no abatements for the retail portion of our mixed-use portfolio for the three months ended December 31, 2015. 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 \$172 of abatements for our multifamily portfolio for the three months ended December 31, 2015. For Waikiki Beach Walk - Embassy Suites™, base rent is equal to the actual room revenue for the three months ended December 31, 2015.
- (2) Represents additional property-related income for the three months ended December 31, 2015, 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 December 31, 2015.
- (4) Represents property operating expenses for the three months ended December 31, 2015. Property operating expenses includes all rental expenses, except non cash rent expense and the provision for bad debt recorded for deferred rent receivables.
- (5) Base rent shown includes amounts related to American Assets Trust, L.P.'s leases at Torrey Reserve Campus and Lloyd District Portfolio. This intercompany rent is eliminated in the consolidated statement of operations. The base rent and abatements were both \$213 for the three months ended December 31, 2015.
- (6) The Hassalo on Eighth property is comprised of three multifamily buildings: Velomor, Aster Tower and Elwood. The Velomor building at Hassalo on Eighth became available for occupancy by residential tenants in July 2015. The Aster Tower and Elwood buildings became available for occupancy by residential tenants in October of 2015.

SEGMENT CAPITAL EXPENDITURES

(Amounts in thousands)

Three Months Ended December 31, 2015

Segment	Tenant Improvements and Leasing Commissions	Maintenance Capital Expenditures	Total Tenant Improvements, Leasing Commissions and Maintenance Capital Expenditures	Redevelopment and Expansions	New Development	Total Capital Expenditures
Retail Portfolio	\$ 618	\$ 773	\$ 1,391	\$ —	\$ 708 ⁽¹⁾	\$ 2,099
Office Portfolio	3,365	2,098	5,463	2,367	4,017	11,847
Multifamily Portfolio	—	270	270	57	5,917 ⁽¹⁾	6,244
Mixed-Use Portfolio	14	33	47	—	—	47
Total	\$ 3,997	\$ 3,174	\$ 7,171	\$ 2,424	\$ 10,642	\$ 20,237

Year Ended December 31, 2015

Segment	Tenant Improvements and Leasing Commissions	Maintenance Capital Expenditures	Total Tenant Improvements, Leasing Commissions and Maintenance Capital Expenditures	Redevelopment and Expansions	New Development	Total Capital Expenditures
Retail Portfolio	\$ 4,733	\$ 1,716	\$ 6,449	\$ 161	\$ 783 ⁽¹⁾	\$ 7,393
Office Portfolio	13,850	9,238	23,088	14,773	11,188	49,049
Multifamily Portfolio	—	786	786	1,316	79,457 ⁽¹⁾	81,559
Mixed-Use Portfolio	305	329	634	—	—	634
Total	\$ 18,888	\$ 12,069	\$ 30,957	\$ 16,250	\$ 91,428	\$ 138,635

(1) New development capital expenditures for the retail and multifamily segments include capital expenditures incurred for Hassalo on Eighth, which consists of 657 multifamily units and 47,000 square feet of retail space. Hassalo on Eighth - Multifamily was completed and became available for occupancy during the third and fourth quarters of 2015. From inception of construction through the third quarter of 2015, all capital expenditures incurred for Hassalo on Eighth were included in the multifamily segment. Since the fourth quarter of 2015, capital expenditures incurred for Hassalo on Eighth have been recorded in both the retail and multifamily segments.

SUMMARY OF OUTSTANDING DEBT

(Amounts in thousands)

Debt	Amount		Interest Rate	Annual Debt		Balance at
	Outstanding at			Service	Maturity Date	
	December 31, 2015					
First & Main ⁽¹⁾	84,500		3.97%	85,915	July 1, 2016	84,500
Imperial Beach Gardens ⁽¹⁾	20,000		6.16%	20,942	September 1, 2016	20,000
Mariner's Point ⁽¹⁾	7,700		6.09%	8,058	September 1, 2016	7,700
South Bay Marketplace ⁽¹⁾	23,000		5.48%	1,281	February 10, 2017	23,000
Waikiki Beach Walk - Retail ⁽¹⁾	130,310		5.39%	7,137	July 1, 2017	130,310
Solana Beach Corporate Centre III-IV ⁽²⁾	35,920		6.39%	2,798	August 1, 2017	35,136
Loma Palisades ⁽¹⁾	73,744		6.09%	4,566	July 1, 2018	73,744
One Beach Street ⁽¹⁾	21,900		3.94%	877	April 1, 2019	21,900
Torrey Reserve - North Court ⁽²⁾	20,749		7.22%	1,836	June 1, 2019	19,443
Torrey Reserve - VCI, VCII, VCIII ⁽²⁾	6,995		6.36%	560	June 1, 2020	6,439
Solana Beach Corporate Centre I-II ⁽²⁾	11,119		5.91%	855	June 1, 2020	10,169
Solana Beach Towne Centre ⁽²⁾	37,065		5.91%	2,849	June 1, 2020	33,898
City Center Bellevue ⁽¹⁾	111,000		3.98%	4,491	November 1, 2022	111,000
Total / Weighted Average	\$ 584,002		5.17%	\$ 142,165		\$ 577,239
Unamortized fair value adjustment	(4,259)					
Secured Notes Payable	\$ 579,743					
Series A Notes ⁽³⁾	\$ 150,000		3.88%	\$ 6,060	October 31, 2021	\$ 150,000
Series B Notes ⁽⁴⁾	100,000		4.45%	4,450	February 2, 2025	100,000
Series C Notes ⁽⁵⁾	100,000		4.50%	4,500	April 1, 2025	100,000
Term Loan ⁽⁶⁾	100,000		3.08%	3,134	January 9, 2019	100,000
Unsecured Notes Payable / Weighted Average	\$ 450,000		3.97%	\$ 18,144		\$ 450,000
Unsecured Line of Credit ⁽⁷⁾	\$ 30,000					

Notes:

- (1) Interest only.
- (2) Principal payments based on a 30-year amortization schedule.
- (3) \$150 million of 4.04% Senior Guaranteed Notes, Series A, due October 31, 2021. Net of the settlement of the forward-starting interest rate swap, the fixed interest rate in accordance with GAAP for the Series A Notes is approximately 3.88% per annum, through maturity.
- (4) \$100 million of 4.45% Senior Guaranteed Notes, Series B, due February 2, 2025.
- (5) \$100 million of 4.50% Senior Guaranteed Notes, Series C, due April 1, 2025.
- (6) The term loan matures in January 2017 and we have two 12-month options remaining to extend its maturity to 2019. The term loan accrues interest at a variable rate, which we fixed as part of an interest rate swap for an all-in interest rate of 3.08%.
- (7) The unsecured revolving line of credit (the "Revolver Loan") has a capacity of \$250 million plus an accordion feature that may allow us to increase the availability thereunder up to an additional \$250 million, subject to meeting specified requirements and obtaining additional commitments from lenders. The Revolver Loan initially matures on January 9, 2018 and we have two six-month options to extend its maturity to January 9, 2019. The Revolver Loan currently accrues interest at LIBOR, plus a spread which ranges from 1.35%-1.95%, based on our consolidated leverage ratio.

(Amounts in thousands, except per share data)

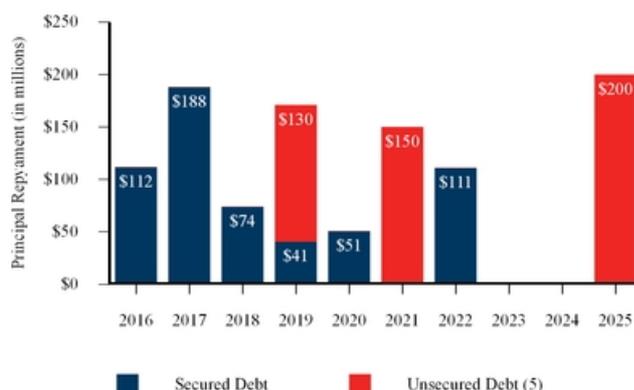
Market data	December 31, 2015
Common shares outstanding	45,408
Common units outstanding	17,899
Common shares and common units outstanding	63,307
Market price per common share	\$ 38.35
Equity market capitalization	\$ 2,427,823
Total debt	\$ 1,064,002
Total market capitalization	\$ 3,491,825
Less: Cash on hand	\$ (39,925)
Total enterprise value	\$ 3,451,900
Total assets, gross	\$ 2,389,585
Total unencumbered assets, gross	\$ 1,475,845

Total debt/Total capitalization	30.5%
Total debt/Total enterprise value	30.8%
Net debt/Total enterprise value ⁽¹⁾	29.7%
Total debt/Total assets, gross	44.5%
Net debt/Total assets, gross ⁽¹⁾	42.9%
Total unencumbered assets, gross/Unsecured debt	307.5%
Total debt/EBITDA ⁽²⁾⁽³⁾	6.5x
Net debt/EBITDA ⁽¹⁾⁽²⁾⁽³⁾	6.2x
Interest coverage ratio ⁽⁴⁾	3.4x
Fixed charge coverage ratio ⁽⁴⁾	3.4x

Notes:

- (1) Net debt is equal to total debt less cash on hand.
- (2) See Glossary of Terms for discussion of EBITDA.
- (3) As used here, EBITDA represents the actual for the three months ended December 31, 2015 annualized.
- (4) Calculated as EBITDA divided by interest on borrowed funds, including capitalized interest and excluding debt fair value adjustments and loan fee amortization.
- (5) Assumes the exercise of the two 12-month options remaining to extend the maturity of the unsecured term loan.

**Debt Maturity Schedule
as of December 31, 2015**



Weighted
Average
Fixed
Interest
Rate

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
4.5%	5.6%	6.1%	3.8%	6.0%	3.9%	4.0%	—%	—%	4.5%

Total Weighted Average Fixed Interest Rate: 4.6%

Weighted Average Term to Maturity: 4.5 years

Credit Ratings

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

SUMMARY OF DEVELOPMENT OPPORTUNITIES

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

In-Process Development Projects

Property	Location	Start Date	Estimated Completion Date	Estimated Stabilization Date ⁽¹⁾	Estimated Rentable Square Feet	Project Costs (in thousands) ⁽²⁾				
						Three Months Ended	Year Ended	Cost Incurred to Date	Total Estimated Investment	Estimated Stabilized Yield ⁽³⁾
						December 31, 2015	December 31, 2015			
Office Property:										
Torrey Point (previously Sorrento Pointe)	San Diego, CA	2015	2017	2018	88,000	\$1,642	\$4,866	\$12,059	\$52,500	7.54% - 8.55%

Development/Redevelopment Pipeline

Property	Property Type	Location	Estimated Rentable Square Feet	Multifamily Units
Solana Beach Corporate Centre (Building 5)	Retail	Solana Beach, CA	10,000	N/A
Lomas Santa Fe Plaza	Retail	Solana Beach, CA	45,000	N/A
Solana Beach - Highway 101 ⁽⁴⁾	Mixed Use	Solana Beach, CA	48,000	36
Lloyd District Portfolio - multiple phases ⁽⁵⁾	Mixed Use	Portland, OR	TBD	TBD

Notes:

- (1) Based on management's estimation of stabilized occupancy (90%).
- (2) For all properties, project costs exclude capitalized interest cost which is calculated in accordance with Accounting Standards Codification 835-20-50-1.
- (3) The estimated stabilized yield is calculated based on total estimated project costs, as defined above, when the project has reached stabilized occupancy.
- (4) Represents commercial portion of development opportunity for Solana Beach - Highway 101.
- (5) The Lloyd District 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 to include a high density, transit oriented, mixed-use urban village, with the potential to be in excess of approximately 3 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 December 31, 2015

Retail and Office Portfolios

Property	Location	Year Built/ Renovated	Number of Buildings	Net Rentable		Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized per Leased Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
				Square Feet ⁽¹⁾	Percentage Leased ⁽²⁾					
Retail Properties										
Carmel Country Plaza	San Diego, CA	1991	9	78,098	96.2%	\$ 3,633,249	\$48.36		Sharp Healthcare, San Diego County Credit Union	
Carmel Mountain Plaza ⁽⁷⁾	San Diego, CA	1994/2014	15	528,416	98.4	12,276,717	23.61	Sears	Sports Authority, Saks Fifth Avenue Off 5th	
South Bay Marketplace ⁽⁷⁾	San Diego, CA	1997	9	132,877	100.0	2,265,539	17.05		Ross Dress for Less, Grocery Outlet	
Lomas Santa Fe Plaza	Solana Beach, CA	1972/1997	9	209,569	96.4	5,219,920	25.84		Vons, Home Goods	
Solana Beach Towne Centre	Solana Beach, CA	1973/2000/2004	12	246,730	98.0	6,062,709	25.07		Dixieline Probuild, Marshalls	
Del Monte Center ⁽⁷⁾	Monterey, CA	1967/1984/2006	16	675,678	98.7	10,328,271	15.49	Macy's, KLA Monterey	Century Theatres, Macy's Furniture Gallery	
Geary Marketplace	Walnut Creek, CA	2012	3	35,156	100.0	1,195,524	34.01		Sprouts Farmer Market, Freebirds Wild Burrito	
The Shops at Kalakaua	Honolulu, HI	1971/2006	3	11,671	100.0	1,850,604	158.56		Hawaii Beachware & Fashion, Diesel U.S.A. Inc.	
Waialele Center	Waipahu, HI	1993/2008	9	537,637	100.0	17,154,243	31.91	Lowe's, Kmart, Sports Authority	UFC Gym, Old Navy	
Alamo Quarry Market ⁽⁷⁾	San Antonio, TX	1997/1999	16	589,362	98.5	13,765,779	23.71	Regal Cinemas	Bed Bath & Beyond, Whole Foods Market	
Subtotal/Weighted Average Retail Portfolio			101	3,045,194	98.6%	\$ 73,752,555	\$24.56			
Office Properties										
Torrey Reserve Campus	San Diego, CA	1996-2000/2014-present	12	493,435	88.4%	\$ 15,493,803	\$35.52			
Solana Beach Corporate Centre	Solana Beach, CA	1982/2005	4	212,215	97.1	7,331,085	35.58			
The Landmark at One Market ⁽⁸⁾	San Francisco, CA	1917/2000	1	419,371	100.0	21,417,478	51.07			
One Beach Street	San Francisco, CA	1924/1972/1987/1992	1	97,614	100.0	3,920,994	40.17			
First & Main	Portland, OR	2010	1	360,641	97.4	10,207,922	29.06			
Lloyd District Portfolio	Portland, OR	1940-2011/present	6	580,545	80.5	10,498,292	22.46			
City Center Bellevue	Bellevue, WA	1987	1	494,753	96.9	17,014,605	35.49			
Subtotal/Weighted Average Office Portfolio			26	2,658,574	92.4%	\$ 85,884,179	\$34.96			
Total/Weighted Average Retail and Office Portfolio			127	5,703,768	95.7%	\$ 159,636,734	\$29.25			

As of December 31, 2015

Property	Location	Year Built/ Renovated	Number		Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Average Monthly
			of Buildings	Units			Base Rent per Leased Unit ⁽⁴⁾
Loma Palisades	San Diego, CA	1958/2001-2008	80	548	95.4%	\$ 11,778,588	\$ 1,878
Imperial Beach Gardens	Imperial Beach, CA	1959/2008	26	160	94.4	2,994,060	\$ 1,652
Mariner's Point	Imperial Beach, CA	1986	8	88	97.7	1,426,332	\$ 1,382
Santa Fe Park RV Resort ⁽⁹⁾	San Diego, CA	1971/2007-2008	1	126	96.0	1,111,080	\$ 765
Hassalo on Eighth - Velomor ⁽¹⁰⁾	Portland, OR	2015	1	177	81.9	2,755,404	\$ 1,584
Hassalo on Eighth - Aster Tower ⁽¹⁰⁾	Portland, OR	2015	1	337	29.1	1,702,260	\$ 1,447
Hassalo on Eighth - Elwood ⁽¹⁰⁾	Portland, OR	2015	1	143	24.5	550,452	\$ 1,309
Total/Weighted Average Multifamily Portfolio			118	1,579	73.4%	\$22,318,176	\$ 1,605

Mixed-Use Portfolio

Retail Portion	Location	Year Built/ Renovated	Number of Buildings	Net Rentable		Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
				Square Feet ⁽⁴⁾	Percentage Leased ⁽²⁾			Rent per Leased Square Foot ⁽⁴⁾		
Waikiki Beach Walk - Retail	Honolulu, HI	2006	3	96,707	100.0%	\$ 10,902,402	\$ 112.74		Yard House, Roy's	

Hotel Portion	Location	Year Built/ Renovated	Number of Buildings	Units	Average Occupancy ⁽¹¹⁾	Average Daily Rate ⁽¹¹⁾	Annualized
							Revenue per Available Room ⁽¹¹⁾
Waikiki Beach Walk - Embassy Suites™	Honolulu, HI	2008/2014	2	369	89.5%	\$ 317.73	\$ 284.53

Notes:

- The net rentable square feet for each of our retail properties and the retail portion of our mixed-use property is the sum of (1) the square footages of existing leases, plus (2) for available space, the field-verified square footage. The net rentable square feet for each of our office properties is the sum of (1) the square footages of existing leases, plus (2) for available space, management's estimate of net rentable square feet based, in part, on past leases. The net rentable square feet included in such office leases is generally determined consistently with the Building Owners and Managers Association, or BOMA, 1996 measurement guidelines. Net rentable square footage may be adjusted from the prior periods to reflect re-measurement of leased space at the properties.
- Percentage leased for each of our retail and office properties and the retail portion of the mixed-use property includes square footage under leases as of December 31, 2015, including leases which may not have commenced as of December 31, 2015. Percentage leased for our multifamily properties includes total units rented as of December 31, 2015.
- Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for the month ended December 31, 2015 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses.
- Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of December 31, 2015. Annualized base rent per leased unit is calculated by dividing annualized base rent by units under lease as of December 31, 2015.
- Retail anchor tenants are defined as retail tenants leasing 50,000 square feet or more.
- Other principal retail tenants are defined as the two tenants leasing the most square footage, excluding anchor tenants.
- Net rentable square feet at certain of our retail properties includes pad sites leased pursuant to the ground leases in the following table:

Property	Number of Ground Leases	Square Footage Leased Pursuant to Ground Leases	Aggregate Annualized Base Rent
Carmel Mountain Plaza	6	125,477	\$ 1,193,816
South Bay Marketplace	1	2,824	\$ 91,320
Del Monte Center	2	295,100	\$ 201,291
Alamo Quarry Market	4	31,994	\$ 470,075

- This property contains 419,371 net rentable square feet consisting of The Landmark at One Market (375,151 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, 2021, which we have the option to extend until 2031 pursuant to two five-year extension options.
- The Santa Fe Park RV Resort is subject to seasonal variation, with higher rates of occupancy occurring during the summer months. During the 12 months ended December 31, 2015, the highest average monthly occupancy rate for this property was 98%, occurring in July 2015. The number of units at the Santa Fe Park RV Resort includes 122 RV spaces and four apartments.
- The Hassalo on Eighth property is comprised of three multifamily buildings: Velomor, Aster Tower and Elwood. On July 2, 2015, the Velomor building at Hassalo on Eighth became available for occupancy by residential tenants. The Aster Tower and Elwood buildings became available for occupancy by residential tenants in October of 2015.
- Average occupancy represents the percentage of available units that were sold during the three months ended December 31, 2015, 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 December 31, 2015 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 December 31, 2015 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.

RETAIL LEASING SUMMARY

As of December 31, 2015

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.
4th Quarter 2015	13	100%	78,994	\$23.57	\$22.69	\$ 69,119	3.9%	20.2%	7.9	\$ 370,000	\$4.68
3rd Quarter 2015	18	100%	57,546	\$32.46	\$26.55	\$ 340,390	22.3%	29.2%	6.8	\$ 143,000	\$2.48
2nd Quarter 2015	18	100%	68,629	\$34.19	\$28.55	\$ 387,154	19.8%	17.5%	4.3	\$ 154,612	\$2.25
1st Quarter 2015	18	100%	30,619	\$59.05	\$54.22	\$ 147,888	8.9%	11.2%	3.9	\$ 409,120	\$13.36
Total 12 months	67	100%	235,788	\$33.44	\$29.43	\$ 944,551	13.6%	19.2%	6.1	\$ 1,076,732	\$4.56

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.
4th Quarter 2015	1	8%	12,256	\$14.25	\$11.75	\$ 30,666	21.3%	57.7%	10.4	\$ 85,792	\$7.00
3rd Quarter 2015	2	11%	2,400	\$48.00	\$43.56	\$ 10,660	10.2%	29.1%	3.7	\$ 122,000	\$50.83
2nd Quarter 2015	6	33%	6,801	\$50.06	\$40.71	\$ 63,586	23.0%	33.6%	4.4	\$ 90,612	\$13.32
1st Quarter 2015	8	44%	12,835	\$67.38	\$61.30	\$ 78,078	9.9%	12.0%	4.7	\$ 409,120	\$31.88
Total 12 months	17	25%	34,292	\$43.60	\$38.27	\$ 182,990	13.9%	22.7%	6.6	\$ 707,524	\$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.
4th Quarter 2015	12	92%	66,738	\$25.28	\$24.70	\$ 38,453	2.3%	16.8%	7.4	\$ 284,208	\$4.26
3rd Quarter 2015	16	89%	55,146	\$31.78	\$25.81	\$ 329,730	23.2%	29.2%	7.0	\$ 21,000	\$0.38
2nd Quarter 2015	12	67%	61,828	\$32.44	\$27.21	\$ 323,568	19.2%	14.9%	4.3	\$ 64,000	\$1.04
1st Quarter 2015	10	56%	17,784	\$53.01	\$49.11	\$ 69,810	8.0%	10.5%	3.4	\$ —	\$0.00
Total 12 months	50	75%	201,496	\$31.70	\$27.93	\$ 761,561	13.5%	18.4%	6.0	\$ 369,208	\$1.83

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.
4th Quarter 2015	21	90,943	\$24.65	7.7	\$ 2,078,755	\$22.86
3rd Quarter 2015	22	69,835	\$29.89	6.1	\$ 2,518,200	\$36.06
2nd Quarter 2015	20	72,715	\$33.50	4.3	\$ 156,612	\$2.15
1st Quarter 2015	21	44,421	\$49.42	5.4	\$ 1,255,872	\$28.27
Total 12 months	84	277,914	\$32.24	6.0	\$ 6,009,439	\$21.62

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) Excludes renewals at fixed contractual rates specified in the lease.

OFFICE LEASING SUMMARY

As of December 31,
2015

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.
4th Quarter 2015	15	100%	92,002	\$36.91	\$35.37	\$ 141,780	4.4%	10.6%	3.7	\$ 974,621	\$10.59
3rd Quarter 2015	15	100%	55,312	\$35.10	\$32.97	\$ 117,556	6.4%	16.2%	3.8	\$ 917,808	\$16.59
2nd Quarter 2015	16	100%	129,173	\$60.13	\$42.93	\$ 2,222,587	40.1%	50.0%	3.7	\$ 1,263,855	\$9.78
1st Quarter 2015	12	100%	50,794	\$24.84	\$23.97	\$ 44,486	3.7%	7.9%	2.1	\$ 51,510	\$1.01
Total 12 months	58	100%	327,281	\$43.90	\$36.18	\$ 2,526,409	21.3%	29.4%	3.5	\$ 3,207,794	\$9.80

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.
4th Quarter 2015	5	33%	15,647	\$40.09	\$32.27	\$ 122,337	24.2%	31.0%	4.1	\$ 345,044	\$22.05
3rd Quarter 2015	4	27%	16,491	\$32.70	\$29.47	\$ 53,271	11.0%	34.4%	4.5	\$ 735,133	\$44.58
2nd Quarter 2015	6	38%	35,716	\$40.87	\$39.87	\$ 35,791	2.5%	21.1%	6.0	\$ 636,997	\$17.84
1st Quarter 2015	2	17%	2,701	\$33.60	\$32.12	\$ 3,996	4.6%	18.7%	7.5	\$ 51,510	\$19.07
Total 12 months	17	29%	70,555	\$38.51	\$35.46	\$ 215,395	8.6%	25.7%	5.3	\$ 1,768,684	\$25.07

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.
4th Quarter 2015	10	67%	76,355	\$36.26	\$36.01	\$ 19,443	0.7%	6.6%	3.6	\$ 629,577	\$8.25
3rd Quarter 2015	11	73%	38,821	\$36.11	\$34.46	\$ 64,285	4.8%	10.1%	3.5	\$ 182,675	\$4.71
2nd Quarter 2015	10	63%	93,457	\$67.49	\$44.09	\$ 2,186,796	53.1%	59.5%	2.8	\$ 626,858	\$6.71
1st Quarter 2015	10	83%	48,093	\$24.35	\$23.51	\$ 40,490	3.6%	7.1%	1.8	\$ —	\$0.00
Total 12 months	41	71%	256,726	\$45.37	\$36.38	\$ 2,311,014	24.7%	30.3%	3.0	\$ 1,439,110	\$5.61

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.
4th Quarter 2015	19	103,220	\$36.83	3.8	\$ 1,265,802	\$12.26
3rd Quarter 2015	23	84,573	\$34.65	5.5	\$ 2,126,512	\$25.14
2nd Quarter 2015	22	153,839	\$55.93	4.0	\$ 2,321,713	\$15.09
1st Quarter 2015	20	90,134	\$32.78	2.9	\$ 853,731	\$9.47
Total 12 months	84	431,766	\$42.36	4.0	\$ 6,567,758	\$15.21

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

MULTIFAMILY LEASING SUMMARY

As of December 31, 2015

Lease Summary - Loma Palisades

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	523	95.4%	\$11,778,588	\$1,878
3rd Quarter 2015	526	96.0%	\$11,654,256	\$1,846
2nd Quarter 2015	530	96.7%	\$11,236,224	\$1,767
1st Quarter 2015	540	98.5%	\$11,178,576	\$1,726

Lease Summary - Imperial Beach Gardens

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	151	94.4%	\$2,994,060	\$1,652
3rd Quarter 2015	157	98.1%	\$3,050,376	\$1,620
2nd Quarter 2015	152	95.0%	\$2,957,808	\$1,622
1st Quarter 2015	160	100.0%	\$2,851,668	\$1,485

Lease Summary - Mariner's Point

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	86	97.7%	\$1,426,332	\$1,382
3rd Quarter 2015	87	98.9%	\$1,420,908	\$1,361
2nd Quarter 2015	85	96.6%	\$1,403,760	\$1,376
1st Quarter 2015	87	98.9%	\$1,285,236	\$1,231

Lease Summary - Santa Fe Park RV Resort

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	121	96.0%	\$1,111,080	\$765
3rd Quarter 2015	93	74.0%	\$966,720	\$864
2nd Quarter 2015	115	91.0%	\$1,312,308	\$954
1st Quarter 2015	102	81.0%	\$838,920	\$685

Lease Summary - Hassalo on Eighth - Velomor ⁽⁴⁾

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	145	81.9%	\$2,755,404	\$1,584
3rd Quarter 2015	141	79.7%	\$2,427,804	\$1,434

Lease Summary - Hassalo on Eighth - Aster Tower ⁽⁵⁾

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	98	29.1%	\$1,702,260	\$1,447

Lease Summary - Hassalo on Eighth - Elwood ⁽⁵⁾

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	35	24.5%	\$550,452	\$1,309

MULTIFAMILY LEASING SUMMARY (CONTINUED)

As of December 31, 2015

Total Multifamily Lease Summary

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2015	1,159	73.4%	\$22,318,176	\$1,605
3rd Quarter 2015	1,004	91.4%	\$19,520,064	\$1,619
2nd Quarter 2015	882	95.7%	\$16,910,100	\$1,597
1st Quarter 2015	889	96.4%	\$16,154,400	\$1,515

Notes:

- (1) Percentage leased for our multifamily properties includes total units rented as of each respective quarter end date.
- (2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) as of each respective quarter end date.
- (3) Annualized base rent per leased unit is calculated by dividing annualized base rent, by units under lease as of each respective quarter end date.
- (4) The Velomor building at Hassalo on Eighth was placed into operations and available for occupancy in July 2015.
- (5) The Aster Tower and Elwood buildings were placed into operations and available for occupancy in October 2015.

As of December 31, 2015

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⁾
4th Quarter 2015	96,707	100.0%	\$10,902,402	\$113
3rd Quarter 2015	96,707	100.0%	\$10,877,523	\$112
2nd Quarter 2015	96,707	100.0%	\$10,837,220	\$112
1st Quarter 2015	96,707	100.0%	\$10,799,806	\$112

Lease Summary - Hotel Portion

Quarter	Number of Leased Units	Average Occupancy ⁽⁴⁾	Average Daily Rate ⁽⁴⁾	Annualized Revenue per Available Room ⁽⁴⁾
4th Quarter 2015	330	89.5%	\$318	\$285
3rd Quarter 2015	339	91.8%	\$346	\$318
2nd Quarter 2015	324	87.8%	\$296	\$260
1st Quarter 2015	328	89.0%	\$305	\$271

Notes:

- (1) Percentage leased for mixed-use property includes square footage under leases as of December 31, 2015, including leases which may not have commenced as of December 31, 2015.
- (2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for the month ended December 31, 2015 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 December 31, 2015.
- (4) Average occupancy represents the percentage of available units that were sold during the three months ended December 31, 2015, 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 December 31, 2015

Assumes no exercise of lease options

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	% of	Annualized
		Sq. Ft.	Office	Total		Base Rent	Sq. Ft.	Retail		Total	Base Rent	Sq. Ft.		Mixed-Use	Total
Month to Month	15,825	0.6%	0.3%	\$2.81	7,162	0.2%	0.1%	\$28.44	2,063	2.1%	—%	—	25,050	0.4%	\$9.91
2016	303,268	11.4	5.2	\$30.97	150,999	5.0	2.6	\$31.70	12,951	13.4	0.2	\$164.65	467,218	8.1	\$34.91
2017	373,725	14.1	6.4	\$37.46	338,466	11.1	5.8	\$26.38	9,967	10.3	0.2	\$143.87	722,158	12.4	\$33.74
2018	295,980	11.1	5.1	\$40.98	1,040,429	34.2	17.9	\$20.29	13,212	13.7	0.2	\$120.02	1,349,621	23.3	\$25.80
2019	298,121	11.2	5.1	\$41.45	366,433	12.0	6.3	\$27.41	19,348	20.0	0.3	\$89.61	683,902	11.8	\$35.29
2020	340,071	12.8	5.9	\$40.04	265,687	8.7	4.6	\$21.00	19,337	20.0	0.3	\$58.84	625,095	10.8	\$32.53
2021	178,577	6.7	3.1	\$44.68	95,078	3.1	1.6	\$46.31	8,365	8.6	0.1	\$242.73	282,020	4.9	\$51.10
2022	22,679	0.9	0.4	\$30.89	171,717	5.6	3.0	\$32.28	11,464	11.9	0.2	\$74.01	205,860	3.5	\$34.45
2023	127,456	4.8	2.2	\$30.99	56,813	1.9	1.0	\$24.52	—	—	—	—	184,269	3.2	\$29.00
2024	136,841	5.1	2.4	\$32.63	219,127	7.2	3.8	\$24.97	—	—	—	\$—	355,968	6.1	\$27.91
2025	193,175	7.3	3.3	\$27.53	162,586	5.3	2.8	\$22.94	—	—	—	—	355,761	6.1	\$25.43
Thereafter	81,034 ⁽²⁾	3.0	1.4	\$23.86	125,464	4.1	2.2	\$20.42	—	—	—	—	206,498	3.6	\$21.77
Signed Leases Not Commenced	90,723	3.4	1.6	—	3,571	0.1	0.1	—	—	—	—	—	94,294	1.6	—
Available	201,099	7.6	3.5	—	41,662	1.4	0.7	—	—	—	—	—	242,761	4.2	—
Total ⁽³⁾	2,658,574	100.0%	45.8%	\$32.30	3,045,194	100.0%	52.5%	\$24.22	96,707	100.0%	1.7%	\$112.74	5,800,475	100.0%	\$29.40

Assumes all lease options are exercised

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	% of	% of	Annualized	Expiring	% of	Annualized
		Sq. Ft.	Office	Total		Base Rent	Sq. Ft.	Retail		Total	Base Rent	Sq. Ft.		Mixed-Use	Total
Month to Month	15,825	0.6%	0.3%	\$2.81	7,162	0.2%	0.1%	\$28.44	2,063	2.1%	—%	—	25,050	0.4%	\$9.91
2016	267,659	10.1	4.6	\$30.75	70,472	2.3	1.2	\$36.23	8,923	9.2	0.2	\$180.01	347,054	6.0	\$35.70
2017	72,081	2.7	1.2	\$38.56	89,981	3.0	1.6	\$34.55	8,927	9.2	0.2	\$136.84	170,989	2.9	\$41.58
2018	65,911	2.5	1.1	\$38.03	71,299	2.3	1.2	\$36.43	13,212	13.7	0.2	\$120.02	150,422	2.6	\$44.47
2019	51,385	1.9	0.9	\$42.51	102,831	3.4	1.8	\$32.08	7,658	7.9	0.1	\$138.23	161,874	2.8	\$40.41
2020	151,957	5.7	2.6	\$36.37	108,018	3.5	1.9	\$27.14	3,015	3.1	0.1	\$176.12	262,990	4.5	\$34.18
2021	96,098	3.6	1.7	\$32.59	65,380	2.1	1.1	\$51.73	12,393	12.8	0.2	\$206.29	173,871	3.0	\$52.17
2022	279,569	10.5	4.8	\$35.98	92,980	3.1	1.6	\$36.59	11,894	12.3	0.2	\$77.84	384,443	6.6	\$37.42
2023	163,478	6.1	2.8	\$44.51	143,410	4.7	2.5	\$32.87	—	—	—	—	306,888	5.3	\$39.07
2024	117,379	4.4	2.0	\$33.73	190,327	6.3	3.3	\$30.09	—	—	—	—	307,706	5.3	\$31.48
2025	144,629	5.4	2.5	\$34.61	119,529	3.9	2.1	\$27.34	—	—	—	—	264,158	4.6	\$31.32
Thereafter	940,781 ⁽²⁾	35.4	16.2	\$37.46	1,938,572	63.7	33.4	\$19.89	28,622	29.6	0.5	\$49.51	2,907,975	50.1	\$25.87
Signed Leases Not Commenced	90,723	3.4	1.6	—	3,571	0.1	0.1	—	—	—	—	—	94,294	1.6	—
Available	201,099	7.6	3.5	—	41,662	1.4	0.7	—	—	—	—	—	242,761	4.2	—
Total ⁽³⁾	2,658,574	100.0%	45.8%	\$32.30	3,045,194	100.0%	52.5%	\$24.22	96,707	100.0%	1.7%	\$112.74	5,800,475	100.0%	\$29.40

As of December 31, 2015

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 December 31, 2015 for the leases expiring during the applicable period by (ii) 12 months.
- (2) The expirations include 34,174 square feet currently leased by multiple tenants at Lloyd District Portfolio through various expiration dates, for which The State of Oregon, by and through its Department of Environmental Quality has signed an agreement to lease such space beginning November 1, 2016 through October 31, 2031 with options to extend the lease through October 31, 2041.
- (3) Individual items may not add up to total due to rounding.

Type	At December 31, 2015			At December 31, 2014		
	Size	Leased ⁽¹⁾	Leased %	Size	Leased ⁽¹⁾	Leased %
Overall Portfolio ⁽²⁾ Statistics						
Retail Properties (square feet)	3,045,194 ⁽³⁾	3,003,532	98.6%	3,075,754	3,034,084	98.6%
Office Properties (square feet)	2,658,574	2,457,475	92.4%	2,660,260	2,431,898	91.4%
Multifamily Properties (units)	1,579	1,159	73.4%	922	895	97.1%
Mixed-Use Properties (square feet)	96,707	96,707	100.0%	96,707	96,334	99.6%
Mixed-Use Properties (units)	369	331 ⁽⁴⁾	89.6%	369	294 ⁽⁴⁾	79.8%
Same-Store⁽²⁾ Statistics						
Retail Properties (square feet)	3,045,194	3,003,532	98.6%	3,075,754	3,034,084	98.6%
Office Properties (square feet)	1,584,594 ⁽⁵⁾	1,553,715	98.1%	1,584,622 ⁽⁵⁾	1,510,170	95.3%
Multifamily Properties (units)	922 ⁽⁶⁾	881	95.6%	922	895	97.1%
Mixed-Use Properties (square feet)	96,707	96,707	100.0%	96,707	96,334	99.6%
Mixed-Use Properties (units)	369	331 ⁽⁴⁾	89.6%	369	294 ⁽⁴⁾	79.8%

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 as of that date.
- (2) See Glossary of Terms.
- (3) Excludes Rancho Carmel Plaza, which was sold on August 6, 2015.
- (4) Represents average occupancy for the year ended December 31, 2015 and 2014.
- (5) The same-store portfolio excludes Torrey Reserve Campus and Lloyd District Portfolio due to significant redevelopment activity.
- (6) The same-store portfolio excludes Hassalo on Eighth; the Velomor building was placed into operations and available for occupancy in July 2015 and the Aster Tower and Elwood buildings were placed into operations and available for occupancy in October 2015.

As of December 31, 2015

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 Kmart	Waikele Center	6/30/2018	119,590	3.9%	2.1%	\$ 4,544,420	6.2%	2.7%
2 Lowe's	Waikele Center	5/31/2018	155,000	5.1	2.7	4,460,079	6.0	2.6
3 Sports Authority	Waikele Center, Carmel Mountain Plaza	7/18/2018 11/30/2018	90,722	3.0	1.6	2,133,950	2.9	1.2
4 Nordstrom Rack	Carmel Mountain Plaza, Alamo Quarry Market	9/30/2022 10/31/2022	69,047	2.3	1.2	1,990,316	2.7	1.2
5 Sprouts Farmers Market	Solana Beach Towne Centre, Carmel Mountain Plaza, Geary Marketplace	6/30/2019 3/31/2025 9/30/2032	71,431	2.3	1.2	1,919,436	2.6	1.1
6 Marshalls	Carmel Mountain Plaza, Solana Beach Towne Centre	1/31/2019 1/31/2025	68,055	2.2	1.2	1,258,083	1.7	0.7
7 Old Navy	South Bay Marketplace, Waikele Center, Alamo Quarry Market	4/30/2016 7/31/2016 9/30/2017	59,780	2.0	1.0	*	*	*
8 Vons	Lomas Santa Fe Plaza	12/31/2017	49,895	1.6	0.9	1,216,700	1.6	0.7
9 Regal Cinemas	Alamo Quarry Market	3/31/2018	72,447	2.4	1.2	1,122,929	1.5	0.7
10 Gap	Del Monte Center, Waikele Center, Alamo Quarry Market	9/20/2020 2/28/2022 4/30/2024	36,614	1.2	0.6	982,039	1.3	0.6
Top 10 Retail Tenants Total			792,581	26.0%	13.7%	\$19,627,952	26.5%	11.5%

* Data withheld at tenant's request.

TOP TENANTS - OFFICE

As of December 31, 2015

Tenant	Property	Lease Expiration	Total Leased Square Feet	Rentable Square Feet as a Percentage of Total Office	Rentable Square Feet as a Percentage of Total	Annualized Base Rent	Annualized Base Rent as a Percentage of Total Office	Annualized Base Rent as a Percentage of Total
1 salesforce.com	The Landmark at One Market	6/30/2019 4/30/2020 5/31/2021	254,118	9.6%	4.4%	\$13,478,140	15.7%	7.9%
2 Autodesk, Inc.	The Landmark at One Market	12/31/2017 12/31/2018	114,664	4.3	2.0	5,733,597	6.7	3.4
3 Veterans Benefits Administration	First & Main	8/31/2020	93,572	3.5	1.6	3,006,453	3.5	1.8
4 Insurance Company of the West	Torrey Reserve Campus	12/31/2016	81,040	3.0	1.4	2,676,783	3.1	1.6
5 Clearesult Operating, LLC (as successor to Portland Energy Conservation)	First & Main	4/30/2025	101,848	3.8	1.8	2,503,140	2.9	1.5
6 Caradigm USA LLC	City Center Bellevue	8/14/2017	68,956	2.6	1.2	2,298,303	2.7	1.3
7 Alliant International University	One Beach Street	10/31/2019	64,161	2.4	1.1	2,292,955	2.7	1.3
8 Treasury Call Center	First & Main	8/31/2020	63,648	2.4	1.1	2,184,302	2.5	1.3
9 HDR Engineering, Inc.	City Center Bellevue	12/31/2017	57,238	2.2	1.0	2,044,876	2.4	1.2
10 California Bank & Trust	Torrey Reserve Campus	2/29/2024	34,731	1.3	0.6	1,654,219	1.9	1.0
Top 10 Office Tenants Total			933,976	35.1%	16.2%	\$37,872,768	44.1%	22.3%

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 months and year ended December 31, 2015 and 2014 is as follows:

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Net income	\$ 11,226	\$ 10,046	\$ 53,915	\$ 31,145
Depreciation and amortization	17,238	15,666	63,392	66,568
Interest expense	13,010	12,569	47,260	52,965
Interest income	(55)	(54)	(90)	(155)
Income tax expense	(180)	(34)	295	460
Gain on sale of real estate	—	—	(7,121)	—
EBITDA	\$ 41,239	\$ 38,193	\$ 157,651	\$ 150,983

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

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

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

Reconciliation of NOI to net income	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Total NOI	\$ 45,044	\$ 42,795	\$ 177,617	\$ 168,769
General and administrative	(3,913)	(4,603)	(20,074)	(18,532)
Depreciation and amortization	(17,238)	(15,666)	(63,392)	(66,568)
Interest expense	(13,010)	(12,569)	(47,260)	(52,965)
Gain on sale of real estate	—	—	7,121	—
Other income (expense), net	343	89	(97)	441
Net income	11,226	10,046	53,915	31,145
Net income attributable to restricted shares	(53)	(115)	(168)	(374)
Net loss attributable to unitholders in the Operating Partnership	(2,961)	(2,907)	(15,238)	(9,015)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 8,212	\$ 7,024	\$ 38,509	\$ 21,756

Overall Portfolio: Includes all operating properties owned by us as of December 31, 2015.

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

	Comparison of Three Months Ended			Comparison of Year Ended		
	December 31, 2015 to 2014			December 31, 2015 to 2014		
	Same-Store	Non Same-Store	Redevelopment Same-Store	Same-Store	Non Same-Store	Redevelopment Same-Store
Retail Properties						
Carmel Country Plaza	X		X	X		X
Carmel Mountain Plaza	X		X	X		X
South Bay Marketplace	X		X	X		X
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
Waialele Center	X		X	X		X
Alamo Quarry Market	X		X	X		X
Office Properties						
Torrey Reserve Campus		X	X		X	X
Solana Beach Corporate Centre	X		X	X		X
The Landmark at One Market	X		X	X		X
One Beach Street	X		X	X		X
First & Main	X		X	X		X
Lloyd District Portfolio		X	X		X	X
City Center Bellevue	X		X	X		X
Multifamily Properties						
Loma Palisades	X		X	X		X
Imperial Beach Gardens	X		X	X		X
Mariner's Point	X		X	X		X
Santa Fe Park RV Resort	X		X	X		X
Hassalo on Eighth		X			X	
Mixed-Use Properties						
Waikiki Beach Walk - Retail	X		X	X		X
Waikiki Beach Walk - Embassy Suites™	X		X	X		X
Development Properties						
Torrey Point (formerly Sorrento Pointe) - Land		X			X	
Torrey Reserve - Land		X			X	
Solana Beach Corporate Centre - Land		X			X	
Solana Beach - Highway 101 - Land		X			X	
Lloyd District Portfolio - Land		X			X	

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