
FOURTH QUARTER 2015

Supplemental Information



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AMERICAN
ASSETS
TRUST 

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



Market	Retail	Office	Multifamily	Mixed-Use	
	Square Feet	Square Feet	Units	Square Feet	Suites
San Diego	1,195,690	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	

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

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

FINANCIAL HIGHLIGHTS

CONSOLIDATED BALANCE SHEETS

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

	<u>December 31, 2015</u>	<u>December 31, 2014</u>
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 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.
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SAME-STORE PORTFOLIO NOI COMPARISON EXCLUDING REDEVELOPMENT

(Amounts in thousands)

	Three Months Ended December 31,			Year Ended 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 December 31,			Year Ended 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.

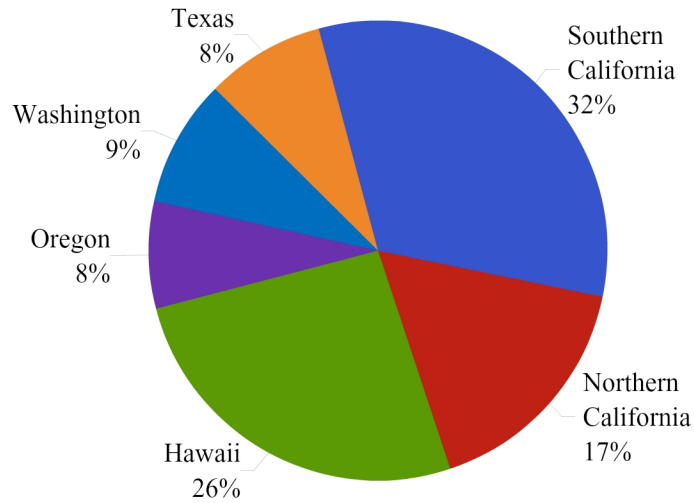
(3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.

(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.

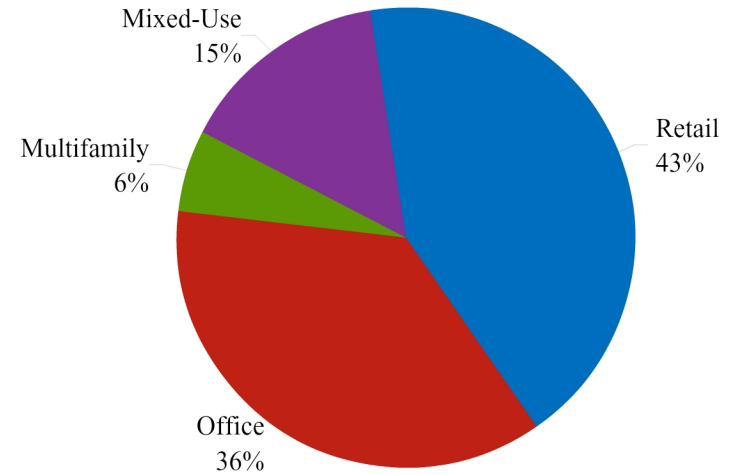
Three Months Ended December 31, 2015

Portfolio NOI, Cash Basis Breakdown

Portfolio Diversification by Geographic Region

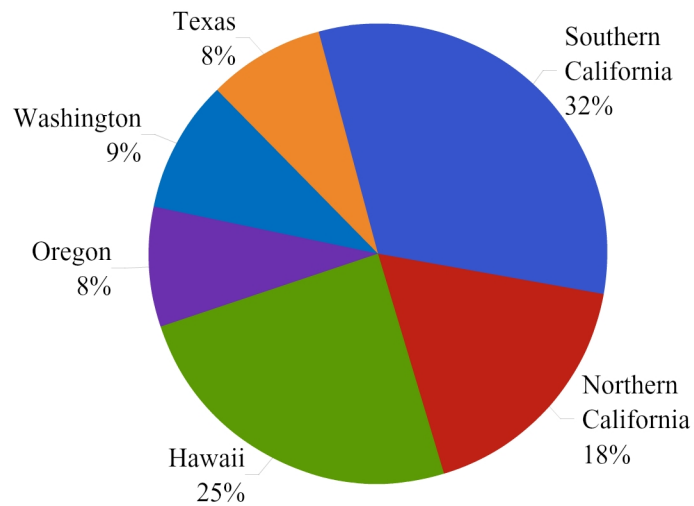


Portfolio Diversification by Segment

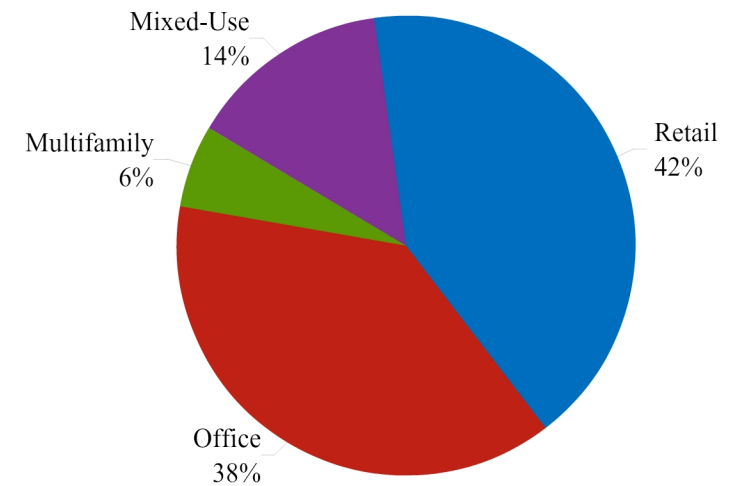


Portfolio NOI, GAAP Basis Breakdown

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)
Waikele 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			New Development	Total Capital Expenditures
			Redevelopment and Expansions				
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			New Development	Total Capital Expenditures
			Redevelopment and Expansions				
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 Outstanding at December 31, 2015	Interest Rate	Annual Debt Service	Maturity Date	Balance at Maturity
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.

MARKET CAPITALIZATION

(Amounts in thousands, except per share data)

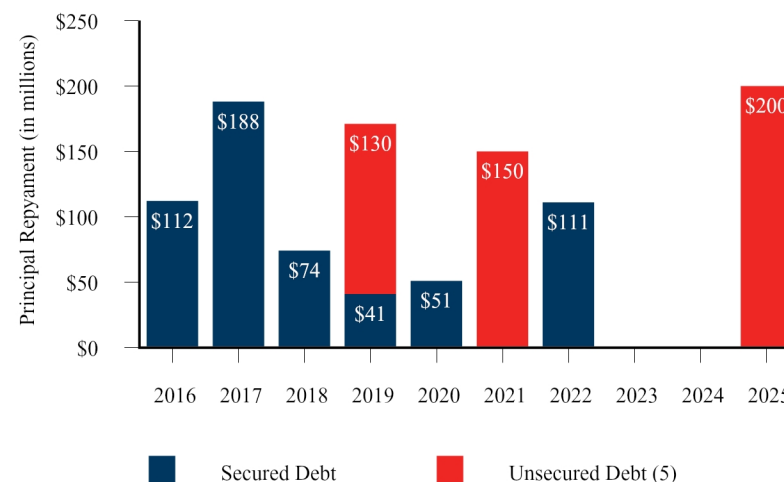
Market data	December 31, 2015
Common shares outstanding	45,408
Common units outstanding	17,899
Common shares and common units outstanding	63,307
Market price per common share	\$ 38.35
Equity market capitalization	\$ 2,427,823
Total debt	\$ 1,064,002
Total market capitalization	\$ 3,491,825
Less: Cash 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 December 31, 2015	Year Ended December 31, 2015	Cost Incurred to Date	Total Estimated Investment	Estimated Stabilized Yield ⁽³⁾
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

PROPERTY REPORT

As of December 31, 2015

Retail and Office Portfolios

Property	Location	Year Built/ Renovated	Number of Buildings	Net Rentable Square Feet ⁽¹⁾	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base Rent per Leased Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
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 Monterrey	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			<u>101</u>	<u>3,045,194</u>	<u>98.6%</u>	<u>\$ 73,752,555</u>	<u>\$24.56</u>		
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			<u>26</u>	<u>2,658,574</u>	<u>92.4%</u>	<u>\$ 85,884,179</u>	<u>\$34.96</u>		
Total/Weighted Average Retail and Office Portfolio			<u>127</u>	<u>5,703,768</u>	<u>95.7%</u>	<u>\$ 159,636,734</u>	<u>\$29.25</u>		

PROPERTY REPORT (CONTINUED)

As of December 31, 2015

Property	Location	Year Built/ Renovated	Number of Buildings	Units	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Average Monthly Base Rent per Leased Unit ⁽⁴⁾
Loma Palisades	San Diego, CA	1958/2001-2008	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 Square Feet ⁽¹⁾	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base Rent per Leased Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
Waikiki Beach Walk - Retail	Honolulu, HI	2006	3	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.

MIXED-USE LEASING SUMMARY

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 Sq. Ft.	% of Office Sq. Ft.	% of Total Sq. Ft.	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	% of Retail Sq. Ft.	% of Total Sq. Ft.	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	Mixed-Use Sq. Ft.	% of Total Sq. Ft.	% of Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	Total Sq. Ft.	% of Annualized Base Rent Per Sq. Ft. ⁽¹⁾
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⁾	<u>2,658,574</u>	<u>100.0%</u>	45.8%	\$32.30	<u>3,045,194</u>	<u>100.0%</u>	52.5%	\$24.22	<u>96,707</u>	<u>100.0%</u>	1.7%	\$112.74	<u>5,800,475</u>	<u>100.0%</u>	\$29.40

Assumes all lease options are exercised

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring Sq. Ft.	% of Office Sq. Ft.	% of Total Sq. Ft.	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	% of Retail Sq. Ft.	% of Total Sq. Ft.	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	Mixed-Use Sq. Ft.	% of Total Sq. Ft.	% of Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	Total Sq. Ft.	% of Annualized Base Rent Per Sq. Ft. ⁽¹⁾
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⁾	<u>2,658,574</u>	<u>100.0%</u>	45.8%	\$32.30	<u>3,045,194</u>	<u>100.0%</u>	52.5%	\$24.22	<u>96,707</u>	<u>100.0%</u>	1.7%	\$112.74	<u>5,800,475</u>	<u>100.0%</u>	\$29.40

LEASE EXPIRATIONS (CONTINUED)

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.

PORTFOLIO LEASED STATISTICS

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.

TOP TENANTS - RETAIL

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 December 31,		Year Ended 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.

GLOSSARY OF TERMS (CONTINUED)

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

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

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Reconciliation of NOI to net income				
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.

GLOSSARY OF TERMS (CONTINUED)

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 December 31, 2015 to 2014			Comparison of Year Ended December 31, 2015 to 2014		
	Same-Store	Non Same-Store	Redevelopment Same-Store	Same-Store	Non Same-Store	Redevelopment Same-Store
<u>Retail Properties</u>						
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
<u>Office Properties</u>						
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
<u>Multifamily Properties</u>						
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	
<u>Mixed-Use Properties</u>						
Waikiki Beach Walk - Retail	X		X	X		X
Waikiki Beach Walk - Embassy Suites™	X		X	X		X
<u>Development Properties</u>						
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.