

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of Earliest Event Reported):

July 28, 2020



American Assets Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-35030
(Commission
File No.)

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

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

(858) 350-2600
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

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

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

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

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

Emerging growth company

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

Item 2.02 Results of Operations and Financial Condition.

On July 28, 2020, American Assets Trust, Inc. (the “Company”) issued a press release regarding its financial results for the quarter ending June 30, 2020. Also on July 28, 2020, the Company made available on the “Investors” page of its website at www.americanassetstrust.com certain supplemental information concerning the Company’s financial results and operations for the quarter ending June 30, 2020. Copies of the press release and supplemental information are attached hereto as Exhibits 99.1 and 99.2, respectively.

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

Item 7.01 Regulation FD Disclosure.

As discussed in Item 2.02 above, the Company issued a press release regarding its financial results for the quarter ending June 30, 2020 and made available on its website certain supplement information relating thereto.

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

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

The following exhibits are filed herewith:

<u>Exhibit Number</u>	<u>Exhibit Description</u>
99.1**	Press release issued by American Assets Trust, Inc. on July 28, 2020.
99.2**	American Assets Trust, Inc. Supplemental Information for the quarter ended June 30, 2020.
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document).

** Furnished herewith

SIGNATURES

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

American Assets Trust, Inc.

By: /s/ Robert F. Barton

Robert F. Barton

Executive Vice President, CFO

July 28, 2020



American Assets Trust, Inc. Reports Second Quarter 2020 Financial Results and COVID-19 Operational Update

Net income available to common stockholders of \$7.7 million and \$19.7 million for the three and six months ended June 30, 2020, respectively, or \$0.13 and \$0.33 per diluted share, respectively
Funds From Operations per diluted share decreased 6% and 2% year-over-year for the three and six months ended June 30, 2020, respectively, or \$0.48 and \$1.04 per diluted share, respectively
Collected 83% to date of rents that were due during the second quarter

SAN DIEGO, California - 7/28/2020 - American Assets Trust, Inc. (NYSE: AAT) (the “company”) today reported financial results for its second quarter ended June 30, 2020.

Second Quarter Highlights

- Net income available to common stockholders of \$7.7 million and \$19.7 million for the three and six months ended June 30, 2020, respectively, or \$0.13 and \$0.33 per diluted share, respectively
- Funds From Operations decreased 6% and 2% year-over-year to \$0.48 and \$1.04 per diluted share for the three and six months ended June 30, 2020, respectively, compared to the same periods in 2019
- Same-store cash NOI decreased 11.5% and 1.5% year-over-year for the three and six months ended June 30, 2020, respectively. Excluding lease termination fees, same-store cash NOI would have been (3.6)% and 2.0% for the three and six months ended June 30, 2020, respectively
- For the three months ended June 30, 2020, we have collected 98% of office rents, 58% of retail rents (including the retail component of Waikiki Beach Walk) and 95% of multifamily rents, that were due during the second quarter
- Leased approximately 40,000 comparable office square feet at an average straight-line basis and cash-basis contractual rent increase of 66% and 32%, respectively, during the three months ended June 30, 2020
- Leased approximately 23,000 comparable retail square feet at an average straight-line basis and cash-basis contractual rent increase of 2% and 1%, respectively, during the three months ended June 30, 2020

Financial Results

Net income attributable to common stockholders was \$7.7 million, or \$0.13 per basic and diluted share for the three months ended June 30, 2020 compared to \$8.9 million, or \$0.18 per basic and diluted share for the three months ended June 30, 2019. For the six months ended June 30, 2020, net income attributed to common stockholders was \$19.7 million, or \$0.33 per basic and diluted share compared to \$20.0 million, or \$0.41 per basic and diluted share for the six months ended June 30, 2019. The year-over-year decrease in net income attributable to common stockholders is primarily due to the increase in reserve for bad debts of rent receivables of approximately \$3.3 million primarily at Alamo Quarry Market, Carmel Mountain Plaza, Carmel Country Plaza, and Waikiki Beach Walk Retail, a decrease in lease termination fees at Carmel Mountain Plaza attributed to the termination of our former ground lease, and a decrease in revenue at our Waikiki Beach Walk Retail and Embassy Suites Hotel due to the COVID-19 pandemic causing a decline in occupancy, partially offset by an increase in revenue from the acquisition of La Jolla Commons on June 20, 2019 and an increase in annualized base rents at The Landmark at One Market, Lloyd District Portfolio, Torrey Point, and City Center Bellevue.

During the second quarter of 2020, the company generated funds from operations (“FFO”) for common stockholders of \$36.3 million, or \$0.48 per diluted share, compared to \$33.8 million, or \$0.51 per diluted share, for the second quarter of 2019. For the six months ended June 30, 2020, the company generated FFO for common stockholders of \$79.1 million, or \$1.04 per diluted share, compared to \$69.5 million, or \$1.06 per diluted share, for the six months ended June 30, 2019. The decrease in FFO from the corresponding period in 2019 was primarily due to the increase in reserve for bad debts of rent receivables of approximately \$3.3 million primarily at Alamo Quarry Market, Carmel Mountain Plaza, Carmel Country Plaza and Waikiki Beach Walk Retail, a decrease in lease termination fees at Carmel Mountain Plaza attributed to the termination of our former ground lease, and a decrease in revenue at our Waikiki Beach Walk Retail and Embassy Suites Hotel due to the COVID-19 pandemic causing a decline in occupancy, partially offset by an increase in revenue from the acquisition of La Jolla Commons on June 20, 2019 and an increase in annualized base rents at The Landmark at One Market, Lloyd District Portfolio, Torrey Point, and City Center Bellevue.

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.

Leasing

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

	June 30, 2020	March 31, 2020	June 30, 2019
Total Portfolio			
Office	94.4%	94.3%	93.7%
Retail	94.7%	95.2%	97.5%
Multifamily	85.1%	93.0%	92.6%
Mixed-Use:			
Retail	95.7%	98.5%	98.2%
Hotel	46.4%	75.4%	91.7%
Same-Store Portfolio			
Office ⁽¹⁾	95.9%	93.1%	92.9%
Retail ⁽²⁾	93.8%	94.4%	97.1%
Multifamily	85.1%	93.0%	92.6%

(1) Same-store office leased percentages includes the 830 building at Lloyd District Portfolio which was placed into operations on August 1, 2019 after renovating the building. Same-store office leased percentages excludes (i) La Jolla Commons, which was acquired on June 20, 2019 and (ii) One Beach Street due to significant redevelopment activity. La Jolla Commons will be included in same-store office leased percentages commencing in the third quarter of 2020.

(2) Same-store retail leased percentages exclude Waikale Center, due to significant redevelopment activity.

During the second quarter of 2020, the company signed 20 leases for approximately 73,000 square feet of office and retail space, as well as 288 multifamily apartment leases. Renewals accounted for 83% of the comparable office leases, 92% of the comparable retail leases, and 64% of the residential leases.

Office and Retail

On a comparable space basis (i.e. leases for which there was a former tenant) during the second quarter of 2020 and trailing four quarters ended June 30, 2020, our retail and office leasing spreads are shown below:

		Number of Leases Signed	Comparable Leased Sq. Ft.	Average Cash Basis % Change Over Prior Rent	Average Cash Contractual Rent Per Sq. Ft.	Prior Average Cash Contractual Rent Per Sq. Ft.	Straight-Line Basis % Change Over Prior Rent
Office	Q2 2020	6	40,000	32.3%	\$57.17	\$43.21	65.5%
	Last 4 Quarters	40	373,000	22.0%	\$50.36	\$41.26	34.4%
Retail	Q2 2020	12	23,000	0.9%	\$43.60	\$43.23	2.2%
	Last 4 Quarters	55	148,000	(0.8)%	\$44.40	\$44.73	7.1%

Multifamily

The average monthly base rent per leased unit for same-store properties for the second quarter of 2020 was \$2,152 compared to an average monthly base rent per leased unit of \$2,092 for the second quarter of 2019, which is an increase of approximately 3%.

Same-Store Cash Net Operating Income

For the three and six months ended June 30, 2020, same-store cash NOI decreased 11.5% and 1.5%, respectively, compared to the three and six months ended June 30, 2019. The same-store cash NOI by segment was as follows (in thousands):

	Three Months Ended ⁽¹⁾			Six Months Ended ⁽¹⁾			
	June 30,		Change	June 30,		Change	
	2020	2019		2020	2019		
Cash Basis:							
Office ⁽²⁾	\$ 20,290	\$ 17,433	16.4	\$ 40,881	\$ 34,824	17.4	%
Retail ⁽²⁾	7,906	14,861	(46.8)	23,558	29,656	(20.6)	%
Multifamily	7,555	8,094	(6.7)	14,822	15,987	(7.3)	%
Mixed-Use	—	—	—	—	—	—	%
Same-store Cash NOI ⁽³⁾	\$ 35,751	\$ 40,388	(11.5)	\$ 79,261	\$ 80,467	(1.5)	%

(1) Same-store portfolio excludes (i) Waialeale Center due to significant redevelopment activity; (ii) La Jolla Commons, which was acquired on June 20, 2019; (iii) One Beach Street due to significant redevelopment activity; (iv) Waikiki Beach Walk - Embassy Suites™ and Waikiki Beach Walk - Retail, due to significant spalling repair activity; and (v) land held for development.

(2) Same-store cash NOI for the three and six months ended June 30, 2020 includes cash lease termination fees received of \$0.3 million and \$0.7 million, respectively. Excluding lease termination fees for the three and six months ended June 30, 2020, office same-store cash NOI would have been 11.3% and 14.5%, respectively.

(3) Excluding lease termination fees for the three and six months June 30, 2020, same-store cash NOI would have been (3.6)% and 2.0%, respectively.

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

Balance Sheet and Liquidity

At June 30, 2020, the company had gross real estate assets of \$3.2 billion and liquidity of \$396.1 million, comprised of cash and cash equivalents of \$146.1 million and \$250.0 million of availability on its line of credit, which the company believes is sufficient to meet the company's short-term liquidity requirements. At June 30, 2020, the company has no debt obligations maturing during the remainder of 2020; and only 1 out of 28 assets encumbered by a mortgage. The company has \$150 million of debt obligations maturing in 2021, assuming the company exercises its option and satisfies the conditions to extend the maturity date of its \$100 million term loan from January 9, 2021 to January 9, 2022.

Dividends

The company declared dividends on its shares of common stock of \$0.20 per share for the second quarter of 2020. The dividends were paid on June 25, 2020.

In addition, the company has declared a dividend on its common stock of \$0.25 per share for the third quarter of 2020. The dividend will be paid in cash on September 24, 2020 to stockholders of record on September 10, 2020. The company increased the dividend from \$0.20 per share in the second quarter to \$0.25 per share in the third quarter based on the company's rent collection in the second quarter.

COVID-19 Operational Update

Operations

As of June 30, 2020, we have entered into lease modifications that resulted in COVID-19 adjustments (including rent deferrals and other monetary lease concessions) for approximately 5% of the rent originally contracted for the three months ended June 30, 2020. Furthermore, as of June 30, 2020 and specific to the impact of COVID-19 on our retail sector (including the retail component of Waikiki Beach Walk Retail and Embassy Suites Hotel), we have recorded an allowance for doubtful accounts against accounts receivable of approximately 14% and an allowance for doubtful accounts against deferred rent receivables (straight-line rent receivables) of approximately 7%.

Rent Collection for the Second Quarter of 2020 and July 2020⁽¹⁾

	April	May	June	Q2 Average	July
Office	98.0%	97.5%	96.9%	97.5%	94.7%
Retail	59.6%	61.7%	65.6%	62.1%	70.1%
Multifamily	95.0%	94.4%	94.3%	94.6%	93.7%
Mixed-Use ⁽²⁾	45.1%	28.9%	15.3%	29.7%	16.7%
Average	82.3%	82.6%	83.1%	82.7%	83.3%

(1) Data as of July 27, 2020

(2) Includes only the retail portion of Waikiki Beach Walk Retail and Embassy Suites Hotel.

Conference Call

The company will hold a conference call to discuss the results for the second quarter of 2020 on Wednesday, July 29, 2020 at 8:00 a.m. Pacific Time ("PT"). To participate in the event by telephone, please dial 1-877-868-5513 and use the pass code 4494304. A telephonic replay of the conference call will be available beginning at 2:00 p.m. PT on Wednesday, July 29, 2020 through Wednesday, August 5, 2020. To access the replay, dial 1-855-859-2056 and use the pass code 4494304. A live on-demand audio webcast of the conference call will be available on the company's website at www.americanassetstrust.com. A replay of the call will also be available on the company's website.

Supplemental Information

Supplemental financial information regarding the company's second quarter 2020 results may be found on the "Investors" page of the company's website at www.americanassetstrust.com. This supplemental information provides additional detail on items such as property occupancy, financial performance by property and debt maturity schedules.

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

	June 30, 2020	December 31, 2019
	(unaudited)	
Assets		
Real estate, at cost		
Operating real estate	\$ 3,128,089	\$ 3,096,886
Construction in progress	94,232	91,264
Held for development	547	547
	<u>3,222,868</u>	<u>3,188,697</u>
Accumulated depreciation	(710,795)	(665,222)
Net real estate	2,512,073	2,523,475
Cash and cash equivalents	146,131	99,303
Restricted cash	3,957	10,148
Accounts receivable, net	13,544	12,016
Deferred rent receivables, net	63,214	52,171
Other assets, net	107,363	93,220
Total assets	\$ 2,846,282	\$ 2,790,333
Liabilities and equity		
Liabilities:		
Secured notes payable, net	\$ 110,902	\$ 161,879
Unsecured notes payable, net	1,196,291	1,195,780
Unsecured line of credit, net	98,948	—
Accounts payable and accrued expenses	65,780	62,576
Security deposits payable	7,685	8,316
Other liabilities and deferred credits, net	90,188	68,110
Total liabilities	1,569,794	1,496,661
Commitments and contingencies		
Equity:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 60,073,918 and 60,068,228 shares issued and outstanding at June 30, 2020 and December 31, 2019, respectively	601	601
Additional paid-in capital	1,454,516	1,452,014
Accumulated dividends in excess of net income	(154,516)	(144,378)
Accumulated other comprehensive income	352	5,680
Total American Assets Trust, Inc. stockholders' equity	1,300,953	1,313,917
Noncontrolling interests	(24,465)	(20,245)
Total equity	1,276,488	1,293,672
Total liabilities and equity	\$ 2,846,282	\$ 2,790,333

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Revenue:				
Rental income	\$ 79,230	\$ 79,656	\$ 171,300	\$ 156,487
Other property income	2,879	4,457	7,552	12,945
Total revenue	82,109	84,113	178,852	169,432
Expenses:				
Rental expenses	16,981	21,826	39,549	42,622
Real estate taxes	8,961	9,275	20,006	18,321
General and administrative	6,679	5,943	13,499	12,016
Depreciation and amortization	26,493	22,582	53,955	43,165
Total operating expenses	59,114	59,626	127,009	116,124
Operating income	22,995	24,487	51,843	53,308
Interest expense	(13,331)	(13,129)	(26,803)	(26,478)
Gain on sale of real estate	—	633	—	633
Other income (expense), net	162	(50)	270	(279)
Net income	9,826	11,941	25,310	27,184
Net income attributable to restricted shares	(69)	(92)	(173)	(185)
Net income attributable to unitholders in the Operating Partnership	(2,101)	(2,933)	(5,413)	(6,988)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 7,656	\$ 8,916	\$ 19,724	\$ 20,011
Net income per share				
Basic income attributable to common stockholders per share	\$ 0.13	\$ 0.18	\$ 0.33	\$ 0.41
Weighted average shares of common stock outstanding - basic	59,724,139	50,135,978	59,723,605	48,578,872
Diluted income attributable to common stockholders per share	\$ 0.13	\$ 0.18	\$ 0.33	\$ 0.41
Weighted average shares of common stock outstanding - diluted	76,114,687	66,889,784	76,114,153	65,543,409
Dividends declared per common share	\$ 0.20	\$ 0.28	\$ 0.50	\$ 0.56

Reconciliation of Net Income to Funds From Operations

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

	Three Months Ended June 30, 2020	Six Months Ended June 30, 2020
Funds From Operations (FFO)		
Net income	\$ 9,826	\$ 25,310
Depreciation and amortization of real estate assets	26,493	53,955
FFO, as defined by NAREIT	\$ 36,319	\$ 79,265
Less: Nonforfeitable dividends on restricted stock awards	(68)	(170)
FFO attributable to common stock and units	\$ 36,251	\$ 79,095
FFO per diluted share/unit	\$ 0.48	\$ 1.04
Weighted average number of common shares and units, diluted	76,115,546	76,114,609

Reconciliation of Same-Store Cash NOI to Net Income

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

	Three Months Ended ⁽¹⁾ June 30,		Six Months Ended ⁽¹⁾ June 30,	
	2020	2019	2020	2019
	Same-store cash NOI	35,751	\$ 40,388	\$ 79,261
Non-same-store cash NOI	6,624	9,705	19,807	18,664
Tenant improvement reimbursements ⁽²⁾	73	6,423	2,869	7,413
Cash NOI	\$ 42,448	\$ 56,516	\$ 101,937	\$ 106,544
Non-cash revenue and other operating expenses ⁽³⁾	13,719	(3,504)	17,360	1,945
General and administrative	(6,679)	(5,943)	(13,499)	(12,016)
Depreciation and amortization	(26,493)	(22,582)	(53,955)	(43,165)
Interest expense	(13,331)	(13,129)	(26,803)	(26,478)
Gain on sale of real estate	—	633	—	633
Other income (expense), net	162	(50)	270	(279)
Net income	\$ 9,826	\$ 11,941	\$ 25,310	\$ 27,184

Number of properties included in same-store analysis	24	24	24	24
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(1) Same-store portfolio includes the 830 building at Lloyd District Portfolio which was placed into operations on August 1, 2019 after renovating the building. Same-store portfolio excludes (i) Waikēle Center, due to significant redevelopment activity; (ii) La Jolla Commons, which was acquired on June 20, 2019; (iii) One Beach Street, due to significant redevelopment activity; (iv) Waikiki Beach Walk - Embassy Suites™ and Waikiki Beach Walk - Retail, due to significant spalling repair activity; and (v) land held for development.

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

(3) Represents adjustments related to the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances; net change in lease receivables, the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles, lease termination fees at Carmel Mountain Plaza, and straight-line rent expense for our lease of the Annex at The Landmark at One Market.

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

Use of Non-GAAP Information

Funds from Operations

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

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

Cash Net Operating Income

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

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

About American Assets Trust, Inc.

American Assets Trust, Inc. is a full service, vertically integrated and self-administered real estate investment trust, or REIT, headquartered in San Diego, California. The company has over 50 years of experience in acquiring, improving, developing and managing premier office, retail, and residential properties throughout the United States in some of the nation's most dynamic, high-barrier-to-entry markets primarily in Southern California, Northern California, Oregon, Washington, Texas and Hawaii. The company's office portfolio comprises approximately 3.4 million rentable square feet, and its retail portfolio comprises approximately 3.1 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 2,112 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. Currently, one of the most significant risk factors, is the potential adverse effect of the current COVID-19 pandemic on the financial condition, results of operations, cash flows and performance of the company, its tenants and guests, the real estate market and the global economy and financial markets. The extent to which COVID-19 impacts the company, its tenants and guests will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others. For a further discussion of these and other factors that could cause the company's future results to differ materially from any forward-looking statements, see the section entitled "Risk Factors" in the company's most recent annual report on Form 10-K, and other risks described in documents subsequently filed by the company from time to time with the Securities and Exchange Commission. The company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.

Source: American Assets Trust, Inc.

Investor and Media Contact:

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

SECOND QUARTER 2020

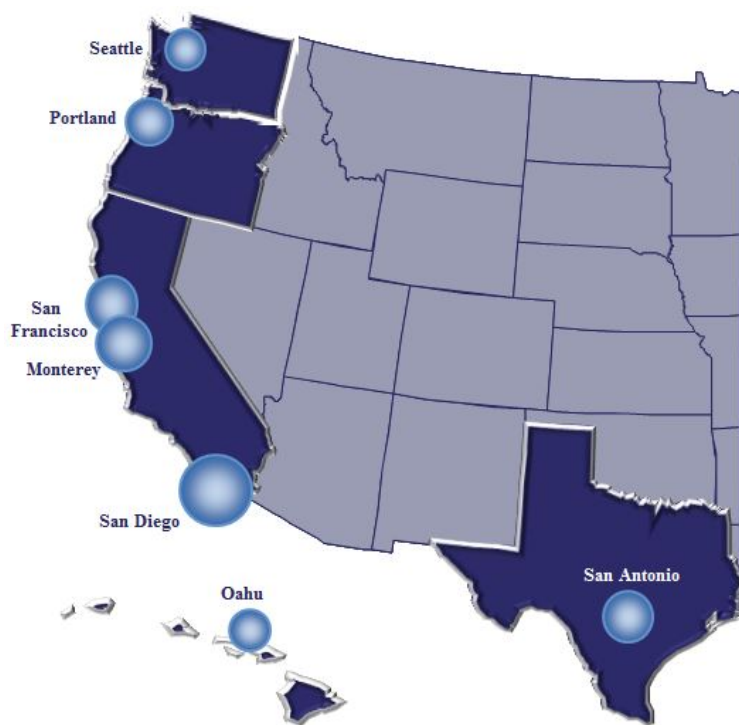
Supplemental Information



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



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



Market	Office	Retail	Multifamily	Mixed-Use	
	Square Feet	Square Feet	Units	Square Feet	Suites
San Diego	1,549,860	1,322,817	1,455 ⁽¹⁾	—	—
San Francisco	520,040	35,159	—	—	—
Oahu	—	429,718	—	96,707	369
Monterey	—	673,572	—	—	—
San Antonio	—	588,148	—	—	—
Portland	876,491	44,236	657	—	—
Seattle	497,488	—	—	—	—
Total	3,443,879	3,093,650	2,112	96,707	369

Note: Circled areas represent all markets in which American Assets Trust, Inc. currently owns and operates its real estate properties. 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 June 30, 2020.

(1) Includes 122 RV spaces.

(2) Percentage of Net Operating Income (NOI) calculated for the three months ended June 30, 2020. Reconciliation of NOI to net income is included in the Glossary of Terms.

	Square Feet	%	NOI % ⁽²⁾
Office	3.4 million	52%	57%
Retail	3.1 million	48%	30%
Totals	6.5 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 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. Currently, one of the most significant risk factors, is the potential adverse effect of the current COVID-19 pandemic on our financial condition, results of operations, cash flows and performance or that of, our tenants and guests, the real estate market and the global economy and financial markets. The extent to which COVID-19 impacts us, our tenants and guests will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others.

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

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

	<u>June 30, 2020</u>	<u>December 31, 2019</u>
	<u>(unaudited)</u>	<u>(audited)</u>
ASSETS		
Real estate, at cost		
Operating real estate	\$ 3,128,089	\$ 3,096,886
Construction in progress	94,232	91,264
Held for development	547	547
	<u>3,222,868</u>	<u>3,188,697</u>
Accumulated depreciation	(710,795)	(665,222)
Net real estate	2,512,073	2,523,475
Cash and cash equivalents	146,131	99,303
Restricted cash	3,957	10,148
Accounts receivable, net	13,544	12,016
Deferred rent receivable, net	63,214	52,171
Other assets, net	107,363	93,220
TOTAL ASSETS	<u>\$ 2,846,282</u>	<u>\$ 2,790,333</u>
LIABILITIES AND EQUITY		
LIABILITIES:		
Secured notes payable, net	\$ 110,902	\$ 161,879
Unsecured notes payable, net	1,196,291	1,195,780
Unsecured line of credit, net	98,948	—
Accounts payable and accrued expenses	65,780	62,576
Security deposits payable	7,685	8,316
Other liabilities and deferred credits, net	90,188	68,110
Total liabilities	<u>1,569,794</u>	<u>1,496,661</u>
Commitments and contingencies		
EQUITY:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 60,073,918 and 60,068,228 shares issued and outstanding at June 30, 2020 and December 31, 2019, respectively	601	601
Additional paid in capital	1,454,516	1,452,014
Accumulated dividends in excess of net income	(154,516)	(144,378)
Accumulated other comprehensive income	352	5,680
Total American Assets Trust, Inc. stockholders' equity	<u>1,300,953</u>	<u>1,313,917</u>
Noncontrolling interests	(24,465)	(20,245)
Total equity	<u>1,276,488</u>	<u>1,293,672</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 2,846,282</u>	<u>\$ 2,790,333</u>

CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
REVENUE:				
Rental income	\$ 79,230	\$ 79,656	\$ 171,300	\$ 156,487
Other property income	2,879	4,457	7,552	12,945
Total revenue	82,109	84,113	178,852	169,432
EXPENSES:				
Rental expenses	16,981	21,826	39,549	42,622
Real estate taxes	8,961	9,275	20,006	18,321
General and administrative	6,679	5,943	13,499	12,016
Depreciation and amortization	26,493	22,582	53,955	43,165
Total operating expenses	59,114	59,626	127,009	116,124
OPERATING INCOME	22,995	24,487	51,843	53,308
Interest expense	(13,331)	(13,129)	(26,803)	(26,478)
Gain on sale of real estate	—	633	—	633
Other (expense) income, net	162	(50)	270	(279)
NET INCOME	9,826	11,941	25,310	27,184
Net income attributable to restricted shares	(69)	(92)	(173)	(185)
Net income attributable to unitholders in the Operating Partnership	(2,101)	(2,933)	(5,413)	(6,988)
NET INCOME ATTRIBUTABLE TO AMERICAN ASSETS TRUST, INC. STOCKHOLDERS	\$ 7,656	\$ 8,916	\$ 19,724	\$ 20,011
EARNINGS PER COMMON SHARE				
Basic income from operations attributable to common stockholders per share	\$ 0.13	\$ 0.18	\$ 0.33	\$ 0.41
Weighted average shares of common stock outstanding - basic	59,724,139	50,135,978	59,723,605	48,578,872
Diluted income from continuing operations attributable to common stockholders per share	\$ 0.13	\$ 0.18	\$ 0.33	\$ 0.41
Weighted average shares of common stock outstanding - diluted	76,114,687	66,889,784	76,114,153	65,543,409

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

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Funds from Operations (FFO) ⁽¹⁾				
Net income	\$ 9,826	\$ 11,941	\$ 25,310	\$ 27,184
Depreciation and amortization of real estate assets	26,493	22,582	53,955	43,165
Gain on sale of real estate	—	(633)	—	(633)
FFO, as defined by NAREIT	36,319	33,890	79,265	69,716
Less: Nonforfeitable dividends on restricted stock awards	(68)	(94)	(170)	(185)
FFO attributable to common stock and common units	\$ 36,251	\$ 33,796	\$ 79,095	\$ 69,531
FFO per diluted share/unit	\$ 0.48	\$ 0.51	\$ 1.04	\$ 1.06
Weighted average number of common shares and common units, diluted ⁽²⁾	76,115,546	66,890,084	76,114,609	65,543,584
Funds Available for Distribution (FAD) ⁽¹⁾	\$ 10,137	\$ 12,207	\$ 29,202	\$ 26,080
Dividends				
Dividends declared and paid	\$ 15,293	\$ 18,253	\$ 38,230	\$ 36,314
Dividends declared and paid per share/unit	\$ 0.20	\$ 0.28	\$ 0.50	\$ 0.56

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

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Funds Available for Distribution (FAD) ⁽¹⁾				
FFO	\$ 36,319	\$ 33,890	\$ 79,265	\$ 69,716
Adjustments:				
Tenant improvements, leasing commissions and maintenance capital expenditures	(14,015)	(26,580)	(35,777)	(44,459)
Net effect of straight-line rents ⁽³⁾	(7,124)	4,252	(9,876)	4,049
Amortization of net above (below) market rents ⁽⁴⁾	(955)	(794)	(1,902)	(1,719)
Net effect of other lease assets ⁽⁵⁾	(5,640)	46	(5,582)	(4,275)
Amortization of debt issuance costs and debt fair value adjustment	368	356	742	724
Non-cash compensation expense	1,252	1,131	2,502	2,229
Nonforfeitable dividends on restricted stock awards	(68)	(94)	(170)	(185)
FAD	\$ 10,137	\$ 12,207	\$ 29,202	\$ 26,080
Summary of Capital Expenditures				
Tenant improvements and leasing commissions	\$ 7,892	\$ 14,726	\$ 22,924	\$ 25,719
Maintenance capital expenditures	6,123	11,854	12,853	18,740
	\$ 14,015	\$ 26,580	\$ 35,777	\$ 44,459

Notes:

(1) See Glossary of Terms.

(2) For the three and six months ended June 30, 2020 and 2019, the weighted average common shares and common units used to compute FFO per diluted share/unit include operating partnership common units and unvested restricted stock awards that are subject to time vesting. The shares/units used to compute FFO per diluted share/unit include additional shares/units which were excluded from the computation of diluted EPS, as they were anti-dilutive for the periods presented.

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

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

(5) Represents adjustments related to amortization of lease incentives paid to tenants, amortization of lease intangibles, net change in lease receivables, lease termination fees at Carmel Mountain Plaza and straight-line rent expense for our leases at the Annex at The Landmark at One Market.

(Unaudited, amounts in thousands)

	Three Months Ended June 30, 2020				
	Office	Retail	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store	\$ 32,779	\$ 17,177	\$ 12,463	\$ —	\$ 62,419
Non-same store ⁽¹⁾	11,101	4,315	—	4,274	19,690
Total	43,880	21,492	12,463	4,274	82,109
Real estate expenses					
Same-store	8,213	3,341	5,313	—	16,867
Non-same store ⁽¹⁾	3,388	1,566	—	4,121	9,075
Total	11,601	4,907	5,313	4,121	25,942
Net Operating Income (NOI)					
Same-store	24,566	13,836	7,150	—	45,552
Non-same store ⁽¹⁾	7,713	2,749	—	153	10,615
Total	\$ 32,279	\$ 16,585	\$ 7,150	\$ 153	\$ 56,167
Same-store NOI	\$ 24,566	\$ 13,836	\$ 7,150	\$ —	\$ 45,552
Net effect of straight-line rents ⁽²⁾	(4,577)	(1,102)	87	—	(5,592)
Amortization of net above (below) market rents ⁽³⁾	(455)	(265)	—	—	(720)
Net effect of other lease assets ⁽⁴⁾	828	(4,562)	318	—	(3,416)
Tenant improvement reimbursements ⁽⁵⁾	(72)	(1)	—	—	(73)
Same-store cash NOI ⁽⁵⁾	\$ 20,290	\$ 7,906	\$ 7,555	\$ —	\$ 35,751

Notes:

- (1) Same-store and non-same store classifications are determined based on properties held on June 30, 2020 and 2019. See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants, amortization of lease intangibles, net change in lease receivables, and straight-line rent expense for our leases at the Annex at The Landmark at One Market.
- (5) Tenant improvement reimbursements are excluded from same-store cash NOI to provide a more accurate measure of operating performance.

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

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

(Unaudited, amounts in thousands)

	Six Months Ended June 30, 2020				
	Office	Retail	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store	\$ 66,375	\$ 38,778	\$ 25,288	\$ —	\$ 130,441
Non-same store ⁽¹⁾	22,014	8,540	—	17,857	48,411
Total	88,389	47,318	25,288	17,857	178,852
Real estate expenses					
Same-store	16,986	9,222	10,823	—	37,031
Non-same store ⁽¹⁾	6,408	3,016	—	13,100	22,524
Total	23,394	12,238	10,823	13,100	59,555
Net Operating Income (NOI)					
Same-store	49,389	29,556	14,465	—	93,410
Non-same store ⁽¹⁾	15,606	5,524	—	4,757	25,887
Total	\$ 64,995	\$ 35,080	\$ 14,465	\$ 4,757	\$ 119,297
Same-store NOI	\$ 49,389	\$ 29,556	\$ 14,465	\$ —	\$ 93,410
Net effect of straight-line rents ⁽²⁾	(5,623)	(878)	39	—	(6,462)
Amortization of net above (below) market rents ⁽³⁾	(866)	(556)	—	—	(1,422)
Net effect of other lease assets ⁽⁴⁾	848	(4,562)	318	—	(3,396)
Tenant improvement reimbursements ⁽⁵⁾	(2,867)	(2)	—	—	(2,869)
Same-store cash NOI ⁽⁵⁾	\$ 40,881	\$ 23,558	\$ 14,822	\$ —	\$ 79,261

Notes:

(1) Same-store and non-same store are determined based on properties held on June 30, 2020 and 2019. See Glossary of Terms.

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

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

(4) Represents adjustments related to amortization of lease incentives paid to tenants, amortization of lease intangibles, net change in lease receivables, and straight-line rent expense for our leases at the Annex at The Landmark at One Market.

(5) Tenant improvement reimbursements are excluded from Same-store Cash NOI to provide a more accurate measure of operating performance.

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

(Unaudited, amounts in thousands)

	Three Months Ended			Six Months Ended		
	June 30,			June 30,		
	2020	2019	Change	2020	2019	Change
Cash Basis:						
Office	\$ 20,290	\$ 17,433	16.4 %	\$ 40,881	\$ 34,824	17.4 %
Retail	7,906	14,861	(46.8)	23,558	29,656	(20.6)
Multifamily	7,555	8,094	(6.7)	14,822	15,987	(7.3)
Mixed-Use	—	—	—	—	—	—
Same-store Cash NOI ⁽¹⁾⁽²⁾	<u>\$ 35,751</u>	<u>\$ 40,388</u>	<u>(11.5) %</u>	<u>\$ 79,261</u>	<u>\$ 80,467</u>	<u>(1.5) %</u>

Notes:

(1) Excluding lease termination fees, for the three and six months ended June 30, 2020 and 2019, same-store cash NOI would be (3.6)% and 2.0%, respectively.

(2) See Glossary of Terms.

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

(Unaudited, amounts in thousands)

	Three Months Ended			Six Months Ended		
	June 30,			June 30,		
	2020	2019	Change	2020	2019	Change
Cash Basis:						
Office	20,155	18,186	10.8 %	\$ 40,582	\$ 36,349	11.6 %
Retail	\$ 9,257	\$ 16,968	(45.4)	27,660	34,050	(18.8)
Multifamily	7,555	8,094	(6.7)	14,822	15,987	(7.3)
Mixed-Use	—	—	—	—	—	—
Same-store Cash NOI with Redevelopment ⁽¹⁾ ₍₂₎	\$ 36,967	\$ 43,248	(14.5)%	\$ 83,064	\$ 86,386	(3.8)%

Notes:

(1) Excluding lease termination fees, for the three and six months ended June 30, 2020 and 2019, same-store cash NOI with redevelopment would be (4.4)% and 0.8%, respectively.

(2) See Glossary of Terms.

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

(Unaudited, amounts in thousands)

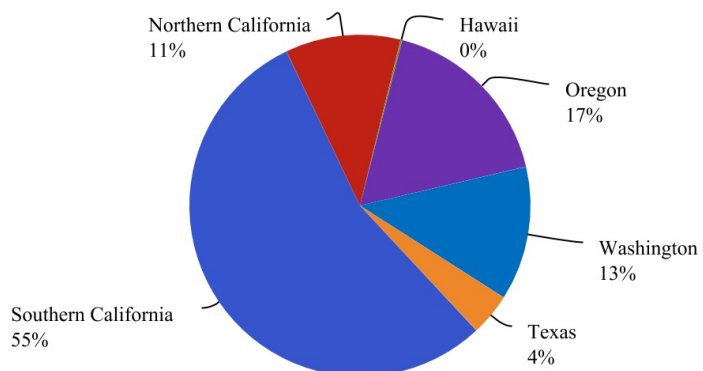
	Three Months Ended June 30, 2020				
	Office	Retail	Multifamily	Mixed-Use	Total
Cash Basis:					
Southern California	11,827	5,777	5,625	—	23,229
Northern California	4,379	253	—	—	4,632
Hawaii	—	1,388	—	(1,327)	61
Oregon	5,375	148	1,930	—	7,453
Texas	—	1,693	—	—	1,693
Washington	5,380	—	—	—	5,380
Total Cash NOI	\$ 26,961	\$ 9,259	\$ 7,555	\$ (1,327)	\$ 42,448

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

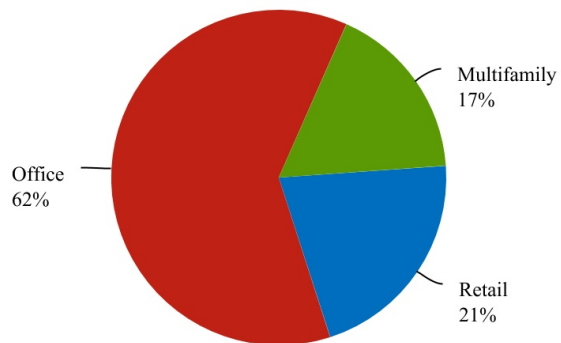
Three Months Ended June 30, 2020

Cash NOI Breakdown

Portfolio Diversification by Geographic Region



Portfolio Diversification by Segment



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

PROPERTY REVENUE AND OPERATING EXPENSES

(Unaudited, amounts in thousands)

Three Months Ended June 30, 2020

Property	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾	Rental Adjustments ⁽⁵⁾	Cash NOI ⁽⁶⁾
Office Portfolio						
La Jolla Commons	\$ 6,233	\$ 174	\$ 2,813	\$ (2,971)	\$ 487	\$ 6,736
Torrey Reserve Campus ⁽⁷⁾	5,221	38	165	(1,345)	(603)	3,476
Torrey Point	753	73	(17)	(311)	(403)	95
Solana Crossing	2,061	18	24	(536)	(47)	1,520
The Landmark at One Market	9,335	67	(52)	(2,537)	(2,402)	4,411
One Beach Street	330	—	(2)	(288)	(72)	(32)
First & Main	2,872	132	491	(912)	(172)	2,411
Lloyd District Portfolio ⁽⁷⁾	3,818	254	157	(1,184)	23	3,068
City Center Bellevue	5,454	626	93	(1,390)	597	5,380
Subtotal Office Portfolio	\$ 36,077	\$ 1,382	\$ 3,672	\$ (11,474)	\$ (2,592)	\$ 27,065
Retail Portfolio						
Carmel Country Plaza	\$ 905	\$ 21	\$ 182	\$ (171)	\$ (90)	\$ 847
Carmel Mountain Plaza	3,489	37	706	(766)	(1,659)	1,807
South Bay Marketplace	563	(3)	179	(180)	1	560
Gateway Marketplace	616	1	204	(218)	(172)	431
Lomas Santa Fe Plaza	1,404	8	307	(385)	(276)	1,058
Solana Beach Towne Centre	1,606	16	516	(515)	(549)	1,074
Del Monte Center	2,439	29	739	(1,286)	(1,841)	80
Geary Marketplace	257	—	141	(135)	(90)	173
The Shops at Kalakaua	399	22	53	(89)	(349)	36
Waialele Center	3,087	240	977	(1,565)	(1,387)	1,352
Alamo Quarry Market	3,030	184	25	481	(2,027)	1,693
Hassalo on Eighth - Retail	215	28	46	(79)	(62)	148
Subtotal Retail Portfolio	\$ 18,010	\$ 583	\$ 4,075	\$ (4,908)	\$ (8,501)	\$ 9,259

(Unaudited, amounts in thousands)

Property	Three Months Ended June 30, 2020					
	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾	Rental Adjustments ⁽⁵⁾	Cash NOI ⁽⁶⁾
Multifamily Portfolio						
Loma Palisades	\$ 3,271	\$ 215	\$ —	\$ (1,281)	\$ (100)	\$ 2,105
Imperial Beach Gardens	900	61	—	(361)	(25)	575
Mariner's Point	427	26	—	(177)	(6)	270
Santa Fe Park RV Resort	316	18	—	(218)	—	116
Pacific Ridge Apartments	4,162	194	—	(1,806)	9	2,559
Hassalo on Eighth - Multifamily	2,782	308	—	(1,474)	314	1,930
Subtotal Multifamily Portfolio	\$ 11,858	\$ 822	\$ —	\$ (5,317)	\$ 192	\$ 7,555
Mixed-Use Portfolio						
Waikiki Beach Walk - Retail	\$ 1,926	\$ 548	\$ 760	\$ (1,359)	\$ (1,658)	\$ 217
Waikiki Beach Walk - Embassy Suites™	1,143	79	—	(2,764)	(2)	(1,544)
Subtotal Mixed-Use Portfolio	\$ 3,069	\$ 627	\$ 760	\$ (4,123)	\$ (1,660)	\$ (1,327)
Subtotal Development Properties	\$ —	\$ 14	\$ —	\$ (127)	\$ 9	\$ (104)
Total	\$ 69,014	\$ 3,428	\$ 8,507	\$ (25,949)	\$ (12,552)	\$ 42,448

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

Notes:

- (1) Base rent for our office and retail portfolio and the retail portion of our mixed-use portfolio represents base rent for the three months ended June 30, 2020 (before deferrals, abatements, and tenant improvement reimbursements) and excludes the impact of straight-line rent and above (below) market rent adjustments. Total abatements for our office and retail portfolio were approximately \$3,459 and \$654, respectively, for the three months ended June 30, 2020. There were no abatements for the retail portion of our mixed-use portfolio for the three months ended June 30, 2020. 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 \$127 of abatements for our multifamily portfolio for the three months ended June 30, 2020. For Waikiki Beach Walk - Embassy Suites™, base rent is equal to the actual room revenue for the three months ended June 30, 2020. Total tenant improvement reimbursements for our office and retail portfolio were approximately \$201 and \$1, respectively, for the three months ended June 30, 2020. There were no tenant improvement reimbursements for the retail portion of our mixed-use portfolio for the three months ended June 30, 2020.
- (2) Represents additional property-related income for the three months ended June 30, 2020, which includes: (i) percentage rent, (ii) other rent (such as storage rent, license fees and association fees) and (iii) other property income (such as late fees, default fees, lease termination fees, parking revenue, the reimbursement of general excise taxes, laundry income and food and beverage sales).
- (3) Represents billed tenant expense reimbursements for the three months ended June 30, 2020.
- (4) Represents property operating expenses for the three months ended June 30, 2020. Property operating expenses includes all rental expenses, except non cash rent expense.
- (5) Represents various rental adjustments related to base rent (deferrals, abatements, tenant improvement reimbursements, and net change in lease receivables).
- (6) See Glossary of Terms.
- (7) Base rent shown includes amounts related to American Assets Trust, L.P.'s corporate 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 \$402 for the three months ended June 30, 2020.

(Unaudited, amounts in thousands)

Three Months Ended June 30, 2020

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
Office Portfolio	\$ 6,439	\$ 1,624	\$ 8,063	\$ 208	\$ 1,010	\$ 9,281
Retail Portfolio	1,453	1,377	2,830	(25)	—	2,805
Multifamily Portfolio	—	860	860	—	—	860
Mixed-Use Portfolio	—	2,262	2,262	—	—	2,262
Total	\$ 7,892	\$ 6,123	\$ 14,015	\$ 183	\$ 1,010	\$ 15,208

Six Months Ended June 30, 2020

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
Office Portfolio	\$ 20,042	\$ 4,077	\$ 24,119	\$ 716	\$ 2,646	\$ 27,481
Retail Portfolio	2,860	3,509	6,369	(6)	—	6,363
Multifamily Portfolio	—	2,144	2,144	—	—	2,144
Mixed-Use Portfolio	22	3,123	3,145	—	—	3,145
Total	\$ 22,924	\$ 12,853	\$ 35,777	\$ 710	\$ 2,646	\$ 39,133

(Unaudited, amounts in thousands)

Debt	Amount		Interest Rate	Annual Debt Service ⁽¹⁾	Maturity Date
	Outstanding at	June 30, 2020			
City Center Bellevue ⁽²⁾		111,000	3.98 %	4,479	November 1, 2022
Secured Notes Payable / Weighted Average ⁽³⁾	\$	111,000	3.98 %	\$ 4,479	
Term Loan A ⁽⁴⁾	\$	100,000	4.08 %	102,558	January 9, 2021
Series A Notes ⁽⁵⁾		150,000	3.88 %	6,060	October 31, 2021
Term Loan B ⁽⁶⁾		100,000	2.65 %	2,749	March 1, 2023
Term Loan C ⁽⁷⁾		50,000	2.64 %	1,371	March 1, 2023
Series F Notes ⁽⁸⁾		100,000	3.85 %	3,780	July 19, 2024
Series B Notes		100,000	4.45 %	4,450	February 2, 2025
Series C Notes		100,000	4.50 %	4,500	April 1, 2025
Series D Notes ⁽⁹⁾		250,000	3.87 %	10,725	March 1, 2027
Series E Notes ⁽¹⁰⁾		100,000	4.18 %	4,240	May 23, 2029
Series G Notes ⁽¹¹⁾		150,000	3.88 %	5,865	July 30, 2030
Unsecured Notes Payable / Weighted Average ⁽¹²⁾	\$	1,200,000	3.86 %	\$ 146,298	
Unsecured Line of Credit ⁽¹³⁾	\$	100,000	1.58 %		

Notes:

(1) Includes interest and principal payments due over the next twelve months.

(2) Interest only.

(3) The Secured Notes Payable total does not include debt issuance costs, net of \$0.1 million.

(4) Term Loan A has a stated maturity of January 9, 2021, subject to our option to extend Term Loan A up to three times, with each such extension for a one-year period. Term Loan A accrues interest at a variable rate, which we fixed as part of an interest rate swap for an effective interest rate of 4.08%, subject to adjustments based on our consolidated leverage ratio.

(5) \$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 effective interest rate for the Series A Notes is approximately 3.88% per annum, through maturity.

(6) Term Loan B matures on March 1, 2023. Term Loan B accrues interest at a variable rate, which we fixed as part of an interest rate swap for an all-in interest rate of 2.65%, subject to adjustments based on our consolidated leverage ratio.

(7) Term Loan C matures on March 1, 2023. Term Loan C accrues interest at a variable rate, which we fixed as part of an interest rate swap for an all-in interest rate of 2.64%, subject to adjustments based on our consolidated leverage ratio.

(8) \$100 million of 3.78% Senior Guaranteed Notes, Series F, due July 19, 2024. Net of the settlement of the treasury lock contract, the effective interest rate for the Series F Notes is approximately 3.85%, through maturity.

(9) \$250 million of 4.29% Senior Guaranteed Notes, Series D, due March 1, 2027. Net of the settlement of the forward-starting interest rate swap, the effective interest rate for the Series D Notes is approximately 3.87% per annum, through maturity.

(10) \$100 million of 4.24% Senior Guaranteed Notes, Series E, due May 23, 2029. Net of the settlement of the treasury lock contract, the effective interest rate for the Series E Notes is approximately 4.18%, through maturity.

(11) \$150 million of 3.91% Senior Guaranteed Notes, Series G, due July 30, 2030. Net of the settlement of the treasury lock contract, the effective interest rate for the Series G Notes is approximately 3.88% through maturity.

(12) The Unsecured Notes Payable total does not include debt issuance costs, net of \$3.7 million.

(13) The unsecured revolving line of credit (the "Revolver Loan") has a capacity of \$350 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 matures on January 9, 2022, subject to our option to extend the Revolver Loan up to two times, with each such extension for a six-month period. The Revolver Loan currently accrues interest at LIBOR, plus a spread which ranges from 1.05%-1.50%, based on our consolidated leverage ratio. The Revolver Loan total does not include debt issuance costs, net of \$1.1 million.

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

Market data		June 30, 2020	
Common shares outstanding		60,074	
Common units outstanding		16,390	
Common shares and common units outstanding		76,464	
Market price per common share	\$	27.84	
Equity market capitalization	\$	2,128,758	
Total debt	\$	1,411,000	
Total market capitalization	\$	3,539,758	
Less: Cash on hand	\$	(146,131)	
Total enterprise value	\$	3,393,627	
Total unencumbered assets, gross	\$	3,267,259	
Total debt/Total capitalization		39.9 %	
Total debt/Total enterprise value		41.6 %	
Net debt/Total enterprise value ⁽¹⁾		37.3 %	
Total unencumbered assets, gross/Unsecured debt		251.5 %	

	Quarter Annualized	Trailing 12 Months
Total debt/Adjusted EBITDA ⁽²⁾⁽³⁾	7.1x	6.4x
Net debt/Adjusted EBITDA ⁽¹⁾⁽²⁾⁽³⁾	6.4x	5.8x
Interest coverage ratio ⁽⁴⁾	3.8x	4.1x
Fixed charge coverage ratio ⁽⁴⁾	3.8x	4.1x

Notes:

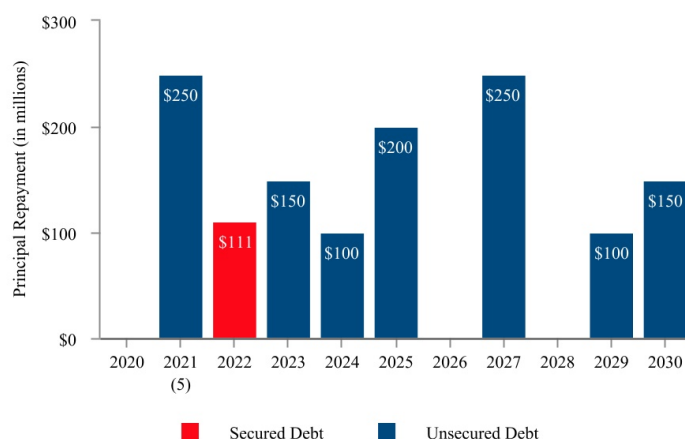
(1) Net debt is equal to total debt less cash on hand.

(2) See Glossary of Terms for discussion of EBITDA and Adjusted EBITDA.

(3) As used here, Adjusted EBITDA represents the actual for the three months ended June 30, 2020, annualized.

(4) Calculated as Adjusted EBITDA divided by interest on borrowed funds, including capitalized interest and excluding debt fair value adjustments and loan fee amortization.

(5) Of this total, the company has an option to extend the maturity on \$100 million from January 9, 2021 to January 9, 2022, subject to certain conditions.

**Debt Maturity Schedule
as of June 30, 2020**


Weighted Average Fixed Interest Rate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	— %	4.0 %	4.0 %	2.6 %	3.8 %	4.5 %	— %	3.9 %	— %	4.2 %	3.9 %

Total Weighted Average Fixed Interest Rate: 3.9%
Weighted Average Term to Maturity: 4.8 years

Credit Ratings

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

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

Development Projects								Project Costs (in thousands) ⁽³⁾	
Property	Location	Start Date	Completion Date	Estimated Stabilized Yield ⁽¹⁾	Rentable Square Feet	Percent Leased	Estimated Stabilization Date ⁽²⁾	Cost Incurred to Date	Total Estimated Investment
Office Property:									
Torrey Point	San Diego, CA	2015	July 31, 2017	6.75% - 7.75%	90,000	68.4%	2020	\$45,756	\$55,800

Development/Redevelopment Pipeline						
Property	Property Type	Location	Estimated Rentable Square Feet	Multifamily Units	Opportunity	
La Jolla Commons	Office	University Town Center, San Diego, CA	214,000	N/A	Development of approximately 214,000 square feet class A+ office building	
One Beach Street	Office	San Francisco, CA	85,000	N/A	Modernize and expand office building to include roof-top deck	
Waikale Center	Retail	Honolulu, HI	90,000	N/A	Development of 90,000 square feet retail building (former KMart Space)	
Lomas Santa Fe Plaza	Retail	Solana Beach, CA	45,000	N/A	Development of 45,000 square feet retail building	
Lloyd District Portfolio - multiple phases ⁽⁴⁾	Mixed Use	Portland, OR	TBD	TBD		
Phase 2A - Oregon Square			33,000	N/A	Remodel and repurpose a 33,000 square feet office building into flexible creative office space	
Phase 2B - Oregon Square			TBD	TBD	Development of mixed-use residential tower and/or build-to-suit office tower	

Notes:

(1) The estimated stabilized yield is calculated based on total estimated project costs, as defined above, when the project has reached stabilized occupancy.

(2) Based on management's estimation of stabilized occupancy (90%).

(3) Project costs exclude capitalized interest cost which is calculated in accordance with Accounting Standards Codification 835-20-50-1.

(4) The Lloyd 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 is expected to include a high density, transit oriented, mixed-use urban village, with the potential to be in excess of approximately three million square feet. The entitlement for such development opportunity allows a 12:1 Floor Area Ratio with a 250 foot height limit and provides for retail, office and/or multifamily development. Additional development plans are in the early stages and will continue to progress as demand and economic conditions allow.

PORTFOLIO DATA

As of June 30, 2020

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 Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
Office Properties									
La Jolla Commons	San Diego, CA	2008/2014	2	723,945	98.5%	\$ 38,779,701	\$54.38		
Torrey Reserve Campus	San Diego, CA	1996-2000/2014-2016	14	521,311	88.7%	21,228,985	45.91		
Torrey Point	San Diego, CA	2017	2	91,990	68.4	1,947,167	30.95		
Solana Crossing	Solana Beach, CA	1982/2005	4	212,614	95.4	8,800,163	43.39		
The Landmark at One Market ⁽⁷⁾	San Francisco, CA	1917/2000	1	422,426	100.0	37,344,081	88.40		
One Beach Street	San Francisco, CA	1924/1972/1987/1992	1	97,614	22.8	1,318,001	59.22		
First & Main	Portland, OR	2010	1	360,641	98.7	11,522,978	32.37		
Lloyd District Portfolio	Portland, OR	1940-2015	2	515,850	100.0	15,298,756	29.66		
City Center Bellevue	Bellevue, WA	1987	1	497,488	98.9	22,035,381	44.79		
Subtotal/Weighted Average Office Portfolio ⁽⁸⁾			28	3,443,879	94.4%	\$ 158,275,213	\$48.68		
Retail Properties									
Carmel Country Plaza	San Diego, CA	1991	9	78,098	92.4%	\$ 3,867,431	\$53.59		Sharp Healthcare, San Diego County Credit Union
Carmel Mountain Plaza ⁽⁹⁾	San Diego, CA	1994/2014	15	528,416	97.4	13,783,692	26.78	At Home Stores	Dick's Sporting Goods, Saks Fifth Avenue Off 5th
South Bay Marketplace ⁽⁹⁾	San Diego, CA	1997	9	132,877	94.4	2,220,221	17.70		Ross Dress for Less, Grocery Outlet
Gateway Marketplace	San Diego, CA	1997/2016	3	127,861	100.0	2,480,141	19.40	Hobby Lobby	Smart & Final, Aldi
Lomas Santa Fe Plaza	Solana Beach, CA	1972/1997	9	208,030	97.7	5,927,715	29.17		Vons, Home Goods
Solana Beach Towne Centre	Solana Beach, CA	1973/2000/2004	12	247,535	97.7	6,438,443	26.62		Dixieline Probuild, Marshalls
Del Monte Center ⁽⁹⁾	Monterey, CA	1967/1984/2006	16	673,572	88.5	10,267,621	17.22	Macy's	Century Theatres, Whole Foods Market
Geary Marketplace	Walnut Creek, CA	2012	3	35,159	100.0	1,233,763	35.09		Sprouts Farmer Market, Freebirds Wild Burrito
The Shops at Kalakaua	Honolulu, HI	1971/2006	3	11,671	100.0	1,894,936	162.36		Hawaii Beachware & Fashion, Diesel U.S.A. Inc.
Waikele Center	Waipahu, HI	1993/2008	9	418,047	100.0	11,886,662	28.43	Lowe's, Safeway	UFC Gym, Old Navy
Alamo Quarry Market ⁽⁹⁾	San Antonio, TX	1997/1999	16	588,148	92.3	13,653,939	25.15		Bed Bath & Beyond, Whole Foods Market
Hassalo on Eighth	Portland, OR	2015	3	44,236	89.5	996,025	25.16	Regal Cinemas	Providence Health & Services, Green Zebra Grocery
Subtotal/Weighted Average Retail Portfolio ⁽⁸⁾			107	3,093,650	94.7%	\$ 74,650,589	\$25.48		
Total/Weighted Average Office and Retail Portfolio ⁽⁸⁾			135	6,537,529	94.5%	\$ 232,925,802	\$37.70		

As of June 30, 2020

Property	Location	Year Built/ Renovated	Number of		Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Average Monthly Base Rent per Leased Unit ⁽⁴⁾
			Buildings	Units			
Loma Palisades	San Diego, CA	1958/2001-2008	80	548	88.9%	\$ 12,778,476	\$ 2,186
Imperial Beach Gardens	Imperial Beach, CA	1959/2008	26	160	93.8	3,579,300	\$ 1,987
Mariner's Point	Imperial Beach, CA	1986	8	88	87.5	1,706,196	\$ 1,847
Santa Fe Park RV Resort ⁽¹⁰⁾	San Diego, CA	1971/2007-2008	1	126	81.0	1,466,676	\$ 1,198
Pacific Ridge Apartments	San Diego, CA	2013	3	533	81.1	15,349,020	\$ 2,959
Hassalo on Eighth - Velomor	Portland, OR	2015	1	177	81.4	3,073,524	\$ 1,778
Hassalo on Eighth - Aster Tower	Portland, OR	2015	1	337	86.9	5,965,116	\$ 1,697
Hassalo on Eighth - Elwood	Portland, OR	2015	1	143	78.3	2,047,152	\$ 1,524
Total/Weighted Average Multifamily Portfolio			121	2,112	85.1%	\$ 45,965,460	\$ 2,131

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	95.7 %	\$ 11,141,336	\$ 120.38		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	17.0 %	\$ 201.89	\$ 34.41		

Notes:

- (1) 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, 2010 measurement guidelines. Net rentable square footage may be adjusted from the prior periods to reflect re-measurement of leased space at the properties.
- (2) Percentage leased for each of our retail and office properties and the retail portion of the mixed-use property includes square footage under leases as of June 30, 2020, including leases which may not have commenced as of June 30, 2020. Percentage leased for our multifamily properties includes total units rented as of June 30, 2020.
- (3) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) under commenced leases for the month ended June 30, 2020 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses. The foregoing notwithstanding, the annualized base rent for La Jolla Commons has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$28,021,762 to our estimate of annual triple net operating expenses of \$10,757,939 for an estimated annualized base rent on a modified gross lease basis of \$38,779,701 for La Jolla Commons.
- (4) Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of June 30, 2020. Annualized base rent per leased unit is calculated by dividing annualized base rent by units under lease as of June 30, 2020. The foregoing notwithstanding, the annualized base rent per leased square foot for La Jolla Commons has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases. See footnote 3 for further explanation.
- (5) Retail anchor tenants are defined as retail tenants leasing 50,000 square feet or more.
- (6) Other principal retail tenants are defined as the two tenants leasing the most square footage, excluding anchor tenants.
- (7) This property contains 422,426 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, 2026, which we have the option to extend until 2031 pursuant to one five-year extension option.

(8) Lease data for signed but not commenced leases as of June 30, 2020 is in the following table:

	Leased Square Feet Under Signed But Not Commenced Leases (a)	Annualized Base Rent (b)	Annualized Base Rent per Leased Square Foot (b)	Pro Forma Annualized Base Rent per Leased Square Foot (c)
Office Portfolio	107,540	\$ 5,382,204	\$ 50.05	\$ 50.37
Retail Portfolio	33,275	\$ 1,379,784	\$ 41.47	\$ 25.96
Total Retail and Office Portfolio	140,815	\$ 6,761,988	\$ 48.02	\$ 38.80

(a) Office portfolio leases signed but not commenced of 75,292, 10,836, and 21,412 square feet are expected to commence during the third and fourth quarters of 2020 and the first quarter of 2021, respectively. Retail portfolio leases signed but not commenced of 685 and 32,590 square feet are expected to commence during the third and fourth quarters of 2020, respectively.

(b) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for signed but not commenced leases as of June 30, 2020 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses. The foregoing notwithstanding, the annualized base rent for signed but not commenced leases as of June 30, 2020 at La Jolla Commons has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases. Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage for signed by not commenced leases.

(c) Pro forma annualized base rent is calculated by dividing annualized base rent for commenced leases and for signed but not commenced leases as of June 30, 2020, by square footage under lease as of June 30, 2020.

(9) Net rentable square feet at certain of our retail properties includes pad sites leased pursuant to the ground leases in the following table:

Property	Number of Ground Leases	Square Footage Leased Pursuant to Ground Leases	Aggregate Annualized Base Rent
Carmel Mountain Plaza	5	17,607	\$ 798,468
South Bay Marketplace	1	2,824	\$ 102,276
Del Monte Center	1	212,500	\$ 96,000
Alamo Quarry Market	3	20,694	\$ 385,512

(10) The Santa Fe Park RV Resort is subject to seasonal variation, with higher rates of occupancy occurring during the summer months. During the 12 months ended June 30, 2020, the highest average monthly occupancy rate for this property was 95%, occurring in August 2019. The number of units at the Santa Fe Park RV Resort includes 122 RV spaces and four apartments.

(11) Average occupancy represents the percentage of available units that were sold during the three months ended June 30, 2020, and is calculated by dividing the number of units sold by the product of the total number of units and the total number of days in the period. Average daily rate represents the average rate paid for the units sold and is calculated by dividing the total room revenue (i.e., excluding food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services) for the three months ended June 30, 2020 by the number of units sold. Revenue per available room, or RevPAR, represents the total unit revenue per total available units for the three months ended June 30, 2020 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.

As of June 30, 2020

Total Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	6	100%	39,534	\$57.17	\$43.21	\$ 551,898	32.3 %	65.5 %	1.6	\$ 377,001	\$9.54
1st Quarter 2020	11	100%	181,104	\$45.66	\$37.68	\$ 1,444,545	21.2 %	19.2 %	8.8	\$ 3,694,865	\$20.40
4th Quarter 2019	9	100%	81,188	\$56.13	\$43.82	\$ 999,611	28.1 %	58.5 %	6.8	\$ 3,990,311	\$49.15
3rd Quarter 2019	14	100%	70,907	\$51.95	\$46.40	\$ 393,387	12.0 %	29.2 %	6.1	\$ 3,237,139	\$45.65
Total 12 months	40	100%	372,733	\$50.36	\$41.26	\$ 3,389,441	22.0 %	34.4 %	7.1	\$ 11,299,316	\$30.31

New Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	1	17%	1,749	\$38.00	\$34.13	\$ 6,771	11.3 %	21.4 %	5.2	\$ 89,409	\$51.12
1st Quarter 2020	3	27%	7,995	\$49.70	\$46.50	\$ 25,606	6.9 %	10.4 %	5.3	\$ 255,914	\$32.01
4th Quarter 2019	4	44%	59,048	\$60.94	\$45.49	\$ 912,011	34.0 %	71.6 %	7.3	\$ 3,515,026	\$59.53
3rd Quarter 2019	5	36%	43,678	\$56.18	\$48.18	\$ 349,643	16.6 %	33.8 %	7.0	\$ 2,420,924	\$55.43
Total 12 months	13	33%	112,470	\$57.94	\$46.43	\$ 1,294,031	24.8 %	50.2 %	7.0	\$ 6,281,273	\$55.85

Renewal Lease Summary - Comparable ⁽¹⁾⁽⁵⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	5	83%	37,785	\$58.06	\$43.63	\$ 545,127	33.1 %	67.3 %	1.4	\$ 287,592	\$7.61
1st Quarter 2020	8	73%	173,109	\$45.47	\$37.28	\$ 1,418,939	22.0 %	19.7 %	9.0	\$ 3,438,951	\$19.87
4th Quarter 2019	5	56%	22,140	\$43.30	\$39.34	\$ 87,600	10.1 %	21.9 %	5.4	\$ 475,285	\$21.47
3rd Quarter 2019	9	64%	27,229	\$45.16	\$43.56	\$ 43,744	3.7 %	20.4 %	4.7	\$ 816,215	\$29.98
Total 12 months	27	68%	260,263	\$47.08	\$39.03	\$ 2,095,410	20.6 %	26.5 %	7.1	\$ 5,018,043	\$19.28

Total Lease Summary - Comparable and Non-Comparable

Quarter	Number of Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	7	47,743	\$57.80	2.4	\$ 1,115,811	\$23.37
1st Quarter 2020	17	208,041	\$45.09	8.8	\$ 5,704,727	\$27.42
4th Quarter 2019	15	138,036	\$52.41	6.9	\$ 8,109,268	\$58.75
3rd Quarter 2019	21	98,410	\$51.36	6.1	\$ 5,263,390	\$53.48
Total 12 months	60	492,230	\$49.63	7.1	\$ 20,193,196	\$41.02

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.

As of June 30, 2020

Total Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	12	100%	23,364	\$43.60	\$43.23	\$ 8,682	0.9 %	2.2 %	2.9	\$ 51,889	\$2.22
1st Quarter 2020	14	100%	61,916	\$32.41	\$32.99	\$ (36,351)	(1.8) %	7.0 %	3.8	\$ 728,927	\$11.77
4th Quarter 2019	10	100%	32,869	\$53.80	\$55.97	\$ (71,256)	(3.9) %	8.0 %	5.2	\$ 879,307	\$26.75
3rd Quarter 2019	19	100%	30,019	\$59.44	\$57.81	\$ 48,980	2.8 %	9.3 %	3.5	\$ 108,000	\$3.60
Total 12 months	55	100%	148,168	\$44.40	\$44.73	\$ (49,945)	(0.8) %	7.1 %	3.9	\$ 1,768,123	\$11.93

New Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	1	8%	505	\$36.00	\$36.71	\$ (360)	(1.9) %	(4.5) %	3.0	\$ 9,889	\$19.58
1st Quarter 2020	2	14%	8,794	\$32.12	\$34.16	\$ (17,925)	(6.0) %	2.5 %	7.3	\$ 199,700	\$22.71
4th Quarter 2019	2	20%	8,874	\$39.13	\$41.06	\$ (17,114)	(4.7) %	28.7 %	9.0	\$ 874,307	\$98.52
3rd Quarter 2019	2	11%	4,094	\$88.85	\$80.99	\$ 32,185	9.7 %	5.3 %	5.0	\$ 96,500	\$23.57
Total 12 months	7	13%	22,267	\$45.43	\$45.58	\$ (3,214)	(0.3) %	11.6 %	7.5	\$ 1,180,396	\$53.01

Renewal Lease Summary - Comparable ⁽¹⁾⁽⁵⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	11	92%	22,859	\$43.77	\$43.37	\$ 9,042	0.9 %	2.3 %	2.9	\$ 42,000	\$1.84
1st Quarter 2020	12	86%	53,122	\$32.45	\$32.80	\$ (18,426)	(1.1) %	7.8 %	3.3	\$ 529,227	\$9.96
4th Quarter 2019	8	80%	23,995	\$59.23	\$61.48	\$ (54,142)	(3.7) %	3.7 %	3.8	\$ 5,000	\$0.21
3rd Quarter 2019	17	89%	25,925	\$54.79	\$54.14	\$ 16,795	1.2 %	10.2 %	3.2	\$ 11,500	\$0.44
Total 12 months	48	87%	125,901	\$44.21	\$44.58	\$ (46,731)	(0.8) %	6.4 %	3.3	\$ 587,727	\$4.67

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

Quarter	Number of Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2020	13	25,314	\$43.48	3.5	\$ 140,224	\$5.54
1st Quarter 2020	17	66,426	\$32.90	4.0	\$ 1,259,098	\$18.95
4th Quarter 2019	15	55,252	\$46.85	5.7	\$ 3,520,679	\$63.72
3rd Quarter 2019	22	34,850	\$56.63	3.7	\$ 355,825	\$10.21
Total 12 months	67	181,842	\$43.16	4.4	\$ 5,275,826	\$29.01

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.

As of June 30, 2020

Lease Summary - Loma Palisades

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2020	487	88.9%	\$12,778,476	\$2,186
1st Quarter 2020	536	97.8%	\$13,644,120	\$2,122
4th Quarter 2019	526	96.0%	\$13,966,392	\$2,212
3rd Quarter 2019	501	91.4%	\$12,754,848	\$2,122

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⁾
2nd Quarter 2020	150	93.8%	\$3,579,300	\$1,987
1st Quarter 2020	152	95.0%	\$3,638,724	\$1,995
4th Quarter 2019	149	93.1%	\$3,578,328	\$2,002
3rd Quarter 2019	145	90.6%	\$3,575,256	\$2,055

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⁾
2nd Quarter 2020	77	87.5%	\$1,706,196	\$1,847
1st Quarter 2020	83	94.3%	\$1,746,528	\$1,754
4th Quarter 2019	82	93.2%	\$1,775,364	\$1,804
3rd Quarter 2019	82	93.2%	\$1,768,140	\$1,797

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⁾
2nd Quarter 2020	102	81.0%	\$1,466,676	\$1,198
1st Quarter 2020	92	73.0%	\$1,305,348	\$1,183
4th Quarter 2019	111	88.1%	\$1,367,484	\$1,027
3rd Quarter 2019	91	72.2%	\$1,229,112	\$1,126

Lease Summary - Pacific Ridge Apartments

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2020	432	81.1%	\$15,349,020	\$2,959
1st Quarter 2020	522	97.9%	\$17,782,764	\$2,840
4th Quarter 2019	503	94.4%	\$17,277,480	\$2,862
3rd Quarter 2019	496	93.1%	\$16,521,048	\$2,774

As of June 30, 2020

Lease Summary - Hassalo on Eighth - Velomor

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2020	144	81.4%	\$3,073,524	\$1,778
1st Quarter 2020	155	87.5%	\$3,024,684	\$1,627
4th Quarter 2019	158	89.3%	\$3,048,972	\$1,607
3rd Quarter 2019	160	90.4%	\$3,110,592	\$1,620

Lease Summary - Hassalo on Eighth - Aster Tower

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2020	293	86.9%	\$5,965,116	\$1,697
1st Quarter 2020	302	89.6%	\$6,301,200	\$1,739
4th Quarter 2019	313	92.9%	\$6,112,248	\$1,627
3rd Quarter 2019	306	90.8%	\$6,150,696	\$1,675

Lease Summary - Hassalo on Eighth - Elwood

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2020	112	78.3%	\$2,047,152	\$1,524
1st Quarter 2020	122	85.3%	\$2,365,236	\$1,616
4th Quarter 2019	118	82.5%	\$2,234,496	\$1,578
3rd Quarter 2019	130	90.9%	\$2,454,264	\$1,573

Total Multifamily Lease Summary

Quarter	Number of Leased Units	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
2nd Quarter 2020	1,797	85.1%	\$45,965,460	\$2,131
1st Quarter 2020	1,964	93.0%	\$49,808,604	\$2,113
4th Quarter 2019	1,960	92.8%	\$49,360,764	\$2,099
3rd Quarter 2019	1,911	90.5%	\$47,563,956	\$2,074

Notes:

(1) Percentage leased for our multifamily properties includes total units rented as of each respective quarter end date.

(2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) as of each respective quarter end date.

(3) Annualized base rent per leased unit is calculated by dividing annualized base rent, by units under lease as of each respective quarter end date.

As of June 30, 2020

Lease Summary - Retail Portion

Quarter	Number of Leased Square Feet	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Annualized Base Rent per Leased Square Foot ⁽³⁾
2nd Quarter 2020	92,531	95.7%	\$11,141,336	\$120
1st Quarter 2020	95,216	98.5%	\$11,411,642	\$120
4th Quarter 2019	94,701	97.9%	\$11,130,250	\$118
3rd Quarter 2019	94,766	98.0%	\$10,773,409	\$114

Lease Summary - Hotel Portion

Quarter	Number of Leased Units	Average Occupancy ⁽⁴⁾	Average Daily Rate ⁽⁴⁾	Annualized Revenue per Available Room ⁽⁴⁾
2nd Quarter 2020	63	17.0%	\$202	\$34
1st Quarter 2020	278	75.4%	\$321	\$242
4th Quarter 2019	335	90.7%	\$323	\$293
3rd Quarter 2019	343	92.9%	\$357	\$332

Notes:

(1) Percentage leased for mixed-use property includes square footage under leases as of June 30, 2020, including leases which may not have commenced as of June 30, 2020.

(2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for the month ended June 30, 2020 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses.

(3) Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of June 30, 2020.

(4) Average occupancy represents the percentage of available units that were sold during the three months ended June 30, 2020, 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.

As of June 30, 2020

Assumes no exercise of lease options

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	% of Mixed- Use	% of	Annualized	Expiring Sq. Ft.	% of	Annualized
		Office Sq. Ft.	Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾		Retail Sq. Ft.	Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾		Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾	Total Sq. Ft.		Base Rent Per Sq. Ft. ⁽¹⁾	Total Sq. Ft.
Month to Month	19,851	0.6 %	0.3 %	\$—	23,330	0.8 %	0.4 %	\$48.42	3,977	4.1 %	0.1 %	\$39.29	47,158	0.7 %	\$27.27
2020	82,793	2.4	1.2	\$41.77	101,929	3.3	1.5	\$28.02	7,147	7.4	0.1	\$75.83	191,869	2.9	\$35.73
2021	193,130	5.6	2.9	\$42.54	187,758	6.1	2.8	\$42.36	18,725	19.4	0.3	\$194.99	399,613	6.0	\$49.60
2022	304,496	8.8	4.6	\$46.48	419,797	13.6	6.3	\$30.92	6,271	6.5	0.1	\$198.49	730,564	11.0	\$38.84
2023	352,594	10.2	5.3	\$52.34	296,675	9.6	4.5	\$22.63	5,949	6.2	0.1	\$61.52	655,218	9.9	\$38.97
2024	188,592	5.5	2.8	\$46.74	472,793	15.3	7.1	\$28.92	12,886	13.3	0.2	\$154.07	674,271	10.2	\$36.30
2025	319,709	9.3	4.8	\$37.67	257,457	8.3	3.9	\$26.40	15,501	16.0	0.2	\$54.57	592,667	8.9	\$33.22
2026	276,349	8.0	4.2	\$40.01	128,286	4.1	1.9	\$29.48	—	—	—	—	404,635	6.1	\$36.67
2027	178,219 ⁽²⁾	5.2	2.7	\$46.96	115,960	3.7	1.7	\$26.74	13,255	13.7	0.2	76.01	307,434	4.6	\$40.59
2028	89,171	2.6	1.3	\$38.84	481,296	15.6	7.3	\$14.41	8,820	9.1	0.1	\$152.24	579,287	8.7	\$20.27
2029	775,216 ⁽³⁾	22.5	11.7	\$60.03	190,674	6.2	2.9	\$20.67	—	—	—	—	965,890	14.6	\$52.26
Thereafter	361,743	10.5	5.5	\$35.81	219,002	7.1	3.3	\$21.85	—	—	—	—	580,745	8.8	\$30.55
Signed Leases Not Commenced	107,540	3.1	1.6	—	33,275	1.1	0.5	—	—	—	—	—	140,815	2.1	—
Available	194,476	5.6	2.9	—	165,418	5.3	2.5	—	4,176	4.3	0.1	—	364,070	5.5	—
Total ⁽⁴⁾	<u>3,443,879</u>	<u>100.0 %</u>	51.9 %	\$42.83	<u>3,093,650</u>	<u>100.0 %</u>	46.6 %	\$24.13	<u>96,707</u>	<u>100.0 %</u>	1.5 %	\$115.21	<u>6,634,236</u>	<u>100.0 %</u>	\$35.16

Assumes all lease options are exercised

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	% of	% of	Annualized	Expiring Sq. Ft.	% of Mixed- Use	% of	Annualized	Expiring Sq. Ft.	% of	Annualized
		Office Sq. Ft.	Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾		Retail Sq. Ft.	Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾		Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾	Total Sq. Ft.		Base Rent Per Sq. Ft. ⁽¹⁾	Total Sq. Ft.
Month to Month	19,851	0.6 %	0.3 %	\$—	23,330	0.8 %	0.4 %	\$48.42	3,977	4.1 %	0.1 %	\$39.29	47,158	0.7 %	\$27.27
2020	82,793	2.4	1.2	\$41.77	89,616	2.9	1.4	\$25.94	1,773	1.8	—	\$102.70	174,182	2.6	\$34.25
2021	110,918	3.2	1.7	\$43.00	121,906	3.9	1.8	\$42.61	18,725	19.4	0.3	\$194.99	251,549	3.8	\$54.12
2022	70,157	2.0	1.1	\$46.81	85,810	2.8	1.3	\$39.95	6,271	6.5	0.1	\$198.49	162,238	2.4	\$49.04
2023	105,414	3.1	1.6	\$43.43	62,329	2.0	0.9	\$36.60	5,949	6.2	0.1	\$61.52	173,692	2.6	\$41.60
2024	40,219	1.2	0.6	\$42.43	202,143	6.5	3.0	\$31.47	7,484	7.7	0.1	\$206.47	249,846	3.8	\$38.48
2025	75,041	2.2	1.1	\$40.31	73,613	2.4	1.1	\$31.28	9,317	9.6	0.1	\$76.07	157,971	2.4	\$38.21
2026	90,187	2.6	1.4	\$35.76	44,385	1.4	0.7	\$43.67	—	—	—	—	134,572	2.0	\$38.37
2027	133,704	3.9	2.0	\$36.81	150,509	4.9	2.3	\$30.48	13,255	13.7	0.2	76.01	297,468	4.5	\$35.35
2028	153,246	4.4	2.3	\$38.11	180,892	5.8	2.7	\$20.36	1,906	2.0	—	\$203.52	336,044	5.1	\$29.49
2029	155,107	4.5	2.3	\$48.49	123,810	4.0	1.9	\$30.20	5,402	5.6	0.1	81.47	284,319	4.3	\$41.15
Thereafter	2,105,226 ⁽²⁾⁽³⁾	61.1	31.7	\$49.97	1,736,614	56.1	26.2	\$21.70	18,472	19.1	0.3	\$78.59	3,860,312	58.2	\$37.39
Signed Leases Not Commenced	107,540	3.1	1.6	—	33,275	1.1	0.5	—	—	—	—	—	140,815	2.1	—
Available	194,476	5.6	2.9	—	165,418	5.3	2.5	—	4,176	4.3	0.1	—	364,070	5.5	—
Total ⁽⁴⁾	<u>3,443,879</u>	<u>100.0 %</u>	51.9 %	\$42.83	<u>3,093,650</u>	<u>100.0 %</u>	46.6 %	\$24.13	<u>96,707</u>	<u>100.0 %</u>	1.5 %	\$115.21	<u>6,634,236</u>	<u>100.0 %</u>	\$35.16

As of June 30, 2020

Notes:

- (1) Annualized base rent per leased square foot is calculated by dividing (i) annualized base rent for leases expiring during the applicable period, by (ii) square footage under such expiring leases. Annualized base rent is calculated by multiplying (i) base rental payments (defined as cash base rents (before abatements)) for the month ended June 30, 2020 for the leases expiring during the applicable period by (ii) 12 months.
- (2) The expirations include 19,103 square feet leased by several tenants at La Jolla Commons through June 30, 2020, for which an S&P 500 member has signed an agreement to lease such space beginning July 1, 2020 through October 31, 2027 with options to extend the lease through October 31, 2032.
- (3) The expirations include 50,548 square feet leased by Alibaba Group (U.S.) Inc. and GE Healthcare at City Center Bellevue through October 31, 2020, for which Smartsheet, Inc. has an agreement to lease such space beginning March 1, 2021 through April 30, 2029 with options to extend the lease through April 30, 2034.
- (4) Individual items may not add up to total due to rounding.

Type	At June 30, 2020			At June 30, 2019		
	Size	Leased ⁽¹⁾	Leased %	Size	Leased ⁽¹⁾	Leased %
Overall Portfolio⁽²⁾ Statistics						
Office Properties (square feet)	3,443,879	3,249,403	94.4 %	3,435,873	3,219,806	93.7 %
Retail Properties (square feet)	3,093,650	2,928,232	94.7 %	3,093,581	3,015,121	97.5 %
Multifamily Properties (units)	2,112	1,797	85.1 %	2,112	1,955	92.6 %
Mixed-Use Properties (square feet)	96,707	92,531	95.7 %	96,707	94,934	98.2 %
Mixed-Use Properties (units)	369	107 ⁽³⁾	46.4 %	369	338 ⁽³⁾	91.7 %
Same-Store⁽²⁾ Statistics						
Office Properties (square feet) ⁽⁴⁾	2,622,320	2,514,069	95.9 %	2,614,267	2,427,608	92.9 %
Retail Properties (square feet) ⁽⁵⁾	2,675,603	2,510,185	93.8 %	2,675,534	2,597,074	97.1 %
Multifamily Properties (units)	2,112	1,797	85.1 %	2,112	1,955	92.6 %

Notes:

- (1) Leased square feet includes square feet under lease as of each date, including leases which may not have commenced as of that date. Leased units for our multifamily properties include total units rented as of that date.
- (2) See Glossary of Terms.
- (3) Represents average occupancy for the six months ended June 30, 2020 and 2019.
- (4) The same-store portfolio includes the 830 building at Lloyd District Portfolio which was placed into operations on August 1, 2019. The same-store portfolio excludes La Jolla Commons, which was acquired on June 20, 2019 and One Beach Street due to significant redevelopment activity.
- (5) The same-store portfolio excludes Waikēle Center due to significant redevelopment activity.

As of June 30, 2020

	Tenant	Property	Lease Expiration	Total Leased Square Feet	Rentable Square Feet as a Percentage of Total Office	Rentable Square Feet as a Percentage of Total	Annualized Base Rent	Annualized Base Rent as a Percentage of Total Office	Annualized Base Rent as a Percentage of Total
1	Google LLC	The Landmark at One Market	12/31/2029	253,198	7.4 %	3.8 %	\$ 24,178,824	16.4 %	10.4 %
2	LPL Holdings, Inc.	La Jolla Commons	4/30/2029	421,001	12.2	6.3	18,143,812	12.3	7.8
3	Autodesk, Inc. (1)	The Landmark at One Market	12/31/2022 12/31/2023	138,615	4.0	2.1	12,273,512	8.3	5.3
4	VMware, Inc. (2)	City Center Bellevue	11/30/2022 5/31/2025 9/30/2027	109,807	3.2	1.7	4,458,063	3.0	1.9
5	Smartsheet, Inc. (3)	City Center Bellevue	12/31/2026 4/30/2029	73,669	2.1	1.1	3,517,695	2.4	1.5
6	Veterans Benefits Administration (4)	First & Main	8/31/2020 8/31/2030	93,572	2.7	1.4	3,006,453	2.0	1.3
7	Clearresult Operating, LLC	First & Main	4/30/2025	101,848	3.0	1.5	2,902,976	2.0	1.2
8	Illumina, Inc.	La Jolla Commons	10/31/2027	53,908	1.6	0.8	2,868,499	1.9	1.2
9	State of Oregon: Department of Environmental Quality	Lloyd District Portfolio	10/31/2031	87,787	2.5	1.3	2,685,963	1.8	1.2
10	Treasury Call Center	First & Main	8/31/2030	63,648	1.8	1.0	2,265,799	1.5	1.0
Top 10 Office Tenants Total				1,397,053	40.5 %	21.0 %	\$ 76,301,596	51.6 %	32.8 %

Notes:

- (1) For Autodesk, Inc., 45,795 and 92,820 of leased square feet are set to expire on December 31, 2022 and 2023, respectively.
(2) For VMWare, Inc., 54,643, 18,240, and 36,924 of leased square feet are set to expire on November 30, 2022, May 31, 2025, and September 30, 2027, respectively.
(3) For Smartsheet, Inc., 73,669 and 50,548 of leased square feet are set to expire on December 31, 2026 and April 30, 2029, respectively. The 50,548 of leased square feet is not reflected in the table above as it is currently leased to expiring tenants with Smartsheet rent commencement starting on March 1, 2021.
(4) For the Veterans Benefits Administration, 20,244 and 73,328 if leased square feet are set to expire on August 31, 2020 and 2030, respectively.

As of June 30, 2020

Tenant	Property(ies)	Lease Expiration	Total Leased Square Feet	Rentable Square Feet as a Percentage of Total Retail	Rentable Square Feet as a Percentage of Total	Annualized Base Rent	Annualized Base Rent as a Percentage of Total Retail	Annualized Base Rent as a Percentage of Total
1 Lowe's	Waikele Center	5/31/2028	155,000	5.0 %	2.3 %	\$ 3,720,000	5.0 %	1.6 %
2 Nordstrom Rack (1)	Carmel Mountain Plaza, Alamo Quarry Market	9/30/2022 10/31/2022	69,047	2.2	1.0	2,189,648	2.9	0.9
3 Sprouts Farmers Market (2)	Solana Beach Towne Centre, Carmel Mountain Plaza, Geary Marketplace	6/30/2024 3/31/2025 9/30/2032	71,431	2.3	1.1	2,044,771	2.7	0.9
4 Marshalls (3)	Solana Beach Towne Centre, Carmel Mountain Plaza	1/31/2025 1/31/2029	68,055	2.2	1.0	1,728,228	2.3	0.7
5 Vons	Lomas Santa Fe Plaza	12/31/2022	49,895	1.6	0.8	1,399,205	1.9	0.6
6 Old Navy (4)	South Bay Marketplace, Alamo Quarry Market, Waikele Center	4/30/2021 9/30/2022 7/31/2030	59,780	1.9	0.9	*	*	*
7 At Home Stores	Carmel Mountain Plaza	7/31/2029	107,870	3.5	1.6	1,384,552	1.9	0.6
8 Regal Cinemas	Alamo Quarry Market	3/31/2023	72,447	2.3	1.1	1,231,599	1.6	0.5
9 Safeway	Waikele Center	1/31/2040	50,050	1.6	0.8	1,201,200	1.6	0.5
10 Michaels (5)	Carmel Mountain Plaza Alamo Quarry Market	1/31/2024 2/29/2028	46,850	1.5	0.7	1,072,635	1.4	0.5
Top 10 Retail Tenants Total			750,425	24.1 %	11.3 %	\$ 15,971,838	21.3 %	6.8 %

Notes:

- (1) For Nordstrom Rack, 39,047 and 30,000 of leased square feet are set to expire on September 30, 2022 (Carmel Mountain Plaza) and October 31, 2022 (Alamo Quarry Market), respectively.
- (2) For Sprouts Farmers Market, 14,986, 30,973 and 25,472 of leased square feet are set to expire on June 30, 2024 (Solana Beach Towne Centre), March 31, 2025 (Carmel Mountain Plaza), and September 30, 2032 (Geary Marketplace), respectively.
- (3) For Marshalls, 39,295 and 28,760 of leased square feet are set to expire on January 31, 2025 (Solana Beach Towne Centre) and 2029 (Carmel Mountain Plaza), respectively.
- (4) For Old Navy, 20,000, 15,021 and 24,759 of leased square feet are set to expire on April 30, 2021 (South Bay Marketplace), September 30, 2022 (Alamo Quarry Market) and July 31, 2030 (Waikele Center), respectively.
- (5) For Michaels, 22,969 and 23,881 of leased square feet are set to expire on January 31, 2024 (Carmel Mountain Plaza) and February 29, 2028 (Alamo Quarry Market), respectively.

* Data withheld at tenant's request.

APPENDIX

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA): EBITDA is a non-GAAP measure that means net income or loss plus depreciation and amortization, net interest expense, income taxes, gain or loss on sale of real estate and impairments of real estate, if any. EBITDA is presented because it approximates a key performance measure in our debt covenants, but it should not be considered an alternative measure of operating results or cash flow from operations as determined in accordance with GAAP. The reconciliation of net income to EBITDA for the three and six months ended June 30, 2020 and 2019 is as follows:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Net income	\$ 9,826	\$ 11,941	\$ 25,310	\$ 27,184
Depreciation and amortization	26,493	22,582	53,955	43,165
Interest expense	13,331	13,129	26,803	26,478
Interest income	(71)	(156)	(383)	(163)
Income tax expense	(91)	206	115	442
Gain on sale of real estate	—	(633)	—	(633)
EBITDA	\$ 49,488	\$ 47,069	\$ 105,800	\$ 96,473

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
EBITDA	\$ 49,488	\$ 47,069	\$ 105,800	\$ 96,473
Pro forma adjustments	—	—	—	—
Adjusted EBITDA	\$ 49,488	\$ 47,069	\$ 105,800	\$ 96,473

Earnings Before Interest, Taxes, Depreciation, and Amortization for Real Estate (EBITDA_{re}): EBITDA_{re} is a supplemental non-GAAP measure of real estate companies' operating performances. The National Association of Real Estate Investment Trusts (NAREIT) defines EBITDA_{re} as follows: net income or loss, computed in accordance with GAAP plus depreciation and amortization, net interest expense, income taxes, gain or loss on sale of real estate including gain or loss on change of control, impairments of real estate, and adjustments to reflect the entity's share of EBITDA_{re} of unconsolidated affiliates, if any. EBITDA_{re} is presented because it approximates a key performance measure in our debt covenants, but it should not be considered an alternative measure of operating results or cash flow from operations as determined in accordance with GAAP. The reconciliation of net income to EBITDA_{re} for the three and six months ended June 30, 2020 and 2019 is as follows:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Net income	\$ 9,826	\$ 11,941	\$ 25,310	\$ 27,184
Depreciation and amortization	26,493	22,582	53,955	43,165
Interest expense	13,331	13,129	26,803	26,478
Interest income	(71)	(156)	(383)	(163)
Income tax expense	(91)	206	115	442
Gain on sale of real estate	—	(633)	—	(633)
EBITDA _{re}	\$ 49,488	\$ 47,069	\$ 105,800	\$ 96,473

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.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Reconciliation of NOI to net income				
Total NOI	\$ 56,167	\$ 53,012	\$ 119,297	\$ 108,489
General and administrative	(6,679)	(5,943)	(13,499)	(12,016)
Depreciation and amortization	(26,493)	(22,582)	(53,955)	(43,165)
Operating Income	\$ 22,995	\$ 24,487	\$ 51,843	\$ 53,308
Interest expense	(13,331)	(13,129)	(26,803)	(26,478)
Gain on sale of real estate	—	633	—	633
Other income (expense), net	162	(50)	270	(279)
Net income	\$ 9,826	\$ 11,941	\$ 25,310	\$ 27,184
Net income attributable to restricted shares	(69)	(92)	(173)	(185)
Net income attributable to unitholders in the Operating Partnership	(2,101)	(2,933)	(5,413)	(6,988)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 7,656	\$ 8,916	\$ 19,724	\$ 20,011

Overall Portfolio: Includes all operating properties owned by us as of June 30, 2020.

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

operating costs. Cash NOI is a measure of the operating performance of the company's properties but does not measure the company's performance as a whole. Cash NOI is therefore not a substitute for net income as computed in accordance with GAAP. A Reconciliation of Total Cash NOI to Operating Income is presented below:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Reconciliation of Total Cash NOI to Net Income				
Total Cash NOI	\$ 42,448	\$ 56,516	\$ 101,937	\$ 106,544
Non-cash revenue and other operating expenses ⁽¹⁾	13,719	(3,504)	17,360	1,945
General and administrative	(6,679)	(5,943)	(13,499)	(12,016)
Depreciation and amortization	(26,493)	(22,582)	(53,955)	(43,165)
Operating income	\$ 22,995	\$ 24,487	\$ 51,843	\$ 53,308
Interest expense	(13,331)	(13,129)	(26,803)	(26,478)
Gain on sale of real estate	—	633	—	633
Other income (expense), net	162	(50)	270	(279)
Net income	\$ 9,826	\$ 11,941	\$ 25,310	\$ 27,184

(1) Represents adjustments related to the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances; the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles, net change in lease receivables, lease termination fees at Carmel Mountain Plaza, and straight-line rent expense for our leases of the Annex at The Landmark at One Market.

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

	Three Months Ended ⁽¹⁾		Six Months Ended ⁽¹⁾	
	June 30,		June 30,	
	2020	2019	2020	2019
Reconciliation of Same-Store Cash NOI Comparison with Redevelopment to Operating Income				
Same-Store Cash NOI	\$ 35,751	\$ 40,388	\$ 79,261	\$ 80,467
Redevelopment Cash NOI ⁽²⁾	1,216	2,860	3,803	5,919
Same-Store Cash NOI with Redevelopment	36,967	43,248	83,064	86,386
Tenant improvement reimbursements	73	6,423	2,869	7,413
Total Same-Store Cash NOI with Redevelopment	\$ 37,040	\$ 49,671	\$ 85,933	\$ 93,799
Non-Same-Store Cash NOI	5,408	6,845	16,004	12,745
Total Cash NOI	\$ 42,448	\$ 56,516	\$ 101,937	\$ 106,544
Non-cash revenue and other operating expenses ⁽³⁾	13,719	(3,504)	17,360	1,945
General and administrative	(6,679)	(5,943)	(13,499)	(12,016)
Depreciation and amortization	(26,493)	(22,582)	(53,955)	(43,165)
Operating income	\$ 22,995	\$ 24,487	\$ 51,843	\$ 53,308
Interest expense	(13,331)	(13,129)	(26,803)	(26,478)
Gain on sale of real estate	—	633	—	633
Other income (expense), net	162	(50)	270	(279)
Net income	\$ 9,826	\$ 11,941	\$ 25,310	\$ 27,184

(1) Same-store excludes (i) Waikēle Center, due to significant redevelopment activity; (ii) La Jolla Commons, which was acquired on June 20, 2019; (iii) One Beach Street, due to significant redevelopment activity; (iv) Waikēle Beach Walk - Embassy Suites™ and Waikēle Beach Walk - Retail, due to significant spalling repair activity; and (v) land held for development.

(2) Redevelopment property refers to Waialele Center, One Beach Street, and Lloyd District Portfolio - Land.

(3) Represents adjustments related to the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances; the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles, net change in lease receivables, lease termination fees at Carmel Mountain Plaza, and straight-line rent expense for our leases of the Annex at The Landmark at One Market.

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

	Comparison of Three Months Ended			Comparison of Six Months Ended		
	June 30, 2020 to 2019			June 30, 2020 to 2019		
	Same-Store	Non Same-Store	Redevelopment Same-Store	Same-Store	Non Same-Store	Redevelopment Same-Store
Office Properties						
La Jolla Commons		X			X	
Torrey Reserve Campus	X		X	X		X
Torrey Point	X		X	X		X
Solana Crossing (formerly Solana Beach Corporate Centre)	X		X	X		X
The Landmark at One Market	X		X	X		X
One Beach Street		X	X		X	X
First & Main	X		X	X		X
Lloyd District Portfolio ⁽¹⁾	X		X	X		X
City Center Bellevue	X		X	X		X
Retail Properties						
Carmel Country Plaza	X		X	X		X
Carmel Mountain Plaza	X		X	X		X
South Bay Marketplace	X		X	X		X
Gateway Marketplace	X		X	X		X
Lomas Santa Fe Plaza	X		X	X		X
Solana Beach Towne Centre	X		X	X		X
Del Monte Center	X		X	X		X
Geary Marketplace	X		X	X		X
The Shops at Kalakaua	X		X	X		X
Waikole Center		X	X		X	X
Alamo Quarry Market	X		X	X		X
Hassalo on Eighth - Retail	X		X	X		X
Multifamily Properties						
Loma Palisades	X		X	X		X
Imperial Beach Gardens	X		X	X		X
Mariner's Point	X		X	X		X
Santa Fe Park RV Resort	X		X	X		X
Pacific Ridge Apartments	X		X	X		X
Hassalo on Eighth	X		X	X		X
Mixed-Use Properties						
Waikiki Beach Walk - Retail		X			X	
Waikiki Beach Walk - Embassy Suites™		X			X	
Development Properties						
La Jolla Commons - Land		X			X	
Solana Crossing - Land		X			X	
Lloyd District Portfolio - Land		X	X		X	X

(1) Lloyd District Portfolio includes the 830 building which we placed into operations on August 1, 2019 after renovating the building.

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