BioMed Realty Trust Inc
Form S-11/A
June 16, 2005

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As filed with the Securities and Exchange Commission on June 16, 2005

Registration No. 333-125525

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

Amendment No. 1
to
Form S-11
REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933

BioMed Realty Trust, Inc.
(Exact Name of Registrant as Specified in Its Governing Instruments)
17140 Bernardo Center Drive, Suite 222
San Diego, California 92128
(858) 485-9840
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)

Alan D. Gold
Chairman, President and Chief Executive Officer
BioMed Realty Trust, Inc.
17140 Bernardo Center Drive, Suite 222
San Diego, California 92128
(858) 485-9840
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o ___________

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o ______

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o ______

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. o

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission becomes effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 16, 2005

PROSPECTUS

11,000,000 Shares
BioMed Realty Trust, Inc.
Common Stock

BioMed Realty Trust, Inc. is a real estate investment trust, or REIT, focused on acquiring, developing, owning, leasing and managing laboratory and office space for the life science industry. Our tenants include biotechnology and pharmaceutical companies, scientific research institutions, government agencies and other entities involved in the life science industry. Our current properties and our primary acquisition targets are located in markets with well established reputations as centers for scientific research, including Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/ New Jersey. Since the completion of our initial public offering in August 2004, when we acquired 13 properties with an aggregate of 2.3 million rentable square feet of laboratory and office space, we have acquired an additional 20 properties bringing our total real estate portfolio to 33 properties with an aggregate of 4.3 million rentable square feet of laboratory and office space.

We are offering 11,000,000 shares of our common stock in this offering. All of the shares of our common stock offered pursuant to this prospectus are being sold by us.

Our common stock is listed on the New York Stock Exchange under the symbol BMR. The last reported sale price of our common stock on the New York Stock Exchange on June 14, 2005 was $22.35 per share.

To assist us in complying with certain federal income tax requirements applicable to REITs, our charter contains certain restrictions relating to the ownership and transfer of our stock, including an ownership limit of 9.8% on our common stock.

You should consider the risks that we have described in Risk Factors beginning on page 11 before buying shares of our common stock.

	Per Share	Total ($ in 000s)
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to us	$	$

The underwriters may purchase up to an additional 1,650,000 shares from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus, to cover over-allotments.

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

The underwriters expect to deliver the shares to purchasers on or before , 2005.

The date of this prospectus is , 2005

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information that is different from that contained in this prospectus. We are offering to sell shares of common stock and seeking offers to buy shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the common stock.

This document is for distribution in the United Kingdom only to persons of a kind described in Articles 19 or 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) or who otherwise may lawfully receive it.

PROSPECTUS SUMMARY

You should read the following summary together with the more detailed information regarding our company and the historical and pro forma financial statements appearing elsewhere in this prospectus, including under the caption Risk Factors. References in this prospectus to we, our, us and our company refer to BioMed Realty Trust, Inc., a Maryland corporation, BioMed Realty, L.P., and any of our other subsidiaries. BioMed Realty, L.P. is a Maryland limited partnership of which we are the sole general partner and to which we refer in this prospectus as our operating partnership. Unless otherwise indicated, the information contained in this prospectus is as of March 31, 2005 and assumes that the underwriters over-allotment option is not exercised.

BioMed Realty Trust, Inc.

We are a REIT focused on acquiring, developing, owning, leasing and managing laboratory and office space for the life science industry. Our tenants include biotechnology and pharmaceutical companies, scientific research institutions, government agencies and other entities involved in the life science industry. Our current properties and our primary acquisition targets are located in markets with well established reputations as centers for scientific research, including Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/New Jersey.

We completed an initial public offering, or IPO, of our common stock in August 2004 and raised net proceeds of approximately $429.3 million. In connection with the IPO, we acquired 13 properties with an aggregate of 2.3 million rentable square feet of laboratory and office space. Since the completion of the IPO, we have acquired an additional 20 properties with an aggregate of 2.0 million rentable square feet of laboratory and office space for aggregate cash consideration of $546.9 million and the assumption of $143.0 million of debt. As of May 31, 2005, we owned 33 properties with an aggregate of 4.3 million rentable square feet of laboratory and office space, which was approximately 92.2% leased to 76 tenants. Of the remaining unleased space, 204,071 square feet, or 4.8% of our total rentable square footage, was under redevelopment.

Our senior management team has significant experience in the real estate industry, principally focusing on properties designed for life science tenants. We operate as a fully integrated, self-administered and self-managed REIT, providing management, leasing, development and administrative services to our properties.

Our executive offices are located at 17140 Bernardo Center Drive, Suite 222, San Diego, California 92128. Our telephone number at that location is (858) 485-9840. Our website is located at www.biomedrealty.com. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this prospectus or any other report or document we file with or furnish to the Securities and Exchange Commission.

Recent Developments

On May 31, 2005, we completed the acquisition of a portfolio of eight properties including one parking structure in Cambridge, Massachusetts, and an additional property in Lebanon, New Hampshire, from The Lyme Timber Company, an affiliate of Lyme Properties. We refer to these properties as the Lyme portfolio. The Lyme portfolio consists of ten buildings with an aggregate of approximately 1.1 million rentable square feet of laboratory and office space, which upon acquisition was 96.8% leased with an average remaining term of ten years, and includes the parking structure with 447 parking spaces. The purchase price was $523.6 million, excluding closing costs, and was funded through borrowings under three credit facilities with KeyBank National Association and other lenders and the assumption of approximately $131.2 million of indebtedness.

In order to finance the Lyme portfolio acquisition and provide additional working capital, on May 31, 2005, we entered into three credit facilities with KeyBank and other lenders under which we initially borrowed $485.0 million of a total of $600.0 million available under these facilities. The credit facilities include a senior unsecured revolving credit facility of $250.0 million, under which we initially borrowed

$135.0 million, a senior unsecured term loan facility of $100.0 million and a senior secured term loan facility of $250.0 million. We borrowed the full amounts under the senior unsecured term loan and senior secured term loan facilities. The senior unsecured facilities have a maturity date of May 30, 2008 and bear interest at a floating rate equal to, at our option, either (1) reserve adjusted LIBOR plus a spread which ranges from 120 to 200 basis points, depending on our leverage, or (2) the higher of (a) the prime rate then in effect plus a spread which ranges from 0 to 50 basis points and (b) the federal funds rate then in effect plus a spread which ranges from 50 to 100 basis points, in each case, depending on our leverage. The secured credit facility, which has a maturity date of May 30, 2010, is initially secured by 13 of our properties and bears interest at a floating rate equal to, at our option, either (1) reserve adjusted LIBOR plus 225 basis points or (2) the higher of (a) the prime rate then in effect plus 50 basis points and (b) the federal funds rate then in effect plus 100 basis points. The secured facility is also secured by our interest in any distributions from these properties and a pledge of the equity interests in a subsidiary owning one of these properties. We may not prepay the secured facility prior to May 31, 2006. We entered into an interest rate swap agreement in connection with the closing of the credit facilities, which will have the effect of fixing the interest rate on the secured term loan at 6.4%.

In addition to the acquisition of the Lyme portfolio, since March 31, 2005, we have acquired Fresh Pond Research Park in Cambridge, Massachusetts, Coolidge Avenue in Watertown, Massachusetts, Phoenixville Pike in Malvern, Pennsylvania, Nancy Ridge Drive in San Diego and Dumbarton Circle in Fremont, California, for aggregate cash consideration of $56.9 million and the assumption of $7.0 million of debt. These properties contain a total of 318,640 rentable square feet of laboratory and office space.

On April 19, 2005, we entered into a lease amendment with Centocor, Inc., a subsidiary of Johnson & Johnson. Under the amendment, Centocor has agreed to lease an additional 79,667 rentable square feet at our King of Prussia property located in Radnor, Pennsylvania from May 1, 2005 through March 31, 2010. The new lease replaces the existing portion of the master lease with an affiliate of The Rubenstein Company, the original seller of the property, with respect to this space. Annualized base rent of $1.3 million and certain tenant reimbursements received under the new lease will correspondingly reduce the rent received under the master lease.

Our Properties

The following table presents an overview of our property portfolio as of May 31, 2005:

Property Location	Number of Buildings	Rentable Square Feet	Year Built/ Renovated	Percent Ownership	Approximate Percentage Lab Space	Percent Leased	Annualized Base Rent ($ in 000s)	Primary Tenant
Boston								
Kendall Square D(1)	1	349,325	2002	100%	0%	98%	$ 15,397	Genzyme Corporation
Kendall Square A(1)	1	302,919	2002	100%	65%	97%	14,536	Vertex Pharmaceuticals
Sidney Street	1	191,904	2000	100%	60%	100%	4,063	Vertex Pharmaceuticals
40 Erie Street	1	100,854	1996	100%	70%	100%	4,098	Vertex Pharmaceuticals
Fresh Pond Research Park(1)	6	90,702	1948/2002	100%	45%	83%	1,027	Curis
Albany Street	2	75,003	1922/1998	100%	65%	100%	3,460	Millennium Pharmaceuticals
Vassar Street(2)	1	52,520	1950/1998	100%	65%	100%	1,372	Monsanto Company

21 Erie Street	1	48,238	1925/2004	100%	20%	58%	769	Metabolix
Coolidge Avenue(1)	1	37,400	1962/1999	100%	65%	100%	935	V.I. Technologies
Lucent Drive(1)(3)	1	21,500	2004	100%	70%	100%	548	Trustees of Dartmouth College
47 Erie Street Parking Structure(1)	1	N/A	1998	100%	N/A	100%	1,178	Various
New York/New Jersey								
Landmark at Eastview(4)	8	751,648	1958/1999	100%	65%	95%	14,105	Regeneron Pharmaceuticals
Graphics Drive	1	72,300	1992/2001	100%	12%	15%	148	Medeikon
San Francisco								
Bridgeview	3	263,073	1977/2002	100%	30%	82%	2,752	Cell Genesys
Bayshore Boulevard	3	183,344	2000	100%	75%	100%	4,203	Intermune
Industrial Road(5)	1	171,965	2001	100%	50%	82%	5,480	Nektar Therapeutics
Ardentech Court	1	55,588	1997/2001	100%	40%	100%	1,010	Vicuron Pharmaceuticals
Dumbarton Circle	1	44,000	1990	100%	50%	100%	633	ARYx Therapeutics

Property Location	Number of Buildings	Rentable Square Feet	Year Built/ Renovated	Percent Ownership	Approximate Percentage Lab Space	Percent Leased	Annualized Base Rent ($ in 000s)	Primary Tenant
Pennsylvania								
King of Prussia(6)	5	427,109	1954/2004	89%	50%	100%	9,060	Centocor
Phoenixville Pike	1	104,400	1989	100%	50%	57%	783	Cephalon
Eisenhower Road	1	27,750	1973/2000	100%	20%	100%	378	Crane Environmental
San Diego								
Towne Centre Drive(7)	3	115,870	2001	100%	50%	100%	3,824	Illumina
Bunker Hill Street	1	105,364	1973/2002	100%	60%	84%	3,137	SCVSI
McKellar Court	1	72,863	1988	(8)	50%	100%	1,671	Quidel Corporation
Bernardo Center Drive(9)	1	61,286	1974/1992	100%	0%	100%	2,113	University of California Regents
Science Center Drive	1	53,740	1995	100%	80%	100%	1,660	Ligand Pharmaceuticals
Waples Street(1)	1	43,036	1983	(10)	N/A	0%	0	None (under redevelopment)
Nancy Ridge Drive	1	42,138	1983/2001	100%	70%	100%	1,350	BioMedica
Balboa Avenue	1	35,344	1968/2000	100%	0%	100%	642	General Services Administration
Seattle								
Elliott Avenue	1	134,989	1925/1984	100%	60%	100%	5,204	Chiron Corporation
Monte Villa Parkway	1	51,000	1996/2002	100%	60%	100%	1,615	Nastech Pharmaceutical
Maryland								
Tributary Street	1	91,592	1983/1998	100%	70%	100%	1,050	Guilford Pharmaceuticals
Beckley Street	1	77,225	1999	100%	70%	100%	1,575	Guilford Pharmaceuticals
Total/Weighted Average	56	4,255,989			50%	92%	$ 109,776	

(1) This property is managed by a third party not affiliated with us.

(2) Monsanto Company is the guarantor under the sublease of its wholly owned subsidiary Cereon Genomics, LLC.

(3) Located in Lebanon, New Hampshire.

(4) We own a leasehold interest in the property through a 99-year ground lease, which will convert into a fee simple interest upon the completion of certain property subdivisions.

(5) Includes rent from a lease with Nuvelo, Inc., which is expected to commence in September 2005.

(6) We own an 88.5% limited partnership interest and a 0.5% general partnership interest in the limited partnership that owns this property.

(7) A portion of one of the buildings on this property, representing 6,600 square feet, is subleased by Illumina to an unaffiliated third party for a period of 47 years, for which we will receive no economic benefit.

(8) We own the general partnership interest in the limited partnership that owns the McKellar Court property, which entitles us to 75% of the gains upon a sale of the property and 21% of the operating cash flows.

(9) This property is occupied by the Centre for Health Care as a medical office facility. Centre for Health Care, which occupies the property with the consent of the University of California Regents, pays the monthly rent and other obligations, but the University of California Regents remain ultimately liable under the lease.

(10) We own 70% of the limited liability company that owns the Waples Street property, which entitles us to 90% of the cash flow from operations up to a 9.5% cumulative annual return, and then 75% of such distributions thereafter. The other member of the limited liability company has the right to put its interest to us after completion of the initial improvements, and can require us to issue partnership units as payment for such interest.

In these tables and other tables throughout this prospectus:

Year built/renovated includes the year in which construction was completed and, where applicable, the year of most recent major renovation.

Approximate percentage laboratory space is based on management s estimates and reflects the percentage of built-out, leased space that is considered laboratory space.

Annualized base rent means the monthly contractual rent under existing leases at May 31, 2005, or if rent has not yet commenced, the first monthly rent payment due, multiplied by twelve months. Includes contractual amounts to be received pursuant to master lease agreements with the sellers on certain properties, which are not included in rental income under U.S. generally accepted accounting principles, or GAAP. In the case of triple-net leases, annualized base rent does not include real estate taxes and insurance, common area and other operating expenses, substantially all of which are borne by the tenants.

Primary tenant represents the tenant in each property that has the highest annualized base rent at May 31, 2005.

Industry Overview

The life science industry represents a large and fast growing segment of the U.S. economy. In 2004, according to the Centers for Medicaid and Medicare Services, or CMS, health care spending grew 7.5% to an estimated $1.8 trillion, and represented 15.4% of U.S. gross domestic product. CMS projects that annual health care spending will grow faster than the broader economy for the next ten years, reaching $3.6 trillion in 2014, representing 18.7% of U.S. gross domestic product. Within the life science industry, we primarily focus on the following tenants: biotechnology and pharmaceutical companies, scientific research institutions and government agencies.

Life science entities have unique and strategic location and facility needs with respect to laboratory and office space. Specifically, many of these entities desire properties that are strategically located near leading academic and research institutions and that have unique design and construction elements necessary to accommodate their mission-critical research, product development, clinical testing and manufacturing activities.

We target facilities located in markets containing mature and established centers of medical research and biotechnology development, including Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/New Jersey. According to a 2004 study by Rosen Consulting, which we commissioned, or the Rosen Study, these target markets have in excess of 87.0 million rentable square feet of life science real estate, not including owner-occupied properties. Also, according to the Rosen Study, the average market occupancy rate for life science real estate in these markets is seven percentage points greater than the occupancy rate for generic office properties. These target markets contain highly respected public and private scientific research and medical institutions, which create demand for life science laboratory and office space.

Investment Highlights

We believe that life science tenants have been underserved by commercial property investors and lenders, creating a unique market for us with significant investment opportunities. We believe that the following factors distinguish our business model from other owners/operators of real estate:

Experienced management team with demonstrated track record. Our senior executive officers have worked together for a number of years focused on investing in properties for lease to tenants in the life science industry.

Positive life science industry trends. Based on the long-term trends and projections for the life science industry, we expect to see growth in revenues and research and development spending from biotechnology and pharmaceutical companies, scientific research institutions, government agencies and other entities involved in the life science industry over the foreseeable future.

Quality portfolio in high barrier-to-entry markets. Our properties are well-located in each of our primary target markets, including Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/ New Jersey. We consider these properties to be high quality based on their strategic location in our primary target markets and significant level of improvements.

Highly scalable business model. We intend to acquire assets with triple-net leases, which will enable us to manage a large property portfolio with a cost-effective management infrastructure. Triple-net refers to leases where the tenant is responsible for the payment or reimbursement of its pro rata share of substantially all operating costs of the property, including property taxes, insurance, maintenance and utilities. Under some of the triple-net leases, we may remain responsible for the maintenance and repair of structural components of the building.

Conservative balance sheet with growth capacity. Upon completion of this offering, we will have $496.0 million in total debt, resulting in a debt-to-total market capitalization ratio of 32.9%, based on our outstanding indebtedness and our closing stock price as of June 14, 2005. We believe our

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conservative balance sheet will provide us with access to significant growth capital to fund future property acquisitions.

Strong tenant base. As of May 31, 2005, 91.6% of our annualized base rent was derived from tenants that are public companies or government agencies, and 33.3% of our annualized base rent was derived from investment grade tenants (according to Standard & Poor s) or their subsidiaries.

Summary Risk Factors

You should carefully consider the matters discussed in the Risk Factors section beginning on page 11 before you decide whether to invest in our common stock. The material risks include:

As of May 31, 2005, we had 76 tenants in 33 properties. Two of our tenants, Vertex Pharmaceuticals and Genzyme Corporation, represented 20.7% and 14.0%, respectively, of our annualized base rent and 14.9% and 8.7%, respectively, of our total leased rentable square footage, and our ten largest tenants comprised 64.0% of our annualized base rent. To the extent we are dependent on rental payments from a limited number of tenants, the inability of any single tenant to make its lease payments could adversely affect us and our ability to make distributions to stockholders.

Life science entities comprise the vast majority of our tenant base. Because of our dependence on a single industry, adverse conditions affecting that industry will more adversely affect our business, and thus the value of your investment in us and our ability to make distributions to you, than if our business strategy included a more diverse industry tenant base.

Because of the unique and specific improvements required for our life science tenants, we may be required to incur substantial renovation costs to make our properties suitable for other life science tenants or other office tenants, which could adversely affect our operating performance.

Ten of our properties are located in the Boston area. In addition, 13 of our properties are located in California, with eight in San Diego and five in San Francisco. Because of our concentration in these geographic regions, we are particularly vulnerable to adverse conditions affecting these areas. In addition, we cannot assure you that these markets will continue to grow or will remain favorable to the life science industry.

In our formation transactions, our executive officers, Alan D. Gold, Gary A. Kreitzer, John F. Wilson, II and Matthew G. McDevitt, and certain other individuals contributed six properties to our operating partnership. If we were to dispose of these contributed assets in a taxable transaction, Messrs. Gold, Kreitzer, Wilson and McDevitt and the other contributors of those assets would suffer adverse tax consequences. In connection with these contribution transactions, we agreed to indemnify those contributors against such adverse tax consequences for a period of ten years. We have also agreed to use reasonable best efforts consistent with our fiduciary duties to maintain at least $8.0 million of debt, some of which must be property specific, that the contributors can guarantee in order to defer any taxable gain they may incur if our operating partnership repays existing debt. These tax indemnification and debt maintenance obligations may limit our operating flexibility.

We were formed in April 2004 and have a limited operating history as a REIT and as a public company. We cannot assure you that our management team s past experience will be sufficient to operate our company successfully as a REIT or as a public company. Failure to maintain REIT status would have an adverse effect on our cash available for distribution to stockholders.

We expect to continue to expand and may not be able to adapt our management and operational systems to respond to the acquisition and integration of additional properties without unanticipated disruption or expense, which may harm our cash flow and ability to pay distributions.

We use debt to finance our property acquisitions. After we complete this offering, we expect to have outstanding mortgage indebtedness of approximately $246.0 million (including unamortized

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debt premium of $12.0 million) and $250.0 million of borrowings under our secured term loan facility, secured by 13 of our properties, based on our outstanding indebtedness as of June 14, 2005. We expect to incur additional debt in connection with future acquisitions and additional borrowings under our revolving credit facility. Our organizational documents do not limit the amount or percentage of debt that we may incur. Our use of debt may cause a material decrease in cash available for distributions.

We have and may continue to enter into interest rate hedging transactions, which may reduce our net income because they may be unsuccessful or the counterparties to hedging transactions may not perform their obligations. We may be unable to effectively hedge against interest rate risks because the REIT qualification rules require us to limit our income from hedging transactions.

We face significant competition, which may decrease or prevent increases in our properties   occupancy and rental rates and may reduce our investment opportunities.

If we experience an uninsured loss or a loss in excess of insurance policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if those properties were irreparably damaged.

Our charter, the Maryland General Corporation Law, or MGCL, and the partnership agreement of our operating partnership contain provisions, including a 9.8% limit on ownership of our common stock, that may delay or prevent a change of control transaction or limit the opportunity for stockholders to receive a premium for their common stock in such a transaction.

If we ever fail to qualify as a REIT for federal income tax purposes, we will be taxed as a corporation, and our liability for federal, state and local income taxes would significantly increase. This would result in a material decrease in cash available for distribution and would adversely affect the price of our common stock.

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The Offering

Common stock offered by us	11,000,000 shares(1)
Common stock to be outstanding after this offering	42,444,558 shares(2)
Use of proceeds	We expect that the net proceeds of this offering will be approximately $234.3 million after deducting underwriting discounts and commissions and our expenses (and approximately $269.5 million if the underwriters exercise their over-allotment option in full). We will contribute the net proceeds of this offering to our operating partnership. Our operating partnership will subsequently use the net proceeds as follows: $100.0 million to repay indebtedness under our senior unsecured term loan facility, $127.5 million to repay indebtedness under our senior unsecured revolving credit facility, based on outstanding borrowings as of June 14, 2005, and $6.8 million to fund future property acquisitions and for other general corporate and working capital purposes.
New York Stock Exchange symbol	BMR

(1) 12,650,000 shares of common stock if the underwriters exercise their over-allotment option in full.

(2) 44,094,558 shares of common stock if the underwriters exercise their over-allotment option in full. Based on the number of shares of common stock outstanding as of May 31, 2005 and excludes (a) 2,870,564 shares issuable upon conversion of outstanding units of our operating partnership, (b) 2,105,442 shares available for future issuance under our incentive award plan and (c) 270,000 shares issuable upon exercise of a warrant issued to Raymond James & Associates, Inc. in connection with our IPO.

Distribution Policy

Since our IPO through March 31, 2005, we have declared aggregate dividends on our common stock and distributions on our operating partnership units of $0.6897 per common share and unit, representing a full quarterly dividend for each of the fourth quarter of 2004 and first quarter of 2005 of $0.27 per common share and unit and a partial dividend for the third quarter of 2004 of $0.1497 per common share and unit. In addition, on June 3, 2005, we declared a dividend for the second quarter of 2005 of $0.27 per common share and unit payable to holders of record on June 15, 2005. The dividends are equivalent to an annual rate of $1.08 per common share and unit.

To maintain our qualification as a REIT, we are required and intend to make annual distributions to our stockholders of at least 90% of our taxable income (which does not necessarily equal net income as calculated in accordance with GAAP). Distributions will be authorized by our board of directors and declared by us out of funds legally available therefor based upon a variety of factors our directors deem relevant. We cannot assure you that our distribution policy will not change in the future. Our ability to pay distributions to our stockholders will depend, in part, upon our receipt of distributions from our operating partnership, which we control, and will be based on revenues we derive from our rental properties. Distributions to our stockholders generally will be taxable as ordinary income to our stockholders and will not, in most cases, be eligible for the recently enacted 15% federal tax rate on certain corporate dividends.

Our charter allows us to issue preferred stock with a preference on distributions. We currently have no intention to issue any preferred stock, but if we do, the dividend preference on the preferred stock could limit our ability to make a dividend distribution to our common stockholders.

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SUMMARY SELECTED FINANCIAL DATA

The following table sets forth selected financial and operating data on a pro forma and historical basis for BioMed Realty Trust, Inc., and on an historical basis for Inhale 201 Industrial Road, L.P., or 201 Industrial. We have not presented historical information for BioMed Realty Trust, Inc. prior to August 11, 2004, the date on which we consummated our IPO, because during the period from our formation until our IPO we did not have any material corporate activity and because we believe that a discussion of the results of BioMed Realty Trust, Inc. during that period would not be meaningful.

You should read the following pro forma and historical information in conjunction with our pro forma consolidated financial statements and historical financial statements and notes thereto, as well as with Management s Discussion and Analysis of Financial Condition and Results of Operations, which are included elsewhere in this prospectus.

The selected historical balance sheet information as of December 31, 2004 for BioMed Realty Trust, Inc. and as of December 31, 2003 and 2002 for 201 Industrial, and the historical statements of income and other data for the period from August 11, 2004 through December 31, 2004 for BioMed Realty Trust, Inc. and for the period from January 1, 2004 through August 17, 2004 and for the years ended December 31, 2003 and 2002 for 201 Industrial, have been derived from our historical financial statements audited by KPMG LLP, independent registered public accountants, whose report with respect thereto is included elsewhere in this prospectus, except as it relates to the historical balance sheet information as of December 31, 2002 of 201 Industrial, which report is not included in this prospectus. 201 Industrial is the largest property contributed to the company in connection with our formation transactions and therefore has been identified as the accounting acquirer pursuant to paragraph 17 of Statement of Financial Accounting Standards, or SFAS, No. 141. The contribution of 201 Industrial as part of our formation transactions was completed on August 17, 2004. The contribution of the interests in all of the other contribution properties and all acquisitions have been accounted for as a purchase in accordance with SFAS No. 141. The historical balance sheet information at March 31, 2005, and the historical statement of operations and other data for the three months ended March 31, 2005 and 2004, have been derived from the unaudited historical financial statements of BioMed Realty Trust, Inc. and 201 Industrial.

The unaudited pro forma consolidated balance sheet data are presented as if this offering had occurred on March 31, 2005. The unaudited pro forma consolidated statements of operations and other data for the three months ended March 31, 2005 and the year ended December 31, 2004, are presented as if this offering, the IPO, and all acquisitions and contributions had occurred on January 1, 2004. The pro forma information is not necessarily indicative of what our actual financial position or results of operations would have been as of or for the periods indicated, nor does it purport to represent our future financial position or results of operations.

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BioMed Realty Trust, Inc. and Inhale 201 Industrial Road, L.P. (Predecessor)
(Dollars in thousands, except per share data)

	BioMed Realty Trust, Inc.					Predecessor		
	Three Months Ended March 31,			Year Ended December 31,	Period August 11, 2004 through December 31,	Period January 1, 2004 through August 17,	Year Ended December 31,	
	Pro Forma	Historical		Pro Forma	Historical	Historical	Historical	
	2005	2005	2004(1)	2004	2004	2004	2003	2002
Statements of Income:								
Revenues:								
Rental	$ 27,695	$ 14,214	$ 1,562	$ 111,696	$ 19,432	$ 3,339	$ 6,275	$ 5,869
Tenant recoveries	11,853	7,254	150	41,142	9,222	375	744	718
Other income	3,488	3,003		1,378				
Total revenues	43,036	24,471	1,712	154,216	28,654	3,714	7,019	6,587
Expenses:								
Rental operations	8,529	6,395	65	33,093	10,030	265	408	372
Real estate taxes	4,670	1,788	88	16,453	1,589	88	422	449
Depreciation and amortization	11,118	6,191	242	42,807	7,853	600	955	955
General and administrative	2,572	2,550		10,357	3,130			
Total expenses	26,889	16,924	395	102,710	22,602	953	1,785	1,776
Income from operations	16,147	7,547	1,317	51,506	6,052	2,761	5,234	4,811
Equity in net income (loss) of unconsolidated partnership	51	51		(44)	(11)			
Interest income	78	78		496	190		1	3
Interest expense	(8,122)	(1,411)	(686)	(28,823)	(1,180)	(1,760)	(2,901)	(3,154)

Income before minority interests	8,154	6,265	631	23,135	5,051	1,001	2,334	1,660
Minority interests	(418)	(429)		(1,171)	(269)			
Net income	$ 7,736	$ 5,836	$ 631	$ 21,964	$ 4,782	$ 1,001	$ 2,334	$ 1,660
Basic earnings per share(3)	$ 0.18	$ 0.19		$ 0.52	$ 0.15			
Diluted earnings per share(4)	$ 0.18	$ 0.19		$ 0.52	$ 0.15			
Weighted average common shares outstanding basic	42,129,613	31,129,613		41,965,178	30,965,178			
Weighted average common shares outstanding diluted	45,148,820	34,148,820		44,767,575	33,767,575			
Cash dividends declared per common share		$ 0.27			$ 0.42			
Balance Sheet Data (at period end)								
Rental properties, net	$ 1,035,489	$ 489,136	$ 46,792		$ 468,488		$ 47,025	$ 47,853
Total assets	1,228,970	601,617	49,933		581,723		50,056	50,732
Mortgages and other secured loans	496,981	101,594	36,971		102,236		37,208	37,743
Unsecured line of credit		19,500						
Total liabilities	554,275	159,258	37,353		137,639		37,597	38,563
Minority interests	22,486	22,486			22,267			
Stockholders equity and partners capital	652,209	419,873	12,580		421,817		12,459	12,169
Total liabilities and equity	1,228,970	601,617	49,933		581,723		50,056	50,732
Other Data:								
Funds from operations(5)	$ 19,381			$ 66,265				
Cash flows from:								

Operating activities	10,062	687	13,959(2)	2,416	1,762
Investing activities	(32,197)		(456,680)(2)	(105)	(159)
Financing activities	9,836	(756)	470,433(2)	(2,666)	(1,210)

(1) Represents the results and financial position of the Predecessor for the three months ended March 31, 2004.

(2) Consolidated and combined cash flow information of BioMed Realty Trust, Inc. and the Predecessor for the year ended December 31, 2004.

(3) Basic earnings per share equals net income divided by the number of shares of our common stock outstanding excluding the weighted average of the number of unvested shares of restricted stock. Pro forma basic earnings per share is computed assuming this offering was consummated as of the first day of the period presented.

(4) Diluted earnings per share equals pro forma net income divided by the sum of the number of shares of our common stock outstanding excluding the weighted average number of unvested shares of restricted stock, plus an amount computed using the treasury stock method with respect to the unvested shares of our restricted stock. Pro forma diluted earnings per share is computed assuming this offering was consummated as of the first day of the period presented.

(5) As defined by the National Association of Real Estate Investment Trusts, or NAREIT, funds from operations, or FFO, represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, plus real estate related depreciation and amortization (excluding amortization of loan origination costs) and after adjustments for unconsolidated partnerships and joint ventures. We present FFO because we consider it an important supplemental measure of our operating performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate and related assets, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income. We compute FFO in accordance with standards established by the Board of Governors of NAREIT in its March 1995 White Paper (as amended in

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November 1999 and April 2002), which may differ from the methodology for calculating FFO utilized by other equity REITs and, accordingly, may not be comparable to such other REITs. Further, FFO does not represent amounts available for management s discretionary use because of needed capital replacement or expansion, debt service obligations, or other commitments and uncertainties. FFO should not be considered as an alternative to net income (loss) (computed in accordance with GAAP) as an indicator of our financial performance or to cash flow from operating activities (computed in accordance with GAAP) as an indicator of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to pay dividends or make distributions.

	Pro Forma	
	Three Months Ended March 31, 2005	Year Ended December 31, 2004
Reconciliation of Pro Forma Funds from Operations		
Pro forma net income	$ 7,736	$ 21,964
Adjustments:		
Pro forma minority interests	527	1,494
Pro forma real estate depreciation and amortization	11,118	42,807
Pro forma funds from operations	$ 19,381	$ 66,265

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RISK FACTORS

An investment in our common stock involves risks. In addition to other information contained in this prospectus, you should carefully consider the following factors before acquiring shares of our common stock offered by this prospectus. The occurrence of any of the following risks might cause you to lose all or a part of your investment. Some statements in this prospectus, including statements in the following risk factors, constitute forward-looking statements. Please refer to the section entitled Forward-Looking Statements.

Risks Related to Our Properties, Our Business and Our Growth Strategy

Because we lease our properties to a limited number of tenants, and to the extent we depend on a limited number of tenants in the future, the inability of any single tenant to make its lease payments could adversely affect our business and our ability to make distributions to you.

As of May 31, 2005, we had 76 tenants in 33 properties. Two of our tenants, Vertex Pharmaceuticals and Genzyme Corporation, represented 20.7% and 14.0%, respectively, of our annualized base rent, and 14.9% and 8.7%, respectively, of our total leased rentable square footage, and our ten largest tenants comprised 64.0% of our annualized base rent. While we evaluate the creditworthiness of our tenants by reviewing available financial and other pertinent information, there can be no assurance that any tenant will be able to make timely rental payments or avoid defaulting under its lease. If a tenant defaults, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment. Because we depend on rental payments from a limited number of tenants, the inability of any single tenant to make its lease payments could adversely affect us and our ability to make distributions to you.

Tenants in the life science industry face high levels of regulation, expense and uncertainty that may adversely affect their ability to pay us rent and consequently adversely affect our business.

Life science entities comprise the vast majority of our tenant base. Because of our dependence on a single industry, adverse conditions affecting that industry will more adversely affect our business, and thus our ability to make distributions to you, than if our business strategy included a more diverse tenant base. Life science industry tenants, particularly those involved in developing and marketing drugs and drug delivery technologies, fail from time to time as a result of various factors. Many of these factors are particular to the life science industry. For example:

- Our tenants require significant outlays of funds for the research and development and clinical testing of their products and technologies. If private investors, the government or other sources of funding are unavailable to support such development, a tenant s business may fail.

- The research and development, clinical testing, manufacture and marketing of some of our tenants products require federal, state and foreign regulatory approvals. The approval process is typically long, expensive and uncertain. Even if our tenants have sufficient funds to seek approvals, one or all of their products may fail to obtain the required regulatory approvals on a timely basis or at all. Furthermore, our tenants may only have a small number of products under development. If one product fails to receive the required approvals at any stage of development, it could significantly adversely affect our tenant s entire business and its ability to pay rent.

- Our tenants with marketable products may be adversely affected by health care reform efforts and the reimbursement policies of government or private health care payors.

- Our tenants may be unable to adequately protect their intellectual property under patent, copyright or trade secret laws. Failure to do so could jeopardize their ability to profit from their efforts and to protect their products from competition.

- Collaborative relationships with other life science entities may be crucial to the development, manufacturing, distribution or marketing of our tenants products. If these other entities fail to fulfill their obligations under these collaborative arrangements, our tenants businesses will suffer.

We cannot assure you that our tenants in the life science industry will be successful in their businesses. If our tenants businesses are adversely affected, they may have difficulty paying us rent.

Because particular upgrades are required for life science tenants, improvements to our properties involve greater expenditures than traditional office space, which costs may not be covered by the rents our tenants pay.

The improvements generally required for our properties infrastructure are more costly than for other property types. Typical infrastructural improvements include the following:

- reinforced concrete floors,
- upgraded roof structures for greater load capacity,
- increased floor-to-ceiling clear heights,
- heavy-duty HVAC systems,
- enhanced environmental control technology,
- significantly upgraded electrical, gas and plumbing infrastructure, and
- laboratory benchwork.

Our tenants generally pay higher rent on our properties than tenants in traditional office space. However, we cannot assure you that our tenants will continue to do so in the future or that the rents paid will cover the additional costs of upgrading the properties.

Because of the unique and specific improvements required for our life science tenants, we may be required to incur substantial renovation costs to make our properties suitable for other life science tenants or other office tenants, which could adversely affect our operating performance.

We acquire or develop properties that include laboratory space and other features that we believe are generally desirable for life science industry tenants. However, different life science industry tenants may require different features in their properties, depending on each tenant s particular focus within the life science industry. If a current tenant is unable to pay rent and vacates a property, we may incur substantial expenditures to modify the property before we are able to re-lease the space to another life science industry tenant. This could hurt our operating performance and the value of your investment. Also, if the property needs to be renovated to accommodate multiple tenants, we may incur substantial expenditures before we are able to re-lease the space.

Additionally, our properties may not be suitable for lease to traditional office tenants without significant expenditures or renovations. Accordingly, any downturn in the life science industry may have a substantial negative impact on our properties values.

The geographic concentration of our properties in Boston and California makes our business particularly vulnerable to adverse conditions affecting these markets.

Ten of our 33 properties are located in the Boston area. As of May 31, 2005, these properties represented 43.2% of our annualized base rent and 31.1% of our total leased rentable square footage. In addition, 13 of our 33 properties are located in California, with eight in San Diego and five in San Francisco. As of May 31, 2005, these properties represented 25.9% of our annualized base rent and 28.3% of our total leased rentable square footage. Because of this concentration in two geographic regions, we are particularly vulnerable to adverse conditions affecting Boston and California, including general economic conditions, increased competition, a downturn in the local life science industry, real estate conditions, terrorist attacks, earthquakes (with respect to California) and other natural disasters occurring in these regions. In addition, we cannot assure you that these markets will continue to grow or remain favorable to the life science industry. The performance of the life science industry and the economy in general in these geographic markets may affect occupancy, market rental rates and expenses, and thus may affect our performance and the value of our properties. We are also subject to greater risk of loss from

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earthquakes because of our properties concentration in California. The close proximity of our five properties in San Francisco to a fault line makes them more vulnerable to earthquakes than properties in many other parts of the country.

Our tax indemnification and debt maintenance obligations require us to make payments if we sell certain properties or repay certain debt, which could limit our operating flexibility.

In our formation transactions, our executive officers, Alan D. Gold, Gary A. Kreitzer, John F. Wilson, II and Matthew G. McDevitt, and certain other individuals contributed six properties to our operating partnership. If we were to dispose of these contributed assets in a taxable transaction, Messrs. Gold, Kreitzer, Wilson and McDevitt and the other contributors of those assets would suffer adverse tax consequences. In connection with these contribution transactions, we agreed to indemnify those contributors against such adverse tax consequences for a period of ten years. This indemnification will help those contributors to preserve their tax positions after their contributions. The tax indemnification provisions were not negotiated in an arm s length transaction but were determined by our management team. We have also agreed to use reasonable best efforts consistent with our fiduciary duties to maintain at least $8.0 million of debt, some of which must be property specific, that the contributors can guarantee in order to defer any taxable gain they may incur if our operating partnership repays existing debt. These tax indemnification and debt maintenance obligations may affect the way in which we conduct our business. During the indemnification period, these obligations may impact the timing and circumstances under which we sell the contributed properties or interests in entities holding the properties. For example, these tax indemnification payments could effectively reduce or eliminate any gain we might otherwise realize upon the sale or other disposition of the related properties. Accordingly, even if market conditions might otherwise dictate that it would be desirable to dispose of these properties, the existence of the tax indemnification obligations could result in a decision to retain the properties in our portfolio to avoid having to pay the tax indemnity payments. The existence of the debt maintenance obligations could require us to maintain debt at a higher level than we might otherwise choose. Higher debt levels could adversely affect our ability to make distributions to our stockholders.

While we may seek to enter into tax-efficient joint ventures with third-party investors, we currently have no intention of disposing of these properties or interests in entities holding the properties in transactions that would trigger our tax indemnification obligations. The involuntary condemnation of one or more of these properties during the indemnification period could, however, trigger the tax indemnification obligations described above. The tax indemnity would equal the amount of the federal and state income tax liability the contributor would incur with respect to the gain allocated to the contributor. The calculation of the indemnity payment would not be reduced due to the time value of money or the time remaining within the indemnification period. The terms of the contribution agreements also require us to gross up the tax indemnity payment for the amount of income taxes due as a result of the tax indemnity payment. Messrs. Gold, Kreitzer, Wilson and McDevitt are potential recipients of these indemnification payments. Because of these potential payments their personal interests may diverge from those of our stockholders.

We have a limited operating history as a REIT and as a public company and may not be successful in operating as a public REIT, which may adversely affect our ability to make distributions to stockholders.

We were formed in April 2004 and have a limited operating history as a REIT and as a public company. Our board of directors and executive officers have overall responsibility for our management, but only our Chief Executive Officer, Executive Vice President and one of our independent directors have prior experience in operating a business in accordance with the requirements of the Internal Revenue Code of 1986, as amended, or the Code, for maintaining qualification as a REIT. We cannot assure you that our management team s past experience will be sufficient to operate our company successfully as a REIT or as a public company. Failure to maintain REIT status would have an adverse effect on our cash available for distribution to stockholders and would adversely affect the price of our common stock.

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Our expansion strategy may not yield the returns expected, may result in disruptions to our business, may strain our management resources and may adversely affect our operations.

We own properties in Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/ New Jersey, each of which is currently a leading market in the United States for the life science industry. We cannot assure you that these markets will remain favorable to the life science industry, that these markets will continue to grow or that we will be successful expanding in these markets.

In addition to the 13 properties we acquired in connection with our IPO, we have acquired an additional 20 properties, and we expect to continue to expand. This anticipated growth will require substantial attention from our existing management team, which may divert management s attention from our current properties. Implementing our growth plan will also require that we expand our management and staff with qualified and experienced personnel and that we implement administrative, accounting and operational systems sufficient to integrate new properties into our portfolio. We also must manage future property acquisitions without incurring unanticipated costs or disrupting the operations at our existing properties. Managing new properties requires a focus on leasing and retaining tenants. If we fail to successfully integrate future acquisitions into our portfolio, or if newly acquired properties fail to perform as we expect, our results of operations, financial condition and ability to pay distributions could suffer.

We may be unable to acquire, develop or operate new properties successfully, which could harm our financial condition and ability to pay distributions to you.

We continue to evaluate the market for available properties and may acquire office, laboratory and other properties when opportunities exist. We also may develop or substantially renovate office and other properties. Acquisition, development and renovation activities are subject to significant risks, including:

- changing market conditions, including competition from others, may diminish our opportunities for acquiring a desired property on favorable terms or at all. Even if we enter into agreements for the acquisition of properties, these agreements are subject to customary conditions to closing, including completion of due diligence investigations to our satisfaction,

- we may be unable to obtain financing on favorable terms (or at all),

- we may spend more time or money than we budget to improve or renovate acquired properties or to develop new properties,

- we may be unable to quickly and efficiently integrate new properties, particularly if we acquire portfolios of properties, into our existing operations,

- market conditions may result in higher than expected vacancy rates and lower than expected rental rates,

- if we develop properties, we may encounter delays or refusals in obtaining all necessary zoning, land use, building, occupancy and other required governmental permits and authorizations,

- we are less familiar with the development of properties in markets outside of California,

- acquired and developed properties may have defects we do not discover through our inspection processes, including latent defects that may not reveal themselves until many years after we put a property in service, and

- we may acquire land, properties or entities owning properties which are subject to liabilities and for which, in the case of unknown liabilities, we may have limited or no recourse.

The realization of any of the above risks could significantly and adversely affect our financial condition, results of operations, cash flow, per share trading price of our common stock, ability to satisfy our debt service obligations and ability to pay distributions to you.

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Our success depends on key personnel with extensive experience dealing with the real estate needs of life science tenants, and the loss of these key personnel could threaten our ability to operate our business successfully.

Our future success depends, to a significant extent, on the continued services of our management team. In particular, we depend on the efforts of Mr. Gold, our Chairman, President and Chief Executive Officer, Mr. Kreitzer, our Executive Vice President, General Counsel and Secretary, Mr. Wilson, our Chief Financial Officer, and Mr. McDevitt, our Vice President, Acquisitions. Among the reasons that Messrs. Gold, Kreitzer, Wilson and McDevitt are important to our success is that each has a national or regional reputation in the life science industry based on their extensive real estate experience in dealing with life science tenants and properties. Each member of our management team has developed informal relationships through past business dealings with numerous members of the scientific community, life science investors, current and prospective life science industry tenants, and real estate brokers. We expect that their reputations will continue to attract business and investment opportunities before the active marketing of properties and will assist us in negotiations with lenders, existing and potential tenants, and industry personnel. If we lost their services, our relationships with such lenders, existing and prospective tenants, and industry personnel could suffer. We have entered into employment agreements with each of Messrs. Gold, Kreitzer, Wilson and McDevitt, but we cannot guarantee that they will not terminate their employment prior to the end of the term.

The bankruptcy of a tenant may adversely affect the income produced by and the value of our properties.

The bankruptcy or insolvency of a tenant may adversely affect the income produced by our properties. If any tenant becomes a debtor in a case under the Bankruptcy Code, we cannot evict the tenant solely because of the bankruptcy. The bankruptcy court also might authorize the tenant to reject and terminate its lease with us, which would generally result in any unpaid, pre-bankruptcy rent being treated as an unsecured claim. In addition, our claim against the tenant for unpaid, future rent would be subject to a statutory cap equal to the greater of (1) one year of rent or (2) 15% of the remaining rent on the lease (not to exceed three years of rent). This cap might be substantially less than the remaining rent actually owed under the lease. Additionally, a Bankruptcy Court may require us to turn over to the estate all or a portion of any deposits, amounts in escrow, or prepaid rents. Our claim for unpaid, pre-bankruptcy rent, our lease termination damages and claims relating to damages for which we hold deposits or other amounts that we were forced to repay would likely not be paid in full.

Compliance with changing regulation of corporate governance and public disclosure may result in additional expenses and may have a negative impact on our business.

Changing laws, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002 and new rules and regulations of the Securities and Exchange Commission and the New York Stock Exchange, or NYSE, are creating uncertainty for companies such as ours. These new or changed laws, regulations and standards are subject to varying interpretations in many cases due to their lack of specificity, and as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies, which could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Our efforts to comply with evolving laws, regulations and standards have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. In particular, our efforts to comply with Section 404 of the Sarbanes-Oxley Act of 2002 and the related regulations regarding our required assessment of our internal control over financial reporting and our external auditors audit of that assessment has required the commitment of significant financial and managerial resources. We expect these efforts to require the continued commitment of significant resources. Further, our board members, Chief Executive Officer and Chief Financial Officer could face an increased risk of personal liability in connection with the performance of their duties. As a result, we may have difficulty attracting and retaining qualified board members and executive officers, which could harm our business. If our efforts to comply with new or changed laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, our reputation may be harmed.

Future acts of terrorism or war or the risk of war may have a negative impact on our business.

The continued threat of terrorism and the potential for military action and heightened security measures in response to this threat may cause significant disruption to commerce. There can be no assurance that the armed hostilities will not escalate or that these terrorist attacks, or the United States responses to them, will not lead to further acts of terrorism and civil disturbances, which may further contribute to economic instability. Any armed conflict, civil unrest or additional terrorist activities, and the attendant political instability and societal disruption, may adversely affect our results of operations, financial condition and future growth.

Risks Related to the Real Estate Industry

Significant competition may decrease or prevent increases in our properties occupancy and rental rates and may reduce our investment opportunities.

We are one of only two publicly traded entities focusing primarily on the acquisition, management, expansion and selective development of properties designed for life science tenants. However, various entities, including other REITs, such as health care REITs and suburban office property REITs, pension funds, insurance companies, investment funds and companies, partnerships, and developers invest in properties containing life science tenants and therefore compete for investment opportunities with us. Many of these entities have substantially greater financial resources than we do and may be able to accept more risk than we can prudently manage, including risks with respect to the creditworthiness of a tenant or the geographic location of its investments. In the future, competition from these entities may reduce the number of suitable investment opportunities offered to us or increase the bargaining power of property owners seeking to sell. Further, as a result of their greater resources, those entities may have more flexibility than we do in their ability to offer rental concessions to attract tenants. This could put pressure on our ability to maintain or raise rents and could adversely affect our ability to attract or retain tenants. As a result, our financial condition, results of operations, cash flow, per share trading price of our common stock, ability to satisfy our debt service obligations and ability to pay distributions to you may be adversely affected.

Uninsured and underinsured losses could adversely affect our operating results and our ability to make distributions to our stockholders.

We carry comprehensive liability, fire, workers compensation, extended coverage, terrorism and rental loss insurance covering all of our properties under a blanket policy, except with respect to property and fire insurance on our McKellar Court and Science Center Drive properties, which is carried directly by the tenants. We believe the policy specifications and insured limits are appropriate given the relative risk of loss, the cost of the coverage and industry practice. We also carry environmental remediation insurance for our properties. This insurance, subject to certain exclusions and deductibles, covers the cost to remediate environmental damage caused by unintentional future spills or the historic presence of previously undiscovered hazardous substances. We intend to carry similar insurance with respect to future acquisitions as appropriate. We do not carry insurance for generally uninsurable losses such as loss from riots or acts of God. A substantial portion of our properties are located in San Diego and San Francisco, California, areas especially subject to earthquakes. We presently carry earthquake insurance on our Industrial Road property in San Francisco but do not carry earthquake insurance on our other properties in San Francisco or San Diego. The amount of earthquake insurance coverage we do carry may not be sufficient to fully cover losses from earthquakes. In addition, we may discontinue earthquake, terrorism or other insurance, or may elect not to procure such insurance, on some or all of our properties in the future if the cost of premiums for any of these policies exceeds, in our judgment, the value of the coverage discounted for the risk of loss.

If we experience a loss that is uninsured or that exceeds policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if these properties were irreparably damaged.

Our performance and value are subject to risks associated with the ownership and operation of real estate assets and with factors affecting the real estate industry.

Our ability to make expected distributions to our stockholders depends on our ability to generate revenues in excess of expenses, our scheduled principal payments on debt and our capital expenditure requirements. Events and conditions that are beyond our control may decrease our cash available for distribution and the value of our properties. These events include:

- local oversupply, increased competition or reduced demand for life science office and laboratory space,
- inability to collect rent from tenants,
- vacancies or our inability to rent space on favorable terms,
- increased operating costs, including insurance premiums, utilities and real estate taxes,
- the ongoing need for capital improvements, particularly in older structures,
- costs of complying with changes in governmental regulations, including tax laws,
- the relative illiquidity of real estate investments,
- changing submarket demographics, and
- civil unrest, acts of war and natural disasters, including earthquakes, floods and fires, which may result in uninsured and underinsured losses.

In addition, we could experience a general decline in rents or an increased incidence of defaults under existing leases if any of the following occur:

- periods of economic slowdown or recession,
- rising interest rates,
- declining demand for real estate, or
- the public perception that any of these events may occur.

Any of these events could adversely affect our financial condition, results of operations, cash flow, per share trading price of our common stock, ability to satisfy our debt service obligations and ability to pay distributions to you.

Illiquidity of real estate investments may make it difficult for us to sell properties in response to market conditions and could harm our financial condition and ability to make distributions.

Equity real estate investments are relatively illiquid and therefore will tend to limit our ability to vary our portfolio promptly in response to changing economic or other conditions. To the extent the properties are not subject to triple-net leases, some significant expenditures such as real estate taxes and maintenance costs are generally not reduced when circumstances cause a reduction in income from the investment. Should these events occur, our income and funds available for distribution could be adversely affected. Furthermore, our Landmark at Eastview property is subject to a ground lease until certain property subdivisions are completed, at which time the ground lease will terminate and we will obtain fee simple title to the property. If those subdivisions are not completed, the property will remain subject to the ground lease, which could make it more difficult to sell the property. If any of the parking leases or licenses associated with the Lyme portfolio were to expire, or if we were unable to assign these leases to a buyer, it would be more difficult for us to sell these properties and would adversely affect our ability to retain current tenants or attract new tenants at these properties. In addition, REIT requirements may subject us to confiscatory taxes on gain recognized from the sale of property if the property is considered to be held primarily for sale to customers in the ordinary course of our business. To prevent these taxes, we may comply with safe harbor rules relating to the number of properties sold in a year, how long we owned the properties, their tax bases and the cost of improvements made to those properties. However, we can provide no assurance that we will be able to successfully comply with these safe harbors. If compliance is possible, the safe harbor rules may restrict our ability to sell assets in the future and achieve liquidity that may be necessary to fund distributions.

We may be unable to renew leases, lease vacant space or re-lease space as leases expire, which could adversely affect our business and our ability to pay distributions to you.

If we cannot renew leases, we may be unable to re-lease our properties at rates equal to or above the current rate. Even if we can renew leases, tenants may be able to negotiate lower rates as a result of market conditions. Market conditions may also hinder our ability to lease vacant space in newly developed properties. In addition, we may enter into or acquire leases for properties that are specially suited to the needs of a particular tenant. Such properties may require renovations, tenant improvements or other concessions in order to lease them to other tenants if the initial leases terminate. Any of these factors could adversely impact our financial condition, results of operations, cash flow, per share trading price of our common stock, our ability to satisfy our debt service obligations and our ability to pay distributions to you.

We could incur significant costs related to government regulation and private litigation over environmental matters involving the presence, discharge or threat of discharge of hazardous or toxic substances, which could adversely affect our operations, the value of our properties, and our ability to make distributions to you.

Our properties may be subject to environmental liabilities. Under various federal, state and local laws, a current or previous owner, operator or tenant of real estate can face liability for environmental contamination created by the presence, discharge or threat of discharge of hazardous or toxic substances. Liabilities can include the cost to investigate, clean up and monitor the actual or threatened contamination and damages caused by the contamination (or threatened contamination). Environmental laws typically impose such liability regardless of:

- our knowledge of the contamination,
- the timing of the contamination,
- the cause of the contamination, or
- the party responsible for the contamination.

The liability under such laws may be strict, joint and several, meaning that we may be liable regardless of whether we knew of, or were responsible for, the presence of the contaminants, and the government entity or private party may seek recovery of the entire amount from us even if there are other responsible parties. Liabilities associated with environmental conditions may be significant and can sometimes exceed the value of the affected property. The presence of hazardous substances on a property may adversely affect our ability to sell or rent that property or to borrow using that property as collateral.

Some of our properties have had contamination in the past that required cleanup. We believe the contamination has been effectively remediated, and that any remaining contamination either does not require remediation or that the costs associated with such remediation will not be material. However, we cannot guarantee that such contamination does not continue to pose a threat to the environment or that we will not have continued liability in connection with such prior contamination. Our Kendall Square A and Kendall Square D properties are located on the site of a former manufactured gas plant. Various remedial actions were performed on these properties, including soil stabilization to control the spread of oil and hazardous materials in the soil. Another of our properties, Elliott Avenue, has known soil contamination beneath a portion of the building located on the property. Based on environmental consultant reports, management does not believe any remediation would be required unless major structural changes were made to the building that resulted in the soil becoming exposed. We do not expect these matters to materially adversely affect such properties value or the cash flows related to such properties, but we can provide no assurances to that effect.

Environmental laws also:

- may require the removal or upgrade of underground storage tanks,
- regulate storm water, wastewater and water pollutant discharge,
- regulate air pollutant emissions,
- regulate hazardous materials generation, management and disposal, and
- regulate workplace health and safety.

Life science industry tenants, our primary tenant industry focus, frequently use hazardous materials, chemicals, heavy metals, and biological and radioactive compounds. Our tenants controlled use of these materials subjects us and our tenants to laws that govern using, manufacturing, storing, handling and disposing of such materials and certain byproducts of those materials. We are unaware of any of our existing tenants violating applicable laws and regulations, but we and our tenants cannot completely eliminate the risk of contamination or injury from these materials. If our properties become contaminated, or if a party is injured, we could be held liable for any damages that result. Such liability could exceed our resources and any environmental remediation insurance coverage we have, which could adversely affect our operations, the value of our properties, and our ability to make distributions to you.

We could incur significant costs related to governmental regulation and private litigation over environmental matters involving asbestos-containing materials, which could adversely affect our operations, the value of our properties, and our ability to make distributions to you.

Environmental laws also govern the presence, maintenance and removal of asbestos-containing materials, or ACMs, and may impose fines and penalties if we fail to comply with these requirements. Failure to comply with these laws, or even the presence of ACMs, may expose us to third-party liability. Some of our properties contain ACMs, and we could be liable for such fines or penalties, as described below in Business and Properties Regulation Environmental Matters.

Our properties may contain or develop harmful mold, which could lead to liability for adverse health effects and costs of remediating the problem, which could adversely affect the value of the affected property and our ability to make distributions to you.

When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Concern about indoor exposure to mold has been increasing because exposure to mold may cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold at any of our properties could require us to undertake a costly remediation program to contain or remove the mold from the affected property. In addition, the presence of significant mold could expose us to liability to our tenants, their or our employees, and others if property damage or health concerns arise.

Compliance with the Americans with Disabilities Act and similar laws may require us to make significant unanticipated expenditures.

All of our properties are required to comply with the Americans with Disabilities Act of 1990, as amended, or the ADA. The ADA requires that all public accommodations must meet federal requirements related to access and use by disabled persons. Although we believe that our properties substantially comply with present requirements of the ADA, we have not conducted an audit of all of such properties to determine compliance. If one or more properties is not in compliance with the ADA, then we would be required to bring the offending properties into compliance. Compliance with the ADA could require removing access barriers. Non-compliance could result in imposition of fines by the U.S. government or an award of damages to private litigants, or both. Additional federal, state and local laws also may require us

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to modify properties or could restrict our ability to renovate properties. Complying with the ADA or other legislation could be very expensive. If we incur substantial costs to comply with such laws, our financial condition, results of operations, cash flow, per share trading price of our common stock, our ability to satisfy our debt service obligations and our ability to pay distributions to you could be adversely affected.

We may incur significant unexpected costs to comply with fire, safety and other regulations, which could adversely impact our financial condition, results of operations, and ability to make distributions.

Our properties are subject to various federal, state and local regulatory requirements, such as state and local fire and safety requirements, building codes and land use regulations. Failure to comply with these requirements could subject us to governmental fines or private litigant damage awards. We believe that our properties are currently in material compliance with all applicable regulatory requirements. However, we do not know whether existing requirements will change or whether future requirements will require us to make significant unanticipated expenditures that will adversely impact our financial condition, results of operations, cash flow, the per share trading price of our common stock, our ability to satisfy our debt service obligations and our ability to pay distributions to you.

Risks Related to Our Organizational Structure

Conflicts of interest could result in our management acting other than in our stockholders best interests.

Our Chairman, President and Chief Executive Officer beneficially owns 4.4% of our common stock and exercises substantial influence over our business and, as a result, he may delay, defer or prevent us from taking actions that would be beneficial to our other stockholders. As of May 31, 2005, Mr. Gold, our Chairman, President and Chief Executive Officer, beneficially owned 136,867 shares of our common stock and units which may be exchanged for 1,320,780 shares of our common stock, representing a total of approximately 4.4% of our outstanding common stock, or approximately 3.3% of our outstanding common stock upon completion of this offering. Consequently, Mr. Gold has substantial influence over us and could exercise his influence in a manner that may not be in the best interests of our stockholders.

We may choose not to enforce, or to enforce less vigorously, our rights under contribution and other agreements because of conflicts of interest with certain of our officers. Messrs. Gold, Kreitzer, Wilson and McDevitt, some of their spouses and parents, and other individuals and entities not affiliated with us or our management, had ownership interests in the properties contributed to our operating partnership in our formation transactions. Under the agreements relating to the contribution of those interests, we are entitled to indemnification and damages in the event of breaches of representations or warranties made by Messrs. Gold, Kreitzer, Wilson and McDevitt and other contributors. In addition, Messrs. Gold, Kreitzer, Wilson and McDevitt have entered into employment agreements with us pursuant to which they have agreed to devote substantially full-time attention to our affairs. None of these contribution and employment agreements were negotiated on an arm s-length basis. We may choose not to enforce, or to enforce less vigorously, our rights under these contribution and employment agreements because of our desire to maintain our ongoing relationships with the individuals involved.

Our charter and Maryland law contain provisions that may delay, defer or prevent a change of control transaction and may prevent stockholders from receiving a premium for their shares.

Our charter contains a 9.8% ownership limit that may delay, defer or prevent a change of control transaction. Our charter, with certain exceptions, authorizes our directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. Unless exempted by our board of directors, no person may own more than 9.8% of the value of our outstanding shares of capital stock or more than 9.8% in value or number (whichever is more restrictive) of the outstanding shares of our common stock. The board may not grant such an exemption to any proposed transferee whose ownership of in excess of 9.8% of the value of our outstanding shares would result in the termination of our status as a REIT. These restrictions on transferability and ownership will not apply if our board of directors determines that it is no longer in our best interests to attempt to qualify as a REIT. The ownership limit may delay or impede a transaction or a change of control that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders.

We could authorize and issue stock without stockholder approval that may delay, defer or prevent a change of control transaction. Our charter authorizes us to issue additional authorized but unissued shares of our common stock or preferred stock. In addition, our board of directors may classify or reclassify any unissued shares of our common stock or preferred stock and may set the preferences, rights and other terms of the classified or reclassified shares. The board may also, without stockholder approval, amend our charter to increase the authorized number of shares of our common stock or our preferred stock that we may issue. The board of directors could establish a series of common stock or preferred stock that could, depending on the terms of such series, delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or otherwise be in the best interests of our stockholders.

Certain provisions of Maryland law could inhibit changes in control that may delay, defer or prevent a change of control transaction. Certain provisions of the MGCL may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control. In some cases, such an acquisition or change of control could provide you with the opportunity to realize a premium over the then-prevailing market price of your shares. These MGCL provisions include:

- business combination provisions that, subject to limitations, prohibit certain business combinations between us and an interested stockholder for certain periods. An interested stockholder is generally any person who beneficially owns 10% or more of the voting power of our shares or an affiliate thereof. The business combinations are prohibited for five years after the most recent date on which the stockholder becomes an interested stockholder. After that period, the MGCL imposes special voting requirements on such combinations, and

- control share provisions that provide that control shares of our company acquired in a control share acquisition have no voting rights unless holders of two-thirds of our voting stock (excluding interested shares) consent. Control shares are shares that, when aggregated with other shares controlled by the stockholder, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors. A control share acquisition is the direct or indirect acquisition of ownership or control of control shares.

We have opted out of these provisions of the MGCL. In the case of the business combination provisions of the MGCL, we opted out by resolution of our board of directors with respect to any business combination between us and any person provided such business combination is first approved by our board of directors (including a majority of directors who are not affiliates or associates of such person). In the case of the control share provisions of the MGCL, we opted out pursuant to a provision in our bylaws. However, our board of directors may by resolution elect to opt in to the business combination provisions of the MGCL. Further, we may opt in to the control share provisions of the MGCL in the future by amending our bylaws, which our board of directors can do without stockholder approval.

The partnership agreement of our operating partnership, Maryland law, and our charter and bylaws also contain other provisions that may delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders.

Our board of directors may amend our investing and financing policies without stockholder approval, and, accordingly, you would have limited control over changes in our policies that could increase the risk we default under our debt obligations or that could harm our business, results of operations and share price.

Our board of directors has adopted a policy of limiting our indebtedness to approximately 60% of our total market capitalization. Total market capitalization is defined as the sum of the market value of our outstanding common stock (which may decrease, thereby increasing our debt-to-total capitalization ratio), plus the aggregate value of operating partnership units we do not own, plus the book value of our total consolidated indebtedness. However, our organizational documents do not limit the amount or percentage of debt that we may incur, nor do they limit the types of properties we may acquire or develop. Our board of directors may alter or eliminate our current policy on borrowing or investing at any time without

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stockholder approval. Changes in our strategy or in our investment or leverage policies could expose us to greater credit risk and interest rate risk and could also result in a more leveraged balance sheet. These factors could result in an increase in our debt service and could adversely affect our cash flow and our ability to make expected distributions to you. Higher leverage also increases the risk we would default on our debt.

We may invest in properties with other entities, and our lack of sole decision-making authority or reliance on a co-venturer s financial condition could make these joint venture investments risky.

We have in the past and may continue in the future to co-invest with third parties through partnerships, joint ventures or other entities. We may acquire non-controlling interests or share responsibility for managing the affairs of a property, partnership, joint venture or other entity. In such events, we would not be in a position to exercise sole decision-making authority regarding the property or entity. Investments in entities may, under certain circumstances, involve risks not present were a third party not involved. These risks include the possibility that partners or co-venturers:

- might become bankrupt or fail to fund their share of required capital contributions,
- may have economic or other business interests or goals that are inconsistent with our business interests or goals, and
- may be in a position to take actions contrary to our policies or objectives.

Such investments may also have the potential risk of impasses on decisions, such as a sale, because neither we nor the partner or co-venturer would have full control over the partnership or joint venture. Disputes between us and partners or co-venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and/or directors from focusing their time and effort on our business. In addition, we may in certain circumstances be liable for the actions of our third-party partners or co-venturers if:

- we structure a joint venture or conduct business in a manner that is deemed to be a general partnership with a third party, in which case we could be liable for the acts of that third party,
- third-party managers incur debt or other liabilities on behalf of a joint venture which the joint venture is unable to pay, and the joint venture agreement provides for capital calls, in which case we could be liable to make contributions as set forth in any such joint venture agreement, or
- we agree to cross-default provisions or to cross-collateralize our properties with the properties in a joint venture, in which case we could face liability if there is a default relating to those properties in the joint venture or the obligations relating to those properties.

Risks Related to Our Capital Structure

Debt obligations expose us to increased risk of property losses and may have adverse consequences on our business operations and our ability to make distributions.

We have used and will continue to use debt to finance property acquisitions. Our use of debt may have adverse consequences, including the following:

- Required payments of principal and interest may be greater than our cash flow from operations.
- We may be forced to dispose of one or more of our properties, possibly on disadvantageous terms, to make payments on our debt.
- If we default on our debt obligations, the lenders or mortgagees may foreclose on our properties that secure those loans. Further, if we default under a mortgage loan, we will automatically be in default on any other loan that has cross-default provisions, and we may lose the properties securing all of these loans.

A foreclosure on one of our properties will be treated as a sale of the property for a purchase price equal to the outstanding balance of the secured debt. If the outstanding balance of the secured debt exceeds our tax basis in the property, we would recognize taxable income on foreclosure without realizing any accompanying cash proceeds to pay the tax (or to make distributions based on REIT taxable income).

We may not be able to refinance or extend our existing debt. If we cannot repay, refinance or extend our debt at maturity, in addition to our failure to repay our debt, we may be unable to make distributions to our stockholders at expected levels or at all.

Even if we are able to refinance or extend our existing debt, the terms of any refinancing or extension may not be as favorable as the terms of our existing debt. If the refinancing involves a higher interest rate, it could adversely affect our cash flow and ability to make distributions to stockholders.

As of March 31, 2005, we had outstanding mortgage indebtedness of $101.6 million (including unamortized debt premium of $5.1 million), secured by eight properties, as well as $2.3 million associated with our unconsolidated partnership. We had $19.5 million outstanding under our $100.0 million unsecured credit facility. Upon completion of this offering, we expect to have outstanding mortgage indebtedness of approximately $246.0 million (including unamortized debt premium of $12.0 million) and $250.0 million of borrowings under our secured term loan facility, secured by 13 of our properties, as well as $2.3 million associated with our unconsolidated partnership, based on our outstanding indebtedness as of June 14, 2005. We expect to incur additional debt in connection with future acquisitions. Our organizational documents do not limit the amount or percentage of debt that we may incur.

Our credit facilities include restrictive covenants relating to our operations, which could limit our ability to respond to changing market conditions and our ability to make distributions to our stockholders.

Our credit facilities impose restrictions on us that affect our distribution and operating policies and our ability to incur additional debt. For example, we are subject to a maximum leverage ratio of 60% during the terms of the loans, which could reduce our ability to incur additional debt and consequently reduce our ability to make distributions to our stockholders. Our credit facilities also contain limitations on our ability to make distributions to our stockholders in excess of those required to maintain our REIT status. Specifically, our credit facilities limit distributions to 95% of funds from operations or 100% of funds available for distribution plus cash payments received under master leases on our King of Prussia and Bayshore Boulevard properties, but not less than the minimum necessary to enable us to meet our REIT income distribution requirements. In addition, our credit facilities contain covenants that, among other things, limit our ability to further mortgage our properties or reduce insurance coverage, and that require us to maintain specified levels of net worth. These or other limitations may adversely affect our flexibility and our ability to achieve our operating plans.

We have and may continue to engage in hedging transactions, which can limit our gains and increase exposure to losses.

We have and may continue to enter into hedging transactions to protect us from the effects of interest rate fluctuations on floating rate debt. Our hedging transactions may include entering into interest rate swap agreements or interest rate cap or floor agreements, or other interest rate exchange contracts. Hedging activities may not have the desired beneficial impact on our results of operations or financial condition. No hedging activity can completely insulate us from the risks associated with changes in interest rates. Moreover, interest rate hedging could fail to protect us or adversely affect us because, among other things:

Available interest rate hedging may not correspond directly with the interest rate risk for which we seek protection.

The duration of the hedge may not match the duration of the related liability.

The party owing money in the hedging transaction may default on its obligation to pay.

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The credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs our ability to sell or assign our side of the hedging transaction.

The value of derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments, or mark-to-market losses, would reduce our stockholders equity.

Hedging involves risk and typically involves costs, including transaction costs, that may reduce our overall returns on our investments. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. These costs will also limit the amount of cash available for distribution to stockholders. We generally intend to hedge as much of the interest rate risk as management determines is in our best interests given the cost of such hedging transactions. The REIT qualification rules may limit our ability to enter into hedging transactions by requiring us to limit our income from hedges. If we are unable to hedge effectively because of the REIT rules, we will face greater interest rate exposure than may be commercially prudent. For the period from August 11, 2004 to March 31, 2005, we were not a party to any hedging transactions. In connection with the KeyBank $250.0 million secured term loan, we have entered into an interest rate swap agreement, which will have the effect of fixing the interest rate on the secured term loan at 6.4%.

Increases in interest rates could increase the amount of our debt payments and adversely affect our ability to pay distributions to our stockholders.

Interest we pay could reduce cash available for distributions. Additionally, if we incur variable rate debt, including borrowings under our senior secured term loan facility and our senior unsecured credit facilities, to the extent not adequately hedged, increases in interest rates would increase our interest costs. These increased interest costs would reduce our cash flows and our ability to make distributions to you. In addition, if we need to repay existing debt during a period of rising interest rates, we could be required to liquidate one or more of our investments in properties at times that may not permit realization of the maximum return on such investments.

If we fail to obtain external sources of capital, which is outside of our control, we may be unable to make distributions to our stockholders, maintain our REIT qualification, or fund growth.

In order to maintain our qualification as a REIT, we are required to distribute annually at least 90% of our net taxable income, excluding any net capital gain. In addition, we will be subject to income tax at regular corporate rates to the extent that we distribute less than 100% of our net taxable income, including any net capital gains. Because of these distribution requirements, we may not be able to fund future capital needs, including any necessary acquisition financing, from operating cash flow. Consequently, we rely on third-party sources to fund our capital needs. We may not be able to obtain financings on favorable terms or at all. Our access to third-party sources of capital depends, in part, on:

general market conditions,

the market s perception of our growth potential,

with respect to acquisition financing, the market s perception of the value of the properties to be acquired,

our current debt levels,

our current and expected future earnings,

our cash flow and cash distributions, and

the market price per share of our common stock.

Additionally, if the ground lease underlying our Landmark at Eastview property remains in place, it could be more difficult to borrow using that property as collateral. Our inability to obtain capital from third-party sources will adversely affect our business and limit our growth. Without sufficient capital, we may not

be able to acquire or develop properties when strategic opportunities exist, satisfy our debt service obligations or make the cash distributions to our stockholders necessary to maintain our qualification as a REIT.

Risks Related to Our REIT Status

Our failure to qualify as a REIT under the Code would result in significant adverse tax consequences to us and would adversely affect our business and the value of our stock.

We believe that we have operated and intend to continue operating in a manner that will allow us to qualify as a REIT for federal income tax purposes under the Code. However, the REIT qualification requirements under the Code are complex and technical, and the judicial and administrative interpretations of these Code provisions are limited. The fact that we hold substantially all of our assets through a partnership further complicates the application of the REIT requirements. Even a seemingly minor technical or inadvertent mistake could jeopardize our REIT status. Our REIT status depends upon various factual matters and circumstances that may not be entirely within our control. In addition, new legislation, regulations, administrative interpretations or court decisions, each of which could have retroactive effect, may make it more difficult or impossible for us to qualify as a REIT, or could reduce the desirability of an investment in a REIT relative to other investments. We have not requested and do not plan to request a ruling from the IRS that we qualify as a REIT, and the statements in this prospectus are not binding on the IRS or any court. Accordingly, we cannot be certain that we will be successful in qualifying as a REIT.

If we fail to qualify as a REIT in any tax year, we will face serious adverse tax consequences that would substantially reduce the funds available for distribution to you for each of the years involved because:

- we would not be allowed to deduct distributions to stockholders in computing our taxable income and would be subject to federal income tax at regular corporate rates,

- we could also be subject to the federal alternative minimum tax and possibly increased state and local taxes, and

- unless we are entitled to relief under applicable statutory provisions, we could not elect to be taxed as a REIT for four taxable years following the year in which we were disqualified.

In addition, if we fail to qualify as a REIT, we will not be required to make distributions to stockholders, and all distributions to stockholders will be subject to tax as ordinary corporate distributions. As a result of all these factors, our failure to qualify as a REIT could impair our ability to expand our business and raise capital and would adversely affect the value of our common stock.

Even if we qualify as a REIT for federal income tax purposes, we may be subject to other tax liabilities that reduce our cash flow.

Even if we remain qualified as a REIT for tax purposes, we may be subject to some federal, state and local taxes on our income or property. For example:

- In order to qualify as a REIT, we must distribute annually at least 90% of our REIT taxable income to our stockholders. To the extent that we satisfy this distribution requirement, but distribute less than 100% of our REIT taxable income, we will be subject to federal corporate income tax on the undistributed amount.

- We will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions we pay in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from prior years.

- If we have net income from the sale or other disposition of foreclosure property that we hold primarily for sale to customers in the ordinary course of business or other non-qualifying income from foreclosure property, we must pay tax on that income at the highest corporate rate.

If we sell a property in a prohibited transaction, our gain from the sale would be subject to a 100% penalty tax. A prohibited transaction is, in general, a sale or other disposition of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business.

To maintain our REIT status, we may be forced to borrow funds during unfavorable market conditions to make distributions to our stockholders.

To qualify as a REIT, we must distribute to our stockholders certain amounts each year based on our income as described above. At times, we may not have sufficient funds to satisfy these distribution requirements and may need to borrow funds to maintain our REIT status and avoid the payment of income and excise taxes. These borrowing needs could result from:

- differences in timing between the actual receipt of cash and inclusion of income for federal income tax purposes,
- the effect of non-deductible capital expenditures,
- the creation of reserves, or
- required debt or amortization payments.

We may need to borrow funds at times when the then-prevailing market conditions are not favorable for these borrowings. These borrowings could increase our costs or reduce our equity and adversely affect the value of our common stock.

To maintain our REIT status, we may be forced to forego otherwise attractive opportunities.

To qualify as a REIT, we must satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders and the ownership of our stock. We may be required to make distributions to stockholders at times when it would be more advantageous to reinvest cash in our business or when we do not have funds readily available for distribution. Thus, compliance with the REIT requirements may hinder our ability to operate solely on the basis of maximizing profits.

The ownership limitations in our charter may restrict or prevent you from engaging in certain transfers of our stock.

Our charter contains restrictions on the ownership and transfer of our capital stock that are intended to assist us in complying with the requirements imposed on REITs by the Code. The ownership limits contained in our charter provide that, subject to certain specified exceptions, no person or entity may own more than 9.8% of the value of our outstanding shares of capital stock, and no person or entity may own more than 9.8% (by number or value, whichever is more restrictive) of the outstanding shares of our common stock. Our charter also (1) prohibits any person from actually or constructively owning shares of our capital stock that would cause us to be closely held under Section 856(h) of the Code or would otherwise cause us to fail to qualify as a REIT and (2) voids any transfer that would result in shares of our capital stock being owned by fewer than 100 persons. The constructive ownership rules of the Code are complex, and may cause shares of our capital stock owned actually or constructively by a group of related individuals and/or entities to be constructively owned by one individual or entity. As a result, acquisition of less than 9.8% of the shares of our capital stock (or the acquisition of an interest in equity of, or in certain affiliates or subsidiaries of, an entity that owns, actually or constructively, our capital stock) by an individual or entity, could cause that individual or entity, or another individual or entity, to own constructively shares in a manner that would violate the 9.8% ownership limits or such other limit as provided in our charter or permitted by our board of directors. Our board of directors may, but in no event will be required to, waive the 9.8% ownership limit with respect to a particular stockholder if it determines that the ownership will not jeopardize our status as a REIT. As a condition of granting such a waiver, our board of directors may require a ruling from the IRS or an opinion of counsel satisfactory to our board and will obtain undertakings or representations from the applicant with respect to preserving our status as

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a REIT. Pursuant to our charter, if any purported transfer of our capital stock or any other event would result in any person violating the ownership limits set forth in our charter or otherwise permitted by our board of directors, then that number of shares in excess of the applicable limit will be automatically transferred, pursuant to our charter, to a trust, the beneficiary of which will be a qualified charitable organization we select or, under certain circumstances, the transfer of our capital stock or other event will be void and of no force or effect.

Risks Related to This Offering

Several of our underwriters may have conflicts of interest that arise out of a contractual relationship with affiliates of those underwriters.

We have entered into credit facilities with a number of financial institutions, including KeyBank National Association, an affiliate of KeyBanc Capital Markets, Royal Bank of Canada, an affiliate of RBC Capital Markets Corporation, and Raymond James Bank, FSB, an affiliate of Raymond James & Associates, Inc., which facilities allow for total borrowings of $600.0 million. As members of the credit facility syndicate, these affiliates will benefit from this offering because substantially all of the net proceeds of this offering will be used to repay loans made under such facilities prior to this offering. This repayment gives the identified affiliates an interest in the successful completion of this offering beyond the customary underwriting discounts and commissions received by the underwriters in this offering. This could result in a conflict of interest, as our underwriters obligations to us and the investors in this offering may conflict with those of their affiliates.

The market price and trading volume of our common stock may be volatile following this offering, and you could experience a loss if you sell your shares.

The market price of our common stock may be volatile. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your shares at or above the public offering price. We cannot assure you that the market price of our common stock will not fluctuate or decline significantly in the future.

Some of the factors that could negatively affect our share price or result in fluctuations in the price or trading volume of our common stock include:

- actual or anticipated variations in our quarterly operating results or dividends,
- changes in our funds from operations or earnings estimates,
- publication of research reports about us or the real estate industry,
- increases in market interest rates that lead purchasers of our shares to demand a higher yield,
- changes in market valuations of similar companies,
- adverse market reaction to any additional debt we incur or acquisitions we make in the future,
- additions or departures of key management personnel,
- actions by institutional stockholders,
- speculation in the press or investment community,
- the realization of any of the other risk factors presented in this prospectus, and
- general market and economic conditions.

An increase in market interest rates may have an adverse effect on the market price of our securities.

Changes in market interest rates have historically affected the trading prices of equity securities issued by REITs. One of the factors that will influence the price of our common stock will be the dividend yield on our common stock (as a percentage of the price of our common stock) relative to market interest rates.

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An increase in market interest rates, which are currently at low levels relative to historical rates, may lead prospective purchasers of our common stock to expect a higher dividend yield. Further, higher interest rates would likely increase our borrowing costs and potentially decrease funds available for distribution. Thus, higher market interest rates could harm our financial condition and results of operations and could cause the market price of our common stock to fall.

Broad market fluctuations could negatively impact the market price of our common stock.

The stock market has experienced extreme price and volume fluctuations that have affected the market price of many companies in industries similar or related to ours and that have been unrelated to these companies operating performance. These broad market fluctuations could reduce the market price of our common stock. Furthermore, our operating results and prospects may be below the expectations of public market analysts and investors or may be lower than those of companies with comparable market capitalizations. Either of these factors could lead to a material decline in the market price of our common stock.

Our distributions to stockholders may decline at any time.

We may not continue our current level of distributions to stockholders. Our board of directors will determine future distributions based on a number of factors, including:

- cash available for distribution,
- operating results,
- our financial condition, especially in relation to our anticipated future capital needs,
- then current expansion plans,
- the distribution requirements for REITs under the Code, and
- other factors our board deems relevant.

The number of shares of our common stock available for future sale could adversely affect the market price of our common stock.

We cannot predict whether future issuances of shares of our common stock or the availability of shares for resale in the open market will decrease the market price per share of our common stock. Upon completion of this offering, we will have outstanding 42,444,558 shares of our common stock (44,094,558 shares if the underwriters exercise their over-allotment option in full), as well as units in our operating partnership which may be exchanged for 2,870,564 shares of our common stock, based on the number of shares of common stock and units outstanding as of May 31, 2005. In addition, as of May 31, 2005, we had reserved an additional 2,105,442 shares of common stock for future issuance under our incentive award plan and have issued a warrant to Raymond James & Associates, Inc. in connection with our IPO to purchase 270,000 shares of our common stock at the IPO price. Sales of substantial amounts of shares of our common stock in the public market, or upon exchange of operating partnership units, or the perception that such sales might occur, could adversely affect the market price of our common stock.

Any of the following could have an adverse effect on the market price of our common stock:

- the exercise of the underwriters over-allotment option,
- the exchange of units for common stock,
- the exercise of any options granted to certain directors, executive officers and other employees under our incentive award plan,
- issuances of preferred stock with liquidation or distribution preferences, and
- other issuances of our common stock.

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Additionally, the existence of units, options and shares of our common stock reserved for issuance upon exchange of units may adversely affect the terms upon which we may be able to obtain additional capital through the sale of equity securities. In addition, future sales of shares of our common stock may be dilutive to existing stockholders.

Each of our then-current executive officers entered into a lock-up agreement restricting the sale of his shares for up to one year following our IPO, which expires in August 2005. Further, in connection with this offering, each of our executive officers entered into a lock-up agreement restricting the sale of his shares for up to 90 days following the completion of this offering. Raymond James & Associates, Inc., at any time, may release all or a portion of the common stock subject to the foregoing lock-up provisions. When determining whether or not to release shares subject to a lock-up agreement, Raymond James & Associates, Inc. will consider, among other factors, the person s reasons for requesting the release, the number of shares for which the release is being requested and the possible impact of the release of the shares on the market price of our common stock. If the restrictions under such agreements are waived, the affected common stock may be available for sale into the market, which could reduce the market price of our common stock.

From time to time we also may issue shares of our common stock or operating partnership units in connection with property, portfolio or business acquisitions. We may grant additional demand or piggyback registration rights in connection with these issuances. Sales of substantial amounts of our common stock, or the perception that these sales could occur, may adversely affect the prevailing market price of our common stock or may adversely affect the terms upon which we may be able to obtain additional capital through the sale of equity securities.

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FORWARD-LOOKING STATEMENTS

We make statements in this prospectus that are forward-looking statements. In particular, statements pertaining to our capital resources, portfolio performance and results of operations contain forward-looking statements. Likewise, our pro forma financial statements and our statements regarding anticipated growth in our funds from operations and anticipated market conditions, demographics and results of operations are forward-looking statements. Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise, and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). You can identify forward-looking statements by the use of forward-looking terminology such as believes, expects, may, will, should, seeks, approximately, intends, forma, estimates or anticipates or the negative of these words and phrases or similar words or phrases. You can also identify forward-looking statements by discussions of strategy, plans or intentions. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- adverse economic or real estate developments in the life science industry or the Boston or California regions,
- general economic conditions,
- our ability to compete effectively,
- defaults on or non-renewal of leases by tenants,
- increased interest rates and operating costs,
- our failure to obtain necessary outside financing,
- our ability to successfully complete real estate acquisitions, developments and dispositions,
- our failure to successfully operate acquired properties and operations,
- our failure to maintain our status as a REIT,
- government approvals, actions and initiatives, including the need for compliance with environmental requirements,
- financial market fluctuations, and
- changes in real estate and zoning laws and increases in real property tax rates.

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For a further discussion of these and other factors that could impact our future results, performance or transactions, see the section above entitled Risk Factors.

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USE OF PROCEEDS

We estimate that the net proceeds of this offering will be approximately $234.3 million, after deducting the underwriting discount and estimated offering expenses we will pay. If the underwriters exercise their over-allotment option in full, our net proceeds will be approximately $269.5 million.

We will contribute the net proceeds of this offering to our operating partnership. Our operating partnership will subsequently use the proceeds received from us as follows:

- $100.0 million to repay indebtedness under our senior unsecured term loan facility,
- $127.5 million to repay indebtedness under our senior unsecured revolving credit facility, based on outstanding borrowings as of June 14, 2005, and
- $6.8 million to fund future property acquisitions and for other general corporate and working capital purposes.

If the underwriters exercise their over-allotment option in full, we expect to use the additional net proceeds, which will be $35.2 million, to fund future property acquisitions and for other general corporate and working capital purposes.

The senior unsecured term loan facility and the senior unsecured revolving credit facility with KeyBank and other lenders bear interest at a floating rate equal to, at our option, either (1) reserve adjusted LIBOR plus a spread which ranges from 120 to 200 basis points, depending on our leverage, or (2) the higher of (a) the prime rate then in effect plus a spread which ranges from 0 to 50 basis points and (b) the federal funds rate then in effect plus a spread which ranges from 50 to 100 basis points, in each case, depending on our leverage, and mature in May 2008. The proceeds of the senior unsecured term loan facility and the senior unsecured revolving credit facility were used to partially fund the acquisition of the Lyme portfolio and repay our previous unsecured revolving credit facility. The initial participating lenders under our unsecured credit facilities include affiliates of several underwriters participating in this offering, including Raymond James & Associates, Inc., RBC Capital Markets Corporation and KeyBanc Capital Markets, a division of McDonald Investments Inc. Substantially all of the net proceeds of this offering will be received by these affiliates.

In the ordinary course of our business, we continually evaluate properties for possible acquisition by us. At any given time, we may be a party to one or more non-binding letters of intent or conditional purchase agreements with respect to these possible acquisitions and may be in various stages of due diligence and underwriting as part of our evaluations. As of the date of this prospectus, we were party to non-binding letters of intent with respect to certain acquisitions. Consummation of any potential transaction is necessarily subject to significant outstanding conditions, including satisfactory completion of our due diligence or, in the case of letters of intent, the negotiation of definitive purchase or loan agreements. As a result, we can make no assurance that any such transaction will be completed, or, if completed, what the terms or timing of the transaction will be.

Pending application of cash proceeds, we will invest such portion of the net proceeds in interest-bearing accounts and short-term, interest-bearing securities, which are consistent with our intention to qualify for taxation as a REIT.

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PRICE RANGE OF COMMON STOCK AND DISTRIBUTION POLICY

Our common stock has been listed on the NYSE under the symbol BMR since August 6, 2004. The following table sets forth, for the periods indicated, the high, low and last sale prices in dollars on the NYSE for our common stock and the distributions we declared with respect to the periods indicated.

	High	Low	Last	Cash Dividend Per Share
Period August 6, 2004 to September 30, 2004	$ 18.05	$ 15.75	$ 17.59	$ 0.1497
Quarter Ended December 31, 2004	$ 22.95	$ 17.10	$ 22.21	$ 0.2700
Quarter Ended March 31, 2005	$ 22.40	$ 19.40	$ 20.60	$ 0.2700
Period April 1, 2005 to June 14, 2005	$ 22.89	$ 19.39	$ 22.35	$ 0.2700(1)

(1) On June 3, 2005, we declared a dividend of $0.27 per common share and unit, for the period from April 1, 2005 to June 30, 2005, payable to holders of record on June 15, 2005.

We intend to continue to declare quarterly distributions on our common stock. The actual amount and timing of distributions, however, will be at the discretion of our board of directors and will depend upon our financial condition in addition to the requirements of the Code, and no assurance can be given as to the amounts or timing of future distributions.

Subject to the distribution requirements applicable to REITs under the Code, we intend, to the extent practicable, to invest substantially all of the proceeds from sales and refinancings of our assets in real estate-related assets and other assets. We may, however, under certain circumstances, make a distribution of capital or of assets. Such distributions, if any, will be made at the discretion of our board of directors. Distributions will be made in cash to extent that cash is available for distribution.

On June 14, 2005, the closing sale price for our common stock, as reported on the NYSE, was $22.35. As of May 31, 2005, there were 38 record holders of our common stock. This figure does not reflect the beneficial ownership of shares held in nominee name.

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CAPITALIZATION

The following table sets forth the historical consolidated capitalization of our company as of March 31, 2005 and our pro forma consolidated capitalization as of March 31, 2005, as adjusted to give effect to this offering. You should read this table in conjunction with Use of Proceeds, Selected Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources and our consolidated financial statements and the notes to our financial statements appearing elsewhere in this prospectus.

	Historical Consolidated ($ in 000s)	Pro Forma Consolidated ($ in 000s)
Mortgages and other secured loans	$ 101,594	$ 496,981
Unsecured loans and lines of credit	19,500	
Minority interest in our operating partnership	22,486	22,486
Equity:		
Common stock, $0.01 par value, 100,000,000 shares authorized, 31,432,558 shares issued and outstanding at March 31, 2005; 42,432,558 shares issued and outstanding on a pro forma basis(1)	314	424
Additional paid-in capital	435,010	669,187
Deferred compensation	(4,410)	(4,410)
Dividends in excess of earnings	(11,041)	(12,992)
Total stockholders equity	419,873	652,209
Total capitalization	$ 563,453	$ 1,171,676

(1) The common stock outstanding as shown excludes (a) 2,870,564 shares issuable upon conversion of outstanding units of our operating partnership, (b) 2,117,442 shares available for future issuance under our incentive award plan which includes certain grants of restricted stock, of which 12,000 shares were granted between March 31, 2005 and May 31, 2005 and (c) 270,000 shares issuable upon exercise of a warrant issued to Raymond James & Associates, Inc. in connection with our IPO.

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SELECTED FINANCIAL DATA

The following table sets forth selected financial and operating data on a pro forma and historical basis for BioMed Realty Trust, Inc., and on an historical basis for 201 Industrial. We have not presented historical information for BioMed Realty Trust, Inc. prior to August 11, 2004, the date on which we consummated our IPO, because during the period from our formation until our IPO we did not have any material corporate activity and because we believe that a discussion of the results of BioMed Realty Trust, Inc. during that period would not be meaningful.

You should read the following pro forma and historical information in conjunction with our pro forma consolidated financial statements and historical financial statements and notes thereto, as well as with Management s Discussion and Analysis of Financial Condition and Results of Operations, which are included elsewhere in this prospectus.

The selected historical balance sheet information as of December 31, 2004 for BioMed Realty Trust, Inc. and as of December 31, 2003 and 2002 for 201 Industrial, and the historical statements of income and other data for the period from August 11, 2004 through December 31, 2004 for BioMed Realty Trust, Inc. and for the period from January 1, 2004 through August 17, 2004 and for the years ended December 31, 2003 and 2002 for 201 Industrial, have been derived from our historical financial statements audited by KPMG LLP, independent registered public accountants, whose report with respect thereto is included elsewhere in this prospectus, except as it relates to the historical balance sheet information as of December 31, 2002 of 201 Industrial, which report is not included in this prospectus. The historical balance sheet and statement of income and other data as of and for the years ended December 31, 2001 and 2000 of 201 Industrial, is unaudited. 201 Industrial is the largest property contributed to the company in connection with our formation transactions and therefore has been identified as the accounting acquirer pursuant to paragraph 17 of SFAS No. 141. The contribution of 201 Industrial as part of our formation transactions was completed on August 17, 2004. The contribution of the interests in all of the other contribution properties and all acquisitions have been accounted for as a purchase in accordance with SFAS No. 141. The historical balance sheet information at March 31, 2005, and the historical statement of operations and other data for the three months ended March 31, 2005 and 2004, have been derived from the unaudited historical financial statements of BioMed Realty Trust, Inc. and 201 Industrial.

The unaudited pro forma consolidated balance sheet data are presented as if this offering had occurred on March 31, 2005. The unaudited pro forma consolidated statements of operations and other data for the three months ended March 31, 2005 and the year ended December 31, 2004, are presented as if this offering, the IPO, and all acquisitions and contributions had occurred on January 1, 2004. The pro forma information is not necessarily indicative of what our actual financial position or results of operations would have been as of or for the periods indicated, nor does it purport to represent our future financial position or results of operations.

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BioMed Realty Trust, Inc. and Inhale 201 Industrial Road, L.P. (Predecessor)
(Dollars in thousands, except per share data)

	BioMed Realty Trust, Inc.					Predecessor				
	Three Months Ended March 31,			Year Ended December 31,	Period August 11, 2004 through December 31,	Period January 1, 2004 through August 17,	Year Ended December 31,			
	Pro Forma	Historical		Pro Forma	Historical	Historical	Historical			
	2005	2005	2004(1)	2004	2004	2004	2003	2002	2001(6)	2000
										(Unaudite
tatements f Income:										
evenues:										
Rental	$ 27,695	$ 14,214	$ 1,562	$ 111,696	$ 19,432	$ 3,339	$ 6,275	$ 5,869	$ 4,421	$ 95
Tenant ecoveries	11,853	7,254	150	41,142	9,222	375	744	718	283	10
Other ncome	3,488	3,003		1,378						
otal venues	43,036	24,471	1,712	154,216	28,654	3,714	7,019	6,587	4,704	1,05
xpenses:										
Rental perations	8,529	6,395	65	33,093	10,030	265	408	372	61	15
Real estate axes	4,670	1,788	88	16,453	1,589	88	422	449	262	1
Depreciation nd mortization	11,118	6,191	242	42,807	7,853	600	955	955	617	
General nd dministrative	2,572	2,550		10,357	3,130					
otal xpenses	26,889	16,924	395	102,710	22,602	953	1,785	1,776	940	17
come om perations	16,147	7,547	1,317	51,506	6,052	2,761	5,234	4,811	3,764	88
quity in et income oss) of	51	51		(44)	(11)					

nconsolidated artnership nterest ncome	78	78		496	190		1	3	16	4
nterest xpense	(8,122)	(1,411)	(686)	(28,823)	(1,180)	(1,760)	(2,901)	(3,154)	(2,722)	
come efore inority terests	8,154	6,265	631	23,135	5,051	1,001	2,334	1,660	1,058	886
Minority nterests	(418)	(429)		(1,171)	(269)					
et income	$ 7,736	$ 5,836	$ 631	$ 21,964	$ 4,782	$ 1,001	$ 2,334	$ 1,660	$ 1,058	$ 886
asic rnings per hare(3)	$ 0.18	$ 0.19		$ 0.52	$ 0.15					
iluted rnings per hare(4)	$ 0.18	$ 0.19		$ 0.52	$ 0.15					
Veighted verage ommon hares utstanding asic	42,129,613	31,129,613		41,965,178	30,965,178					
Veighted verage ommon hares utstanding luted	45,148,820	34,148,820		44,767,575	33,767,575					
ash vidends eclared per ommon hare		$ 0.27			$ 0.42					
alance heet Data t period nd)										
ental roperties, et	$ 1,035,489	$ 489,136	$ 46,792		$ 468,488		$ 47,025	$ 47,853	$ 48,627	$ 36,279
otal assets	1,228,970	601,617	49,933		581,723		50,056	50,732	50,500	37,75
Iortgages nd other ecured ans	496,981	101,594	36,971		102,236		37,208	37,743	36,879	16,039

nsecured ne of edit		19,500							
otal abilities	554,275	159,258	37,353		137,639	37,597	38,563	37,961	25,00
inority terests	22,486	22,486			22,267				
ockholders uity and rtners pital	652,209	419,873	12,580		421,817	12,459	12,169	12,539	12,75
otal abilities d equity	1,228,970	601,617	49,933		581,723	50,056	50,732	50,500	37,75
ther ata:									
unds from perations(5)	$ 19,381			$ 66,265					
Cash flows rom:									
Operating activities		10,062	687		13,959 (2)	2,416	1,762	1,239	(41
Investing activities		(32,197)			(456,680)(2)	(105)	(159)	(17,703)	(18,48
Financing activities		9,836	(756)		470,433 (2)	(2,666)	(1,210)	16,569	18,90

(1) Represents the results and financial position of the Predecessor for the three months ended March 31, 2004.

(2) Consolidated and combined cash flow information of BioMed Realty Trust, Inc. and the Predecessor for the year ended December 31, 2004.

(3) Basic earnings per share equals net income divided by the number of shares of our common stock outstanding excluding the weighted average of the number of unvested shares of restricted stock. Pro forma basic earnings per share is computed assuming this offering was consummated as of the first day of the period presented.

(4) Diluted earnings per share equals pro forma net income divided by the sum of the number of shares of our common stock outstanding excluding the weighted average number of unvested shares of restricted stock, plus an amount computed using the treasury stock method with respect to the unvested shares of our restricted stock. Pro forma diluted earnings per share is computed assuming this offering was consummated as of the first day of the period presented.

(5) As defined by NAREIT, FFO represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, plus real estate related depreciation and amortization (excluding amortization of loan origination costs) and after adjustments for unconsolidated partnerships and joint ventures. We present FFO because we consider it an important supplemental measure of our operating performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate and related assets, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income. We compute FFO in accordance with standards established by the Board of Governors of NAREIT in its March 1995 White Paper (as amended in November 1999 and April 2002), which may differ from the methodology for calculating FFO utilized by other equity REITs and, accordingly, may not be comparable to such other REITs. Further, FFO does not represent amounts available for management s discretionary use because of needed capital replacement or expansion, debt service obligations, or other commitments and uncertainties. FFO should not be considered as an alternative to net income (loss) (computed in accordance with GAAP) as an indicator of our financial performance or to cash flow from operating activities (computed in accordance with GAAP) as an indicator of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to pay dividends or make distributions.

	Pro Forma	
	Three Months Ended March 31, 2005	**Year Ended December 31, 2004**
Reconciliation of Pro Forma Funds from Operations		
Pro forma net income	$ 7,736	$ 21,964
Adjustments:		
Pro forma minority interests	527	1,494

Pro forma real estate depreciation and amortization	11,118	42,807
Pro forma funds from operations	$ 19,381	$ 66,265

(6) Balance sheet data are unaudited.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with Selected Financial Data and the financial statements and the related notes thereto appearing elsewhere in this prospectus. Where appropriate, the following discussion includes analysis of the effects of our IPO and the related formation transactions. These effects are reflected in the historical and pro forma consolidated financial statements appearing elsewhere in this prospectus. References to we, us and our refer to BioMed Realty Trust, Inc.

Overview

BioMed Realty Trust, Inc. is a Maryland corporation formed in April 2004. We operate as a REIT focused on acquiring, developing, owning, leasing and managing laboratory and office space for the life science industry. Our tenants include biotechnology and pharmaceutical companies, scientific research institutions, government agencies and other entities involved in the life science industry. Our current properties and our primary acquisition targets are located in markets with well established reputations as centers for scientific research, including Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/ New Jersey.

We completed an IPO of our common stock in August 2004. In connection with the IPO, we acquired 13 properties with an aggregate of 2.3 million rentable square feet of laboratory and office space. We acquired Industrial Road, Science Center Drive, Bernardo Center Drive, Balboa Avenue, Eisenhower Road and a general partnership interest in McKellar Court from affiliates and others for an aggregate of 2.9 million operating partnership units, aggregate cash consideration of $77.0 million using net proceeds of the IPO and the assumption of $14.0 million of debt (excluding $10.9 million of principal associated with our McKellar Court property, which is owned through an unconsolidated partnership, and excluding $1.8 million of premium). In addition, we acquired seven properties from unaffiliated third parties: Landmark at Eastview, King of Prussia, Elliott Avenue, Monte Villa Parkway, Bridgeview, Bayshore Boulevard and Towne Centre Drive. These properties were acquired for aggregate cash consideration of $323.2 million using net proceeds of the IPO and the assumption of $29.0 million of debt (excluding $3.2 million of premium). The seller of the Bridgeview property exercised its right to extend the closing date on a portion of the property, consisting of one building representing $16.2 million (or approximately 50% of the purchase price), to March 2005 to facilitate a like-kind exchange under Section 1031 of the Code.

Since the completion of the IPO, we have acquired 20 properties and the third building on our Bridgeview property in Hayward, California, with an aggregate of 2.0 million rentable square feet of laboratory and office space. We acquired San Diego Science Center, Ardentech Court in Fremont, California, Beckley Street and Tributary Street in Baltimore, Maryland (in a sale-leaseback transaction with Guilford Pharmaceuticals Inc.), Waples Street in San Diego (through a majority-owned joint venture), Graphics Drive in Ewing, New Jersey, Fresh Pond Research Park in Cambridge, Massachusetts, Coolidge Avenue in Watertown, Massachusetts, Phoenixville Pike in Malvern, Pennsylvania, Nancy Ridge Drive in San Diego, Dumbarton Circle in Fremont, California and the Lyme portfolio from unaffiliated third parties for aggregate cash consideration of $546.9 million and the assumption of $143.0 million of debt (excluding $7.8 million of premium). As of May 31, 2005, our properties were approximately 92.2% leased to 76 tenants. Of the remaining unleased space, 204,071 square feet, or 4.8% of our total rentable square footage, was under redevelopment.

On May 31, 2005, we completed the acquisition of the Lyme portfolio. The Lyme portfolio consists of ten buildings with an aggregate of approximately 1.1 million rentable square feet of laboratory and office space, which upon acquisition was 96.8% leased with an average remaining term of ten years, and includes the parking structure with 447 parking spaces. The purchase price was $523.6 million, excluding closing costs, and was funded through borrowings under three credit facilities with KeyBank and other lenders and the assumption of approximately $131.2 million of indebtedness.

Our business consists of acquiring and managing office and laboratory properties primarily leased on a triple-net basis to life science tenants. We acquired our existing portfolio using our focused acquisition strategy. This strategy emphasizes a critical review of each property s location, design elements and suitability for alternative tenants. In most cases, we acquire properties with leases in place and we structure our acquisition based on our careful consideration of the financial position and prospects of the tenants, as well as the lease structure and remaining term of the lease. See Business and Properties Our Business Strategy.

Our tenant focus is on entities in the life science industry. Compared to more generic office and industrial properties, properties suitable for use by life science tenants often have enhanced floor rigidity and load bearing capacities, higher floor-to-ceiling clear heights, enhanced electrical, plumbing and HVAC systems and other improved infrastructure.

We believe that properties suitable for tenants in the life science industry will provide a favorable risk-adjusted rate of return. This belief is based on a number of factors, including:

- high demand for this property type due to overall growth in the life science industry and the mission-critical nature of these properties to tenants in that industry, and
- restricted supply of this property type resulting from:
  - lack of familiarity with the investment merits of the life science industry by the real estate market in general,
  - the unique construction and design elements for this property type, which keep many landlords focused on lower-cost office space, warehouse space and other types of real estate investments, and
  - low availability of suitable financing for properties containing life science tenants. Management s experience is that many lenders will not underwrite properties designed for life science tenants because of the high cost per square foot and the fact that many tenants in the industry are not profitable.

Leases for life science tenants typically are triple-net leases but also include gross leases and modified gross leases. Triple-net leases require the tenant to pay its pro rata share of substantially all property operating expenses, including property taxes, insurance, maintenance and utilities. Gross leases require the landlord to pay all property operating expenses, and modified gross leases require the landlord and the tenant each to pay a portion of the property operating expenses. Our portfolio primarily consists of triple-net leases where the tenants reimburse us for substantially all of their pro rata share of the properties operating expenses. Our leases typically include annual rent escalations, either at fixed rates or indexed escalations (based on the Consumer Price Index or other measures).

Consistent with life science industry practices with respect to triple-net leases, our tenants are generally responsible for capital expenditures and maintenance necessary to maintain the condition of the property. The shifting of all or a large portion of operating and capital expenditures to tenants under triple-net or modified gross leases results in a business with relatively low overhead and that, as a consequence, we believe is highly scalable. Furthermore, our tenants typically make significant expenditures for tenant improvements. Many of these improvements become our property at the conclusion of the lease. This investment serves as a barrier to exit for our current tenants and as an inducement for prospective tenants if we need to re-lease the space.

Our objective is to use debt to finance, on average, approximately 50% of the acquisition cost of the properties that we buy. We intend to leverage the equity we raise in this offering by financing our future acquisitions with a combination of equity, long-term fixed- or floating-rate debt as well as floating-rate credit facilities. Our objective is to finance each property with long-term fixed-rate debt with a maturity matching or exceeding, to the extent possible, the remaining term of the lease. This strategy minimizes interest rate risk and should result in more consistent and reliable cash flows. We believe that our financing plan will enable us to execute on our acquisition strategy as detailed in Business and Properties Our Business Strategy.

Factors Which May Influence Future Operations

Approximately 3.6% of our leased square footage expires during 2005 and approximately 3.8% of our leased square footage expires during 2006. Our leasing strategy focuses on leasing currently vacant space and negotiating renewals for leases scheduled to expire, and identifying new tenants or existing tenants seeking additional space to occupy the spaces for which we are unable to negotiate such renewals. Additionally, we will seek to lease space that is currently under master lease arrangements at our Bayshore and King of Prussia properties, which expire in 2006 and 2008, respectively.

Our corporate strategy is to continue to focus on acquiring, developing, owning, leasing and managing laboratory and office space for the life science industry. Our leasing strategy focuses on executing long-term leases with creditworthy tenants. We also intend to proceed with new developments, when prudent.

The success of our leasing and development strategy will be dependent upon the general economic conditions in the United States and in our primary target markets of Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/ New Jersey.

We believe that, on a portfolio basis, rental rates on leases expiring in 2005 and 2006 are at or below market rental rates that are currently being achieved in our markets. However, we cannot give any assurance that leases will be renewed or that available space will be re-leased at rental rates equal to or above the current contractual rental rates or at all.

Critical Accounting Policies

The preparation of financial statements in conformity with GAAP requires management to use judgment in the application of accounting policies, including making estimates and assumptions. We base our estimates on historical experience and on various other assumptions believed to be reasonable under the circumstances. These judgments affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If our judgment or interpretation of the facts and circumstances relating to various transactions had been different, it is possible that different accounting policies would have been applied resulting in a different presentation of our financial statements. On an ongoing basis, we evaluate our estimates and assumptions. In the event estimates or assumptions prove to be different from actual results, adjustments are made in subsequent periods to reflect more current information. Below is a discussion of accounting policies that we consider critical in that they may require complex judgment in their application or require estimates about matters that are inherently uncertain.

REIT Compliance

We intend to elect to be taxed as a REIT under the Code. Qualification as a REIT involves the application of highly technical and complex provisions of the Code to our operations and financial results and the determination of various factual matters and circumstances not entirely within our control. We believe that our current organization and method of operation comply with the rules and regulations promulgated under the Code to enable us to qualify, and continue to qualify, as a REIT. However, it is possible that we have been organized or have operated in a manner that would not allow us to qualify as a REIT, or that our future operations could cause us to fail to qualify.

If we fail to qualify as a REIT in any taxable year, then we will be required to pay federal income tax (including any applicable alternative minimum tax) and, in most of the states in which we operate, state income tax on our taxable income at regular corporate tax rates. We are subject to certain state and local taxes. If we lose our REIT status, then our net earnings available for investment or distribution to stockholders would be significantly reduced for each of the years involved, and we would no longer be required to make distributions to our stockholders.

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Investments in Rental Property

Purchase accounting was applied, on a pro-rata basis where appropriate, to the assets and liabilities of real estate entities in which we acquired an interest or a partial interest. The fair value of tangible assets of an acquired property (which includes land, buildings, and improvements) is determined by valuing the property as if it were vacant, and the as-if-vacant value is then allocated to land, buildings and improvements based on management s determination of the relative fair value of these assets. We determine the as-if-vacant fair value using methods similar to those used by independent appraisers. Factors considered by us in performing these analyses include an estimate of the carrying costs during the expected lease-up periods, current market conditions and costs to execute similar leases. In estimating carrying costs, we include real estate taxes, insurance and other operating expenses and estimates of lost rental revenue during the expected lease-up periods based on current market demand.

In allocating fair value to the identified intangible assets and liabilities of an acquired property, above-market and below-market in-place leases are recorded based on the present value (using an interest rate which reflects the risks associated with the leases acquired) of the difference between (1) the contractual amounts to be paid pursuant to the in-place leases and (2) our estimate of the fair market lease rates for the corresponding in-place leases, measured over a period equal to the remaining non-cancelable term of the leases. The capitalized above-market lease values are amortized as a reduction of rental income over the remaining non-cancelable terms of the respective leases. The capitalized below-market lease values (presented as acquired lease obligations in the accompanying consolidated balance sheets) are amortized as an increase to rental income over the initial term and any fixed rate renewal periods in the respective leases. If a tenant vacates its space prior to the contractual termination of the lease and no rental payments are being made on the lease, any unamortized balance of the related intangible will be written off.

The aggregate value of other acquired intangible assets consists of acquired in-place leases and acquired management agreements. The fair value allocated to acquired in-place leases consists of a variety of components including, but not necessarily limited to: (1) the value associated with avoiding the cost of originating the acquired in-place leases (i.e. the market cost to execute a lease, including leasing commissions and legal fees, if any); (2) the value associated with lost revenue related to tenant reimbursable operating costs estimated to be incurred during the assumed lease-up period (i.e. real estate taxes, insurance and other operating expenses); (3) the value associated with lost rental revenue from existing leases during the assumed lease-up period; and (4) the value associated with avoided tenant improvement costs or other inducements to secure a tenant lease. The fair value assigned to the acquired management agreements are recorded at the present value (using an interest rate which reflects the risks associated with the management agreements acquired) of the acquired management agreements with certain tenants of the acquired properties. The values of in-place leases and management agreements (presented as deferred leasing costs on the accompanying consolidated balance sheets) are amortized to expense over the remaining non-cancelable period of the respective leases or agreements. If a lease were to be terminated prior to its stated expiration, all unamortized amounts related to that lease would be written off.

Costs related to acquisition, development, construction and improvements are capitalized. Capitalized costs associated with unsuccessful acquisitions are charged to expense when an acquisition is abandoned.

Repair and maintenance costs are charged to expenses as incurred and significant replacements and betterments are capitalized. Repairs and maintenance costs include all costs that do not extend the useful life of an asset or increase its operating efficiency. Significant replacement and betterments represent costs that extend an asset s useful life or increase its operating efficiency.

Revenue Recognition

Rental income is recognized using the straight-line method over the terms of the tenant leases. Accrued straight-line rents included in our consolidated balance sheets represent the aggregate excess of rental revenue recognized on a straight-line basis over the contractual rent. Our leases generally contain provisions under which the tenants reimburse us for a portion of property operating expenses and real estate taxes incurred by us. Such reimbursements are recognized in the period that the expenses are incurred. Lease termination fees are recognized when the related leases are canceled and we have no continuing obligation to provide services to such former tenants. As discussed above, we recognize amortization of the value of acquired above or below market tenant leases as a reduction of rental income in the case of above market leases or an increase to rental revenue in the case of below market leases.

We must make subjective estimates related to when our revenue is earned and the collectibility of our accounts receivable related to minimum rent, deferred rent, expense reimbursements, lease termination fees and other income. We specifically analyze accounts receivable and historical bad debts, tenant concentrations, tenant creditworthiness, and current economic trends when evaluating the adequacy of the allowance for doubtful accounts receivable. These estimates have a direct impact on our net income because a higher bad debt allowance would result in lower net income, and recognizing rental revenue as earned in one period versus another would result in higher or lower net income for a particular period.

Depreciation and Amortization

We compute depreciation and amortization on our properties using the straight-line method based on estimated useful asset lives. In accordance with SFAS No. 141, *Business Combinations*, we allocate the acquisition cost of real estate to land, building, tenant improvements, acquired above- and below-market leases, origination costs and acquired in-place leases based on an assessment of their relative fair values and depreciate or amortize these assets over their useful lives. The amortization of acquired above- and below-market leases and acquired in-place leases is recorded as an adjustment to revenue and depreciation and amortization, respectively, in the consolidated statements of income.

Results of Operations

The following is a comparison, for the three months ended March 31, 2005 and 2004, for the years ended December 31, 2004 and 2003 and for the years ended December 31, 2003 and 2002, of the consolidated operating results of BioMed Realty Trust, Inc., the operating results of 201 Industrial Road, L.P., our predecessor, and the combined operating results of Bernardo Center Drive, Science Center Drive and Balboa Avenue. We refer to Bernardo Center Drive, Science Center Drive and Balboa Avenue as the Combined Contribution Properties. As part of our formation transactions, our predecessor was contributed to us on August 17, 2004 in exchange for 1,461,451 units in our operating partnership, and the Combined Contribution Properties, which were under common management with our predecessor, were contributed to us in exchange for 1,153,708 units in our operating partnership.

Our predecessor is considered for accounting purposes to be our acquirer. As such, the historical financial statements presented herein for our predecessor were prepared on a stand-alone basis. The financial statements of the Combined Contribution Properties are presented herein on an historical combined basis. Management does not consider the financial condition and operating results of our predecessor on a stand-alone basis to be indicative of the historical operating results of our company taken as a whole. Therefore, the following discussion relates to the financial condition and operating results of our predecessor and the Combined Contribution Properties, the other properties contributed to us over which our management has provided continuous common management throughout the applicable reporting periods, on a combined historical basis. Subsequent to the dates they were contributed to us, the financial information for each of our predecessor and the Combined Contribution Properties is included in the financial information for BioMed Realty Trust, which commenced operations on August 11, 2004. Management believes this presentation provides a more meaningful discussion of the financial condition and operating results of BioMed Realty Trust, our predecessor and the Combined Contribution Properties. In order to present these results on a meaningful combined basis, the historical combined financial information for all periods presented includes combining entries to reflect the partner s capital of our predecessor which was not owned by management.

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The following tables set forth the basis for presenting the historical combined financial information.

	BioMed Realty Trust, Inc.	Predecessor	Combined Contribution Properties		
	Period August 11, 2004 through December 31, 2004	Period January 1, 2004 through August 17, 2004	Period January 1, 2004 through the Date of Contribution	Combining Entries	Total
Year Ended December 31, 2004:					
Revenues:					
Rental	$ 19,432	$ 3,339	$ 2,831		$ 25,602
Tenant recoveries	9,222	375	479		10,076
	28,654	3,714	3,310		35,678
Expenses:					
Rental operations	11,619	353	353		12,325
Depreciation and amortization	7,853	600	543		8,996
General and administrative	3,130		97		3,227
	22,602	953	993		24,548
Income from operations	6,052	2,761	2,317		11,130
Equity in net loss of unconsolidated partnership	(11)				(11)
Interest income	190		10		200
Interest expense	(1,180)	(1,760)	(1,594)		(4,534)
Income before minority interests	5,051	1,001	733		6,785
Minority interests	(269)		(223)	(582)	(1,074)
Net income	$ 4,782	$ 1,001	$ 510	$ (582)	$ 5,711

	Predecessor	Combined Contribution Properties	Combining Entries	Total
Year Ended December 31, 2003:				
Revenues:				
Rental	$ 6,275	$ 4,189		$ 10,464

Tenant recoveries	744	743		1,487
	7,019	4,932		11,951
Expenses:				
Rental operations	830	633		1,463
Depreciation and amortization	955	854		1,809
General and administrative		155		155
	1,785	1,642		3,427
Income from operations	5,234	3,290		8,524
Interest income	1	33		34
Interest expense	(2,901)	(2,449)		(5,350)
Income before minority interests	2,334	874		3,208
Minority interests		(297)	(1,367)	(1,664)
Net income	$ 2,334	$ 577	$ (1,367)	$ 1,544

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	Predecessor	Combined Contribution Properties	Combining Entries	Total
Year Ended December 31, 2002:				
Revenues:				
Rental	$ 5,869	$ 4,189		$ 10,058
Tenant recoveries	718	745		1,463
	6,587	4,934		11,521
Expenses:				
Rental operations	821	638		1,459
Depreciation and amortization	955	860		1,815
General and administrative		161		161
	1,776	1,659		3,435
Income from operations	4,811	3,275		8,086
Interest income	3	57		60
Interest expense	(3,154)	(2,579)		(5,733)
Income before minority interests	1,660	753		2,413
Minority interests		(237)	(965)	(1,202)
Net income	$ 1,660	$ 516	$ (965)	$ 1,211

	Three Months Ended March 31, 2005	Three Months Ended March 31, 2004			
	BioMed Realty Trust, Inc.	Predecessor	Combined Contribution Properties	Combining Entries	Total
Three Months Ended March 31 (unaudited):					
Revenues:					
Rental	$ 14,214	$ 1,562	$ 1,046		$ 2,608
Tenant recoveries	7,254	150	182		332
Other income	3,003				
Total revenues	24,471	1,712	1,228		2,940

Expenses:					
Rental operations	6,395	65	74		139
Real estate taxes	1,788	88	56		144
Depreciation and amortization	6,191	242	204		446
General and administrative	2,550		58		58
Total expenses	16,924	395	392		787
Income from operations	7,547	1,317	836		2,153
Equity in net income of unconsolidated partnership	51				
Interest income	78		5		5
Interest expense	(1,411)	(686)	(613)		(1,299)
Income before minority interests	6,265	631	228		859
Minority interests	(429)		(72)	(370)	(442)
Net income	$ 5,836	$ 631	$ 156	$ (370)	$ 417

Comparison of the Three Months Ended March 31, 2005 to the Three Months Ended March 31, 2004

Rental Revenues. Rental revenues increased $11.6 million to $14.2 million for the three months ended March 31, 2005 compared to $2.6 million for the three months ended March 31, 2004. The increase was primarily due to the inclusion of rental revenues for the properties acquired in connection with our IPO as well as acquisitions subsequent to our IPO.

Tenant Recoveries. Revenues from tenant reimbursements increased $7.0 million to $7.3 million for the three months ended March 31, 2005 compared to $332,000 for the three months ended March 31, 2004. The increase was primarily due to the inclusion of tenant reimbursements for the properties acquired in connection with our IPO as well as acquisitions subsequent to our IPO.

Other Income. Other income is comprised of a gain on early termination of lease of a portion of the Nektar lease at Industrial Road of $3.0 million for the three months ended March 31, 2005 compared to $0 for the three months ended March 31, 2004.

Rental Operations Expense. Rental operations expenses increased $6.3 million to $6.4 million for the three months ended March 31, 2005 compared to $139,000 for the three months ended March 31, 2004. The increase was primarily due to the inclusion of rental property operations expenses for the properties acquired in connection with our IPO as well as acquisitions subsequent to our IPO.

Real Estate Tax Expense. Real estate tax expense increased $1.7 million to $1.8 million for the three months ended March 31, 2005 compared to $144,000 for the three months ended March 31, 2004. The increase was primarily due to the inclusion of property taxes for the properties acquired in connection with our IPO as well as additional property acquisitions subsequent to our IPO.

Depreciation and Amortization Expense. Depreciation and amortization expense increased $5.8 million to $6.2 million for the three months ended March 31, 2005 compared to $446,000 for the three months ended March 31, 2004. The increase was primarily due to the inclusion of depreciation and amortization expense for the properties acquired in connection with our IPO as well as acquisitions subsequent to our IPO.

General and Administrative Expenses. General and administrative expenses increased to $2.6 million for the three months ended March 31, 2005 from $58,000 for the three months ended March 31, 2004. The increase was primarily due to the IPO, the hiring of new personnel after the IPO, the addition of expenses relating to operating as a public company, compensation expense related to unvested restricted stock compensation awards accrued during the three months ended March 31, 2005 and higher consulting and professional fees associated with corporate governance and Sarbanes-Oxley Section 404 implementation.

Interest Income. Interest income increased to $78,000 for the three months ended March 31, 2005 from $5,000 for the three months ended March 31, 2004. This is primarily due to interest earned on an increase of funds held by us during the three months ended March 31, 2005.

Interest Expense. Interest expense increased $100,000 to $1.4 million for the three months ended March 31, 2005 compared to $1.3 million for the three months ended March 31, 2004. The increase in interest is a result of more overall debt outstanding after the consummation of the IPO partially offset by a reduction of interest expense in 2005 due to the accretion of debt premium, which decreased interest expense by $261,000.

Minority Interests. Minority interests decreased to $429,000 for the three months ended March 31, 2005 from $442,000 for the three months ended March 31, 2004. The minority interest allocations for the three months ended March 31, 2005 and 2004 are not comparable due to the IPO. The 2004 allocation was a result of the percentage allocation to non-controlling interests of the Combined Contribution Properties and for our predecessor. The 2005 allocation was allocated to the limited partner unit holders of our operating partnership.

Comparison of the Year Ended December 31, 2004 to the Year Ended December 31, 2003

Our results of operations for the years ended December 31, 2004 and 2003 include the accounts of our predecessor through the date of its contribution to us. Our predecessor is the largest of the properties contributed in our IPO and therefore has been identified as the accounting acquirer pursuant to paragraph 17 of SFAS No. 141, *Business Combinations.* As such, the historical financial statements presented herein for our predecessor were prepared on a stand-alone basis. The financial information for the Combined Contribution Properties also is included through the date of contribution for each property. Subsequent to the dates they were contributed to us, the financial information for each of our predecessor and the Combined Contribution Properties is included in the financial information for BioMed Realty Trust, which commenced operations on August 11, 2004.

Rental Revenues. Rental revenues increased $15.1 million to $25.6 million for the year ended December 31, 2004 compared to $10.5 million for the year ended December 31, 2003. The increase was primarily due to the inclusion of rental revenues for the properties acquired in connection with our IPO as well as additional property acquisitions subsequent to our IPO. Rental revenues for the additional properties acquired during 2004 is net of amortization of the value recorded for acquired above market leases and includes amortization of acquired lease obligations related to below market leases, both related to purchase accounting entries recorded upon acquisition of the interests in these properties.

Tenant Recoveries. Revenues from tenant reimbursements increased $8.6 million to $10.1 million for the year ended December 31, 2004 compared to $1.5 million for the year ended December 31, 2003. The increase was primarily due to the inclusion of tenant reimbursements for the properties acquired in connection with our IPO as well as additional property acquisitions subsequent to our IPO.

Rental Operations Expenses. Rental operations expenses increased $10.8 million to $12.3 million for the year ended December 31, 2004 compared to $1.5 million for the year ended December 31, 2003. The increase was primarily due to the inclusion of rental property operations expenses for the properties acquired in connection with our IPO as well as additional property acquisitions subsequent to our IPO. These expenses include insurance, property taxes and other operating expenses, most of which were recovered from the tenants.

Depreciation and Amortization Expense. Depreciation and amortization expense increased $7.2 million to $9.0 million for the year ended December 31, 2004 compared to $1.8 million for the year ended December 31, 2003. The increase was primarily due to the inclusion of depreciation and amortization expense for the properties acquired in connection with our IPO as well as additional property acquisitions subsequent to our IPO.

General and Administrative Expenses. General and administrative expenses increased $3.1 million to $3.2 million for the year ended December 31, 2004 compared to $155,000 for the year ended December 31, 2003. The increase was primarily due to the IPO, the hiring of new personnel after the IPO, the addition of expenses relating to operating as a public company, and the compensation expense related to unvested restricted stock compensation awards accrued during the period from August 11, 2004 to December 31, 2004.

Interest Income. Interest income increased to $200,000 for the year ended December 31, 2004 from $34,000 for the year ended December 31, 2003. This is primarily due to interest earned on funds held by us following the consummation of the IPO.

Interest Expense. Interest expense decreased to $4.5 million for the year ended December 31, 2004 compared to $5.4 million for the year ended December 31, 2003. The decrease in interest is a result of the payoff of notes related to the Bernardo Center Drive and Balboa Avenue properties in connection with our IPO. In addition, interest expense was reduced in 2004 due to the accretion of debt premium, which decreased interest expense by $307,000.

Minority Interests. Minority interests decreased to $1.1 million for the year ended December 31, 2004, compared to $1.7 million for the year ended December 31, 2003. The minority interest allocation for

2004 and 2003 are not comparable due to the IPO. The 2003 allocation was a result of the percentage allocation to non-controlling interests of the Combined Contribution Properties and for our predecessor. The 2004 allocation was allocated to the limited partner unit holders of our operating partnership.

Comparison of the Year Ended December 31, 2003 to the Year Ended December 31, 2002

Rental Revenues. Rental revenues increased by $406,000, or 4.0%, to $10.5 million for 2003 compared to $10.1 million for 2002. The increase resulted from reduced rental rates charged during the build-out period for a portion of the Industrial Road property. Specifically, the tenant received a temporary rent reduction of $531,000 from October 2001 to October 2002, based on a pre-established formula as defined in the lease agreement.

Tenant Recoveries. Revenues from tenant reimbursements remained consistent at approximately $1.5 million for 2003 and 2002.

Rental Operations Expenses. Rental operations expenses remained consistent at approximately $1.5 million for 2003 and 2002. These expenses include insurance, property taxes and other operating expenses, most of which were recovered from the tenants.

Depreciation and Amortization Expense. Depreciation and amortization expense remained consistent at $1.8 million for 2003 and 2002.

General and Administrative Expenses. General and administrative expenses remained consistent at $155,000 for 2003 and $161,000 for 2002.

Interest Income. Interest income was $34,000 for 2003 compared to $60,000 for 2002. The decrease was primarily due to a decrease in an amount due from a tenant for tenant improvements at the Balboa Avenue property. Additionally, we earned lower interest rates on cash balances in 2003 compared to 2002.

Interest Expense. Interest expense decreased by $383,000, or 6.7%, to $5.4 million for 2003 compared to $5.7 million for 2002. This decrease resulted from reductions in the principal balances outstanding and a decrease in the interest rate floor (minimum contractual rate) on one of our variable-rate loans in August 2002. The weighted-average effective interest rate on our borrowings remained constant at 7.42% from December 31, 2002 to December 31, 2003.

Minority Interests. Minority interests increased $462,000, or 38.5%, to $1.7 million for 2003 compared to $1.2 million in 2002. The increase in minority interest is a result of the consistent percentage allocation to non-controlling interests of income before minority interest, which increased as a result of the changes discussed above.

Funds from Operations

We present funds from operations, or FFO, because we consider it an important supplemental measure of our operating performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate and related assets, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income. We compute FFO in accordance with standards established by the Board of Governors of NAREIT in its March 1995 White Paper (as amended in November 1999 and April 2002). As defined by NAREIT, FFO represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, plus real estate related depreciation and amortization (excluding amortization of loan origination costs) and after adjustments for unconsolidated partnerships and joint ventures. Our computation may differ from the methodology for calculating FFO utilized by other equity REITs and, accordingly, may not be comparable to such other REITs. Further, FFO does not represent amounts available for management s discretionary use because of needed capital replacement or expansion, debt service obligations, or other commitments and uncertainties. FFO should not be considered as an alternative to net income (loss) (computed in accordance with GAAP) as an indicator of our financial performance or to cash flow from operating activities (computed in accordance with GAAP) as an indicator of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to pay dividends or make distributions.

The following tables provide the calculation of our FFO and a reconciliation to net income for the quarter ended March 31, 2005 and for the period from August 11, 2004 through December 31, 2004 (in thousands, except per share amounts):

	Quarter Ended March 31, 2005	August 11, 2004 to December 31, 2004
Net income	$ 5,836	$ 4,782
Adjustments		
Minority interests	538	414
Depreciation and amortization real estate assets	6,180	7,903
Funds from operations	$ 12,554	$ 13,099
Funds from operations per share diluted	$ 0.37	$ 0.39
Weighted-average common shares outstanding diluted	34,148,820	33,767,575

Liquidity and Capital Resources

Our short-term liquidity requirements consist primarily of funds to pay for operating expenses and other expenditures directly associated with our properties, including:

interest expense and scheduled principal payments on outstanding indebtedness,

general and administrative expenses,

future distributions expected to be paid to our stockholders, and

capital expenditures, tenant improvements and leasing commissions.

We expect to satisfy our short-term liquidity requirements through our existing working capital and cash provided by our operations. Our rental revenue, provided by our triple-net leases, and minimal unreimbursed operating expenses generally provide cash inflows to meet our debt service obligations, pay general and administrative expenses, and fund regular distributions.

Our long-term liquidity requirements consist primarily of funds to pay for scheduled debt maturities, renovations, expansions and other non-recurring capital expenditures that need to be made periodically and the costs associated with acquisitions of properties that we pursue. We expect to satisfy our long-term liquidity requirements through our existing working capital, cash provided by operations, long-term secured and unsecured indebtedness, the issuance of additional equity or debt securities and the use of net proceeds from the disposition of non-strategic assets. We also expect to use funds available under our revolving unsecured loan agreement to finance acquisition and development activities and capital expenditures on an interim basis.

Our total market capitalization at March 31, 2005 was approximately $822.7 million based on the market closing price of our common stock at March 31, 2005 of $20.60 per share (assuming the conversion of 2,870,564 operating partnership units into common stock) and our debt outstanding was approximately $116.0 million (exclusive of unamortized debt premium and accounts payable and accrued expenses). As a result, our debt-to-total market capitalization ratio was approximately 14.1% at March 31, 2005. Following completion of this offering and application of the proceeds, our ratio of debt-to-total market capitalization will be approximately 32.9% (32.1% if the underwriters exercise their over-allotment option in full), based on our outstanding indebtedness and our closing stock price as of June 14, 2005. Our board of directors adopted a policy of limiting our indebtedness to approximately 60% of our total market capitalization. However, our board of directors may from time to time modify our debt policy in light of current economic or market conditions including, but not limited to, the relative costs of debt and equity capital, market conditions for debt and equity securities and fluctuations in the market price of our common stock. Accordingly, we may increase or decrease our debt to market capitalization ratio beyond the limit described above.

On May 31, 2005, in order to finance the Lyme portfolio acquisition and provide additional working capital, we entered into three credit facilities with KeyBank and other lenders under which we initially borrowed $485.0 million of a total of $600.0 million available under these facilities. The credit facilities include a senior unsecured revolving credit facility of $250.0 million, under which we initially borrowed $135.0 million, a senior unsecured term loan facility of $100.0 million and a senior secured term loan facility of $250.0 million. We borrowed the full amounts under the senior unsecured term loan and senior secured term loan facilities. The senior unsecured facilities have a maturity date of May 30, 2008 and bear interest at a floating rate equal to, at our option, either (1) reserve adjusted LIBOR plus a spread which ranges from 120 to 200 basis points, depending on our leverage, or (2) the higher of (a) the prime rate then in effect plus a spread which ranges from 0 to 50 basis points and (b) the federal funds rate then in effect plus a spread which ranges from 50 to 100 basis points, in each case, depending on our leverage. The secured credit facility, which has a maturity date of May 30, 2010, is initially secured by 13 of our properties and bears interest at a floating rate equal to, at our option, either (1) reserve adjusted LIBOR plus 225 basis points or (2) the higher of (a) the prime rate then in effect plus 50 basis points and (b) the federal funds rate then in effect plus 100 basis points. The secured facility is also secured by our interest in any distributions from these properties and a pledge of the equity interests in a subsidiary owning one of these properties. We may not prepay the secured facility prior to May 31, 2006. Subject to the administrative agent s reasonable discretion, we may increase the amount of the unsecured revolving credit facility to $400.0 million upon satisfying certain conditions. We entered into an interest rate swap agreement in connection with the closing of the credit facilities, which will have the effect of fixing the interest rate on the secured term loan at 6.4%.

The terms of these credit facilities include certain restrictions and covenants, which limit, among other things, the payment of dividends, and the incurrence of additional indebtedness and liens. The terms also require compliance with financial ratios relating to the minimum amounts of net worth, fixed charge coverage, unsecured debt service coverage, leverage ratio and interest coverage, the maximum amounts of unsecured, secured and recourse indebtedness, and certain investment limitations. The dividend restriction referred to above provides that, except to enable us to continue to qualify as a REIT for federal income tax purposes, we will not during any four consecutive quarters make distributions with respect to common stock or other equity interests in an aggregate amount in excess of 95% of funds from operations or 100% of funds available for distribution, each as defined, for such period, subject to other adjustments. These credit facilities specify a number of events of default (some of which are subject to applicable cure periods), including, among others, the failure to make payments when due, noncompliance with covenants and defaults under other agreements or instruments of indebtedness. Upon the occurrence of an event of default, the lenders may terminate the facilities and declare all amounts outstanding to be immediately due and payable.

On December 28, 2004, we completed a $49.3 million, five-year mortgage financing with The Northwestern Mutual Life Insurance Company at a rate of 4.55% per annum that matures on January 1, 2010. We may prepay the loan in full upon payment of a 1% fee. The debt is secured by three properties: Towne Centre Drive, Monte Villa Parkway and Bayshore Boulevard. The proceeds were used in part to repay outstanding borrowings under our then existing revolving credit facility.

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A summary of our outstanding consolidated secured indebtedness as of December 31, 2004 and March 31, 2005 is as follows (in thousands):

	Stated Fixed Interest Rate	Effective Interest Rate	Principal Amount	Unamortized Premium Amount	Carrying Value at March 31, 2005	Carrying Value at December 31, 2004	Maturity Date
Ardentech Court	7.25%	5.06%	$ 4,807	$ 591	$ 5,398	$ 5,440	July 1, 2012
Bayshore Boulevard	4.55%	4.55%	16,378		16,378	16,438	January 1, 2010
Bridgeview	8.07%	5.04%	11,798	1,780	13,578	13,681	January 1, 2011
Eisenhower Road	5.80%	4.63%	2,244	73	2,317	2,331	May 5, 2008
Elliott Avenue	7.38%	4.63%	16,881	1,017	17,898	18,107	November 24, 2007
Monte Villa Parkway	4.55%	4.55%	9,971		9,971	10,007	January 1, 2010
Science Center Drive	7.65%	5.04%	11,667	1,613	13,280	13,376	July 1, 2011
Towne Centre Drive	4.55%	4.55%	22,774		22,774	22,856	January 1, 2010
			$ 96,520	$ 5,074	$ 101,594	$ 102,236	

The outstanding secured notes payable due to affiliates as of December 31, 2003 was repaid on August 17, 2004. Mortgage debt aggregating $77.0 million secured by the King of Prussia property was repaid in August 2004 concurrent with the purchase of the property. Premiums were recorded upon assumption of the notes at the time of the related acquisition to account for above-market interest rates. Amortization of these premiums is recorded as a reduction to interest expense over the remaining term of the respective note.

As of March 31, 2005, principal payments due for our consolidated indebtedness were as follows (in thousands and excluding unamortized premiums):

2005	$ 1,456
2006	2,017
2007	37,112
2008	3,732
2009	1,716
Thereafter	69,987
	$ 116,020

We may in the future continue to enter into derivative financial instruments such as interest rate swaps, caps and treasury locks in order to mitigate our interest rate risk on a related financial instrument. In connection with the KeyBank $250.0 million secured term loan, we have entered into an interest rate swap agreement, which will have the effect of fixing the interest rate on the secured term loan at 6.4%. However, we were not a party to any derivative financial instruments at March 31, 2005. Further, we do not enter into derivative or interest rate transactions for speculative or trading purposes.

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The following table provides information with respect to our contractual obligations at March 31, 2005, including the maturities and scheduled principal repayments and related interest payments of our secured debt. We were not subject to any material capital lease obligations or unconditional purchase obligations as of March 31, 2005.

Contractual Obligations

Obligation	Through Remainder of 2005	2006	2007	2008	2009	Thereafter
			(In thousands)			
Mortgage notes payable(1)	$ 5,787	$ 7,718	$ 23,126	$ 8,000	$ 5,833	$ 73,231
Unsecured line of credit			19,500			
Share of secured debt of unconsolidated partnership(2)	164	219	219	219	219	2,159
Tenant obligations(3)	9,112					
Construction projects	3,577					
Total	$ 18,640	$ 7,937	$ 42,845	$ 8,219	$ 6,052	$ 75,390

(1) Balance excludes $5.1 million of unamortized debt premium.

(2) Balance excludes $385,000 of unamortized debt premium.

(3) Committed tenant-related obligations based on executed leases as of March 31, 2005.

Off Balance Sheet Arrangements

As of March 31, 2005, we had an investment in McKellar Court, L.P., which owns a single tenant occupied property located in San Diego. The acquisition of the investment in McKellar Court closed on September 30, 2004. McKellar Court is a variable interest entity as defined in Financial Accounting Standards Board Interpretation No. 46 (revised December 2003), *Consolidation of Variable Interest Entities*; however, we are not the primary beneficiary. The limited partner is also the only tenant in the property and will bear a disproportionate amount of any losses. We, as the general partner, will receive 21% of the operating cash flows and 75% of the gains upon sale of the property. We account for our general partner interest using the equity method. Significant accounting policies used by the unconsolidated partnership that owns this property are similar to those used by us. At March 31, 2005, our share of the debt related to this investment was equal to approximately $2.3 million (excluding unamortized debt premium). The assets and liabilities of McKellar Court were $18.9 million and $12.9 million, respectively, at March 31, 2005. The table below summarizes our share of the outstanding debt (based on our respective ownership interests) of this investment at March 31, 2005 (in thousands):

	Stated Fixed Interest Rate	Effective Interest Rate	Principal Amount	Unamortized Premium Amount	Total Book Value	Maturity Date
McKellar Court	8.56%	4.63%	$ 2,271	$ 385	$ 2,656	January 1, 2010

Cash Flows

The following summary discussion of our cash flows is based on the Consolidated and Combined Statements of Cash Flows included in the Financial Statements in this prospectus and is not meant to be an all inclusive discussion of the changes in our cash flows for the periods presented below (in thousands):

	Three Months Ended March 31,		
	BioMed Realty Trust, Inc. 2005	Predecessor and Combined Contribution Properties 2004	Change
Net cash provided by operating activities	$ 10,062	$ 1,137	$ 8,925
Net cash used in investing activities	(32,197)		(32,197)
Net cash provided by (used in) financing activities	9,836	(1,254)	11,090
Ending cash balance	15,570	238	15,332

	Year Ended December 31,		
	BioMed Realty Trust, Inc. and Predecessor 2004	Predecessor and Combined Contribution Properties 2003	Change
Net cash provided by operating activities	$ 13,959	$ 4,383	$ 9,576
Net cash used in investing activities	(456,680)	(105)	(456,575)
Net cash provided by (used in) financing activities	470,433	(4,563)	474,996
Ending cash balance	27,869	355	27,514

Our statements of cash flows and those of our predecessor have been combined for the year ended December 31, 2004. The statements of cash flows of our predecessor have been combined with those of the Combined Contribution Properties for the three months ended March 31, 2004 and the year ended December 31, 2003 because management does not consider the cash flows of our predecessor on a stand-alone basis to be indicative of the historical cash flows of our company taken as a whole.

Comparison of the Three Months Ended March 31, 2005 to the Three Months Ended March 31, 2004

Cash and cash equivalents were $15.6 million and $238,000, respectively, at March 31, 2005 and March 31, 2004.

Net cash provided by operating activities increased $8.9 million to $10.0 million for the three months ended March 31, 2005 compared to $1.1 million for the three months ended March 31, 2004. The increase was primarily due to the increases in operating income before depreciation and amortization, and changes in other operating assets and liabilities.

Net cash used in investing activities was $32.2 million for the three months ended March 31, 2005 compared to $0 for the three months ended March 31, 2004. The increase was primarily due to $33.0 million paid to acquire interests in real estate entities and funds held in escrow for acquisitions partially offset by receipts of master lease payments.

Net cash provided by financing activities increased $11.1 million to $9.8 million for the three months ended March 31, 2005 compared to cash used of $1.3 million for the three months ended March 31, 2004. The increase was primarily due to borrowings under our revolving unsecured loan agreement offset by principal payments on mortgage loans, and payments of dividends and distributions.

Comparison of the Year Ended December 31, 2004 to the Year Ended December 31, 2003

Net cash provided by operating activities increased $9.6 million to $14.0 million for the year ended December 31, 2004 compared to $4.4 million for the year ended December 31, 2003. The increase was primarily due to the acquisition of properties acquired in connection with our IPO.

Net cash used in investing activities increased $456.6 million to $456.7 million for the year ended December 31, 2004 compared to $105,000 for the year ended December 31, 2003. The increase was primarily due to $459.3 million paid to acquire properties, funds held in escrow for acquisitions, and the repayment of related party payables, partially offset by funds received from prior owners for security deposits and tenant improvements and receipts of master lease payments.

Net cash provided by financing activities increased $475.0 million to $470.4 million for the year ended December 31, 2004 compared to net cash used of $4.6 million for the year ended December 31, 2003. The increase was primarily due to the net proceeds received from the IPO of our common stock on August 11, 2004 and the exercise of the underwriters over-allotment option on August 16, 2004, offset by the payment of offering costs, principal payments on secured notes payable, the payment of loan costs, distributions to owners of the predecessor, and dividends paid to stockholders.

Cash and cash equivalents were $27.9 million and $355,000 at December 31, 2004 and 2003, respectively.

Cash Distribution Policy

We will elect to be taxed as a REIT under the Code commencing with our taxable year ended December 31, 2004. To qualify as a REIT, we must meet a number of organizational and operational requirements, including the requirement that we distribute currently at least 90% of our ordinary taxable income to our stockholders. It is our intention to comply with these requirements and maintain our REIT status. As a REIT, we generally will not be subject to corporate federal, state or local income taxes on taxable income we distribute currently (in accordance with the Code and applicable regulations) to our stockholders. If we fail to qualify as a REIT in any taxable year, we will be subject to federal, state and local income taxes at regular corporate rates and may not be able to qualify as a REIT for subsequent tax years. Even if we qualify for federal taxation as a REIT, we may be subject to certain state and local taxes on our income and to federal income and excise taxes on our undistributed taxable income, *i.e.*, taxable income not distributed in the amounts and in the time frames prescribed by the Code and applicable regulations thereunder.

Since our IPO through March 31, 2005, we have declared aggregate dividends on our common stock and distributions on our operating partnership units of $0.6897 per common share and unit, representing a full quarterly dividend for each of the fourth quarter of 2004 and first quarter of 2005 of $0.27 per common share and unit and a partial dividend for the third quarter of 2004 of $0.1497 per common share and unit. On June 3, 2005, we declared a dividend of $0.27 per common share and unit, for the period from April 1, 2005 to June 30, 2005, payable to the holders of record on June 15, 2005. The dividends are equivalent to an annual rate of $1.08 per common share and unit.

Inflation

Some of our leases contain provisions designed to mitigate the adverse impact of inflation. These provisions generally increase rental rates during the terms of the leases either at fixed rates or indexed escalations (based on the Consumer Price Index or other measures). We may be adversely impacted by inflation on the leases that do not contain indexed escalation provisions. In addition, most of our leases require the tenant to pay an allocable share of operating expenses, including common area maintenance costs, real estate taxes and insurance. This may reduce our exposure to increases in costs and operating expenses resulting from inflation, assuming our properties remain leased and tenants fulfill their obligations to reimburse us for such expenses.

Our Key Bank credit facilities bear interest at a variable rate, which, to the extent not adequately hedged, will be influenced by changes in short-term interest rates, and will be sensitive to inflation.

Newly Issued Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board, or FASB, issued SFAS No. 123R, *Share-Based Payment*, or SFAS 123R. SFAS 123R replaces SFAS 123. SFAS 123R requires the compensation cost relating to share-based payment transactions be recognized in financial statements and be measured based on the fair value of the equity instrument issued. SFAS 123R is effective in fiscal periods beginning after June 15, 2005. As of December 31, 2004, our equity issuances for compensation have consisted entirely of restricted stock grants to directors and employees. We do not believe that the treatment of our restricted stock grants under SFAS 123R differ from the treatment under SFAS 123. As a result, we do not expect the adoption of SFAS 123R to have a material impact on our results of operations, financial position or liquidity. On April 14, 2005, the Securities and Exchange Commission announced a deferral of the effective date of SFAS 123R for calendar year companies until the beginning of 2006.

In December 2004, the FASB issued SFAS No. 153, *Exchange of Nonmonetary Assets, an amendment of APB Opinion No. 29*, or SFAS 153. The amendments made by SFAS 153 are based on the principle that exchanges of nonmonetary assets should be measured on the fair value of assets exchanged. SFAS 153 eliminates the exception for nonmonetary exchanges of similar productive assets and replaces it with a broader exception for exchanges of nonmonetary assets that do not have commercial substance. SFAS 153 is effective for nonmonetary exchanges occurring in fiscal periods beginning after June 15, 2005. We do not expect the adoption of SFAS 153 to have a material impact on our results of operations, financial position or liquidity.

Quantitative and Qualitative Disclosures About Market Risk

Our future income, cash flows and fair values relevant to financial instruments depend upon prevailing market interest rates. Market risk is the exposure to loss resulting from changes in interest rates, foreign currency exchange rates, commodity prices and equity prices. The primary market risk to which we believe we are exposed is interest rate risk. Many factors, including governmental monetary and tax policies, domestic and international economic and political considerations and other factors that are beyond our control contribute to interest rate risk.

As of March 31, 2005, our consolidated debt consisted of eight fixed-rate notes with a carrying value of $101.6 million (including $5.1 million of unamortized premium) and a weighted-average effective interest rate of 4.71% and our credit facility with an outstanding balance of $19.5 million and a weighted-average variable interest rate of 4.03%. To determine fair value, the fixed-rate debt is discounted at a rate based on an estimate of current lending rates, assuming the debt is outstanding through maturity and considering the notes collateral. At March 31, 2005, the fair value of the fixed-rate debt was estimated to be $99.0 million compared to the net carrying value of $101.6 million (including $5.1 million of unamortized premium). We do not believe that the interest rate risk represented by our fixed rate debt was material as of March 31, 2005 in relation to total assets of $601.6 million and equity market capitalization of $706.7 million of our common stock and operating units. At March 31, 2005, the fair value of the debt of our investment in unconsolidated partnership approximated the carrying value.

If interest rates were to increase by 10%, or 40 basis points, the increase in interest expense on our $19.5 million in variable rate debt would decrease future annual earnings and cash flows by approximately $72,000 as of March 31, 2005. If interest rates were to decrease by 10%, or 40 basis points, the decrease in interest expense on our $19.5 million in variable rate debt would increase our future annual earnings and cash flows by approximately $72,000 as of March 31, 2005.

These amounts were determined by considering the impact of hypothetical interest rates on our financial instruments. These analyses do not consider the effect of any change in overall economic activity that could occur in that environment. Further, in the event of a change of the magnitude discussed above, we may take actions to further mitigate our exposure to the change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, these analyses assume no changes in our financial structure.

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In order to modify and manage the interest rate characteristics of our outstanding debt and to limit the effects of interest rate risks on our operations, we may utilize a variety of financial instruments, including interest rate swaps, caps and treasury locks in order to mitigate our interest rate risk on a related financial instrument. The use of these types of instruments to hedge our exposure to changes in interest rates carries additional risks, including counterparty credit risk, the enforceability of hedging contracts and the risk that unanticipated and significant changes in interest rates will cause a significant loss of basis in the contract. To limit counterparty credit risk we will seek to enter into such agreements with major financial institutions with high credit ratings. There can be no assurance that we will be able to adequately protect against the foregoing risks and will ultimately realize an economic benefit that exceeds the related amounts incurred in connection with engaging in such hedging activities. We do not enter into such contracts for speculative or trading purposes. For the period from August 11, 2004 to March 31, 2005, we were not a party to any such financial instruments. In connection with the KeyBank $250.0 million secured term loan, we have entered into an interest rate swap agreement, which will have the effect of fixing the interest rate on the secured term loan at 6.4%.

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BUSINESS AND PROPERTIES

Business Overview

We are a REIT focused on acquiring, developing, owning, leasing and managing laboratory and office space for the life science industry. Our tenants include biotechnology and pharmaceutical companies, scientific research institutions, government agencies and other entities involved in the life science industry. Our current properties and our primary acquisition targets are located in markets with well established reputations as centers for scientific research, including Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/ New Jersey.

We completed an IPO of our common stock in August 2004 and raised net proceeds of approximately $429.3 million. In connection with the IPO, we acquired 13 properties with an aggregate of 2.3 million rentable square feet of laboratory and office space. Since the completion of the IPO, we have acquired an additional 20 properties with an aggregate of 2.0 million rentable square feet of laboratory and office space for aggregate cash consideration of $546.9 million and the assumption of $143.0 million of debt. As of May 31, 2005, we owned 33 properties with an aggregate of 4.3 million rentable square feet of laboratory and office space, which was approximately 92.2% leased to 76 tenants. Of the remaining unleased space, 204,071 square feet, or 4.8% of our total rentable square footage, was under redevelopment.

On May 31, 2005, we completed the acquisition of the Lyme portfolio, described below under Lyme Portfolio Properties. The Lyme portfolio consists of ten buildings with an aggregate of approximately 1.1 million rentable square feet of laboratory and office space, which upon acquisition was 96.8% leased with an average remaining term of ten years, and includes the parking structure with 447 parking spaces. The purchase price was $523.6 million, excluding closing costs, and was funded through borrowings under three credit facilities with KeyBank and other lenders and the assumption of approximately $131.2 million of indebtedness.

Our senior management team has significant experience in the real estate industry, principally focusing on properties designed for life science tenants. We operate as a fully integrated, self-administered and self-managed REIT, providing management, leasing, development and administrative services to our properties.

Our executive offices are located at 17140 Bernardo Center Drive, Suite 222, San Diego, California 92128. Our telephone number at that location is (858) 485-9840. Our website is located at www.biomedrealty.com. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this prospectus or any other report or document we file with or furnish to the Securities and Exchange Commission.

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Industry Overview

The life science industry represents a large and fast growing segment of the U.S. economy. In 2004, according to CMS, health care spending grew 7.5% to an estimated $1.8 trillion, representing 15.4% of U.S. gross domestic product, and annual health care spending is projected to grow faster than the broader economy for the next ten years, reaching $3.6 trillion in 2014, representing 18.7% of U.S. gross domestic product, as shown in the chart below. According to the Bureau of Labor Statistics, employment in the health services industry is forecasted to grow at approximately twice the rate of the broader economy. In addition, according to a 2001 study by Research!America, it was estimated that for every dollar spent on health care $0.06 was spent on research, which would represent approximately $100 billion in 2003. Within the life science industry, we primarily focus on the following tenants: biotechnology and pharmaceutical companies, scientific research institutions and government agencies.

National Health Expenditures and Their Share of Gross Domestic Product, 1994-2014

Source: CMS

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Biotechnology Companies

Biotechnology is a large and growing, well-financed segment of total health care spending and employment. According to NDC Health, the market for prescription drugs accounted for approximately $251 billion in 2004, and has grown 51.2% since 2000. This revenue growth has been supported by significant increases in research and development spending. In the 2004 Ernst & Young Global Biotechnology Report issued in June 2004, or E&Y Report, Ernst & Young LLP estimates that public U.S. biotechnology companies spent $13.6 billion on research and development in 2003, representing a 101% increase since 1998. Ernst & Young estimates that this sector received approximately $75 billion in total financings. Also, since 1998, biotechnology employment by public U.S. biotechnology companies has grown 38% to an aggregate of 146,100 employees. The strengthening financial condition of the biotechnology industry is reflected in the revenue growth demonstrated in the chart below, with revenues growing from $12 billion in 1994 to $36 billion in 2003.

Domestic Biotechnology Revenues

Source: Ernst & Young LLP

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Pharmaceutical Companies

Pharmaceutical companies are an important segment of the life science industry. Pharmaceutical companies not only require increasing amounts of research and development space but directly and indirectly drive demand for additional life science facilities. Pharmaceutical Research and Manufacturers of America, or PhRMA, estimates that the domestic pharmaceutical industry spent approximately $27.1 billion on research and development in 2003, an increase of 158% in the last ten years (as shown below), and has increased this spending every year since 1970. Over the same period, domestic pharmaceutical sales increased over 200%. Research and development spending has benefited from this sales growth, as well as more complex disease targets and a more extensive regulatory process.

Domestic Pharmaceutical R&D Expenditures

Source: PhRMA

Scientific Research Institutions

Demand for our space is also driven by university and non-profit research institute spending. These institutions directly drive the demand for laboratory space through their own research efforts and indirectly through funding private sector research and supplying access to their research facilities and equipment. For example, the Scripps Research Institute in San Diego utilizes over one million square feet of laboratory space and employs more than 2,800 scientists, technicians and other professionals. Other examples of non-profit research institutions in our target markets include the American Heart Association, the American Lung Association, the American Cancer Society, the Salk Institute for Biological Studies, the Whitehead Institute for Biomedical Research, the National Cancer Institute, the Sloan Kettering Institute for Cancer Research and the Fred Hutchinson Cancer Research Center. Universities and research hospitals such as the University of California, San Diego, the University of California, San Francisco, Stanford University, Johns Hopkins University, the University of Pennsylvania, Princeton University, Columbia University, Harvard University and Massachusetts General Hospital also have active research and development efforts and are important drivers of demand for rental space in the markets in which they operate.

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Government Agencies

A fourth major demand driver and tenant focus for us is federal and state government agencies. Government agencies drive the need for space directly through their research and development programs and indirectly through research funding provided to university, non-profit research institutes and for-profit life science entities. The National Institutes of Health alone has an approved budget of $26.9 billion for research and development spending for 2004, and its total annual expenditures have increased from approximately $10.3 billion in 1994 to approximately $25.2 billion in 2003, as shown below. Other federal government agencies that fund health care research include: the Department of Health and Human Services, the Food and Drug Administration, or FDA, the Department of Homeland Security, the Environmental Protection Agency and the Department of Agriculture. These efforts are also supplemented by research grants and tax benefits from state and local government programs and agencies.

R&D Expenditures by the National Institutes of Health

Source: National Institutes of Health

We believe that there is a high likelihood for continued growth in the life science industry due to several factors, including (1) the existing high level of and continuing increase in research and development expenditures, (2) the aging of the U.S. population resulting from the transition of baby boomers to senior citizens, which has increased the demand for new drugs and services, and (3) escalating health care costs, which drive the demand for better drugs, less expensive treatments and more services in an attempt to manage such costs.

Life Science Real Estate Characteristics

Life science entities desire properties that are strategically located near leading academic and research institutions and that have unique design and construction requirements to accommodate their research, development, clinical testing and product development needs. To accommodate the additional building infrastructure and tenant owned furniture, fixtures and equipment, properties are designed with enhanced structural floor rigidity and load bearing capacities ranging between 100 and 150 pounds per square foot and unobstructed floor-to-ceiling clear heights of 12.5 to 16 feet. In contrast, many of the existing multi-story office buildings in the market today have elevated floors with structural load bearing capacities ranging between 60 and 80 pounds per square foot and floor-to-ceiling clear heights of only 10.5 to twelve feet. Also, properties must have enhanced electrical, plumbing and HVAC systems. In addition, due to the critical nature of the tenant s operations, life science properties typically require building systems to have significant excess capacity not found in generic office or industrial space.

As an example, a typical office space environment cycles the volume of air within the space four to six times per hour using 10% to 20% of fresh outside air with the balance of the air re-circulated. A typical life science laboratory space environment cycles the volume of air within the space ten to 15 times per hour using 100% fresh air. This differential in the amount of fresh air and volume cycles significantly increases the amount and size of the facilities electrical, plumbing and HVAC equipment needs.

Historically, the markets for properties designed for life science tenants with laboratory space have been characterized by fragmented ownership and scarce market data, with a limited number of institutional investors investing in and owning life science properties. Limited familiarity with the unique aspects of the property type and the high cost per square foot compared to traditional office and warehouse property have led to a lack of participation from traditional commercial property lenders in the sector. The limited access to cost-effective debt financing has in turn resulted in a limited number of competitors with the requisite expertise and access to capital necessary to acquire, develop and own properties designed for life science tenants.

Target Markets

We focus our investment efforts in seven key markets: Boston, San Diego, San Francisco, Seattle, Maryland, Pennsylvania and New York/ New Jersey. These target markets have emerged as primary hubs for research and development and production in the life science industry. These markets generally have reputations for scientific excellence and are often associated with a concentration of academic centers. Each market s reputation for scientific excellence is enhanced by having some mature health care companies in the region which provide scale and stability to the market, in addition to a regular supply of new startups, which are drawn to the market by the ability to leverage off of the existing industry infrastructure. Furthermore, these markets generally provide a high quality of life for the skilled workforce. Unless otherwise noted, the following information regarding our target markets was provided in the Rosen Study.

Boston

The Boston life science market has approximately 14.0 million rentable square feet of life science space, the majority of which is located in the Cambridge sub-market. Demand for laboratory and office space in this market is driven by its proximity to several prominent universities and research institutions, including Massachusetts Institute of Technology, Harvard University, the Whitehead Institute for Biomedical Research, Brigham and Women s Hospital and Massachusetts General Hospital. The New England area, including Connecticut, Maine, Massachusetts, New Hampshire and Rhode Island, is listed in the E&Y Report as having 51 publicly traded biotechnology companies. This list includes Genzyme Corporation, Biogen Idec Inc. and Millennium Pharmaceuticals, Inc., each of which is located in the Boston area.

San Diego

Over the course of the last several decades, San Diego has emerged as one of the primary centers for life science research and development, driven in large part by the concentration of academic centers, including the University of California, San Diego, the Scripps Research Institute and the Salk Institute for Biological Studies. The San Diego market has approximately 14.0 million rentable square feet of life science space. A significant portion of the biotechnology research effort is concentrated in a relatively high-density area of La Jolla, a suburb of San Diego, and its surrounding area. San Diego is listed in the E&Y Report as having 27 publicly traded biotechnology companies, including Elan Corporation, plc, Ligand Pharmaceuticals Incorporated, Quidel Corporation and Invitrogen Corporation.

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San Francisco

The San Francisco life science market has approximately 26.0 million rentable square feet of life science space and has emerged as one of the largest life science centers in the United States. The San Francisco Bay area is listed in the E&Y Report as having 59 publicly traded biotechnology companies, including Genentech, Inc., Alza Corporation, Chiron Corporation, Gilead Sciences, Inc. and Nektar Therapeutics. Other regional drivers include Stanford University, the University of California, Berkeley and the University of California, San Francisco. A significant portion of the biotechnology research effort is concentrated near Genentech s corporate headquarters in South San Francisco.

Seattle

The Seattle life science market has approximately 6.5 million rentable square feet of life science space and is driven primarily by the Fred Hutchinson Cancer Research Center and the University of Washington. The Pacific Northwest region, including Oregon and Washington, is listed in the E&Y Report as having 19 publicly traded biotechnology companies. These companies include Amgen Inc. (Helix campus), ICOS Corporation, ZymoGenetics, Inc. and Cell Therapeutics, Inc., each of which is located in the Seattle area.

Maryland

The Maryland life science market has approximately 10.0 million rentable square feet of life science space and is driven by its proximity to government health agencies, including the FDA, the National Institutes of Health, the Department of Homeland Security and the National Cancer Institute, and several universities and institutes, such as Johns Hopkins University, the University of Maryland and the Howard Hughes Medical Institute. The Mid-Atlantic market, including Maryland, Virginia and Washington, D.C., is listed in the E&Y Report as having 20 publicly traded biotechnology companies, including Medimmune, Inc., Human Genome Sciences, Inc. and Celera Genomics group, a business segment of Applera Corporation. Each of these entities is located in Maryland.

Pennsylvania

The Pennsylvania life science market has approximately 3.8 million rentable square feet of life science space and is driven by several research institutions and biotechnology companies, including the University of Pennsylvania, Pennsylvania State University, the University Science Center, The Wistar Institute and Hershey Medical Center. The Pennsylvania/ Delaware Valley market is listed in the E&Y Report as having eleven publicly traded biotechnology companies, including Cephalon, Inc., Centocor, Inc. and Neose Technologies, Inc.

New York/ New Jersey

The New York/ New Jersey life science market has approximately 13.5 million rentable square feet of life science space and is driven by several research institutions, large pharmaceutical companies and biotechnology companies, including Princeton University, Columbia University, New York University, Rutgers University, Sloan Kettering Institute for Cancer Research, Johnson & Johnson, Merck & Co., Inc., Wyeth and Pfizer Inc. This region is listed in the E&Y Report as having 42 publicly traded biotechnology companies, including Celgene Corporation, Immunomedics, Inc., Lifecell Corporation, Regeneron Pharmaceuticals, Inc., OSI Pharmaceuticals, Inc., Emisphere Technologies, Inc. and Progenics Pharmaceuticals, Inc.

Our Business Strategy

Our business strategy is to own, acquire, lease, manage and selectively develop laboratory and office space for lease to life science tenants in our target markets. This highly focused business strategy, coupled with our management expertise, provides significant internal and external growth opportunities.

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Internal growth

Our internal growth strategy is designed to maximize distributions to our stockholders by capitalizing on our significant management expertise through the following means:

Maximize occupancy. We believe our access to cost-effective capital enables us to finance tenant improvements and lease our available space to high quality tenants. We believe that this maximizes occupancy and drives revenue growth.

Contractual rental rate increases. Our leases generally include annual rent escalations, which provide us with predictable and consistent earnings growth.

Tenant monitoring. We closely monitor changes in our existing tenants financial position, prospects and creditworthiness in order to identify and address opportunities to renew, extend or modify existing leases and find additional expansion opportunities.

Opportunistic laboratory space conversions. We continually evaluate opportunities to convert existing office and industrial space into laboratory space and significantly increase our return on invested capital.

Tenant financed improvements. Our tenants generally contribute tenant improvements necessary to conform a property to their specific needs. These upfront costs and the requirement that many of these improvements remain with the property upon lease termination afford us the opportunity to substantially increase rental rates at the end of the lease, provide built-in growth above contractual rent increases and serve as a significant incentive for the tenant to renew its lease.

External growth

Based on our management team s extensive acquisition experience and its established network of informal relationships through past business dealings with existing and potential life science tenants, property owners and real estate brokers, we believe that we are well-positioned to be a significant acquirer in a fragmented niche of the real estate industry. According to the Rosen Study, our target markets have in excess of 87.0 million rentable square feet of life science real estate, not including owner-occupied properties. Also, according to the Rosen Study, the average market occupancy rate for life science real estate in these markets is seven percentage points greater than the occupancy rate for generic office properties. Our acquisition focus is to buy properties leased to high quality life science tenants at attractive cash-on-cash yields with potential upside through lease-up, redevelopment or additional development. Our acquisition strategy is a real estate-based formulation, combining extensive tenant analysis and risk-based underwriting. Our acquisition strategy includes:

Real Estate Underwriting. Our primary consideration is the location of a property in relation to academic and research institutions and other demand generators in our target markets, a critical factor in determining long-term value. In addition, we assess the property s suitability for life science tenants and the amount of generic laboratory space in order to maximize the flexibility to attract new or replacement tenants. We also focus on the building improvements financed by the tenant, which provide significant downside protection to our investment while increasing tenant retention and providing future rental increases. Next, we consider the property s basic design and construction and its ability to accommodate life science tenants. Features we examine include, among others, floor-to-ceiling clear heights, floor rigidity and load bearing capacity, and electrical, plumbing and HVAC systems. We generally seek to acquire properties with generic laboratory space (space that we can easily convert to support alternative uses within the life science industry). We believe we can more easily re-lease such space to future tenants or convert it to multi-tenant use.

Tenant Credit Analysis. Our tenant credit analysis considers three key elements in evaluating prospective tenants: (1) financial condition, (2) management team and (3) scientific focus. We perform a thorough review of the prospective tenant s financial statements, considering the current

liquidity and cash resources as well as the tenant s prospects for raising additional capital. We meet with the prospective tenant s senior management team in order to evaluate the quality of the management team, their scientific focus and their ability to raise capital. In addition, we review the prospective tenant s investors and/or venture capital partners in order to obtain further validation of the tenant s prospects. In order to assess the viability of the prospective tenant s scientific focus, we rely on our contacts in the scientific community to provide insight on the prospective tenant and its competitors.

Lease Structuring. After careful consideration of the subject property and the prospective tenant, we analyze our leases to provide the appropriate economic return based on our risk assessment. Depending on the business plan for each individual property, our leases generally range from five to 15 years, with extension options, and include a fixed rental rate with scheduled annual escalations. The leases typically are triple-net. In addition, our tenants typically are responsible for capital improvements necessary to maintain the property in its original condition. Accordingly, we believe that we will have the capability to substantially increase the number of properties we own and manage without proportionate increases in overhead costs. Under some of the leases, we may remain responsible for the repair and maintenance of the foundation, exterior walls and other structural components of the building.

In addition to the heavily improved nature of generic laboratory space, a significant amount of tenant improvements are made by the tenant in order to conform the property to the tenant s specific needs. While we may pay for a limited portion of these improvements, tenants generally bear the majority of these costs. These sunk costs serve as a significant incentive for the tenant to remain in the property, increasing the likelihood that they renew their leases upon expiration. Furthermore, when tenants do leave, they generally are required under their leases to leave tenant improvements with the property, which in turn enhances our ability to attract new tenants. These tenant improvements typically include wall-coverings, carpeting, flooring, built-in cabinet and laboratory casework, paneling, electrical, mechanical and plumbing equipment and related ducts, shafts and conduits, gas and air delivery systems, autoclaves and glassware sterilization equipment, exterior venting fume hoods, walk-in freezers and refrigerators, clean-rooms, climatized rooms, electrical panels, circuits and back-up power distribution systems.

Property Portfolio

At May 31, 2005, our portfolio consisted of 33 properties, which included 56 buildings with an aggregate of 4.3 million rentable square feet of laboratory and office space. We also owned undeveloped land that we estimate can support up to 600,000 rentable square feet of laboratory and office space.

The following summarizes our existing portfolio at May 31, 2005 by location:

Market	**Number of Properties**	**Rentable Square Feet**	**Percent of Rentable Square Feet**	**Percent Leased**	**Annualized Base Rent ($ in 000s)**	**Percent Annualized Rent**	**Annualized Rent Per Leased Square Foot**
Boston	11	1,270,365	29.8%	96%	$ 47,383	43.2%	$ 37.92
New York/New Jersey	2	823,948	19.4%	88%	14,253	13.0%	19.66
San Francisco	5	717,970	16.9%	89%	14,078	12.8%	22.00
Pennsylvania	3	559,259	13.1%	92%	10,221	9.3%	19.86
San Diego(1)	8	529,641	12.4%	89%	14,397	13.1%	30.66
Seattle	2	185,989	4.4%	100%	6,819	6.2%	36.67
Maryland	2	168,817	4.0%	100%	2,625	2.4%	15.55
Total/Weighted Average:	33	4,255,989	100.0%	92%	$ 109,776	100.0%	$ 27.99

(1) Includes 72,863 square feet (or 1.7% of the portfolio) of an unconsolidated partnership, of which we own 21%.

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The following table sets forth information related to the properties we owned, or had an ownership interest in, as of May 31, 2005:

perty Location	Number of Buildings	Year Built/ Renovated	Rentable Square Feet	Percent Rentable Square Feet	Approximate Percentage Lab Space	Percent Leased	Annualized Base Rent ($ in 000s)	Percent Annualized Rent	Annualized Rent Per Leased Square Foot	Primary Tenant
ton										
dall Square D(1)	1	2002	349,325	8.2%	0%	98%	$ 15,397	14.0%	$ 44.89	Genzyme Corporation
dall Square A(1)	1	2002	302,919	7.1%	65%	97%	14,536	13.2%	49.61	Vertex Pharmaceuticals
ey Street	1	2000	191,904	4.5%	60%	100%	4,063	3.7%	21.17	Vertex Pharmaceuticals
Erie Street	1	1996	100,854	2.4%	70%	100%	4,098	3.7%	40.63	Vertex Pharmaceuticals
h Pond Research (1)	6	1948/2002	90,702	2.1%	45%	83%	1,027	0.9%	13.59	Cu
any Street	2	1922/1998	75,003	1.8%	65%	100%	3,460	3.2%	46.21	Millennium Pharmaceutic
sar Street(2)	1	1950/1998	52,520	1.2%	65%	100%	1,372	1.3%	26.13	Monsanto Company
Erie Street	1	1925/2004	48,238	1.1%	20%	58%	769	0.7%	27.46	Metabo
lidge Avenue(1)	1	1962/1999	37,400	0.9%	65%	100%	935	0.9%	25.00	V.I. Technologies
ent Drive(1)(3)	1	2004	21,500	0.5%	70%	100%	548	0.5%	25.49	Trustees of Dartmouth College
Erie Street Parking cture(1)	1	1998	N/A	N/A	N/A	100%	1,178	1.1%	N/A	Vari
y York/New Jersey										
dmark at view(4)	8	1958/1999	751,648	17.7%	65%	95%	14,105	12.9%	19.75	Regeneron Pharmaceutic
phics Drive	1	1992/2001	72,300	1.7%	12%	15%	148	0.1%	13.86	Medeil
Francisco										
geview	3	1977/2002	263,073	6.2%	30%	82%	2,752	2.5%	12.78	Cell Genesys
shore Boulevard	3	2000	183,344	4.3%	75%	100%	4,203	3.8%	22.92	Interm
ustrial Road(5)	1	2001	171,965	4.0%	50%	82%	5,480	5.0%	38.67	Nektar Therapeutics
entech Court	1	1997/2001	55,588	1.3%	40%	100%	1,010	0.9%	18.17	Vicuron Pharmaceuticals
nbarton Circle	1	1990	44,000	1.0%	50%	100%	633	0.6%	14.37	ARYx Therapeutics
nsylvania										
g of Prussia(6)	5	1954/2004	427,109	10.0%	50%	100%	9,060	8.3%	21.21	Cento
enixville Pike	1	1989	104,400	2.5%	50%	57%	783	0.7%	13.13	Cepha
nhower Road	1	1973/2000	27,750	0.7%	20%	100%	378	0.3%	13.60	Crane Environmental
Diego										
yne Centre Drive(7)	3	2001	115,870	2.7%	50%	100%	3,824	3.5%	33.00	Illum
ker Hill Street	1	1973/2002	105,364	2.5%	60%	84%	3,137	2.9%	35.50	SCV
Kellar Court(8)	1	1988	72,863	1.7%	50%	100%	1,671	1.5%	22.94	Quidel Corporation
nardo Center ve(9)	1	1974/1992	61,286	1.4%	0%	100%	2,113	1.9%	34.48	University of California Regents
nce Center Drive	1	1995	53,740	1.3%	80%	100%	1,660	1.5%	30.88	Ligand Pharmaceuticals
oles Street(1)(10)	1	1983	43,036	1.0%	N/A	0%	0	0.0%	0.00	None (under redevelopme
cy Ridge Drive	1	1983/2001	42,138	1.0%	70%	100%	1,350	1.2%	32.03	BioMed

boa Avenue										General Services
	1	1968/2000	35,344	0.8%	0%	100%	642	0.6%	18.18	Administration
ttle										
ott Avenue	1	1925/1984	134,989	3.2%	60%	100%	5,204	4.7%	38.55	Chiron Corporation
nte Villa Parkway	1	1996/2002	51,000	1.2%	60%	100%	1,615	1.5%	31.67	Nastech Pharmaceutical
ryland										
utary Street	1	1983/1998	91,592	2.2%	70%	100%	1,050	1.0%	11.46	Guilford Pharmaceuticals
kley Street	1	1999	77,225	1.8%	70%	100%	1,575	1.4%	20.39	Guilford Pharmaceuticals
al/Weighted rage	56		4,255,989	100.0%	50%	92%	$ 109,776	100.0%	$ 27.99	

(1) This property is managed by a third party not affiliated with us.
(2) Monsanto Company is the guarantor under the sublease of its wholly owned subsidiary Cereon Genomics, LLC.
(3) Located in Lebanon, New Hampshire.

(4) We own a leasehold interest in the property through a 99-year ground lease, which will convert into a fee simple interest upon the completion of certain property subdivisions.

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(5) Includes rent from a lease with Nuvelo, Inc., which is expected to commence in September 2005.

(6) We own an 88.5% limited partnership interest and a 0.5% general partnership interest in the limited partnership that owns this property.

(7) A portion of one of the buildings on this property, representing 6,600 square feet, is subleased by Illumina to an unaffiliated third party for a period of 47 years, for which we will receive no economic benefit.

(8) We own the general partnership interest in the limited partnership that owns the McKellar Court property, which entitles us to 75% of the gains upon a sale of the property and 21% of the operating cash flows.

(9) This property is occupied by the Centre for Health Care as a medical office facility. Centre for Health Care, which occupies the property with the consent of the University of California Regents, pays the monthly rent and other obligations, but the University of California Regents remain ultimately liable under the lease.

(10) We own 70% of the limited liability company that owns the Waples Street property, which entitles us to 90% of the cash flow from operations up to a 9.5% cumulative annual return, and then 75% of such distributions thereafter. The other member of the limited liability company has the right to put its interest to us after completion of the initial improvements, and can require us to issue partnership units as payment for such interest.

Description of Significant Existing Properties

Our Landmark at Eastview and King of Prussia properties are the only properties that represented more than 10% of our total assets or more than 10% of our gross revenues as of December 31, 2004.

Landmark at Eastview

Our Landmark at Eastview property, located in Tarrytown, New York, consists of eight buildings representing 751,648 rentable square feet of laboratory and office space. We have a leasehold interest in the property through a 99-year ground lease with the existing property owner. The owner retains a fee simple interest in the property. The transaction was structured as a ground lease to allow the seller to complete certain property subdivisions. Under the terms of the ground lease, we retain in escrow $1.0 million, which will be transferred to the seller upon completion of the property subdivisions, after which time the ground lease will terminate and a fee simple interest in the property will be transferred to us for no additional consideration. The buildings were constructed between 1958 and 1971 as the Union Carbide Research and Development Campus. We acquired the property in August 2004.

We intend to make $4.0 million of capital improvements from future borrowings or other capital sources. As of May 31, 2005, the property was 95% leased to 18 tenants, of which 73.5% of the rentable square footage was leased under triple-net leases. The following table summarizes the information regarding the tenants of Landmark at Eastview representing more than 10% of the total rentable square footage, as of May 31, 2005, all of which lease space pursuant to triple-net leases:

Name	Principal Nature of Business	Lease Expiration	Renewal Options	Leased Square Feet	Percentage of Property Leased Square Feet	Annualized Base Rent ($ in 000s)
Regeneron Pharmaceuticals, Inc.	Biotech	Dec. 2007(1)	(1)	211,813	29.7%	$ 3,950
Crompton Corporation	Chemical R&D	Dec. 2009	2 5-yr.	182,829	25.6%	3,377
Emisphere Technologies, Inc.	Biotech	Aug. 2007	2 5-yr.	87,022	12.2%	1,744

(1) A lease representing 73,727 square feet of this space expires in December 2009, subject to the tenant s option to renew the lease for one additional five-year period.

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The following table schedules the lease expirations for leases in place at our Landmark at Eastview property as of May 31, 2005, assuming that tenants exercise no renewal options and all early termination options:

Year of Lease Expiration	Number of Leases Expiring	Square Footage of Expiring Leases	Percentage of Leased Square Feet	Annualized Base Rent ($ in 000s)	Percentage of Annualized Base Rent
2005	5	55,296	7.7%	$ 807	5.7%
2006	4	16,563	2.3%	434	3.1%
2007	2	225,108	31.5%	3,968	28.1%
2008	2	2,246	0.3%	47	0.3%
2009	4	297,021	41.6%	5,915	41.9%
2010	2	7,538	1.1%	149	1.1%
2011					
2012	2	110,452	15.5%	2,786	19.8%
2013					
2014					
Thereafter					
Total	21	714,224	100.0%	$ 14,106	100.0%

Month-to-month leases totaling 21,863 square feet are included in leases expiring in 2005. Unleased space of 37,424 square feet is not represented in the above table.

The current real estate tax rate for the property is 2.4%, and the total annual tax for the property at this rate for the 2004 tax year was $1.3 million (at a taxable assessed value of $60.0 million). As of May 31, 2005, our federal tax basis for the property was $100.7 million. We compute depreciation on the property using the straight-line method based on an estimated useful life of 39 years, at an annualized average depreciation rate of 2.56%.

King of Prussia

Our King of Prussia property, located near Philadelphia, Pennsylvania, consists of five buildings representing 427,109 rentable square feet of laboratory, office and warehouse space. The buildings were constructed in phases between 1952 and 1982 and most recently were renovated in 2004. We own an 89% interest in BMR-King of Prussia Road LP, the limited partnership that owns the King of Prussia property. Our interest includes an 88.5% limited partnership interest and a 0.5% general partnership interest.

The limited partner in the partnership owns an 11% limited partnership interest, which entitles it to $1.3 million, plus a 10% cumulative preferred return, upon sale of the property and none of the property s operating cash flow. After the third anniversary of our acquisition of the property, the limited partner has a put option to sell its remaining ownership interest to us for $1.6 million, which is exercisable for a period of three months. We have a call option on the limited partner s remaining ownership interest for $1.8 million beginning six months after the expiration of the limited partner s put option, which is exercisable for a period of three months.

In addition, the primary tenant under a triple-net lease, Centocor, Inc. (a subsidiary of Johnson & Johnson), has the right, which expires in April 2008, to purchase the property at a purchase price using a formula based on the capitalization rate and in-place rents. Our share of the purchase price under the option would be higher than the price we paid to acquire the 89% interest in the partnership that owns the property.

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We acquired the property in August 2004. BMR-King of Prussia Road LP owns fee simple title to the property.

As of May 31, 2005, the property was 100% leased to two tenants, one of which is an affiliate of The Rubenstein Company, as master lessee, pursuant to a modified gross lease. A Rubenstein Company affiliate has the right to lease all or portions of the space on our behalf to Centocor, Inc., or to other tenants with our approval, in which event the master lessee will be relieved of the portion of its obligation to pay rent that equals the rent payable by the new tenants during the term of the master lease. To the extent any new lease extends beyond the term of the master lease, that new lease must be on market terms. The following table summarizes the information regarding the two tenants as of May 31, 2005:

Name	Principal Nature of Business	Lease Expiration	Renewal Options	Leased Square Feet	Percentage of Leased Square Feet	Annualized Base Rent ($ in 000s)
Centocor, Inc.	Biotech	Mar. 2010	1 4-yr.	331,398	77.6%	$ 7,826
The Rubenstein Company	Real Estate	Feb. 2008		95,711	22.4	1,234

The current real estate tax rate for the property is 1.9%, and the total annual tax for the property at this rate for the 2004 tax year was $780,000 (at a taxable assessed value of $41.6 million). As of May 31, 2005, our federal tax basis for the property was $88.3 million. We compute depreciation on the property using the straight-line method based on an estimated useful life of 39 years, at an annualized average depreciation rate of 2.56%.

Lyme Portfolio Properties

On May 31, 2005, we completed the acquisition of the Lyme portfolio, consisting of ten buildings with an aggregate of approximately 1.1 million rentable square feet of laboratory and office space, which upon acquisition was 96.8% leased with an average remaining term of ten years, and includes the parking structure with 447 parking spaces. The purchase price was $523.6 million, excluding closing costs, and was funded through borrowings under three credit facilities with KeyBank and other lenders and the assumption of approximately $131.2 million of indebtedness.

The following table presents an overview of the Lyme portfolio as of May 31, 2005:

Property Location	Number of Buildings	Year Built/ Renovated	Rentable Square Feet	Percent Rentable Square Feet	Approximate Percentage Lab Space	Percent Leased	Annualized Base Rent ($ in 000s)	Percent Annualized Rent	Annualized Rent Per Leased Square Foot	Primary Tenant
Kendall Square D(1)	1	2002	349,325	30.6%		98%	$ 15,397	33.9%	$ 44.89	Genzyme Corporation
Kendall Square A(1)	1	2002	302,919	26.5%	65%	97%	14,536	32.0%	49.61	Vertex Pharmaceuticals
Sidney Street	1	2000	191,904	16.8%	60%	100%	4,063	8.9%	21.17	Vertex Pharmaceuticals
40 Erie Street	1	1996	100,854	8.8%	70%	100%	4,098	9.0%	40.63	Vertex Pharmaceuticals
Albany Street	2	1922/1998	75,003	6.6%	65%	100%	3,460	7.6%	46.21	

										Millennium Pharmaceuticals
Vassar Street	1	1950/1998	52,520	4.6%	65%	100%	1,372	3.0%	26.13	Monsanto Company
21 Erie Street	1	1925/2004	48,238	4.2%	20%	58%	769	1.7%	27.46	Metabolix
Lucent Drive	1	2004	21,500	1.9%	70%	100%	548	1.2%	25.49	Trustees of Dartmouth College
47 Erie Street Parking Structure	1	1998	N/A	N/A	N/A	100%	1,178	2.7%	N/A	Various
Total/ Weighted Average	10		1,142,263	100.0%	43%	97%	$ 45,421	100.0%	$ 41.08	

(1) Represented more than 10% of our total assets as of May 31, 2005.

Kendall Square D

Our Kendall Square D property is located at 500 Kendall Street in Cambridge, Massachusetts. This property was built in 2002 and consists of one building, representing 349,325 rentable square feet of laboratory and office space. We intend to perform construction work at the property at a cost of up to $1.8 million. As of May 31, 2005, the property was 98.2% leased to one tenant, Genzyme Corporation, a public biotechnology company with a broad product and service portfolio focused on rare genetic disorders, renal disease, orthopaedics, organ transplant and diagnostic and predictive testing, pursuant to a triple-net lease. The lease expires in July 2018, subject to the tenant s option to renew the lease for two additional ten-year periods. Annualized base rent under the lease is $15.4 million. We own fee simple title to the property.

The current real estate tax rate for the property is 1.8%, and the total annual tax for the property at this rate for the 2004 tax year was $2.1 million (at a taxable assessed value of $113.8 million). As of May 31, 2005, our federal tax basis for the property was $192.0 million. We compute depreciation on the property using the straight-line method based on an estimated useful life of 39 years, at an annualized average depreciation rate of 2.56%.

The property is subject to a mortgage loan having an outstanding balance as of May 31, 2005 of $73.2 million. The mortgage has a fixed interest rate of 6.4% per annum, a monthly payment of principal and interest of $501,000 and a maturity date of December 1, 2018. We may prepay the mortgage in full at any time upon payment of a prepayment premium.

Kendall Square A

Our Kendall Square A property is located at 675 West Kendall Street in Cambridge, Massachusetts. This property was built in 2002 and consists of one building, representing 302,919 rentable square feet of laboratory and office space. As of May 31, 2005, the property was 96.7% leased to two tenants. Vertex Pharmaceuticals, a public biotechnology company committed to the discovery and development of breakthrough small molecule drugs for serious diseases, leases 96.0% of the space pursuant to a triple-net lease, of which 45,000 square feet is subleased to Momenta Pharmaceuticals. The lease expires in April 2018, subject to the tenant s option to renew the lease for two additional ten-year periods. Annualized base rent under the lease is $14.5 million. We own fee simple title to the property.

The current real estate tax rate for the property is 1.8%, and the total annual tax for the property at this rate for the 2004 tax year was $1.3 million (at a taxable assessed value of $70.9 million). As of May 31, 2005, our federal tax basis for the property was $150.3 million. We compute depreciation on the property using the straight-line method based on an estimated useful life of 39 years, at an annualized average depreciation rate of 2.56%.

Sidney Street

Our Sidney Street property is located in Cambridge, Massachusetts. This property was built in 2000 and consists of one building, representing 191,904 rentable square feet of laboratory and office space. As of May 31, 2005, the property was 99.8% leased to Vertex Pharmaceuticals pursuant to a triple-net lease. The lease expires in August 2010, subject to the tenant s option to renew the lease for two additional ten-year periods. We own fee simple title to the property.

This property and the 47 Erie Street parking structure are subject to a mortgage loan having an outstanding balance as of May 31, 2005 of $31.8 million. The mortgage has a fixed interest rate of 7.2% per annum, a monthly payment of principal and interest of $245,000 and a maturity date of June 1, 2012. The loan may not be prepaid until May 2006, and thereafter may be prepaid in full upon payment of a 1% prepayment fee.

40 Erie Street

Our 40 Erie Street property is located in Cambridge, Massachusetts. This property was built in 1996 and consists of one building, representing 100,854 rentable square feet of laboratory and office space. As of May 31, 2005, the property was fully leased to Vertex Pharmaceuticals pursuant to a triple-net lease. The lease term covering the original premises of 59,322 rentable square feet expires in December 2010, subject to the tenant s option to renew the lease for one additional five-year period. The term for the additional

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lease for 41,532 rentable square feet expires in March 2009, subject to the tenant s option to renew the lease for two additional five-year periods. We own fee simple title to the property.

The property is subject to a mortgage loan having an outstanding balance as of May 31, 2005 of $20.2 million. The mortgage has a fixed interest rate of 7.3% per annum, a monthly payment of principal and interest of $199,000 and a maturity date of July 1, 2008. The mortgage may be prepaid in full at any time upon payment of a 1% prepayment fee.

Albany Street

Our Albany Street property is located in Cambridge, Massachusetts. This property was built in 1922 and was most recently renovated in 1998. The property consists of two buildings, representing 75,003 rentable square feet of laboratory and office space. As of May 31, 2005, the property was 99.8% leased to two tenants. The property s primary tenant is Millennium Pharmaceuticals, Inc., a public biopharmaceutical company focused on developing and commercializing breakthrough products in the areas of cancer, cardiovascular disease and inflammatory disease, which occupies 73,347 rentable square feet subject to a triple-net lease. The lease expires in September 2013, subject to Millennium Pharmaceuticals option to renew the lease for two additional five-year periods. We own fee simple title to the property.

Vassar Street

Our Vassar Street property is located in Cambridge, Massachusetts. This property was built in 1950 and was most recently renovated in 1998. The property consists of one building, representing 52,520 rentable square feet of laboratory and office space. As of May 31, 2005, the property was fully leased to one tenant, Monsanto Company, a public company specializing in providing technology-based solutions and agricultural products that improve farm productivity and food quality, pursuant to a triple-net lease. A portion of the premises is subleased to Modular Genetics, Inc. The lease expires in June 2010, subject to the tenant s option to renew the lease for two additional five-year periods. We own fee simple title to the property.

21 Erie Street

Our 21 Erie Street property is located in Cambridge, Massachusetts. This property was built in 1925 and was most recently renovated in 2004. The property consists of one building, representing 48,238 rentable square feet of laboratory and office space. As of May 31, 2005, the property was 58.1% leased to Metabolix, Inc., a private company focused on using biotechnology to produce performance plastics from renewable resources, pursuant to a triple-net lease. The lease expires in May 2014, subject to Metabolix s option to renew the lease for two additional five-year periods and subject to Metabolix s one-time right to terminate the lease during the initial ten-year term of the lease. We own fee simple title to the property.

47 Erie Street Parking Structure

Our 47 Erie Street parking structure is a six-level, open-air parking structure located in Cambridge, Massachusetts. The parking structure, which contains 447 parking spaces, was built in 1998 and provides parking for the tenants at the Sidney Street, 40 Erie Street, Albany Street and 21 Erie Street properties. Revenue for the parking structure is derived from separate parking leases between our subsidiary that owns the parking structure and our subsidiaries that own the Sidney Street, 40 Erie Street and Albany Street properties. We own fee simple title to the property.

This property is subject to the mortgage loan described above under Sidney Street.

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Lucent Drive

Our Lucent Drive property is located in Lebanon, New Hampshire. The property was built in 2004 and consists of one building, representing 21,500 rentable square feet of laboratory and office space. As of May 31, 2005, the property was fully leased to one tenant, Trustees of Dartmouth College, pursuant to a triple-net lease. The lease expires in August 2014, subject to the tenant s option to renew the lease for one additional ten-year period. The tenant has an option to purchase the property on or before March 1, 2014 at the fair market value at the time the option is exercised. We own fee simple title to the property.

The property is subject to a mortgage loan having an outstanding balance as of May 31, 2005 of $6.0 million. The mortgage has a fixed interest rate of 5.5% per annum, subject to adjustment on each fifth anniversary of the loan, a monthly payment of principal and interest of $42,000 and a maturity date of January 21, 2015. We may prepay the loan at any time without penalty.

Tenants

As of May 31, 2005, our properties were leased to 76 tenants, 91.6% of our annualized base rent was derived from tenants that were public companies or government agencies, and 33.3% of our annualized base rent was derived from investment grade tenants (according to Standard & Poor s) or their subsidiaries. The table that follows presents information regarding our 20 largest tenants based on current annualized rent as of May 31, 2005. Current annualized rent is the monthly contractual rent as of May 31, 2005, or if rent has not yet commenced, the first monthly rent payment due, multiplied by twelve months:

Tenant	Market	Leased Square Feet	Annualized Base Rent ($ in 000s)	Annualized Rent per Square Foot	Percent Annualized Rent of Total Portfolio	Lease Expiration Date
Vertex Pharmaceuticals	Boston	583,474	$ 22,696	$ 38.90	20.7%	April 2018(1)
Genzyme Corporation	Boston	343,000	15,397	44.89	14.0%	June 2018
Centocor, Inc. (Johnson & Johnson)	Pennsylvania	331,398	7,826	23.62	7.1%	March 2010
Regeneron Pharmaceuticals, Inc.	New York/New Jersey	211,813	3,950	18.65	3.6%	December 2007(2)
Illumina, Inc.	San Diego	115,870	3,824	33.00	3.5%	August 2014
Nektar Therapeutics	San Francisco	79,917	3,737	46.76	3.4%	October 2016
Millennium Pharmaceuticals, Inc.	Boston	73,347	3,419	46.62	3.1%	September 2013
Crompton Corporation	New York/New Jersey	182,829	3,377	18.47	3.1%	December 2009
Intermune, Inc.	San Francisco	55,898	3,207	57.37	2.9%	April 2011
Chiron Corporation	Seattle	71,153	2,858	40.17	2.6%	March 2008
Guilford Pharmaceuticals	Maryland	168,817	2,625	15.55	2.4%	December 2019
Cell Therapeutics, Inc.	Seattle	63,836	2,346	36.75	2.1%	January 2008
University of California Regents	San Diego	61,286	2,113	34.48	1.9%	April 2007
ACS		71,399	1,791	25.08	1.6%	December 2012

	New York/New Jersey					
Emisphere Technologies, Inc.	New York/New Jersey	87,022	1,744	20.04	1.6%	August 2007
Nuvelo, Inc.(3)	San Francisco	61,826	1,743	28.20	1.6%	August 2012
Quidel Corporation(4)	San Diego	72,863	1,671	22.94	1.5%	December 2014
Ligand Pharmaceuticals	San Diego	53,740	1,660	30.88	1.5%	August 2015
Nastech Pharmaceutical	Seattle	51,000	1,615	31.67	1.5%	January 2016
The Rubenstein Company	Pennsylvania	95,711	1,234	12.89	1.1%	June 2008
Total/ Weighted Average(5)		2,836,199	$ 88,833	$ 31.32	80.9%	

(1) 41,532 square feet expires March 2009, 191,904 square feet expires August 2010, 59,322 square feet expires December 2010, and 290,714 square feet expires April 2018. 45,000 square feet of this space is subleased to Momenta Pharmaceuticals.

(2) 138,086 square feet expires December 2007 and 73,726 square feet expires December 2009.

(3) Rent is expected to commence on September 1, 2005.

(4) This tenant occupies a property that is owned by an unconsolidated partnership, of which we own 21%.

(5) Without regard to any early lease terminations and/or renewal options.

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Lease Expirations

The following table presents a summary schedule of available space at May 31, 2005 and lease expirations over the next ten calendar years for leases in place at May 31, 2005. This table assu