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**FOR IMMEDIATE RELEASE**

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**BRIXMOR PROPERTY GROUP REPORTS SECOND QUARTER 2023 RESULTS**

**NEW YORK, JULY 31, 2023** - Brixmor Property Group Inc. (NYSE: BRX) ("Brixmor" or the "Company") announced today its operating results for the three and six months ended June 30, 2023. For the three months ended June 30, 2023 and 2022, net income was \$0.19 per diluted share and \$0.29 per diluted share, respectively.

Key highlights for the three months ended June 30, 2023 include:

- Executed 1.4 million square feet of new and renewal leases, with rent spreads on comparable space of 15.4%, including 0.6 million square feet of new leases, with rent spreads on comparable space of 22.4%
- Sequentially increased total leased occupancy to a record 94.1%, anchor leased occupancy to 96.2%, and small shop leased occupancy to a record 89.4%
  - Leased to billed occupancy spread totaled 370 basis points
  - Total signed but not yet commenced lease population represented 2.7 million square feet and \$56.7 million of annualized base rent
- Reported an increase in same property NOI of 2.7%, including a contribution from base rent of 520 basis points
- Reported Nareit FFO of \$157.1 million, or \$0.52 per diluted share
- Stabilized \$6.3 million of reinvestment projects at an average incremental NOI yield of 22%, with the in process reinvestment pipeline totaling \$435.5 million at an expected average incremental NOI yield of 8%
- Completed \$1.8 million of acquisitions and \$26.8 million of dispositions
- The Company's operating partnership, Brixmor Operating Partnership LP (the "Operating Partnership"), repurchased \$199.6 million of its 3.650% Senior Notes due 2024 pursuant to a cash tender offer (the "Tender Offer"). The Tender Offer was funded with proceeds from the Operating Partnership's previously disclosed \$200.0 million delayed draw term loan
- Appointed Sheryl M. Crosland, an independent director since 2016, as chair of the Company's board of directors following the retirement of John G. Schreiber, and Sandra A. J. Lawrence as chair of the Company's audit committee

Subsequent events:

- Completed \$14.5 million of dispositions
- Appointed John Peter Suarez, retired Executive Vice President, Regional Chief Executive Officer and Chief Administration Officer, Walmart International, to the Company's board of directors
- Published the Company's annual Corporate Responsibility Report on July 5, 2023 (view the 2022 report at <https://www.brixmor.com/corporate-responsibility>)
- Updated previously provided NAREIT FFO per diluted share expectations for 2023 to \$1.99 - \$2.04 from \$1.97 - \$2.04 and same property NOI growth expectations for 2023 to 2.5% - 3.5% from 2.0% - 3.5%

"I'm very pleased with how the Brixmor team continues to deliver under our value add strategy," commented James Taylor, CEO and President. "Our team's superior execution and continued momentum is reflected across all of our metrics, from leasing spreads, to occupancy, to rate, to NOI growth to bottom line FFO. As we look forward, that same execution also provides superior visibility on our continued outperformance."

## FINANCIAL HIGHLIGHTS

### **Net Income**

- For the three months ended June 30, 2023 and 2022, net income was \$56.4 million, or \$0.19 per diluted share, and \$87.8 million, or \$0.29 per diluted share, respectively.
- For the six months ended June 30, 2023 and 2022, net income was \$168.7 million, or \$0.56 per diluted share, and \$167.3 million, or \$0.56 per diluted share, respectively.

### **Nareit FFO**

- For the three months ended June 30, 2023 and 2022, Nareit FFO was \$157.1 million, or \$0.52 per diluted share, and \$148.9 million, or \$0.49 per diluted share, respectively. Results for the three months ended June 30, 2023 and 2022 include items that impact FFO comparability, including transaction expenses, net, litigation and other non-routine legal expenses, and gain (loss) on extinguishment of debt, net, of \$4.3 million, or \$0.01 per diluted share, and \$(1.4) million, or \$(0.00) per diluted share, respectively.
- For the six months ended June 30, 2023 and 2022, Nareit FFO was \$308.7 million, or \$1.02 per diluted share, and \$294.3 million, or \$0.98 per diluted share, respectively. Results for the six months ended June 30, 2023 and 2022 include items that impact FFO comparability, including transaction expenses, net, litigation and other non-routine legal expenses, and gain (loss) on extinguishment of debt, net, of \$4.3 million, or \$0.01 per diluted share, and \$(1.4) million, or \$(0.00) per diluted share, respectively.

### **Same Property NOI Performance**

- For the three months ended June 30, 2023, the Company reported an increase in same property NOI of 2.7% versus the comparable 2022 period.
- For the six months ended June 30, 2023, the Company reported an increase in same property NOI of 3.9% versus the comparable 2022 period.

### **Dividend**

- The Company's Board of Directors declared a quarterly cash dividend of \$0.26 per common share (equivalent to \$1.04 per annum) for the third quarter of 2023.
- The dividend is payable on October 16, 2023 to stockholders of record on October 3, 2023, representing an ex-dividend date of October 2, 2023.

## PORTFOLIO AND INVESTMENT ACTIVITY

### **Value Enhancing Reinvestment Opportunities**

- During the three months ended June 30, 2023, the Company stabilized five value enhancing reinvestment projects with a total aggregate net cost of approximately \$6.3 million at an average incremental NOI yield of 22% and added eight new reinvestment projects to its in process pipeline. Projects added include three anchor space repositioning projects, two outparcel development projects, and three redevelopment projects, with a total aggregate net estimated cost of approximately \$77.1 million at an expected average incremental NOI yield of 8%.
- At June 30, 2023, the value enhancing reinvestment in process pipeline was comprised of 50 projects with an aggregate net estimated cost of approximately \$435.5 million at an expected average incremental NOI yield of 8%. The in process pipeline includes 17 anchor space repositioning projects with an aggregate net estimated cost of approximately \$78.3 million at an expected incremental NOI yield of 7% - 14%; 11 outparcel development projects with an aggregate net estimated cost of approximately \$23.3 million at an expected average incremental NOI yield of 9%; and 22 redevelopment projects with an aggregate net estimated cost of approximately \$333.9 million at an expected average incremental NOI yield of 8%.



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- An in-depth review of a recent outparcel development project, which highlights the Company's reinvestment capabilities, Plaza By The Sea (Los Angeles-Long Beach-Anaheim, CA CBSA), can be found at this link: <https://www.brixmor.com/blog/creating-value-in-san-clemente>.
- Follow Brixmor on LinkedIn for video updates on reinvestment projects at <https://www.linkedin.com/company/brixmor>.

### Acquisitions

- During the three and six months ended June 30, 2023, the Company terminated a ground lease and acquired the associated land parcel at an existing center for \$1.8 million.

### Dispositions

- During the three months ended June 30, 2023, the Company generated approximately \$26.8 million of gross proceeds on the disposition of two shopping centers, as well as five partial properties, comprised of 0.2 million square feet of gross leasable area.
- During the six months ended June 30, 2023, the Company generated approximately \$151.3 million of gross proceeds on the disposition of eight shopping centers, as well as seven partial properties, comprised of 1.2 million square feet of gross leasable area.
- Subsequent to June 30, 2023, the Company disposed of one shopping center for \$14.5 million of gross proceeds.

### CAPITAL STRUCTURE

- On April 25, 2023, the Operating Partnership repurchased \$199.6 million of its 3.650% Senior Notes due 2024 pursuant to the Tender Offer. In connection with the Tender Offer, the Company recognized a gain on extinguishment of debt of \$4.4 million, or \$0.01 per diluted share, in the second quarter of 2023.
- The Operating Partnership funded the Tender Offer with proceeds from its previously disclosed \$200.0 million delayed draw term loan, which was drawn on April 24, 2023. The \$200.0 million delayed draw term loan is swapped to a fixed, combined rate of 3.59% (plus a spread of 120 basis points and SOFR adjustment of 10 basis points) through the maturity of the term loan on July 26, 2027.
- At June 30, 2023, the Company had \$1.3 billion in liquidity and no debt maturities until June 2024.

### GUIDANCE

- The Company has updated its previously provided NAREIT FFO per diluted share expectations for 2023 to \$1.99 - \$2.04 from \$1.97 - \$2.04 and same property NOI growth expectations for 2023 to 2.5% - 3.5% from 2.0% - 3.5%.
- Expectations for 2023 Nareit FFO:
  - Do not contemplate any additional tenants moving to or from a cash basis of accounting, either of which may result in significant volatility in straight-line rental income
  - Do not include any additional items that impact FFO comparability, including transaction expenses, net, litigation and other non-routine legal expenses, and gain or loss on future extinguishment of debt or any one-time items
- The following table provides a reconciliation of the range of the Company's 2023 estimated net income to Nareit FFO:

<i>(Unaudited, dollars in millions, except per share amounts)</i>	<b>2023E</b>	<b>2023E Per Diluted Share</b>
Net income	\$284 - \$299	\$0.94 - \$0.99
Depreciation and amortization related to real estate	351	1.16
Gain on sale of real estate assets	(52)	(0.17)
Impairment of real estate assets	18	0.06
<b>Nareit FFO</b>	<b>\$601 - \$616</b>	<b>\$1.99 - \$2.04</b>



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#### CONNECT WITH BRIXMOR

- For additional information, please visit <https://www.brixmor.com>;
- Follow Brixmor on:
  - LinkedIn at <https://www.linkedin.com/company/brixmor>
  - Facebook at <https://www.facebook.com/Brixmor>
  - Instagram at <https://www.instagram.com/brixmorpropertygroup>; and
  - YouTube at <https://www.youtube.com/user/Brixmor>.

#### CONFERENCE CALL AND SUPPLEMENTAL INFORMATION

The Company will host a teleconference on Tuesday, August 1, 2023 at 10:00 AM ET. To participate, please dial 877.704.4453 (domestic) or 201.389.0920 (international) within 15 minutes of the scheduled start of the call. The teleconference can also be accessed via a live webcast at <https://www.brixmor.com> in the Investors section. A replay of the teleconference will be available through midnight ET on August 15, 2023 by dialing 844.512.2921 (domestic) or 412.317.6671 (international) (Passcode:13738796) or via the web through August 1, 2024 at <https://www.brixmor.com> in the Investors section.

The Company's Supplemental Disclosure will be posted at <https://www.brixmor.com> in the Investors section. These materials are also available to all interested parties upon request to the Company at [investorrelations@brixmor.com](mailto:investorrelations@brixmor.com) or 800.468.7526.

#### NON-GAAP PERFORMANCE MEASURES

The Company presents the non-GAAP performance measures set forth below. These measures should not be considered as alternatives to, or more meaningful than, net income (calculated in accordance with GAAP) or other GAAP financial measures, as an indicator of financial performance and are not alternatives to, or more meaningful than, cash flow from operating activities (calculated in accordance with GAAP) as a measure of liquidity. Non-GAAP performance measures have limitations as they do not include all items of income and expense that affect operations, and accordingly, should always be considered as supplemental financial results to those calculated in accordance with GAAP. The Company's computation of these non-GAAP performance measures may differ in certain respects from the methodology utilized by other REITs and, therefore, may not be comparable to similarly titled measures presented by such other REITs. Investors are cautioned that items excluded from these non-GAAP performance measures are relevant to understanding and addressing financial performance. A reconciliation of net income to these non-GAAP performance measures is presented in the attached tables.

#### **Nareit FFO**

Nareit FFO is a supplemental, non-GAAP performance measure utilized to evaluate the operating and financial performance of real estate companies. Nareit defines FFO as net income (loss), calculated in accordance with GAAP, excluding (i) depreciation and amortization related to real estate, (ii) gains and losses from the sale of certain real estate assets, (iii) gains and losses from change in control, (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity and (v) after adjustments for unconsolidated joint ventures calculated to reflect FFO on the same basis. Considering the nature of its business as a real estate owner and operator, the Company believes that Nareit FFO is useful to investors in measuring its operating and financial performance because the definition excludes items included in net income that do not relate to or are not indicative of the Company's operating and financial performance, such as depreciation and amortization related to real estate, and items which can make periodic and peer analyses of operating and financial performance more difficult, such as gains and losses from the sale of certain real estate assets and impairment write-downs of certain real estate assets.



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### **Same Property NOI**

Same property NOI is a supplemental, non-GAAP performance measure utilized to evaluate the operating performance of real estate companies. Same property NOI is calculated (using properties owned for the entirety of both periods and excluding properties under development and completed new development properties that have been stabilized for less than one year) as total property revenues (base rent, expense reimbursements, adjustments for revenues deemed uncollectible, ancillary and other rental income, percentage rents, and other revenues) less direct property operating expenses (operating costs and real estate taxes). Same property NOI excludes (i) lease termination fees, (ii) straight-line rental income, net, (iii) accretion of below-market leases, net of amortization of above-market leases and tenant inducements, (iv) straight-line ground rent expense, net, (v) income or expense associated with the Company's captive insurance company, (vi) depreciation and amortization, (vii) impairment of real estate assets, (viii) general and administrative expense, and (ix) other income and expense (including interest expense and gain on sale of real estate assets). Considering the nature of its business as a real estate owner and operator, the Company believes that NOI is useful to investors in measuring the operating performance of its portfolio because the definition excludes various items included in net income that do not relate to, or are not indicative of, the operating performance of the Company's properties, such as lease termination fees, straight-line rental income, net, accretion of below-market leases, net of amortization of above-market leases and tenant inducements, straight-line ground rent expense, net, depreciation and amortization, impairment of real estate assets, general and administrative expense, and other income and expense (including interest expense and gain on sale of real estate assets). The Company believes that same property NOI is also useful to investors because it further eliminates disparities in NOI by only including NOI of properties owned for the entirety of both periods presented and excluding properties under development and completed new development properties that have been stabilized for less than one year, or income or expense associated with the Company's captive insurance company, and therefore provides a more consistent metric for comparing the operating performance of the Company's real estate between periods.

### **ABOUT BRIXMOR PROPERTY GROUP**

Brixmor (NYSE: BRX) is a real estate investment trust (REIT) that owns and operates a high-quality, national portfolio of open-air shopping centers. Its 365 retail centers comprise approximately 65 million square feet of prime retail space in established trade areas. The Company strives to own and operate shopping centers that reflect Brixmor's vision "to be the center of the communities we serve" and are home to a diverse mix of thriving national, regional and local retailers. Brixmor is a proud real estate partner to over 5,000 retailers including The TJX Companies, The Kroger Co., Publix Super Markets and Ross Stores.

Brixmor announces material information to its investors in SEC filings and press releases and on public conference calls, webcasts and the "Investors" page of its website at <https://www.brixmor.com>. The Company also uses social media to communicate with its investors and the public, and the information Brixmor posts on social media may be deemed material information. Therefore, Brixmor encourages investors and others interested in the Company to review the information that it posts on its website and on its social media channels.

### **SAFE HARBOR LANGUAGE**

This press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, and other non-historical statements. You can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include but are not limited to those described under the section entitled "Risk Factors" in our Form 10-K for the year ended December 31, 2022 and in this report, as such factors may be updated from time to time in our periodic filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at <https://www.sec.gov>. These factors include (1) changes in national, regional, and local economies, due to



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global events such as international military conflicts, international trade disputes, a foreign debt crisis, foreign currency volatility, or due to domestic issues, such as government policies and regulations, tariffs, energy prices, market dynamics, general economic contractions, rising interest rates, inflation, unemployment, or limited growth in consumer income or spending; (2) local real estate market conditions, including an oversupply of space in, or a reduction in demand for, properties similar to those in our Portfolio (defined hereafter); (3) competition from other available properties and e-commerce; (4) disruption and/or consolidation in the retail sector, the financial stability of our tenants, and the overall financial condition of large retailing companies, including their ability to pay rent and/or expense reimbursements that are due to us; (5) in the case of percentage rents, the sales volumes of our tenants; (6) increases in property operating expenses, including common area expenses, utilities, insurance, and real estate taxes, which are relatively inflexible and generally do not decrease if revenue or occupancy decrease; (7) increases in the costs to repair, renovate, and re-lease space; (8) earthquakes, wildfires, tornadoes, hurricanes, damage from rising sea levels due to climate change, other natural disasters, epidemics and/or pandemics, civil unrest, terrorist acts, or acts of war, any of which may result in uninsured or underinsured losses; and (9) changes in laws and governmental regulations, including those governing usage, zoning, the environment, and taxes. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report and in our other periodic filings. The forward-looking statements speak only as of the date of this report, and we expressly disclaim any obligation or undertaking to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise, except to the extent otherwise required by law.

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# CONSOLIDATED BALANCE SHEETS

Unaudited, dollars in thousands, except share information

	As of 6/30/2023	As of 12/31/2022
<b>Assets</b>		
Real estate		
Land	\$ 1,799,837	\$ 1,820,358
Buildings and tenant improvements	8,414,515	8,405,969
Construction in progress	146,807	129,310
Lease intangibles	519,869	542,714
	<u>10,881,028</u>	<u>10,898,351</u>
Accumulated depreciation and amortization	<u>(3,078,542)</u>	<u>(2,996,759)</u>
Real estate, net	<u>7,802,486</u>	<u>7,901,592</u>
Cash and cash equivalents	13,646	16,492
Restricted cash	1,214	4,767
Marketable securities	21,105	21,669
Receivables, net	253,791	264,146
Deferred charges and prepaid expenses, net	161,866	154,141
Real estate assets held for sale	-	10,439
Other assets	62,556	62,684
Total assets	<u>\$ 8,316,664</u>	<u>\$ 8,435,930</u>
<b>Liabilities</b>		
Debt obligations, net	\$ 4,913,212	\$ 5,035,501
Accounts payable, accrued expenses and other liabilities	527,280	535,419
Total liabilities	<u>5,440,492</u>	<u>5,570,920</u>
<b>Equity</b>		
Common stock, \$0.01 par value; authorized 3,000,000,000 shares; 309,719,833 and 309,042,754 shares issued and 300,592,841 and 299,915,762 shares outstanding	3,006	2,999
Additional paid-in capital	3,297,798	3,299,496
Accumulated other comprehensive income	11,103	8,851
Distributions in excess of net income	(435,735)	(446,336)
Total equity	<u>2,876,172</u>	<u>2,865,010</u>
Total liabilities and equity	<u>\$ 8,316,664</u>	<u>\$ 8,435,930</u>

# CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited, dollars in thousands, except per share amounts

	Three Months Ended		Six Months Ended	
	6/30/2023	6/30/2022	6/30/2023	6/30/2022
Revenues				
Rental income	\$ 309,192	\$ 305,898	\$ 620,322	\$ 604,260
Other revenues	601	233	915	500
Total revenues	309,793	306,131	621,237	604,760
Operating expenses				
Operating costs	35,705	34,497	71,600	69,293
Real estate taxes	43,712	42,304	88,400	83,944
Depreciation and amortization	88,812	85,137	176,553	169,359
Impairment of real estate assets	16,736	7	17,836	4,597
General and administrative	28,514	29,702	57,686	57,702
Total operating expenses	213,479	191,647	412,075	384,895
Other income (expense)				
Dividends and interest	57	35	72	110
Interest expense	(47,485)	(47,886)	(96,165)	(95,208)
Gain on sale of real estate assets	3,857	22,988	52,325	44,899
Gain (loss) on extinguishment of debt, net	4,350	(221)	4,350	(221)
Other	(685)	(1,609)	(1,090)	(2,148)
Total other income (expense)	(39,906)	(26,693)	(40,508)	(52,568)
Net income	\$ 56,408	\$ 87,791	\$ 168,654	\$ 167,297
Net income per common share:				
Basic	\$ 0.19	\$ 0.29	\$ 0.56	\$ 0.56
Diluted	\$ 0.19	\$ 0.29	\$ 0.56	\$ 0.56
Weighted average shares:				
Basic	300,961	299,992	300,899	299,246
Diluted	302,285	301,094	302,234	300,360



# FUNDS FROM OPERATIONS (FFO)

Unaudited, dollars in thousands, except per share amounts

	Three Months Ended		Six Months Ended	
	6/30/2023	6/30/2022	6/30/2023	6/30/2022
Net income	\$ 56,408	\$ 87,791	\$ 168,654	\$ 167,297
Depreciation and amortization related to real estate	87,806	84,089	174,554	167,279
Gain on sale of real estate assets	(3,857)	(22,988)	(52,325)	(44,899)
Impairment of real estate assets	16,736	7	17,836	4,597
Nareit FFO	<u>\$ 157,093</u>	<u>\$ 148,899</u>	<u>\$ 308,719</u>	<u>\$ 294,274</u>
Nareit FFO per diluted share	<u>\$ 0.52</u>	<u>\$ 0.49</u>	<u>\$ 1.02</u>	<u>\$ 0.98</u>
Weighted average diluted shares outstanding	<u>302,285</u>	<u>301,094</u>	<u>302,234</u>	<u>300,360</u>
Items that impact FFO comparability				
Transaction expenses, net	\$ (37)	\$ (848)	\$ (95)	\$ (881)
Litigation and other non-routine legal expenses	-	(335)	-	(335)
Gain (loss) on extinguishment of debt, net	4,350	(221)	4,350	(221)
Total items that impact FFO comparability	<u>\$ 4,313</u>	<u>\$ (1,404)</u>	<u>\$ 4,255</u>	<u>\$ (1,437)</u>
Items that impact FFO comparability, net per share	<u>\$ 0.01</u>	<u>\$ (0.00)</u>	<u>\$ 0.01</u>	<u>\$ (0.00)</u>
<b>Additional Disclosures</b>				
Straight-line rental income, net (1)	\$ 7,421	\$ 6,751	\$ 11,422	\$ 11,490
Accretion of below-market leases, net of amortization of above-market leases and tenant inducements	1,568	2,160	4,236	4,204
Straight-line ground rent expense, net (2)	8	(173)	17	(165)
Dividends declared per share	<u>\$ 0.260</u>	<u>\$ 0.240</u>	<u>\$ 0.520</u>	<u>\$ 0.480</u>
Dividends declared	<u>\$ 78,154</u>	<u>\$ 71,921</u>	<u>\$ 156,296</u>	<u>\$ 143,798</u>
Dividend payout ratio (as % of Nareit FFO)	<u>49.8 %</u>	<u>48.3 %</u>	<u>50.6 %</u>	<u>48.9 %</u>

(1) Includes straight-line rental income reversals and re-establishments of \$2.3 million and (\$0.1 million) during the three months ended June 30, 2023 and 2022, respectively. Includes straight-line rental income reversals and re-establishments of \$0.8 million and (\$0.2 million) during the six months ended June 30, 2023,

(2) Straight-line ground rent expense, net is included in Operating costs on the Consolidated Statements of Operations.

# SAME PROPERTY NOI ANALYSIS

Unaudited, dollars in thousands

	Three Months Ended			Six Months Ended		
	6/30/2023	6/30/2022	Change	6/30/2023	6/30/2022	Change
Same Property NOI Analysis						
Number of properties	351	351	- %	347	347	- %
Percent billed	90.5 %	89.1 %	1.4 %	90.5 %	89.1 %	1.4 %
Percent leased	94.1 %	92.7 %	1.4 %	94.1 %	92.7 %	1.4 %
Revenues						
Base rent	\$ 215,932	\$ 205,229		\$ 423,270	\$ 402,328	
Expense reimbursements	67,621	62,371		132,531	122,448	
Revenues deemed uncollectible	(2,085)	4,750		(2,832)	6,862	
Ancillary and other rental income / Other revenues	6,182	5,796		11,518	11,175	
Percentage rents	1,935	2,376		5,686	5,768	
	289,585	280,522	3.2 %	570,173	548,581	3.9 %
Operating expenses						
Operating costs	(34,195)	(32,274)		(67,473)	(64,164)	
Real estate taxes	(41,486)	(39,923)		(80,349)	(77,950)	
	(75,681)	(72,197)	4.8 %	(147,822)	(142,114)	4.0 %
Same property NOI	\$ 213,904	\$ 208,325	2.7 %	\$ 422,351	\$ 406,467	3.9 %
NOI margin	73.9 %	74.3 %		74.1 %	74.1 %	
Expense recovery ratio	89.4 %	86.4 %		89.7 %	86.2 %	

## Percent Contribution to Same Property NOI Performance:

	Change	Percent Contribution	Change	Percent Contribution
Base rent	\$ 10,703	5.2 %	\$ 20,942	5.1 %
Revenues deemed uncollectible	(6,835)	(3.3)%	(9,694)	(2.4)%
Net expense reimbursements	1,766	0.8 %	4,375	1.1 %
Ancillary and other rental income / Other revenues	386	0.2 %	343	0.1 %
Percentage rents	(441)	(0.2)%	(82)	0.0%
		2.7 %		3.9 %

## Reconciliation of Net Income to Same Property NOI

Net income	\$ 56,408	\$ 87,791	\$ 168,654	\$ 167,297
Adjustments:				
Non-same property NOI	(6,799)	(11,337)	(20,266)	(27,467)
Lease termination fees	(676)	(930)	(2,945)	(2,060)
Straight-line rental income, net	(7,421)	(6,751)	(11,422)	(11,490)
Accretion of below-market leases, net of amortization of above-market leases and tenant inducements	(1,568)	(2,160)	(4,236)	(4,204)
Straight-line ground rent expense, net	(8)	173	(17)	165
Depreciation and amortization	88,812	85,137	176,553	169,359
Impairment of real estate assets	16,736	7	17,836	4,597
General and administrative	28,514	29,702	57,686	57,702
Total other (income) expense	39,906	26,693	40,508	52,568
Same Property NOI	<u>\$ 213,904</u>	<u>\$ 208,325</u>	<u>\$ 422,351</u>	<u>\$ 406,467</u>