

ALEXANDRIA REAL ESTATE EQUITIES INC  
Form 424B5  
March 14, 2019

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Filed pursuant to Rule 424(b)(5)  
Registration Nos. 333-222136 and 333-222136-01

#### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Amount of Registration Fee
Alexandria Real Estate Equities, Inc. 4.000% Senior Notes due 2024	\$200,000,000	102.368%	\$204,736,000	\$24,814.00 <sup>(1)</sup>
Alexandria Real Estate Equities, Inc. 3.800% Senior Notes due 2026	\$350,000,000	99.893%	\$349,625,500	\$42,374.61 <sup>(1)</sup>
Alexandria Real Estate Equities, Inc. 4.850% Senior Notes due 2049	\$300,000,000	99.949%	\$299,847,000	\$36,341.46 <sup>(1)</sup>
Alexandria Real Estate Equities, L.P. Guarantee of 4.000% Senior Notes due 2024	(2)	(2)	(2)	(2)
Alexandria Real Estate Equities, L.P. Guarantee of 3.800% Senior Notes due 2026	(2)	(2)	(2)	(2)
Alexandria Real Estate Equities, L.P. Guarantee of 4.850% Senior Notes due 2049	(2)	(2)	(2)	(2)

(1) The total filing fee of \$103,530.07 is calculated in accordance with Rules 457(o) and 457(r) of the Securities Act of 1933, as amended, or the Act. In accordance with Rules 456(b) and 457(r) of the Act, the registrants initially deferred payment of all of the registration fees for the Registration Statement filed by the registrants on December 18, 2017.

(2) No separate consideration will be received for the guarantees. Pursuant to Rule 457(n) under the Act, no separate fee is payable with respect to the guarantee being registered hereby.

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**PROSPECTUS SUPPLEMENT**

(To prospectus dated December 18, 2017)

**Alexandria Real Estate Equities, Inc.**

**\$200,000,000 4.000% Senior Notes due 2024**

**\$350,000,000 3.800% Senior Notes due 2026**

**\$300,000,000 4.850% Senior Notes due 2049**

**Fully and Unconditionally Guaranteed by Alexandria Real Estate Equities, L.P.**

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We are offering \$200,000,000 of 4.000% Senior Notes due 2024 (the "new 2024 notes"), \$350,000,000 of 3.800% Senior Notes due 2026 (the "2026 notes"), and \$300,000,000 of 4.850% Senior Notes due 2049 (the "2049 notes" and, together with the new 2024 notes and the 2026 notes, the "notes").

The new 2024 notes offered hereby will become part of the same series as our outstanding 4.000% Senior Notes due 2024, \$450 million aggregate principal amount of which were originally issued on June 21, 2018 (the "existing 2024 notes"). We refer to the new 2024 notes and the existing 2024 notes, collectively, as the "2024 notes." The new 2024 notes and the existing 2024 notes will collectively be treated as a single series of senior debt securities under the indenture and, immediately upon settlement, the new 2024 notes will have the same CUSIP number as, and will be fungible for U.S. federal income tax purposes with, the existing 2024 notes.

Each of the 2026 notes and the 2049 notes offered hereby are a new issue of securities.

The new 2024 notes will bear interest at the rate of 4.000% per year, the 2026 notes will bear interest at the rate of 3.800% per year and the 2049 notes will bear interest at the rate of 4.850% per year. Interest on the new 2024 notes is payable on January 15 and July 15 of each year, beginning on July 15, 2019, the 2026 notes is payable on April 15 and October 15 of each year, beginning on October 15, 2019, and interest on the 2049 notes is payable on April 15 and October 15 of each year, beginning on October 15, 2019.

The 2024 notes will mature on January 15, 2024, the 2026 notes will mature on April 15, 2026 and the 2049 notes will mature on April 15, 2049. The notes will be fully and unconditionally guaranteed by our subsidiary, Alexandria Real Estate Equities, L.P., a Delaware limited partnership. We may redeem some or all of the notes at any time prior to maturity and as described under the caption "Description of Notes and Guarantees Our Redemption Rights." If the 2024 notes are redeemed on or after December 15, 2023, the redemption price will not include a make-whole provision. If the 2026 notes are redeemed on or after February 15, 2026, the redemption price will not include a make-whole provision. If the 2049 notes are redeemed on or after October 15, 2048, the redemption price will not include a make-whole provision. We will issue the notes only in registered form in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. As described under "Use of Proceeds," we will initially use the proceeds of the offering of the new 2024 and the 2026 notes to reduce the outstanding balance on our unsecured senior line of credit, and then allocate these proceeds to fund, in whole or in part, Eligible Green Projects (as defined herein), including the development and redevelopment of such projects, and to repay a secured note payable related to a recently completed class A development property which was awarded LEED Gold certification, and the proceeds of the offering of the 2049 notes for general corporate purposes including the reduction of the outstanding balance on our unsecured senior line of credit.

Each series of the notes will be our unsecured senior obligations and will rank equally in right of payment with all of our other unsecured senior indebtedness from time to time outstanding and will be effectively subordinated in right of payment to all of our existing and future secured indebtedness and to all existing and future liabilities and preferred equity, whether secured or unsecured, of our subsidiaries other than Alexandria Real Estate Equities, L.P.

No market currently exists for the notes. We do not intend to list the notes on any national securities exchange.

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Investing in our notes involves risks. See "Risk Factors" on page S-10.

	Per 2024		Per 2026		Per 2049	
	Note	Total	Note	Total	Note	Total
Public offering price <sup>(1)(2)</sup>	102.368%	\$204,736,000	99.893%	\$349,625,500	99.949%	\$299,847,000
Underwriting discount	0.600%	\$1,200,000	0.625%	\$2,187,500	0.875%	\$2,625,000
Proceeds, before expenses, to us <sup>(1)</sup>	101.768%	\$203,536,000	99.268%	\$347,438,000	99.074%	\$297,222,000

(1) Plus accrued interest, if any, from the original date of issue.

(2) The public offering price set forth above for the new 2024 notes does not include accrued interest of \$1,466,666.67 in the aggregate from January 15, 2019 up to, but not including, the date of delivery of the new 2024 notes, which will be paid by the purchasers of the new 2024 notes. On July 15, 2019, we will pay this pre-issuance accrued interest to the holders of the new 2024 notes.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, *société anonyme*, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, against payment on or about March 21, 2019.

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*Joint Book-Running Managers*

<b>Goldman Sachs &amp; Co. LLC</b>	<b>Citigroup</b>	<b>J.P. Morgan</b>	<b>SMBC Nikko</b>
<i>Co-Managers</i>			
<b>Barclays</b>	<b>BB&amp;T Capital Markets</b>	<b>BBVA</b>	<b>BNP PARIBAS</b>
<b>Capital One Securities</b>	<b>Evercore ISI</b>	<b>Fifth Third Securities</b>	<b>Mizuho Securities</b>
<b>PNC Capital Markets LLC</b>	<b>RBC Capital Markets</b>	<b>Regions Securities LLC</b>	<b>Ramirez &amp; Co., Inc.</b>
<b>Scotiabank</b>	<b>SunTrust Robinson Humphrey</b>	<b>TD Securities</b>	<b>US Bancorp</b>
<b>Wells Fargo Securities</b>			

The date of this prospectus supplement is March 12, 2019.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with any different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations, and prospects may have changed since those dates.

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**FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the accompanying prospectus contain or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. You can identify the forward-looking statements by their use of forward-looking words, such as "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates," "projects," "forecast," "guidance," "anticipates," or "goals" or the negative of those words or similar words. Forward-looking statements involve inherent risks and uncertainties regarding events, conditions, and financial trends that may affect our future plans of operation, business strategy, results of operations, and financial position. A number of important factors could cause actual results to differ materially from those included within or contemplated by the forward-looking statements, including, but not limited to the following:

Worldwide economic recession, lack of confidence, and/or high structural unemployment;

Recent financial and economic trouble in emerging-market economies;

Regional and local economic crises which could adversely impact global markets;

Negative impact on economic growth resulting from the combination of federal income tax increases, debt policy and government spending restrictions;

Failure of the U.S. federal government to manage its fiscal matters or to raise or further suspend the debt ceiling, and changes in the amount of federal debt;

Potential and further downgrade of the U.S. credit rating;

The continuation of the ongoing economic crisis in Europe;

Monetary policy actions by the Federal Reserve;

Potential and further downgrades of the credit ratings of major financial institutions, or their perceived creditworthiness;

Changes in laws, regulations, and financial accounting standards;

The seizure or illiquidity of credit markets;

Failure to meet market expectations for our financial performance;

Our inability to obtain capital when desired, on favorable terms or at all, or refinance debt maturities when desired, on favorable terms or at all;

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Potential negative impact of capital plan objectives to reduce our balance sheet leverage;

Our inability to comply with financial covenants in our debt agreements;

Increased interest rates and operating costs;

Global factors such as negative economic, political, financial, banking, and/or credit market conditions;

Inflation or deflation;

Prolonged period of stagnant growth;

Adverse economic or real estate developments in our markets;

Our failure to successfully complete and lease our existing space held for redevelopment and new properties acquired for that purpose and any properties undergoing development;

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Significant decreases in our active development, active redevelopment, or preconstruction activities, resulting in significant increases in our interest, operating, and payroll expenses;

Our failure to successfully operate or lease acquired properties;

Our failure to operate our business successfully in comparison to market expectations or in comparison to our competitors;

The nature and extent of future competition;

General and local economic conditions;

Adverse developments concerning the life science and technology industries and/or our tenants;

Tenant base concentration within the science and technology industries;

Risks affecting our life science industry tenants, including, but not limited to, high levels of regulation, the safety and efficacy of their products, funding requirements for product research and development, and changes in technology, patent expiration and intellectual property protection;

Risks affecting our technology industry tenants, including, but not limited to, an uncertain regulatory environment, rapid technological changes, a dependency on the maintenance and security of the Internet infrastructure, significant funding requirements for product research and development, and inadequate intellectual property protections;

Any unfavorable effects resulting from federal, state, local, and/or foreign government policies, laws, and/or funding levels.

Potential decreases in government funding for our U.S. government tenants;

Government-driven changes to the healthcare system that may reduce pricing of drugs, negatively impact healthcare coverage, or negatively impact reimbursement of healthcare services and products;

Potential decreases in funding for the U.S. Food & Drug Administration, U.S. National Institute of Health and other government agencies;

Lower rental rates and/or higher vacancy rates;

Failure to renew or replace expiring leases;

Defaults of leases by tenants;

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Our failure to comply with laws or changes in the law;

Compliance with environmental laws;

The financial condition of our insurance carriers;

Extreme weather conditions or climate change;

Terrorist attacks;

Availability of and our ability to attract and retain qualified personnel;

Our failure to maintain our status as a real estate investment trust ("REIT") for federal tax purposes;

Certain ownership interests outside the United States that may subject us to different or greater risks than those associated with our domestic operations;

Fluctuations in foreign currency exchange rates;



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Security breaches through cyber-attacks or cyber-intrusions;

The ability of our third-party managers to provide quality services and amenities with respect to our properties;

Changes in the method of determining the London Interbank Offered Rate ("LIBOR") or the replacement of LIBOR with an alternative reference rate;

Potential changes to the U.S. tax laws; and

Potential developments from recent political events.

This list of risks and uncertainties is not exhaustive. For a discussion of these and other factors that could cause actual results to differ from those contemplated in the forward-looking statements, please see the discussion under "Risk Factors" contained in this prospectus supplement beginning on page S-9 and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 beginning on page 6, and the other information contained in our reports filed with the Securities and Exchange Commission. We do not undertake any responsibility to update any of these factors or to announce publicly any revisions to forward-looking statements, whether as a result of new information, future events, or otherwise.

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**SUMMARY**

*The following summary may not contain all of the information that is important to you. You should read this entire prospectus supplement, the accompanying prospectus, and the documents incorporated by reference into the accompanying prospectus carefully before deciding whether to invest in the notes. In this prospectus supplement and the accompanying prospectus, unless otherwise indicated, the "Company," "Alexandria," "we," "us," and "our" refer to Alexandria Real Estate Equities, Inc. and its subsidiaries. Unless otherwise indicated, the information in this prospectus supplement is as of December 31, 2018.*

**Alexandria Real Estate Equities, Inc.**

**Overview**

We are a Maryland corporation formed in October 1994 that has elected to be taxed as a REIT for federal income tax purposes. We are an S&P 500® company and an urban office REIT uniquely focused on collaborative life science and technology campuses in AAA innovation cluster locations with a total market capitalization of \$18.4 billion and an asset base in North America of 33.1 million square feet as of December 31, 2018. The asset base in North America includes 22.4 million rentable square feet ("RSF") of operating properties and 3.9 million RSF of development and redevelopment of new Class A properties currently undergoing construction and pre-construction activities with target delivery dates ranging from 2019 through 2020. Additionally, the asset base in North America includes 6.8 million square feet of intermediate-term and future development projects. Founded in 1994, we pioneered this niche and have since established a significant market presence in key locations, including Greater Boston, San Francisco, New York City, San Diego, Seattle, Maryland, and Research Triangle Park. We are known for our high-quality and diverse tenant base, with approximately 52% of our annual rental revenue as of December 31, 2018, generated from investment-grade or large-cap tenants. We have a longstanding and proven track record of developing Class A properties clustered in urban life science and technology campuses that provide our innovative tenants with highly dynamic and collaborative environments that enhance their ability to successfully recruit and retain world-class talent and inspire productivity, efficiency, creativity, and success. Alexandria also provides strategic risk capital to transformative life science and technology companies through its venture capital arm. We believe our unique business model and diligent underwriting ensure a high-quality and diverse tenant base that result in higher occupancy levels, longer lease terms, higher rental income, higher returns, and greater long-term asset value.

Our primary business objective is to maximize long-term asset value and stockholder returns based on a multifaceted platform of internal and external growth. A key element of our strategy is our unique focus on Class A properties clustered in urban campuses located in AAA innovation cluster locations. These key urban campus locations are characterized by high barriers to entry for new landlords, high barriers to exit for tenants, and a limited supply of available space. They represent highly desirable locations for tenancy by life science and technology entities because of their close proximity to concentrations of specialized skills, knowledge, institutions, and related businesses. Our strategy also includes drawing upon our deep and broad real estate, life science, and technology relationships in order to identify and attract new and leading tenants and to source additional value-creation real estate.

**Recent Developments**

*Sale of partial interest in core Class A property*

In February 2019, we sold a 60% interest in 75/125 Binney Street, a Class A property in our Cambridge submarket, for a sales price of \$438 million, or \$1,880 per RSF, representing a 4.3% capitalization rate on net operating income (cash basis) for the three months ended December 31, 2018, annualized. We retained control over the joint venture and continued to reflect the asset at its

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current book value. Under the accounting standards, we also recognized additional paid-in capital for the difference between the consideration received and the partial interest at book value. We expect to reinvest the proceeds from this sale into our value-creation pipeline.

*Recent acquisitions*

Subsequent to December 31, 2018, we acquired nine properties located in our existing markets in four separate transactions for an aggregate purchase price of \$300.7 million, including a \$65 million purchase installment payment in January 2019 related to a purchase completed in 2018. These acquisitions consisted of value-add operating properties which will provide future development and redevelopment opportunities.

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**The Offering**

*The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The section entitled "Description of Notes and Guarantees" of this prospectus supplement contains a more detailed description of the terms and conditions of the notes and the indenture governing the notes. As used in this section, unless stated otherwise, the terms "we," "us," "our," and the "Company" refer to Alexandria Real Estate Equities, Inc. and not to any of its subsidiaries, and references to the "Operating Partnership" or "guarantor" refer solely to Alexandria Real Estate Equities, L.P. and not to any of its subsidiaries.*

<b>Issuer</b>	Alexandria Real Estate Equities, Inc.
<b>Guarantor</b>	Alexandria Real Estate Equities, L.P.
<b>Issuer/Guarantor Structure</b>	

- 
- (1) As of December 31, 2018. For purposes of this chart, the operating properties have been classified at the lowest level at which a majority ownership is held for the entities shown.
- (2) Comprised of our 2.75% unsecured senior notes payable due 2020, 4.60% unsecured senior notes payable due 2022, 3.90% unsecured senior notes payable due 2023, 3.45% unsecured senior notes payable due 2025, 4.30% unsecured senior notes payable due 2026, 3.95% unsecured senior notes payable due 2027, 3.95% unsecured senior notes payable due 2028, 4.50% unsecured senior notes payable due 2029, 4.70% unsecured senior notes payable due 2030 and existing 2024 notes (collectively, the "existing unsecured senior notes")
- (3) Represents our unsecured senior bank term loan with an outstanding principal balance of \$350 million (as of December 31, 2018) and a maturity date of January 28, 2024 (the "2024 unsecured senior bank term loan").



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**Securities Offered**

\$200,000,000 principal amount of 4.000% notes due 2024.  
\$350,000,000 principal amount of 3.800% notes due 2026.  
\$300,000,000 principal amount of 4.850% notes due 2049.  
The additional 4.000% notes due 2024 offered hereby will be issued under the same indenture and will form a single series with the \$450,000,000 aggregate principal amount outstanding of the existing 2024 notes. Immediately upon settlement, the additional 4.000% notes due 2024 offered hereby will have the same CUSIP number and will trade interchangeably with the outstanding 4.000% notes due 2024.

**Ranking**

As of December 31, 2018, we had outstanding \$630.5 million of secured indebtedness and \$4.8 billion of senior unsecured indebtedness (debt amounts net of \$20.2 million of unamortized deferred financing costs, premiums and discounts, and exclusive of trade payables, distributions payable, accrued expenses and committed letters of credit) on a consolidated basis. In addition, as of December 31, 2018, we had an interest in unconsolidated joint ventures with \$337.8 million of secured indebtedness, with our share of this secured indebtedness totaling \$88 million based on our ownership interest in these unconsolidated joint ventures. All of our outstanding secured indebtedness as of December 31, 2018 was attributable to indebtedness of our subsidiaries other than Alexandria Real Estate Equities, L.P.

The notes will be our senior unsecured obligations and will rank equally with each other and with all of our existing and future other senior unsecured indebtedness. However, the unsecured senior notes payable are subordinate to existing and future mortgages and other secured indebtedness (to the extent of the value of the collateral securing such indebtedness) and to all existing and future preferred equity and liabilities, whether secured or unsecured, of our subsidiaries, other than Alexandria Real Estate Equities, L.P.

**Guarantees**

The notes will be fully and unconditionally guaranteed by Alexandria Real Estate Equities, L.P. The guarantees will be senior unsecured obligations of Alexandria Real Estate Equities, L.P. and will rank equally in right of payment with other senior unsecured obligations of Alexandria Real Estate Equities, L.P.

**Interest**

The 2024 notes will bear interest at a rate of 4.000% per year.

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**Interest Payment Dates**

The 2026 notes will bear interest at a rate of 3.800% per year.  
The 2049 notes will bear interest at a rate of 4.850% per year.  
Interest on the new 2024 notes is payable on January 15 and July 15 of each year, beginning on July 15, 2019.  
Interest on the 2026 notes will be payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2019.  
Interest on the 2049 notes will be payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2019.

**Maturity**

The 2024 notes will mature on January 15, 2024 unless previously redeemed by us at our option prior to such date.  
The 2026 notes will mature on April 15, 2026 unless previously redeemed by us at our option prior to such date.  
The 2049 notes will mature on April 15, 2049 unless previously redeemed by us at our option prior to such date.

**Our Redemption Rights**

At any time before December 15, 2023, we may redeem the 2024 notes at our option and in our sole discretion, in whole or from time to time in part, at the redemption price specified herein. If the 2024 notes are redeemed on or after December 15, 2023, the redemption price will be equal to the sum of 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon.  
At any time before February 15, 2026, we may redeem the 2026 notes at our option and in our sole discretion, in whole or from time to time in part, at the redemption price specified herein. If the 2026 notes are redeemed on or after February 15, 2026, the redemption price will be equal to the sum of 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon.

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**Certain Covenants**

At any time before October 15, 2048, we may redeem the 2049 notes at our option and in our sole discretion, in whole or from time to time in part, at the redemption price specified herein. If the 2049 notes are redeemed on or after October 15, 2048, the redemption price will be equal to the sum of 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest thereon. See "Description of Notes and Guarantees - Our Redemption Rights" in this prospectus supplement.

The indenture governing the notes contains certain covenants that, among other things, limit our, our guarantor's and our subsidiaries' ability to:

consummate a merger, consolidation or sale of all or substantially all of our assets, and

incur secured or unsecured indebtedness.

These covenants are subject to a number of important exceptions and qualifications. See "Description of Notes and Guarantees" in this prospectus supplement.

**Use of Proceeds**

The new 2024 notes

We expect that the net proceeds from the sale of the new 2024 notes in this offering will be approximately \$203.0 million, after deducting underwriters' discounts and our estimated offering expenses. The net proceeds of the offering of the new 2024 notes will be used to fund, in whole or in part, Eligible Green Projects (as defined herein), including the development and redevelopment of such projects, as described under "Use of Proceeds" in this prospectus supplement. The net proceeds will initially be used to reduce the outstanding balance on our unsecured senior line of credit. We will then allocate these funds to recently completed and future Eligible Green Projects.



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The 2026 notes

We expect that the net proceeds from the sale of the 2026 notes in this offering will be approximately \$346.6 million, after deducting underwriters' discounts and our estimated offering expenses. The net proceeds of the offering of the 2026 notes will be principally used to repay a secured note payable due January 28, 2020 for the 50/60 Binney Street project, a recently completed class A development property which was awarded LEED Gold certification, and the balance of net proceeds, if any, will be used to fund, in whole or in part, Eligible Green Projects, including the development and redevelopment of such projects, as described under "Use of Proceeds" in this prospectus supplement. The net proceeds will initially be used to reduce the outstanding balance on our unsecured senior line of credit. We will then allocate these funds to recently completed and future Eligible Green Projects and the repayment of the aforementioned secured note payable. Affiliates of each of BB&T Capital Markets, a division of BB&T Securities, LLC, BNP Paribas Securities Corp., Associated Banc-Corp, Scotia Capital (USA) Inc. and TD Securities (USA) LLC are lenders under our secured note payable for the 50/60 Binney Street project. See "Underwriting (Conflicts of Interest)" in this prospectus supplement.

The 2049 notes

We expect that the net proceeds from the sale of the 2049 notes in this offering will be approximately \$296.5 million, after deducting the underwriters' discount and our estimated offering expenses. The net proceeds of the offering of the 2049 notes will be used for general corporate purposes including the reduction of the outstanding balance on our unsecured senior line of credit. We may then also borrow from time to time under our unsecured senior line of credit to provide funds for general working capital and other general corporate purposes. General corporate purposes may include the reduction of the outstanding balances under our unsecured senior bank term loans, the repayment of other debt, redemption of preferred stock and selective development, redevelopment or acquisition of properties.

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Affiliates of Goldman Sachs & Co. LLC, Citigroup Global Markets Inc., J.P. Morgan Securities LLC, SMBC Nikko Securities America, Inc., Barclays Capital Inc., BB&T Capital Markets, a division of BB&T Securities, LLC, BBVA Securities Inc., BNP Paribas Securities Corp., Capital One Securities, Inc., Fifth Third Securities, Inc., Mizuho Securities USA LLC, PNC Capital Markets LLC, RBC Capital Markets, LLC, Regions Securities LLC, Associated Banc-Corp, Scotia Capital (USA) Inc., SunTrust Robinson Humphrey, Inc., TD Securities (USA) LLC, U.S. Bancorp Investments, Inc., and Wells Fargo Securities, LLC are lenders under our unsecured senior line of credit and will receive a portion of the net proceeds from this offering. Associated Investment Services, Inc. (AIS), a Financial Industry Regulatory Authority member, a subsidiary of Associated Banc-Corp, is being paid a referral fee by Samuel A. Ramirez & Company, Inc. See "Underwriting (Conflicts of Interest)" in this prospectus supplement.

**Trading**

The 2026 notes and the 2049 notes are new issues of securities with no established trading market. We do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. The underwriters have advised us that they intend to make a market in the notes. However, the underwriters will have no obligation to do so, and we cannot assure you that a market for the notes will develop or be maintained.

**Book-Entry Form**

The notes will be issued in the form of fully-registered global notes in book-entry form, which will be deposited with, or on behalf of, The Depository Trust Company, commonly known as DTC. Beneficial interests in the global certificate representing the notes will be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants, and such interests may not be exchanged for certificated notes, except in limited circumstances.

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**Additional Notes**

We may, without the consent of holders of the notes of any of the series, increase the principal amount of any of the series of notes by issuing additional notes in the future on the same terms and conditions as the notes of such series offered hereby, except for any difference in the issue price and interest accrued prior to the issue date of the additional notes, and with the same CUSIP number as the notes of such series offered hereby so long as such additional notes are fungible for U.S. federal income tax purposes with the notes of such series offered hereby.

**Conflicts of Interest**

Affiliates of Goldman Sachs & Co. LLC, Citigroup Global Markets Inc., J.P. Morgan Securities LLC and SMBC Nikko Securities America, Inc. are lenders under our unsecured senior line of credit and will receive a portion of the net proceeds from this offering. See "Underwriting (Conflicts of Interest)" in this prospectus supplement.

**Risk Factors**

In analyzing an investment in the notes we are offering pursuant to this prospectus supplement, you should carefully consider, along with other matters included or incorporated by reference in this prospectus supplement, the information set forth under "Risk Factors" beginning on page S-9 and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 beginning on page 6.

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**RISK FACTORS**

*An investment in our notes involves risks. New risks may emerge at any time and we cannot predict such risks or estimate the extent to which they may affect our financial performance. You should carefully consider the risks referred to in the section of the accompanying prospectus entitled "Forward-Looking Statements," as well as the risks identified in this prospectus supplement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, which is incorporated herein by reference.*

**Risks Relating to this Offering**

*Our business operations may not generate the cash needed to service our indebtedness.*

We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will enable us to pay our indebtedness, including the notes we are offering in this prospectus supplement. If our cash flows and future borrowings are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness, including the notes. We cannot assure you that we would be able to take any of these actions, that these actions would be successful and permit us to meet our scheduled debt service obligations or that these actions would be permitted under the terms of our existing or future debt agreements. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations.

*The effective subordination of the notes and guarantees may limit our ability to satisfy our obligations under the notes.*

The notes are unsecured and therefore effectively will be subordinated to any of our and our subsidiaries' existing and future secured obligations. As a result, in the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding of our Company and/or the guarantor of the notes, our assets and the assets of the guarantor will be available to satisfy obligations of our secured debt before any payment may be made on the notes. To the extent that our assets and the assets of the guarantor cannot satisfy in full our secured debt, the holders of such debt would have a claim for any shortfall that would rank equally in right of payment with the notes. In such an event, we may not have sufficient assets remaining to pay amounts on any or all of the notes.

The notes will be issued by us and guaranteed only by the guarantor. Any claims of holders of the notes to the assets of our subsidiaries other than the guarantor derive from our direct and indirect equity interests in those subsidiaries. Claims of those subsidiaries' creditors (including general creditors and taxing authorities) will generally have priority as to the assets of those subsidiaries over our own equity interest claims and will therefore have priority over the holders of the notes. Consequently, the notes will be effectively subordinated to all liabilities, whether or not secured, of such subsidiaries, and possibly of any subsidiaries that we may in the future acquire or establish, as well as any indebtedness that may be incurred or guaranteed by certain of our existing and future subsidiaries other than the guarantor.

All of our outstanding secured indebtedness, as of December 31, 2018, was attributable to indebtedness of our subsidiaries other than the guarantor. As of December 31, 2018, all of our outstanding senior unsecured indebtedness was attributable only to the Company and the guarantor, and will rank pari passu with the notes.

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*We will continue to have the ability to incur debt after this offering; if we incur substantial additional debt, these higher levels of debt may affect our ability to pay principal and interest on the notes.*

Although the agreements governing our unsecured senior line of credit and certain other indebtedness limit, and the indenture governing the notes will limit, our ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, debt incurred in compliance with these restrictions could be substantial. If we incur substantial additional indebtedness in the future, these higher levels of indebtedness could have important consequences to you, because:

it could affect our ability to satisfy our obligations under the notes;

a substantial portion of our available funds would have to be dedicated to interest and principal payments and may not then be available for operations, working capital, capital expenditures, the selective redevelopment, development and acquisition of properties, or general corporate or other purposes;

it may impair our ability to obtain additional financing in the future;

it may limit our flexibility in planning for, or reacting to, changes in our business and industry; and

it may make us more vulnerable to downturns in our business, our industry or the economy in general.

*The indenture governing the notes will contain certain covenants that limit our operating flexibility.*

The indenture governing the notes will contain certain covenants that, among other things, will restrict our, our guarantor's, and our subsidiaries' ability to take specific actions, even if we believe them to be in our best interest, including restrictions on our ability to:

consummate a merger, consolidation or sale of all or substantially all of our assets, and

incur secured or unsecured indebtedness.

In addition, our existing unsecured senior notes, unsecured senior line of credit, and 2024 unsecured senior bank term loan require us to meet specified financial ratios, and the indenture governing the notes will require us to maintain at all times a specified ratio of unencumbered assets to unsecured debt. These covenants may restrict our ability to expand or fully pursue our business strategies. Our ability to comply with these and other provisions of the indenture governing the notes, the indentures governing the existing unsecured senior notes, our unsecured senior line of credit, and 2024 unsecured senior bank term loan may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments or other events beyond our control. The breach of any of these covenants, including those contained in our unsecured senior line of credit, 2024 unsecured senior bank term loan, and indentures governing the existing unsecured senior notes could result in a default under our indebtedness, which could cause those and other obligations to become due and payable. If any of our indebtedness is accelerated, we may not be able to repay it.

The market price of the 2024 notes and the 2026 notes may also be impacted by any failure by us to use the net proceeds from the 2024 notes and the 2026 notes on Eligible Green Projects or to meet or continue to meet the investment requirements of certain environmentally focused investors with respect to the 2024 notes and the 2026 notes. Although we have agreed to certain reporting obligations as described under "Use of Proceeds," it will not be an event of default under the indenture governing the notes if we fail to comply with such obligations.

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***If an active and liquid trading market for the notes does not develop, the market price of the notes may decline and you may be unable to sell your notes.***

The notes are new issues of securities for which there is currently no public market. We do not intend to list the notes on any national securities exchange or for a quotation of the notes on any quotation system. Accordingly, an active trading market may not develop for the notes. Even if a trading market for the notes develops, the market may not be liquid. If an active trading market does not develop, you may be unable to resell your notes or may only be able to sell them at a substantial discount.

***We may invest or spend the net proceeds in this offering in ways with which you may not agree and in ways that may not earn a profit.***

The net proceeds of the sale of the new 2024 notes and the 2026 notes will initially be used to reduce the outstanding balance on our unsecured senior line of credit. We will then allocate these funds, with respect to the new 2024 notes, to recently completed and future Eligible Green Projects, and, with respect to the proceeds of the 2026 notes, to repay a secured note payable related to a recently completed class A development property which was awarded LEED Gold certification, with the balance of net proceeds, if any, to then be used to fund, in whole or in part, Eligible Green Projects.

There can be no assurance that the projects funded with the proceeds from the new 2024 notes and the 2026 notes we are offering will meet investor criteria and expectations regarding environmental impact and sustainability performance. In particular, no assurance is given that the use of such proceeds for any Eligible Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, the relevant Eligible Green Projects). Adverse environmental or social impacts may occur during the design, construction and operation of the projects or the projects may become controversial or criticized by activist groups or other stakeholders. In addition, although we will limit the use of proceeds from the new 2024 notes and the 2026 notes to Eligible Green Projects, there can be no assurance that one or more development, redevelopment and tenant improvement projects that we expect will receive a LEED certification will actually receive such certification.

The net proceeds of the offering of the 2049 notes in this offering will be used for general corporate purposes including the reduction of the outstanding balance on our unsecured senior line of credit. We may then also borrow from time to time under our unsecured senior line of credit to provide funds for general working capital and other general corporate purposes. General corporate purposes may include the reduction of the outstanding balances under our unsecured senior bank term loans, the repayment of other debt, redemption of preferred stock and selective development, redevelopment or acquisition of properties.

However, we will retain broad discretion over the use of the proceeds from this offering. You may not agree with the ways we decide to use these proceeds, and our use of the proceeds may not yield any profits.

***We may redeem your notes at our option, which may adversely affect your return.***

As described under "Description of Notes and Guarantees Our Redemption Rights," we have the right to redeem the notes in whole or in part from time to time. We may choose to exercise this redemption right when prevailing interest rates are relatively low. As a result, you may not be able to

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reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the notes.

***An increase in market interest rates could result in a decrease in the value of the notes.***

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase the notes and market interest rates increase, the market value of your notes may decline. We cannot predict the future level of market interest rates.

***Adverse changes in our credit ratings could negatively affect our financing ability.***

Our credit ratings may affect the amount of capital we can access, as well as the terms and pricing of any debt we may incur. There can be no assurance that we will be able to maintain our current credit ratings. In the event that our current credit ratings are downgraded or removed, we would most likely incur higher borrowing costs and experience greater difficulty in obtaining additional financing, which would in turn have a material adverse impact on our financial condition, results of operations, and liquidity.

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**USE OF PROCEEDS**

**Use of Proceeds for the New 2024 Notes**

We expect to receive approximately \$203.0 million in net proceeds from the sale of the new 2024 notes in this offering after payment of our expenses related to this offering and underwriting discounts. The net proceeds of the offering of the new 2024 notes will be used to fund, in whole or in part, Eligible Green Projects (as defined herein), including the development and redevelopment of such projects. The net proceeds will initially be used to reduce the outstanding balance on our unsecured senior line of credit. We will then allocate these funds to recently completed and future Eligible Green Projects.

**Use of Proceeds for the 2026 Notes**

We expect to receive approximately \$346.6 million in net proceeds from the sale of the 2026 notes in this offering after payment of our expenses related to this offering and underwriting discounts. The net proceeds of the offering of the 2026 notes will be principally used to repay a secured note payable due January 28, 2020 for the 50/60 Binney Street project, a recently completed class A development property which was awarded LEED Gold certification, and the balance of net proceeds, if any, will be used to fund, in whole or in part, Eligible Green Projects, including the development and redevelopment of such projects. The net proceeds will initially be used to reduce the outstanding balance on our unsecured senior line of credit. We will then allocate these funds to recently completed and future Eligible Green Projects and the repayment of the aforementioned secured note payable. The secured note payable to be repaid with net proceeds of the 2026 notes had a balance of \$193.0 million as of December 31, 2018 and bears interest at a rate per annum equal to LIBOR plus 1.50%. Affiliates of each of BB&T Capital Markets, a division of BB&T Securities, LLC, BNP Paribas Securities Corp., Scotia Capital (USA) Inc. and TD Securities (USA) LLC are lenders under our secured note payable for the 50/60 Binney Street project. See "Underwriting (Conflicts of Interest)."

**Use of Proceeds for the 2049 Notes**

We expect to receive approximately \$296.5 million in net proceeds from the sale of the 2049 notes in this offering after payment of our expenses related to this offering and the underwriting discount. The net proceeds of the offering of the 2049 notes will be used for general corporate purposes including the reduction of the outstanding balance on our unsecured senior line of credit. We may then also borrow from time to time under our unsecured senior line of credit to provide funds for general working capital and other general corporate purposes. General corporate purposes may include the reduction of the outstanding balances under our unsecured senior bank term loans, the repayment of other debt, redemption of preferred stock and selective development, redevelopment or acquisition of properties. As of December 31, 2018, we had approximately \$208 million outstanding under our unsecured senior line of credit with a weighted average interest rate of approximately 3.07%. Our unsecured senior line of credit matures on January 28, 2024, provided that we exercise extension options that we control. Affiliates of Goldman Sachs & Co. LLC, Citigroup Global Markets Inc., J.P. Morgan Securities LLC, SMBC Nikko Securities America, Inc., Barclays Capital Inc., BB&T Capital Markets, a division of BB&T Securities, LLC, BBVA Securities Inc., BNP Paribas Securities Corp., Capital One Securities, Inc., Fifth Third Securities, Inc., Mizuho Securities USA LLC, PNC Capital Markets LLC, RBC Capital Markets, LLC, Regions Securities LLC, Associated Banc-Corp, Scotia Capital (USA) Inc., SunTrust Robinson Humphrey, Inc., TD Securities (USA) LLC, U.S. Bancorp Investments, Inc., and Wells Fargo Securities, LLC are lenders under our unsecured senior line of credit and will receive a portion of the net proceeds from this offering. Associated Investment Services, Inc. (AIS), a Financial Industry Regulatory Authority member, a subsidiary of Associated Banc-Corp, is being paid a referral fee by Samuel A. Ramirez & Company, Inc. See "Underwriting (Conflicts of Interest)."



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**Definition of "Eligible Green Projects"**

"Eligible Green Projects" are defined as:

- (i) new class A development properties that have received or are expected to receive Gold or Platinum LEED certification;
- (ii) existing class A redevelopment properties that have received or are expected to receive Gold or Platinum LEED certification; and
- (iii) tenant improvements that have received or are expected to receive Gold or Platinum LEED certification.

Eligible Green Projects include projects with disbursements made in the three years preceding the issue date of the 2026 notes and, in the case of the new 2024 notes, in the three years preceding June 21, 2018, the issue date of the existing 2024 notes. We intend to spend the remaining net proceeds from the sale of the 2026 notes within two years following issuance of the 2026 notes, and, in the case of the new 2024 notes, we intend to spend the remaining net proceeds, if any, within two years following June 21, 2018, the issue date of the existing 2024 notes.

LEED is a voluntary, third party building certification process developed by the U.S. Green Building Council ("USGBC"), a non-profit organization. The USGBC developed the LEED certification process to (i) evaluate the environmental performance from a whole-building perspective over a building's life cycle, (ii) provide a definitive standard for what constitutes a "green building," (iii) enhance environmental awareness among architects and building contractors, and (iv) encourage the design and construction of energy-efficient, water-conserving buildings that use sustainable or green resources and materials (please see [www.usgbc.org](http://www.usgbc.org) for more information); the contents of this website are not incorporated by reference herein or otherwise a part of this prospectus supplement.

**Process for Project Evaluation and Selection**

Our sustainability department will recommend Eligible Green Projects for the Green Bond allocation for approval by our Co-Chief Executive Officers, Chief Financial Officer, and/or Chief Development Officer.

**Management of Proceeds for the New 2024 Notes and the 2026 Notes**

The net proceeds of the sale of the new 2024 notes and the 2026 notes will initially be used to reduce the outstanding balance on our unsecured senior line of credit. We will then allocate these funds, with respect to the new 2024 notes, to recently completed and future Eligible Green Projects, and, with respect to the proceeds of the 2026 notes, to repay a secured note payable related to a recently completed class A development property which was awarded LEED Gold certification, with the balance of net proceeds, if any, to then be used to fund, in whole or in part, Eligible Green Projects.

As long as the new 2024 notes and the 2026 notes are outstanding, our internal records will show the allocation of the net proceeds of this offering to Eligible Green Projects.

Payment of principal of and interest on the new 2024 notes and the 2026 notes will be made from our general funds and will not be directly linked to the performance of any Eligible Green Projects.

**Reporting**

During the term of the new 2024 notes and the 2026 notes, until such time as the net proceeds from the new 2024 notes and the 2026 notes have been fully allocated to Eligible Green Projects, we will publish annual updates in a Green Bond Allocation Report on our website detailing, at a

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minimum, the allocation of the net proceeds of the new 2024 notes and the 2026 notes to Eligible Green Projects, together with the achieved level of LEED certification and relevant impact metrics. Our updates will be accompanied by (i) an assertion by management that the net proceeds of this offering were invested in qualifying Eligible Green Projects, and (ii) a report from an independent accountant in respect of the independent accountant's examination of management's assertion conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Please note that the information and materials found on our website, except for our Securities and Exchange Commission filings expressly described "Where You Can Find More Information" in the accompanying prospectus, are not part of this prospectus supplement or the accompanying prospectus and are not incorporated by reference into this prospectus supplement or the accompanying prospectus.

Table of Contents**CAPITALIZATION**

The following table sets forth our capitalization as of December 31, 2018:

on an actual basis; and

on a pro forma basis giving effect to (i) the sale of the notes and (ii) our use of the net proceeds from the sale of the notes for the reduction of the outstanding balance on our unsecured senior line of credit and the repayment of a secured note payable as described in "Use of Proceeds."

The information set forth in the following table should be read in conjunction with, and is qualified in its entirety by, the financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated by reference into this prospectus supplement.

(Dollars in thousands, except per share amounts)	As of December 31, 2018	
	Actual	Pro Forma
<b>Cash and Cash Equivalents:</b>	\$ 234,181	\$ 679,193
<b>Debt:</b>		
Secured notes payable	\$ 630,547	\$ 437,444
Unsecured senior notes payable	4,292,293	5,138,408
Unsecured senior line of credit	208,000	
Unsecured senior bank term loans	347,415	347,415
<b>Commitments and Contingencies:</b>		
Redeemable noncontrolling interests	10,786	10,786
<b>Alexandria Real Estate Equities, Inc.'s stockholders' equity:</b>		
Preferred stock		
7.00% Series D Cumulative Convertible Preferred Stock	64,336	64,336
Common stock	1,110	1,110
Additional paid-in capital	7,286,954	7,286,954
Accumulated other comprehensive loss	(10,435)	(10,435)
Alexandria's stockholders' equity	7,341,965	7,341,965
Noncontrolling interests	541,963	541,963
Total equity	7,883,928	7,883,928

Total capitalization \$ 13,372,969 \$ 13,817,981

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**DESCRIPTION OF NOTES AND GUARANTEES**

*The following description supplements, and to the extent inconsistent, amends and supersedes the description appearing in the accompanying prospectus under "Description of Debt Securities and Related Guarantees" and "Description of Global Securities." The following description summarizes certain terms and provisions of the notes and the indenture, does not purport to be complete and is subject to, and qualified in its entirety by reference to, the actual terms and provisions of the notes and the indenture. The form of the indenture has been filed with the Securities and Exchange Commission and incorporated by reference into the registration statement of which this prospectus supplement and the accompanying prospectus are deemed a part. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the notes or the indenture, as applicable. As used in this section, unless stated otherwise, the terms "we," "us," "our" or "the Company" refer to Alexandria Real Estate Equities, Inc. and not to any of its subsidiaries, and references to the "Operating Partnership" or "guarantor" refer solely to Alexandria Real Estate Equities, L.P. and not to any of its subsidiaries.*

**General**

Each of the new 2024 notes, 2026 notes and the 2049 notes constitute a separate series of debt securities issued pursuant to an indenture dated as of March 3, 2017 among us, the Operating Partnership, as guarantor, and Branch Banking and Trust Company ("BB&T"), as trustee (the "base indenture"). The new 2024 notes will be issued pursuant to the base indenture, as supplemented by the supplemental indenture entered into on June 21, 2018 among us, the Operating Partnership, as guarantor, and BB&T, as trustee (the "2024 notes supplemental indenture"), as further supplemented by an additional supplemental indenture pertaining to the new 2024 notes (the "new 2024 notes supplemental indenture"). The 2026 notes will be issued pursuant to the base indenture, as supplemented by a supplemental indenture to be entered into among us, the Operating Partnership, as guarantor, and BB&T, as trustee (the "2026 notes supplemental indenture"). The 2049 notes will be issued pursuant to the base indenture, as supplemented by a supplemental indenture to be entered into among us, the Operating Partnership, as guarantor, and BB&T, as trustee (the "2049 notes supplemental indenture").

In this prospectus supplement, we refer to the base indenture, as supplemented by the 2024 notes supplemental indenture and the new 2024 notes supplemental indenture in the case of the 2024 notes, the 2026 notes supplemental indenture in the case of the 2026 notes, and the 2049 notes supplemental indenture in the case of the 2049 notes, as the "indenture" and we refer to each series of notes we are offering by means of this prospectus supplement and accompanying prospectus as "each series of notes."

You may request copies of the indenture, the form of the 2024 notes, the form of the 2026 notes, and the form of the 2049 notes from us as described in "Where You Can Find More Information" in the accompanying prospectus.

The notes will be issued only in fully registered, book-entry form, in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof, except under the limited circumstances described in the accompanying prospectus under "Description of Global Securities." The registered holder of a note will be treated as its owner for all purposes.

If any interest payment date, stated maturity date or redemption date is not a business day at any place of payment, the payment otherwise required to be made on such date will be made on the next business day without any additional payment as a result of such delay. The term "business day" means, with respect to any note, any day, except a Saturday, Sunday or legal holiday in The City of New York or the place of payment on which banking institutions or the corporate trust office of the trustee are authorized or required by law, regulation or executive order to close. All payments will be made in U.S. dollars.

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The notes will be fully and unconditionally guaranteed by the Operating Partnership on a senior unsecured basis. See " Guarantees" below.

The terms of the notes provide that we are permitted to reduce interest payments and payments upon a redemption of notes otherwise payable to a holder for any amounts we are required to withhold by law. For example, non-United States holders of notes may, under some circumstances, be subject to U.S. federal withholding tax with respect to payments of interest on such notes. See "Federal Income Tax Considerations" of this prospectus supplement and in the accompanying prospectus. We will set off any such withholding tax that we are required to pay against payments of interest payable on the notes and payments upon a redemption of notes.

**Ranking**

As of December 31, 2018, we had outstanding \$630.5 million of secured indebtedness and \$4.8 billion of senior unsecured indebtedness (debt amounts net of \$20.2 million of unamortized deferred financing costs, premiums and discounts, and exclusive of trade payables, distributions payable, accrued expenses and committed letters of credit) on a consolidated basis. In addition, as of December 31, 2018, we had an interest in unconsolidated joint ventures with \$337.8 million of secured indebtedness, with our share of this secured indebtedness totaling \$88 million based on our ownership interest in these unconsolidated joint ventures. All of our outstanding secured indebtedness as of December 31, 2018 was attributable to indebtedness of our subsidiaries other than the guarantor. As of December 31, 2018, all of our outstanding senior unsecured indebtedness was attributable only to indebtedness of the Company and the guarantor, and will rank pari passu with the notes.

The notes will be our senior unsecured obligations and will rank equally with each other and with all of our other senior unsecured indebtedness. However, the notes will be effectively subordinated to our existing and future mortgages and other secured indebtedness (to the extent of the value of the collateral securing such indebtedness) and to all existing and future preferred equity and liabilities, whether secured or unsecured, of our subsidiaries other than the Operating Partnership.

The indenture permits us to issue different series of debt securities from time to time. The specific terms of any other series of debt securities may differ from those of the notes.

Except as described under " Certain Covenants" and " Limitations on Mergers and Other Transactions" in this prospectus supplement, the indenture governing the notes does not prohibit us or any of our subsidiaries from incurring additional indebtedness or issuing preferred equity in the future, nor does the indenture afford holders of the notes protection in the event of (1) a recapitalization transaction or other highly leveraged or similar transaction, (2) a change of control of us or (3) a merger, consolidation, reorganization, restructuring or transfer or lease of substantially all of our assets or similar transaction that may adversely affect the holders of the notes. We may, in the future, enter into certain transactions such as the sale of all or substantially all of our assets or a merger or consolidation that may increase the amount of our indebtedness or substantially change our assets, which may have an adverse effect on our ability to service our indebtedness, including the notes. See "Risk Factors Risks Related to this Offering The effective subordination of the notes and guarantees may limit our ability to satisfy our obligations under the notes" in this prospectus supplement.

**Additional Notes**

The new 2024 notes will initially be limited to an aggregate principal amount of \$200,000,000, the 2026 notes will initially be limited to an aggregate principal amount of \$350,000,000, and the 2049 notes will initially be limited to an aggregate principal amount of \$300,000,000. We may, without the consent of holders of notes of any of the series, increase the principal amount of notes of any of the series by issuing additional notes in the future on the same terms and conditions, except for any difference in the issue price and interest accrued prior to the issue date of the additional notes, and with the same

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CUSIP number as the notes offered hereby so long as such additional notes are fungible for U.S. federal income tax purposes with the notes offered hereby (as determined by us). The notes offered by this prospectus supplement and any additional notes would rank equally and ratably in right of payment and would be treated as a single series of debt securities for all purposes under the indenture.

**Interest**

The 2024 notes will accrue interest at the rate of 4.000% per year, the 2026 notes will accrue interest at the rate of 3.800% per year, and the 2049 notes will accrue interest at the rate of 4.850% per year.

Interest on the 2024 notes will accrue from and including January 15, 2019. Interest on each of the 2026 notes and 2049 notes will accrue from and including March 21, 2019 or the most recent interest payment date to which interest has been paid or otherwise provided. Interest on the 2024 notes will be payable semi-annually in arrears on January 15 and July 15 of each year, beginning July 15, 2019. Interest on the 2026 notes will be payable semi-annually in arrears on April 15 and October 15 of each year, beginning October 15, 2019. Interest on the 2049 notes will be payable semi-annually in arrears on April 15 and October 15 of each year, beginning October 15, 2019. The interest so payable on the 2024 notes, 2026 notes, and 2049 notes will be paid to each holder in whose name a note is registered at the close of business on the January 1 or July 1, April 1 or October 1, and April 1 or October 1, respectively (whether or not a business day), immediately preceding the applicable interest payment date. Interest on the notes will be computed on the basis of a 360-day year consisting of twelve 30-day months.

If we redeem the notes of a series in accordance with the terms of the notes of such series, we will pay accrued and unpaid interest and premium, if any, to the holder that surrenders such notes of such series for redemption. However, if a redemption falls after a record date and on or prior to the corresponding interest payment date, we will pay the full amount of accrued and unpaid interest and premium, if any, due on such interest payment date to the holder of record at the close of business on the corresponding record date.

**Maturity**

The 2024 notes will mature on January 15, 2024, the 2026 notes will mature on April 15, 2026, and the 2049 notes will mature on April 15, 2049. The notes will be paid against presentation and surrender thereof at the corporate trust office of the trustee unless earlier redeemed by us at our option as described under " Our Redemption Rights" below. The notes will not be entitled to the benefits of, or be subject to, any sinking fund.

**Our Redemption Rights**

We may redeem the 2024 notes at any time before December 15, 2023, the 2026 notes at any time before February 15, 2026, and the 2049 notes at any time before October 15, 2048, in each case at our option and in our sole discretion, in whole or from time to time in part, at a redemption price equal to the sum of:

100% of the principal amount of the notes being redeemed;

accrued and unpaid interest thereon, if any, to, but excluding, the date of redemption; and

the Make-Whole Amount, if any.

The redemption price for any 2024 notes redeemed on or after December 15, 2023, for any 2026 notes redeemed on or after February 15, 2026, and for any 2049 notes redeemed on or after October 15, 2048, will be equal to the sum of 100% of the principal amount of the notes being

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redeemed, plus accrued and unpaid interest thereon, if any, to, but excluding, the date of redemption, and will not include the Make-Whole Amount.

As used herein:

"*Make-Whole Amount*" means, in connection with any optional redemption of the notes of any of the series, the excess, if any, as determined by the Company, of: (1) the aggregate present value as of the date of such redemption of 100% of the principal being redeemed or paid and the amount of interest (exclusive of interest accrued to the date of redemption) that would have been payable in respect of each such principal amount through December 15, 2023 for the 2024 notes, February 15, 2026 for the 2026 notes, and October 15, 2048 for the 2049 notes, as if such redemption or accelerated payment had not been made, determined by discounting, on a semi-annual basis, such principal and interest at the Reinvestment Rate (determined by the Company on the third business day preceding the date a notice of redemption is given) from the respective dates on which such principal and interest would have been payable (or, in the case of accrued interest as of December 15, 2023 for the 2024 notes, February 15, 2026 for the 2026 notes, and October 15, 2048 for the 2049 notes, from such date), as if such redemption or payment had not been made, over (2) the aggregate principal amount of the notes being redeemed or paid.

"*Reinvestment Rate*" means 0.200% in the case of the 2024 notes, 0.200% in the case of the 2026 notes, and 0.300% in the case of the 2049 notes, in each case, plus the weekly yield for the most recent week set forth in the most recent Statistical Release for the constant maturity U.S. Treasury security (rounded to the nearest month) corresponding to the respective remaining life to maturity, (assuming, for the purposes of this definition, that the 2024 notes mature on December 15, 2023, the 2026 notes mature on February 15, 2026, and the 2049 notes mature on October 15, 2048) as of the payment date of the principal being redeemed or paid. If no maturity exactly corresponds to such maturity, yields for the two published maturities most closely corresponding to such maturity shall be calculated pursuant to the immediately preceding sentence and the Reinvestment Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of such relevant periods to the nearest month. For the purpose of calculating the Reinvestment Rate, the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount shall be used. If the format or content of the Statistical Release changes in a manner that precludes determination of the yield in the above manner, then the yield will be determined in the manner that most closely approximates the above manner, as we reasonably determine.

"*Statistical Release*" means that statistical release designated "H.15" or any successor publication that is published weekly by the Federal Reserve System and that establishes annual yields on actively traded U.S. government securities adjusted to constant maturities, or, if such statistical release is not published at the time of any determination under the indenture, then such other reasonably comparable index the Company designates. If the format or content of the Statistical Release changes in a manner that precludes determination of the Treasury yield in the above manner, then the Treasury yield shall be determined in the manner that most closely approximates the above manner, as reasonably determined by us.

Notice of any redemption will be sent at least 30 days but not more than 60 days before the redemption date to each holder of the notes to be redeemed, or longer in the case of a satisfaction and discharge of the indenture. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption.

If we decide to redeem the notes of a series in part, the trustee will select the notes of such series to be redeemed (in minimum principal amounts of \$2,000 and integral multiples of \$1,000 in excess thereof) on a pro rata basis or such other method it deems fair and appropriate or is required by the depository for the notes of such series.



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In the event of any redemption of notes of a series in part, we will not be required to:

issue or register the transfer or exchange of any note of such series during a period beginning at the opening of business 15 days before any selection of notes of such series for redemption and ending at the close of business on the earliest date on which the relevant notice of redemption is deemed to have been given to all holders of the notes to be so redeemed; or

register the transfer or exchange of any note of such series so selected for redemption, in whole or in part, except the unredeemed portion of any note being redeemed in part; or

register the transfer or exchange of any note of such series between a record date and the next succeeding interest payment date.

If the paying agent holds funds sufficient to pay the redemption price of the notes of a series on the redemption date, then on and after such date:

such notes will cease to be outstanding;

interest on such notes will cease to accrue; and

all rights of holders of such notes will terminate except the right to receive the redemption price.

Such will be the case whether or not book-entry transfer of the notes in book-entry form is made and whether or not notes in certificated form, together with the necessary endorsements, are delivered to the paying agent.

We will not redeem the notes of a series on any date if the principal amount of the notes of such series has been accelerated, and such an acceleration has not been rescinded or cured on or prior to such date.

### Certain Covenants

#### Limitations on Incurrence of Debt

*Limitation on Total Outstanding Debt.* The notes will provide that we will not, and will not permit any subsidiary to, incur any Debt, other than Intercompany Debt and guarantees of Debt incurred by us or our subsidiaries in compliance with the indenture governing the notes, if, immediately after giving effect to the incurrence of such Debt and the application of the proceeds thereof, the aggregate principal amount of all of our and our subsidiaries' outstanding Debt on a consolidated basis determined in accordance with GAAP is greater than 60% of the sum of (without duplication) (1) Total Assets as of the end of the calendar quarter covered in our Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be, most recently filed with the Securities and Exchange Commission (or, if such filing is not permitted under the Exchange Act, with the trustee) prior to the incurrence of such additional Debt and (2) the purchase price of any real estate assets or mortgages receivable acquired, and the amount of any securities offering proceeds received (to the extent such proceeds were not used to acquire real estate assets or mortgages receivable or used to reduce Debt), by us or any subsidiary since the end of such calendar quarter, including those proceeds obtained in connection with the incurrence of such additional Debt.

*Secured Debt.* In addition to the foregoing limitation on the incurrence of Debt, the notes will provide that we will not, and will not permit any subsidiary to, incur any Debt, other than Intercompany Debt and guarantees of Debt incurred by us or our subsidiaries in compliance with the indenture governing the notes, secured by any mortgage, lien, charge, pledge, encumbrance or security interest of any kind upon any of our or any of our subsidiaries' property if, immediately after giving effect to the incurrence of such Debt and the application of the proceeds thereof, the aggregate principal amount of all of our and our subsidiaries' outstanding Debt on a consolidated basis which is secured by any mortgage, lien, charge, pledge, encumbrance or security interest on our or our



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subsidiaries' property is greater than 40% of the sum of (without duplication) (1) Total Assets as of the end of the calendar quarter covered in our Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be, most recently filed with the Securities and Exchange Commission (or, if such filing is not permitted under the Exchange Act, with the trustee) prior to the incurrence of such additional Debt and (2) the purchase price of any real estate assets or mortgages receivable acquired, and the amount of any securities offering proceeds received (to the extent such proceeds were not used to acquire real estate assets or mortgages receivable or used to reduce Debt), by us or any of our subsidiaries since the end of such calendar quarter, including those proceeds obtained in connection with the incurrence of such additional Debt; provided, that for purposes of this limitation, the amount of obligations under capital leases shown as a liability on the Company's consolidated balance sheet shall be deducted from Debt and from Total Assets.

*Ratio of Consolidated EBITDA to Interest Expense.* The notes will provide that we will not, and will not permit any of our subsidiaries to, incur any Debt, other than Intercompany Debt and guarantees of Debt incurred by us or our subsidiaries in compliance with the indenture governing the notes, if the ratio of Consolidated EBITDA to Interest Expense for the four consecutive fiscal quarters most recently ended prior to the date on which such additional Debt is to be incurred shall have been less than 1.5 to 1.0, on an unaudited pro forma basis after giving effect to the incurrence of such additional Debt and to the application of the proceeds therefrom, and calculated on the assumption that: (1) such Debt and any other Debt incurred by us and our subsidiaries since the first day of such four-quarter period and the application of the proceeds therefrom, including to refinance other Debt, had occurred at the beginning of such period (except that, in making such computation, the amount of Debt under any revolving credit facility shall be computed based upon the average daily balance of such Debt during such period); (2) the repayment or retirement of any other Debt by us and our subsidiaries since the first day of such four-quarter period had been repaid or retired at the beginning of such period (except that, in making such computation, the amount of Debt under any revolving credit facility shall be computed based upon the average daily balance of such Debt during such period); (3) in the case of Acquired Debt or Debt incurred in connection with any acquisition since the first day of such four-quarter period, the related acquisition had occurred as of the first day of such period, with the appropriate adjustments with respect to such acquisition being included in such unaudited pro forma calculation; and (4) in the case of any acquisition or disposition by us or our subsidiaries of any asset or group of assets or other placement of any assets in service or removal of any assets from service by us or any of our subsidiaries since the first day of such four-quarter period, whether by merger, stock purchase or sale, or asset purchase or sale, such acquisition, disposition, placement in service or removal from service, or any related repayment of Debt had occurred as of the first day of such period, with the appropriate adjustments with respect to such acquisition, disposition, placement in service or removal from service, being included in such unaudited pro forma calculation and determined reasonably in good faith by us. If the Debt giving rise to the need to make the foregoing calculation or any other Debt incurred after the first day of the relevant four-quarter period bears interest at a floating rate then, for purposes of calculating the Interest Expense, the interest rate on such Debt shall be computed on a pro forma basis as if the average interest rate which would have been in effect during the entire such four-quarter period had been the applicable rate for the entire such period.

**Maintenance of Unencumbered Total Asset Value**

The notes will provide that we, together with our subsidiaries, will at all times maintain an Unencumbered Total Asset Value in an amount not less than 150% of the aggregate outstanding principal amount of all our and our subsidiaries' unsecured Debt, taken as a whole.

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**Insurance**

The notes will provide that we will, and will cause each of our subsidiaries to, maintain insurance with financially sound and reputable insurance companies against such risks and in such amounts as is customarily maintained by persons engaged in similar businesses or as may be required by applicable law.

**Provision of Financial Information**

For so long as the notes are outstanding, if at any time we are not subject to the periodic reporting requirements of the Exchange Act for any reason, we will, at our option, either (i) post on a publicly available website, (ii) post on IntraLinks or any comparable password protected online data system requiring user identification and a confidentiality acknowledgement (a "Confidential Datasite"), or (iii) deliver to the trustee and the holders of the notes within 15 days of the filing date that would be applicable to a non-accelerated filer at that time pursuant to applicable SEC rules and regulations, the quarterly and audited annual financial statements and accompanying "Management's Discussion and Analysis of Financial Condition and Results of Operations" that would have been required to be contained in annual reports on Form 10-K and quarterly reports on Form 10-Q, respectively, had we been subject to such Exchange Act reporting requirements. The trustee shall have no obligation to determine whether or not such reports, information, statements or documents have been filed, posted or delivered. Delivery of such reports, information, statements and documents to the trustee is for informational purposes only and the trustee's receipt of such shall not constitute notice of any information contained therein or determinable from information contained therein, including our compliance with any of our covenants under the indenture. If we elect to furnish such reports via a Confidential Datasite, access to the Confidential Datasite will be provided upon request to holders, beneficial owners of and bona fide potential investors in the notes.

**Certain Definitions**

As used herein:

"*Acquired Debt*" means Debt of a person (1) existing at the time such person becomes a subsidiary or (2) assumed in connection with the acquisition of assets from such person, in each case, other than Debt incurred in connection with, or in contemplation of, such person becoming a subsidiary or such acquisition. Acquired Debt shall be deemed to be incurred on the date of the related acquisition of assets from any person or the date the acquired person becomes a subsidiary.

"*Consolidated EBITDA*" means, for any period of time, the net income (loss) of us and our subsidiaries, determined on a consolidated basis in accordance with GAAP for such period, before deductions for (without duplication):

- (1) Interest Expense;
- (2) taxes;
- (3) depreciation and amortization (including depreciation and amortization with respect to interests in joint ventures and partially owned entity investments), amortization of deferred charges, and all other non-cash items, as determined reasonably and in good faith by us;
- (4) impairments, prepayment penalties and all costs or fees incurred in connection with any debt financing or amendment thereto, acquisition, disposition, recapitalization or similar transaction (regardless of whether such transaction is completed);
- (5) extraordinary items, the effect of any charge resulting from a change in accounting principles in determining net income (loss), non-recurring items or other unusual items, as determined reasonably and in good faith by us;

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- (6) noncontrolling interests;
- (7) amounts related to swap ineffectiveness or attributable to transactions involving derivative instruments that do not qualify for hedge accounting in accordance with GAAP; and
- (8) gains or losses on dispositions of real estate investments or property valuation losses.

For purposes of calculating Consolidated EBITDA, GAAP is not applicable with respect to the determination of all non-cash and non-recurring items which shall be determined reasonably and in good faith by us.

*"Debt"* means any of our or any of our subsidiaries' indebtedness, whether or not contingent, in respect of (without duplication) (1) borrowed money evidenced by bonds, notes (including the notes offered hereby), debentures or similar instruments, (2) obligations secured by any mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by us or any subsidiary, but only to the extent of the lesser of (a) the amount of obligations so secured and (b) the fair market value (determined in good faith by the board of directors of such person (as evidenced by an officers' certificate to the trustee) or, in the case of the Company or a subsidiary of the Company, by the Company's board of directors) of the property subject to such mortgage, pledge, lien, charge, encumbrance or security interest, (3) the reimbursement obligations, contingent or otherwise, in connection with any letters of credit actually issued or amounts representing the balance deferred and unpaid of the purchase price of any property or services, except any such balance that constitutes an accrued expense or trade payable, or all conditional sale obligations or obligations under any title retention agreement, or (4) any lease of property by us or any of our subsidiaries as lessee which is reflected on our consolidated balance sheet as a capitalized lease (finance lease) in accordance with generally accepted accounting principles; but only to the extent, in the case of items of indebtedness under (1) through (3) above, that any such items (other than letters of credit) would appear as a liability on our consolidated balance sheet in accordance with GAAP. The term "Debt" also includes, to the extent not otherwise included, any obligation of us or any of our subsidiaries to be liable for, or to pay, as obligor, guarantor or otherwise (other than for purposes of collection in the ordinary course of business or for the purposes of guaranteeing the payment of all amounts due and owing pursuant to leases to which we or any of our subsidiaries are a party and have assigned our or their interest, *provided that* such assignee of ours is not in default of any amounts due and owing under such leases), Debt of another person (other than us or any of our subsidiaries) (it being understood that Debt shall be deemed to be incurred by us or any of our subsidiaries whenever we or such subsidiary shall create, assume, guarantee or otherwise become liable in respect thereof).

*"GAAP"* and *"generally accepted accounting principles"* means accounting principles generally accepted in the United States, as in effect from time to time; provided that if, as of a particular date as of which compliance with the covenants contained in the Indenture is being determined, there have been changes in accounting principles generally accepted in the United States from those that applied to our consolidated financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2017 for the new 2024 notes and for the year ended December 31, 2018 for the 2026 notes and 2049 notes, we may, in our sole discretion, determine compliance with the covenants contained in the Indenture using accounting principles generally accepted in the United States, as in effect as of the end of any calendar quarter selected by us, in our sole discretion, that is on or after December 31, 2017 with respect to our new 2024 notes and on or after December 31, 2018 with respect to the 2026 notes and 2049 notes, and prior to the date as of which compliance with the covenants in the Indenture is being determined (*"Fixed GAAP"*), and, solely for purposes of calculating the covenants as of such date, "GAAP" shall mean Fixed GAAP.

*"Intercompany Debt"* means Debt to which the only parties are any of us, the Operating Partnership and any subsidiary of us or the Operating Partnership; provided, however, that with respect to any such Debt of which we or the Operating Partnership is the borrower, such Debt is subordinate in right of payment to the notes.

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"*Interest Expense*" means, for any period of time, the aggregate amount of interest expense determined on a consolidated basis in accordance with GAAP for such period by us and our subsidiaries, but *excluding* (i) interest reserves funded from the proceeds of any loan, (ii) prepayment penalties, (iii) amortization of deferred financing costs, and (iv) swap ineffectiveness charges or charges attributable to transactions involving derivative instruments that do not qualify for hedge accounting in accordance with GAAP.

"*Total Assets*" as of any date means the sum of (1) our and all of our subsidiaries' Undepreciated Real Estate Assets and (2) all of our and our subsidiaries' other assets determined in accordance with GAAP (but excluding accounts receivable and acquisition intangibles, including goodwill).

"*Undepreciated Real Estate Assets*" as of any date means the cost (original cost plus capital improvements) of our and our subsidiaries' real estate assets on such date, before depreciation and amortization determined on a consolidated basis in accordance with GAAP.

"*Unencumbered Total Asset Value*" as of any date means the sum of (1) those Undepreciated Real Estate Assets not encumbered by any mortgage, lien, charge, pledge or security interest and (2) all of our and our subsidiaries' other assets on a consolidated basis determined in accordance with GAAP (but excluding accounts receivable and acquisition intangibles, including goodwill), in each case which are unencumbered by any mortgage, lien, charge, pledge or security interest; provided, however, that, in determining Unencumbered Total Asset Value for purposes of the covenant set forth above in " Maintenance of Unencumbered Total Asset Value," all investments by the Company and any subsidiary in unconsolidated joint ventures, unconsolidated limited partnerships, unconsolidated limited liability companies and other unconsolidated entities accounted for financial reporting purposes using the equity method of accounting in accordance with GAAP shall be excluded from Unencumbered Total Asset Value.

### **Guarantees**

The Operating Partnership will fully, unconditionally and absolutely guarantee our obligations under the notes, including the due and punctual payment of principal of and interest on the notes and all other amounts due and payable under the indenture, including any Make-Whole Amount, when and as such principal and interest and other amounts due and payable under the indenture (and, if applicable, any Make-Whole Amount) shall become due and payable, whether at stated maturity, by declaration of acceleration, call for redemption or otherwise. The guarantees will be senior unsecured obligations of the Operating Partnership and will rank equally in right of payment with other senior unsecured obligations of the Operating Partnership.

### **Limitations on Mergers and Other Transactions**

We and the Operating Partnership may not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, any person, which we refer to as a successor person, unless:

we are, or the Operating Partnership is, the surviving entity, or the successor person (if other than us or the Operating Partnership) is a corporation, partnership or trust organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes our or the Operating Partnership's obligations on the debt securities or the guarantees, as applicable, under the indenture;

immediately after giving effect to the transaction, no Event of Default under the indenture, and no event which, after notice or the lapse of time, or both, would become an Event of Default, shall have occurred and be continuing; and

certain other conditions are met.

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In the event of any transaction described in and complying with the conditions listed in the immediately preceding paragraphs in which we are not the surviving entity, the successor person formed or remaining shall succeed to, and be substituted for, and may exercise every right and power of ours under the indenture, and we shall be released from our obligations and covenants under the notes and the indenture.

**Events of Default**

The indenture for the notes provides that the following events are "Events of Default" for a series of notes:

default in the payment of any interest on such series when it becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by us with the trustee or with a paying agent prior to the expiration of the 30-day period);

default in the payment of principal of, premium on or redemption price due with respect to, such series when due and payable;

failure to pay any debt of the Company, the Operating Partnership or any Significant Subsidiary in an outstanding principal amount in excess of \$50,000,000 at final maturity or upon acceleration after the expiration of any applicable grace period, which indebtedness is not discharged, or such default in payment or acceleration is not cured or rescinded, within 60 days after written notice to us from the trustee (or to us and the trustee from holders of at least 25% in principal amount of the outstanding notes of such series);

except as permitted by the indenture and the notes of such series, the guarantees by the Operating Partnership shall cease to be in full force and effect or the Operating Partnership shall deny or disaffirm its obligations with respect thereto;

default in the performance or breach of any other covenant or warranty by us or the Operating Partnership in the indenture (other than a covenant or warranty that has been included in the indenture solely for the benefit of a series of debt securities other than such series), which default continues uncured for a period of 90 calendar days after we receive written notice from the trustee or we and the trustee receive written notice from the holders of at least 25% in principal amount outstanding of such series as provided in the indenture; and

certain events of bankruptcy, insolvency or reorganization of us, the Operating Partnership or any Significant Subsidiary.

As used herein:

"*Significant Subsidiary*" means each Subsidiary that is a "significant subsidiary," if any, of the Company, as such term is defined in Regulation S-X under the Securities Act of 1933, as amended.

"*Subsidiary*" means any corporation or other entity of which a majority of the voting power of the voting equity securities are owned directly or indirectly by the Company.

No Event of Default with respect to a series of the notes (except as to certain events of bankruptcy, insolvency or reorganization) necessarily constitutes an event of default with respect to any other series of our debt securities. The occurrence of an Event of Default may constitute an event of default under our bank credit agreements in existence from time to time. In addition, the occurrence of certain events of default or an acceleration under the indenture may constitute an event of default under certain of our other indebtedness outstanding from time to time.

If an Event of Default with respect to a series of the notes occurs and is continuing, then the trustee or the holders of not less than 25% in principal amount of the outstanding notes of such series





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may, by a notice in writing to us (and to the trustee if given by the holders), declare to be due and payable immediately the principal of, and accrued and unpaid interest, if any, on all of the notes of such series. In the case of an Event of Default resulting from certain events of bankruptcy, insolvency or reorganization, the principal of and accrued and unpaid interest, if any, on all outstanding debt securities will become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder of outstanding notes. At any time after a declaration of acceleration with respect to a series of notes has been made, but before a judgment or decree for payment of the money due has been obtained by the trustee, the holders of a majority in principal amount of the outstanding notes of such series may rescind and annul the acceleration if all events of default, other than the non-payment of accelerated principal and interest, if any, with respect to the notes of such series, have been cured or waived as provided in the indenture.

The trustee will be required to give notice to the holders of notes of a series within 90 days after a Default under the indenture unless the Default has been cured or waived. The trustee may withhold notice of any Default to the holders of the notes of such series, except a Default in the payment of the principal of or interest on the notes of such series, if specified responsible officers of the trustee in good faith determine that withholding the notice is in the interest of the holders. As used herein, the term "Default" means, with respect to the indenture and a series of the notes, any event that is, or with the passage of time or giving of notice would be, an Event of Default. The indenture requires us, within 120 days after the end of our fiscal year, to furnish to the trustee a statement as to compliance with the indenture.

The indenture provides that the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of outstanding notes, unless the trustee receives indemnity satisfactory to it against any loss, liability or expense. Subject to certain rights of the trustee, the holders of a majority in principal amount of the outstanding notes of a series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the notes of such series.

No holder of the notes of a series will have any right to institute any proceeding, judicial or otherwise, with respect to the indenture or for the appointment of a receiver or trustee, or for any remedy under the indenture, unless:

that holder has previously given to the trustee written notice of a continuing Event of Default with respect to the notes of that series; and

the holders of at least 25% in principal amount of the outstanding notes of that series have made written request to the trustee, and offered indemnity reasonably satisfactory to the trustee, to institute the proceeding as trustee, and the trustee has not received from the holders of at least 25% in principal amount of the outstanding notes of that series a direction inconsistent with that request and has failed to institute the proceeding within 60 days.

Notwithstanding the foregoing, the holder of the notes of a series will have an absolute and unconditional right to receive payment of the principal of, premium, if any, and any interest on that debt security on or after the due dates expressed in the notes of such series and to institute suit for the enforcement of payment.

The indenture requires us, within 120 days after the end of the year, to furnish to the trustee a statement as to compliance with the indenture.

**Modification and Waiver**

See "Description of Debt Securities and Related Guarantees Modification and Waiver" in the accompanying prospectus.

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**Defeasance of Debt Securities and Certain Covenants in Certain Circumstances**

See "Description of Debt Securities and Related Guarantees Defeasance and Covenants Defeasance" in the accompanying prospectus.

**Trustee**

BB&T will initially act as the trustee, registrar and paying agent for the notes, subject to replacement at our option.

If an Event of Default has occurred and is continuing, the trustee will exercise the rights and powers vested in it by the indenture and use the same degree of care and skill in its exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. The trustee may refuse to perform any duty or exercise any right or power at the request or direction of any holder of the notes of a series unless it receives indemnity satisfactory to it against any loss, liability or expense.

If the trustee becomes one of our creditors, it will be subject to limitations on its rights to obtain payment of claims or to realize on some property received for any such claim, as security or otherwise. The trustee is permitted to engage in other transactions with us. If, however, it acquires any conflicting interest, it must eliminate that conflict or resign.

**No Conversion or Exchange Rights**

The notes will not be convertible into or exchangeable for any capital stock or other equity securities of us or the Operating Partnership.

**No Personal Liability of Directors, Officers, Employees and Stockholders**

No director, officer, employee or stockholder (past or present) of ours or the Operating Partnership, as such, will have any liability for any of our obligations or those of the Operating Partnership under the notes, the guarantees or the indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. The waiver may not be effective to waive liabilities under the federal securities laws.

**Depository Procedures**

The following description of the operations and procedures of The Depository Trust Company, or DTC, is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. None of us, the Operating Partnership, the trustee, or the underwriters take responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between the Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the underwriters), banks, trust companies, clearing corporations and other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the Indirect Participants). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The

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ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised us that, pursuant to procedures established by it:

- (1) upon deposit of the global notes, DTC will credit the accounts of the Participants designated by the underwriters with portions of the principal amount of the global notes; and
- (2) ownership of these interests in the global notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interest in the global notes).

The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a global note to such persons will be limited to that extent. Because DTC can act only on behalf of the Participants, which in turn act on behalf of the Indirect Participants, the ability of a person having beneficial interests in a global note to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

**Except as described below, owners of interests in the global notes will not have notes registered in their names, will not receive physical delivery of notes in certificated form and will not be considered the registered owners or "holders" thereof under the indenture governing the notes for any purpose.**

Payments in respect of the principal of, and interest and premium, if any, on, a global note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the indenture governing the notes. Under the terms of the indenture, the Company and the trustee will treat the persons in whose names the notes, including the global notes, are registered as the owners of the notes for the purpose of receiving payments and for all other purposes. Consequently, neither we, the Operating Partnership, the trustee nor any agent of us or the trustee has or will have any responsibility or liability for:

- (1) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interest in the global notes or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the global notes; or

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