VALIDUS HOLDINGS LTD
Form SC 13G/A
February 13, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 3)*

Validus Holdings Ltd.

(Name of Issuer)

Common shares, par value $0.175 per share

(Title of Class of Securities)

G9319H102

(CUSIP Number)

December 31, 2014

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

¨ Rule 13d-1(b)

¨ Rule 13d-1(c)

x Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1. Name of Reporting Persons

Jeffrey W. Greenberg

2. Check the Appropriate Box if a Member of a Group

(a) ¨ (b) x

3. SEC Use Only

4. Citizenship or Place of Organization:

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5.	Sole Voting Power: 3,289,286.49
	6.	Shared Voting Power: 0
	7.	Sole Dispositive Power: 3,289,286.49
	8.	Shared Dispositive Power: 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person:

3,289,286.49

10. Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

..

11. Percent of Class Represented by Amount in Row (9):

3.8%

12. Type of Reporting Person (See Instructions):

IN

1. Name of Reporting Persons

Aquiline Capital Partners LLC

2. Check the Appropriate Box if a Member of a Group

(a) ¨ (b) x

3. SEC Use Only

4. Citizenship or Place of Organization:

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5.	Sole Voting Power: 3,279,268
	6.	Shared Voting Power: 0
	7.	Sole Dispositive Power: 3,279,268
	8.	Shared Dispositive Power: 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person:

3,279,268

10. Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

..

11. Percent of Class Represented by Amount in Row (9):

3.8%

12. Type of Reporting Person (See Instructions):

OO

1. Name of Reporting Persons

Aquiline Holdings LLC

2. Check the Appropriate Box if a Member of a Group

(a) ¨ (b) x

3. SEC Use Only

4. Citizenship or Place of Organization:

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		
	5.	Sole Voting Power: 3,279,268
	6.	Shared Voting Power: 0
	7.	Sole Dispositive Power: 3,279,268
	8.	Shared Dispositive Power: 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person:

3,279,268

10. Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

..

11. Percent of Class Represented by Amount in Row (9):

3.8%

12. Type of Reporting Person (See Instructions):

OO

1. Name of Reporting Persons

Aquiline Holdings LP

2. Check the Appropriate Box if a Member of a Group

(a) ¨ (b) x

3. SEC Use Only

4. Citizenship or Place of Organization:

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		
	5.	Sole Voting Power: 3,279,268
	6.	Shared Voting Power: 0
	7.	Sole Dispositive Power: 3,279,268
	8.	Shared Dispositive Power: 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person:

3,279,268

10. Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

..

11. Percent of Class Represented by Amount in Row (9):

3.8%

12. Type of Reporting Person (See Instructions):

PN

1. Name of Reporting Persons

Aquiline Holdings GP Inc.

2. Check the Appropriate Box if a Member of a Group

(a) ¨ (b) x

3. SEC Use Only

4. Citizenship or Place of Organization:

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		
	5.	Sole Voting Power: 3,279,268
	6.	Shared Voting Power: 0
	7.	Sole Dispositive Power: 3,279,268
	8.	Shared Dispositive Power: 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person:

3,279,268

10. Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

..

11. Percent of Class Represented by Amount in Row (9):

3.8%

12. Type of Reporting Person (See Instructions):

CO

Item 1(a). Name of Issuer:
Validus Holdings Ltd.

Item 1(b). Address of Issuer s Principal Executive Offices:
The Issuer s principal executive offices are located at 29 Richmond Road, Pembroke, Bermuda HM 08.

Item 2(a). Name of Person Filing:
This Schedule 13G is filed by:

(i) Jeffrey W. Greenberg;

(ii) Aquiline Capital Partners LLC;

(iii) Aquiline Holdings LLC;

(iv) Aquiline Holdings LP; and

(v) Aquiline Holdings GP Inc. (collectively, the Reporting Persons).

Aquiline Capital Partners LLC is the investment manager of each of Aquiline Financial Services Fund L.P. and Aquiline Financial Services Fund (Offshore) L.P. (together, the Funds). Aquiline Holdings LLC is the sole member of Aquiline Capital Partners LLC. Aquiline Holdings LP is the sole member of Aquiline Holdings LLC. Aquiline Holdings GP Inc. is the general partner of Aquiline Holdings LP. Jeffrey W. Greenberg is the sole stockholder of Aquiline Holdings GP Inc. and is a managing principal of Aquiline Capital Partners LLC. Each of the Reporting Persons may be deemed to be the beneficial owner of the securities held by each of the Funds and of the securities held by Aquiline Capital Partners LLC. Mr. Greenberg may also be deemed to be the beneficial owner of securities held by him as an individual.

Item 2(b). Address of Principal Business Office or, if None, Residence:
The principal office and business address of each of the Reporting Persons is 535 Madison Avenue, 24th Floor, New York, NY 10022.

Item 2(c). Citizenship:
Jeffrey W. Greenberg is a citizen of the United States. Each of Aquiline Capital Partners LLC, Aquiline Holdings LLC, Aquiline Holdings LP, and Aquiline Holdings GP Inc. is organized under the laws of the State of Delaware.

Item 2(d). Title of Class of Securities:

Common shares, par value $0.175 per share (the   Shares)

Item 2(e). CUSIP Number:
G9319H102

Item 3. If this statement is filed pursuant to Rule 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:
Not applicable

Item 4. Ownership.
(a) Amount beneficially owned:

As of December 31, 2014, Jeffrey W. Greenberg may be deemed to be the beneficial owner of an aggregate of 3,289,286.49 Shares. This number consists of 335,820 Shares held by Aquiline Financial Services Fund L.P., 187,360 Shares held by Aquiline Financial Services Fund (Offshore) L.P., warrants exercisable into 2,574,593.66 Shares held by Aquiline Capital Partners LLC, warrants exercisable into 10,018.49 Shares held by Jeffrey W. Greenberg as an individual, warrants exercisable into 116,503.24 Shares held by Aquiline Financial Services Fund L.P. and warrants exercisable into 64,991.1 Shares held by Aquiline Financial Services Fund (Offshore) L.P. As of December 31, 2014, each of Aquiline Capital Partners LLC, Aquiline Holdings LLC, Aquiline Holdings LP, and Aquiline Holdings GP Inc. may be deemed to be the beneficial owner of an aggregate of 3,279,268 Shares. This number consists of 335,820 Shares held by Aquiline Financial Services Fund L.P., 187,360 Shares held by Aquiline Financial Services Fund (Offshore) L.P., warrants exercisable into 2,574,593.66 Shares held by Aquiline Capital Partners LLC, warrants exercisable into 116,503.24 Shares held by Aquiline Financial Services Fund L.P. and warrants exercisable into 64,991.1 Shares held by Aquiline Financial Services Fund (Offshore) L.P.

(b) Percent of class:

Based on the Issuer having 83,869,845 Shares outstanding as of December 31, 2014 (as reported by the Issuer in an investor presentation attached as Exhibit 99.1 to a Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 9, 2015), as of December 31, 2014, (i) Jeffrey W. Greenberg may be deemed to be the beneficial owner of approximately 3.8% of the total number of Shares outstanding and (ii) each of Aquiline Capital Partners LLC, Aquiline Holdings LLC, Aquiline Holdings LP and Aquiline Holdings GP Inc. may be deemed to be the beneficial owner of 3.8% of the total number of Shares outstanding.

(c) Number of shares as to which the reporting person has, as of December 31, 2014:

Jeffrey W. Greenberg		
(i)	Sole power to vote or to direct the vote:	3,289,286.49
(ii)	Shared power to vote or to direct the vote:	0
(iii)	Sole power to dispose or to direct the disposition of:	3,289,286.49
(iv)	Shared power to dispose or to direct the disposition of:	0
Aquiline Capital Partners LLC		
(i)	Sole power to vote or to direct the vote:	3,279,268
(ii)	Shared power to vote or to direct the vote:	0

(iii)	Sole power to dispose or to direct the disposition of:	3,279,268
(iv)	Shared power to dispose or to direct the disposition of:	0
Aquiline Holdings LLC		
(i)	Sole power to vote or to direct the vote:	3,279,268
(ii)	Shared power to vote or to direct the vote:	0
(iii)	Sole power to dispose or to direct the disposition of:	3,279,268
(iv)	Shared power to dispose or to direct the disposition of:	0
Aquiline Holdings LP		
(i)	Sole power to vote or to direct the vote:	3,279,268
(ii)	Shared power to vote or to direct the vote:	0
(iii)	Sole power to dispose or to direct the disposition of:	3,279,268
(iv)	Shared power to dispose or to direct the disposition of:	0
Aquiline Holdings GP Inc.		
(i)	Sole power to vote or to direct the vote:	3,279,268
(ii)	Shared power to vote or to direct the vote:	0
(iii)	Sole power to dispose or to direct the disposition of:	3,279,268
(iv)	Shared power to dispose or to direct the disposition of:	0

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof each of the Reporting Persons has ceased to be the beneficial owner of more than five percent of the class of securities, check the following x.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

The investors in the Funds have the right to participate in the receipt of dividends from, or proceeds from the sale of, the Shares held by the Funds in accordance with their ownership interests in the Funds.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.

Not applicable

Item 8. Identification and Classification of Members of the Group.
Not applicable

Item 9. Notice of Dissolution of Group.
Not applicable

Item 10. Certification.
Not applicable

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 13, 2015

JEFFREY W. GREENBERG

/s/ Jeffrey W. Greenberg

AQUILINE HOLDINGS GP INC.

By: Jeffrey W. Greenberg, as its Sole Stockholder

/s/ Jeffrey W. Greenberg

AQUILINE HOLDINGS LP

By: Aquiline Holdings GP Inc., as its General Partner

By: Jeffrey W. Greenberg, as its Sole
Stockholder

/s/ Jeffrey W. Greenberg

AQUILINE HOLDINGS LLC

By: Aquiline Holdings LP, as its Managing Member

By: Aquiline Holdings GP Inc., as its General Partner

By: Jeffrey W. Greenberg, as its Sole Stockholder

/s/ Jeffrey W. Greenberg

AQUILINE CAPITAL PARTNERS LLC

By: Aquiline Capital Partners LLC, as its Managing Member

By: Aquiline Holdings LP, as its Managing Member

By: Aquiline Holdings GP Inc., as its General Partner

By: Jeffrey W. Greenberg, as its Sole Stockholder

/s/ Jeffrey W. Greenberg
nbsp;Diego, California
March 30, 2005

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BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
CONSOLIDATED BALANCE SHEETS

	BIOMED REALTY TRUST, INC. December 31, 2004	INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR) December 31, 2003
	(In thousands, except per share data)	
ASSETS		
Rental property:		
Land	$ 68,755	$ 12,000
Ground lease	14,217	
Buildings and improvements	388,785	37,588
	471,757	49,588
Less: accumulated depreciation and amortization	(3,269)	(2,563)
Net rental property	468,488	47,025
Investment in unconsolidated partnership	2,470	
Cash and cash equivalents	27,869	157
Restricted cash	2,470	
Accounts receivable, net of allowance for doubtful accounts of $150 at December 31, 2004	1,837	
Accrued straight-line rents, net of allowance for doubtful accounts of $8 at December 31, 2004	3,306	2,427
Acquired above market leases, net of accumulated amortization of $538 at December 31, 2004	8,006	
Deferred leasing costs, net	61,503	287
Deferred loan costs, net	1,700	29
Prepaid expenses	1,531	
Other assets	2,543	131
Total assets	$ 581,723	$ 50,056
LIABILITIES AND STOCKHOLDERS AND OWNERS EQUITY		
Liabilities:		
Secured notes payable, net	$ 102,236	$ 34,208
Security deposits	4,831	
Due to affiliates	53	3,000
Dividends and distributions payable	9,249	
Accounts payable and accrued expenses	7,529	389
Acquired lease obligations, net of accumulated amortization of $251 at December 31, 2004	13,741	

Total liabilities		137,639		37,597
Minority interests		22,267		
Stockholders and owners equity:				
Preferred stock, $.01 par value, 15,000,000 shares authorized, none issued or outstanding				
Common stock, $.01 par value, 100,000,000 shares authorized, 31,386,333 shares issued and outstanding		314		
Additional paid-in capital		434,075		
Deferred compensation		(4,182)		
Dividends in excess of earnings		(8,390)		
Owners equity				12,459
Total stockholders and owners equity		421,817		12,459
Total liabilities and stockholders and owners equity	$	581,723	$	50,056

See accompanying notes to consolidated financial statements.

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BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
CONSOLIDATED STATEMENTS OF INCOME

	BIOMED REALTY TRUST, INC.	INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)		
	Period August 11, 2004 through December 31, 2004	Period January 1, 2004 through August 17, 2004	Year Ended December 31, 2003	Year Ended December 31, 2002
	(In thousands, except per share data)			
Revenues:				
Rental	$ 19,432	$ 3,339	$ 6,275	$ 5,869
Tenant recoveries	9,222	375	744	718
Total revenues	28,654	3,714	7,019	6,587
Expenses:				
Rental operations	11,619	353	830	821
Depreciation and amortization	7,853	600	955	955
General and administrative	3,130			
Total expenses	22,602	953	1,785	1,776
Income from operations	6,052	2,761	5,234	4,811
Equity in net loss of unconsolidated partnership	(11)			
Interest income	190		1	3
Interest expense	(1,180)	(1,760)	(2,901)	(3,154)
Income before minority interests	5,051	1,001	2,334	1,660
Minority interests	(269)			
Net income	$ 4,782	$ 1,001	$ 2,334	$ 1,660
Basic earnings per share	$ 0.15			
Diluted earnings per share	$ 0.15			

Weighted-average common shares outstanding:	
Basic	30,965,178
Diluted	33,767,575

See accompanying notes to consolidated financial statements.

BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY AND
STATEMENTS OF OWNERS EQUITY

	Number of Shares	Common Stock	Additional Paid-In Capital	Deferred Compensation	Dividends in Excess of Earnings	Owners Equity	Total
			(In thousands, except share data)				
The Predecessor							
Balance at December 31, 2001		$	$	$	$	$ 12,538	$ 12,538
Distributions						(2,029)	(2,029)
Net income						1,660	1,660
Balance at December 31, 2002						12,169	12,169
Distributions						(2,044)	(2,044)
Net income						2,334	2,334
Balance at December 31, 2003						12,459	12,459
Distributions						(1,215)	(1,215)
Net income						1,001	1,001
Balance at August 11, 2004						12,245	12,245
The Company							
Buyout of owners equity of Predecessor						(12,245)	(12,245)
Net proceeds from sale of common stock	31,050,000	311	429,024				429,335
Issuance of unvested restricted common stock	336,333	3	5,051	(5,054)			
Vesting of restricted common stock				872			872
Dividends					(13,172)		(13,172)
Net income					4,782		4,782
Balance at December 31, 2004	31,386,333	$ 314	$ 434,075	$ (4,182)	$ (8,390)	$	$ 421,817

See accompanying notes to consolidated financial statements.

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BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS

	Biomed Realty Trust, Inc. and Inhale 201 Industrial Road, L.P. (Predecessor) Year Ended December 31, 2004	Inhale 201 Industrial Road, L.P. (Predecessor) Year Ended December 31, 2003	Inhale 201 Industrial Road, L.P. (Predecessor) Year Ended December 31, 2002
		(In thousands)	
Operating activities:			
Net income	$ 5,783	$ 2,334	$ 1,660
Adjustments to reconcile net income to net cash provided by operating activities:			
Minority interests	269		
Depreciation and amortization	8,453	955	955
Bad debt expense	158		
Revenue reduction attributable to acquired above market leases	538		
Revenue recognized related to acquired lease obligations	(251)		
Vesting of restricted common stock	872		
Amortization of loan costs	216	73	411
Interest expense reduction for amortization of debt premium	(307)		
Loss from unconsolidated partnership	11		
Changes in operating assets and liabilities:			
Accounts receivable	(1,987)		
Accrued straight-line rents	(887)	(648)	(759)
Prepaid expenses	(1,531)		
Other assets	(712)	133	(243)
Due to affiliates	53		
Restricted cash	(2,470)		
Accounts payable and accrued expenses	5,751	(431)	(262)
Net cash provided by operating activities	13,959	2,416	1,762
Investing activities:			
Expenditures for improvements to rental property	(290)	(105)	(159)

Purchases of interests in rental property and related intangible assets	(459,264)		
Security deposits received from prior owners of rental property	4,831		
Tenant improvement funds received from prior owners of rental property	1,389		
Receipts of master lease payments (reduction to rental property)	1,327		
Distributions received from unconsolidated partnership	27		
Funds held in escrow for acquisitions (other assets)	(1,700)		
Repayment of related party payables	(3,000)		
Net cash used in investing activities	(456,680)	(105)	(159)

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	Biomed Realty Trust, Inc. and Inhale 201 Industrial Road, L.P. (Predecessor)	Inhale 201 Industrial Road, L.P. (Predecessor)	Inhale 201 Industrial Road, L.P. (Predecessor)
	Year Ended December 31, 2004	Year Ended December 31, 2003	Year Ended December 31, 2002
		(In thousands)	
Financing activities:			
Proceeds from initial public offering	465,753		
Payment of offering costs	(36,415)		
Payment of loan costs	(1,701)	(87)	
Line of credit proceeds	33,900		
Line of credit repayments	(33,900)		
Principal payments on secured notes payable	(234)	(762)	(528)
Proceeds from secured notes payable	49,300	227	1,348
Distributions to operating partnership unit holders	(357)		
Dividends paid	(4,698)		
Distributions to owners of Predecessor	(1,215)	(2,044)	(2,030)
Net cash provided by (used in) financing activities	470,433	(2,666)	(1,210)
Net increase (decrease) in cash and cash equivalents	27,712	(355)	393
Cash and cash equivalents at beginning of period	157	512	119
Cash and cash equivalents at end of period	$ 27,869	$ 157	$ 512
Supplemental disclosure of cash flow information:			
Cash paid during the period for interest	$ 3,040	$ 2,600	$ 3,393
Supplemental disclosure of non-cash investing and financing activities:			
Secured notes payable assumed (includes premium of $5,642)	53,477		
Historic cost basis of assets transferred from Predecessor (including $2,189 of accrued straight-line rents as of	48,569		

August 17, 2004)	
Operating partnership units issued for interests in certain contributed properties	21,810
Investment in unconsolidated partnership acquired by issuing Operating Partnership units	2,508
Distributions in excess of equity balance to owners of Predecessor	5,131
Accrual for offering costs	(423)
Accrual for dividends declared	8,474
Accrual for distributions declared for operating partnership unit holders	775
Restricted stock awards	5,054

See accompanying notes to consolidated financial statements.

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**BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

1. Organization and Description of Business

As used herein, the terms we, us, our or the Company refer to BioMed Realty Trust, Inc., a Maryland corporatio and any of our subsidiaries, including BioMed Realty, L.P., a Maryland limited partnership (our Operating Partnership), and 201 Industrial Road, L.P. (Industrial Road) (our Predecessor). We operate as a fully integrated, self-administered and self-managed real estate investment trust (REIT) focused on acquiring, developing, owning, leasing and managing laboratory and office space for the life science industry. The Company s tenants include biotechnology and pharmaceutical companies, scientific research institutions, government agencies and other entities involved in the life science industry. The Company s primary acquisition targets and current properties are located in markets with well established reputations as centers for scientific research, including San Diego, San Francisco, Seattle, Maryland, Pennsylvania, New York/ New Jersey and Boston.

The Company was incorporated in Maryland on April 30, 2004. On August 11, 2004, the Company commenced operations after completing its initial public offering (the Offering) of 27,000,000 shares of its common stock, par value $.01 per share. The Offering price was $15.00 per share resulting in gross proceeds of $405.0 million. On August 16, 2004, in connection with the exercise of the underwriters over-allotment option, the Company issued an additional 4,050,000 shares of common stock and received gross proceeds of $60.8 million. The aggregate proceeds to the Company, net of underwriting discounts and commissions and Offering costs, were approximately $429.3 million. In addition, simultaneously with the Offering, the Company obtained a $100.0 million revolving unsecured credit facility (Note 5), which will be used to finance acquisitions and for other corporate purposes. The Company issued a stock warrant in connection with the Offering to the lead underwriter for the right to purchase 270,000 common shares at $15.00 per share, which equals the estimated fair value at the date of grant. The warrant vested immediately and is exercisable six months after the Offering date. From inception through August 11, 2004, neither the Company nor its Operating Partnership had any operations.

From the completion of the Offering on August 11, 2004 through September 30, 2004, the Company, through the Operating Partnership, completed the acquisition of the 13 properties previously described in the Company s initial public offering prospectus. The Company 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 approximately 2.9 million limited partnership units in the Operating Partnership (Units), aggregate cash consideration of approximately $77.0 million using net proceeds of the Offering and the assumption of $14.0 million of debt (excluding $1.8 million of premium). In addition, the Company 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. The Company acquired these properties for aggregate cash consideration of approximately $323.2 million using net proceeds of the Company s Offering 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 $16.1 million (or approximately 50% of the purchase price), to March 2005 to facilitate a like-kind exchange under Section 1031 of the Internal Revenue Code of 1986, as amended (the Code).

During the fourth quarter of 2004, we acquired San Diego Science Center in October and Ardentech Court, located in Northern California, in November. In addition, we established a presence in the Maryland life science market with the acquisition and leaseback of two properties in December. These transactions, combined with the acquisition of 13 properties under contract at the time of the Offering in August, increased our total portfolio at year-end to 17 commercial real estate properties, two of which include developable land parcels. Our portfolio is located in six markets San Diego, San Francisco, Seattle, Pennsylvania, Maryland and New York/ New Jersey.

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BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Industrial Road is the largest of the properties contributed in the Offering and therefore has been identified as the accounting acquirer pursuant to paragraph 17 of Statement of Financial Accounting Standards (SFAS) No. 141, *Business Combinations* (SFAS 141). As such, the historical financial statements presented herein for Industrial Road were prepared on a stand-alone basis up to and including the acquisition date, August 17, 2004. Upon completion of the Offering, the interest in the Predecessor acquired from affiliates was recorded at historic cost. The acquisitions of the unaffiliated interests in the Predecessor and the interests in all of the other properties have been accounted for as a purchase in accordance with SFAS 141. McKellar Court is accounted for under the equity method.

2. Basis of Presentation and Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries, and partnerships and limited liability companies it controls. All material intercompany transactions and balances have been eliminated. The Company consolidates entities the Company controls and records a minority interest for the portions not owned by the Company. Control is determined, where applicable, by the sufficiency of equity invested and the rights of the equity holders, and by the ownership of a majority of the voting interests, with consideration given to the existence of approval or veto rights granted to the minority shareholder. If the minority shareholder holds substantive participation rights, it overcomes the presumption of control by the majority voting interest holder. In contrast, if the minority shareholder simply holds protective rights (such as consent rights over certain actions), it does not overcome the presumption of control by the majority voting interest holder. With respect to the partnerships and limited liability companies, the Company determines control through a consideration of each party s financial interests in profits and losses and the ability to participate in major decisions such as the acquisition, sale or refinancing of principal assets.

Investments in Rental Property

Investments in rental property are carried at depreciated cost. Depreciation and amortization are recorded on a straight-line basis over the estimated useful lives as follows:

Buildings and improvements	40 years
Ground lease	Term of the related lease
Tenant improvements	Shorter of the useful lives or the terms of the related leases
Furniture, fixtures, and equipment	3-5 years
Acquired in-place leases	Non-cancelable term of the related lease
Acquired management agreements	Non-cancelable term of the related agreement

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.

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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 (a) the contractual amounts to be paid pursuant to the in-place leases and (b) 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: (a) 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); (b) 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); (c) the value associated with lost rental revenue from existing leases during the assumed lease-up period; and (d) 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 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.

The Company has a leasehold interest in the Landmark at Eastview property through a 99-year ground lease. Following the seller s completion of certain property subdivisions, the ground lease will terminate and a fee simple interest in the property will be transferred to the Company for no additional consideration. Under the terms of the ground lease, the Company has $1.25 million in escrow, which will be used by the seller to complete certain improvements required in connection with completing the property subdivisions. The $1.25 million is included in other assets on the consolidated balance sheets as of December 31, 2004. There are no additional amounts due from the Company under the terms of the ground lease.

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

Repair and maintenance costs are charged to expense 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.

Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed

The Company reviews long-lived assets and certain identifiable intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows, undiscounted and without interest, expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the

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carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less. We maintain our cash at insured financial institutions. The combined account balances at each institution periodically exceed FDIC insurance coverage, and, as a result, there is a concentration of credit risk related to amounts in excess of FDIC limits. We believe that the risk is not significant.

Restricted Cash

Restricted cash primarily consists of deposits for real estate taxes, insurance and capital reserves as required by certain loan agreements.

Statements of Cash Flows

The statements of cash flows of the Company and the Predecessor have been combined for the year ended December 31, 2004 to make them comparable to the same period in 2003 for the Predecessor.

Deferred Leasing Costs

Leasing commissions and other direct costs associated with obtaining new or renewal leases are recorded at cost and amortized on a straight-line basis over the terms of the respective leases. Deferred leasing costs also include the net carrying value of acquired in-place leases and acquired management agreements, which are discussed above in investments in rental property. The balance at December 31, 2004 was comprised as follows (in thousands):

	Balance at December 31, 2004	Accumulated Amortization	Net
Acquired in-place leases	$ 57,663	$ (4,001)	$ 53,662
Acquired management agreements	8,151	(576)	7,575
Deferred leasing commissions	361	(95)	266
	$ 66,175	$ (4,672)	$ 61,503

The balance at December 31, 2003 was comprised as follows (in thousands):

	Balance at December 31, 2003	Accumulated Amortization	Net
Deferred leasing commissions	$ 360	$ (73)	$ 287

Deferred Loan Costs

Costs associated with obtaining long-term financing are capitalized and amortized to interest expense over the terms of the related loans using a method that approximates the effective-interest method. The balance includes $162,000 and $102,000 of accumulated amortization at December 31, 2004 and 2003, respectively.

Revenue Recognition

All leases are classified as operating leases and minimum rents are recognized on a straight-line basis over the term of the related lease. The impact of the straight-line rent adjustment increased revenue by $1,125,000,

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$648,000, and $758,000 for the years ended December 31, 2004, 2003, and 2002, respectively. Additionally, the impact of the amortization of acquired above-market leases and acquired lease obligations decreased revenue by $287,000 for the year ended December 31, 2004. The excess of rents recognized over amounts contractually due pursuant to the underlying leases are included in accrued straight-line rents on the accompanying consolidated balance sheets and contractually due but unpaid rents are included in accounts receivable.

Recoveries from tenants, consisting of amounts due from tenants for real estate taxes, insurance and common area maintenance costs are recognized as revenue in the period the expenses are incurred. The reimbursements are recognized and presented in accordance with EITF, 99-19, *Reporting Revenue Gross as a Principal versus Net as an Agent* (EITF 99-19). EITF 99-19 requires that these reimbursements be recorded gross, as the Company is generally the primary obligor with respect to purchasing goods and services from third-party suppliers, has discretion in selecting the supplier and bears the credit risk.

Payments received under master lease agreements entered into with the sellers of the Bayshore and King of Prussia properties to lease space that was not producing rent at the time of the acquisition are recorded as a reduction to buildings and improvements rather than as rental income in accordance with EITF 85-27, *Recognition of Receipts from Made-Up Rental Shortfalls*. Receipts under the master lease agreements totaled $1,327,000 for the period from August 11, 2004 to December 31, 2004. The master lease at Bayshore will expire in February 2006. The master lease at King of Prussia will expire in June 2008 or sooner under the terms of the agreement if the vacant space is leased by a new tenant.

Allowance for Doubtful Accounts

We maintain an allowance for doubtful accounts for estimated losses resulting from the inability of tenants to make required rent payments. We also maintain an allowance for accrued straight-line rents. The computation of this allowance is based on the tenants payment history and current credit status.

Incentive Awards

The Company follows SFAS No. 123, *Accounting for Stock-Based Compensation* (SFAS 123) as amended by SFAS No. 148. SFAS 123 requires that compensation expense be recorded for the fair-value of restricted stock granted to employees and non-employee directors. The fair-value is recorded based on the market value of the common stock on the grant date to deferred compensation and is amortized to general and administrative expenses over the respective vesting periods.

Equity Offering Costs

Underwriting commissions and offering costs are reflected as a reduction to additional paid-in-capital.

Income Taxes

For the year ended December 31, 2004, the Company intends to elect to be taxed as a REIT under Sections 856 through 860 of the Code. A REIT is generally not subject to federal income tax on that portion of its taxable income that is distributed to its stockholders, provided that at least 90% of taxable income is distributed. REITs are subject to a number of organizational and operational requirements. If the Company fails to qualify as a REIT in any taxable year, the Company will be subject to federal income tax (including any applicable alternative minimum tax) and, in most of the states, state income tax on its taxable income at regular corporate tax rates. The Company is subject to certain state and local taxes.

We have formed a taxable REIT subsidiary (a TRS). In general, a TRS may perform non-customary services for tenants, hold assets that we cannot hold directly and generally engage in any real estate or non-real

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estate related business. A TRS is subject to corporate federal income taxes on its taxable income at regular corporate tax rates (except for the operation or management of health care facilities or lodging facilities or the providing of any person, under a franchise, license or otherwise, rights to any brand name under which any lodging facility or health care facility is operated). For the periods presented in the accompanying consolidated statements of income there is no tax provision for the TRS as the TRS had no substantial operations during 2004.

The Predecessor was a partnership. Under applicable federal and state income tax rules, the allocated share of net income/loss from partnerships is reportable in the income tax returns of the partners and members. Accordingly, no income tax provision is included in the accompanying consolidated financial statements for the period from January 1, 2004 through August 17, 2004 and for the years ended December 31, 2003 and 2002.

Dividends and Distributions

Earnings and profits, which determine the taxability of dividends and distributions to stockholders, will differ from income reported for financial reporting purposes due to the difference for federal income tax purposes in the treatment of revenue recognition, compensation expense, and in the estimated useful lives used to compute depreciation. Total common distributions were $0.4197 per common share, of which $0.283673 is treated as ordinary income for federal income tax purposes for the year ended December 31, 2004. The remaining common distribution of $0.136027 will be reported for federal income tax purposes in the year ending December 31, 2005.

Management s Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reporting of revenue and expenses during the reporting period to prepare these financial statements in conformity with U.S. generally accepted accounting principles. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and reported amounts of revenue and expenses that are not readily apparent from other sources. Actual results could differ from those estimates under different assumptions or conditions.

Management considers those estimates and assumptions that are most important to the portrayal of the Company s financial condition and results of operations, in that they require management s most subjective judgments, to form the basis for the accounting policies used by the Company. These estimates and assumptions of items such as market rents, time required to lease vacant spaces, lease terms for incoming tenants and credit worthiness of tenants in determining the as-if-vacant value, in-place lease value and above and below market rents value are utilized in allocating purchase price to tangible and identified intangible assets upon acquisition of a property. These accounting policies also include management s estimates of useful lives in calculating depreciation expense on its properties and the ultimate recoverability (or impairment) of each property. If the useful lives of buildings and improvements are different from 40 years, it could result in changes to the future results of operations of the Company. Future adverse changes in market conditions or poor operating results of our properties could result in losses or an inability to recover the carrying value of the properties that may not be reflected in the properties current carrying value, thereby possibly requiring an impairment charge in the future.

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Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

3. Minority Interests

In connection with our Offering, we acquired interests in six properties through our Operating Partnership that were previously owned by limited partnerships and a limited liability company in which certain officers of the Company or entities affiliated with them owned interests, and private investors and tenants who are not affiliated with them owned interests. Persons and entities owning the interests in four of the limited partnerships and the limited liability company, certain officers, some of their spouses and parents, and other individuals and entities not affiliated with us or our management, contributed to us all of their interests in these entities. In exchange for these interests, we issued an aggregate of 2,870,564 limited partnership units in our operating partnership and cash payments in the aggregate amount of $20.5 million. Certain officers of the Company (including some of their spouses) received an aggregate of 2,673,172 limited partnership units having a value of $40.1 million based on the initial public offering price of our common stock of $15.00 per share.

Minority interests on the consolidated balance sheet related to the Units that are not owned by the Company, which at December 31, 2004 amounted to 8.46% of total common stock and Units outstanding. During the period from August 11, 2004 to December 31, 2004, the minority interest carrying value fluctuated due to the timing of the underwriters over-allotment option of 4,050,000 shares, which closed on August 16, 2004, and the closing of certain acquisitions in which Units were issued. In conjunction with the formation of the Company, certain persons and entities contributing interests in properties to the Operating Partnership received Units. Limited partners who were issued Units in the formation transactions have the right, commencing approximately one year after the Offering, to require the Operating Partnership to redeem part or all of their Units for cash based upon the fair market value of an equivalent number of shares of the Company s common stock at the time of redemption. Alternatively, the Company may elect to acquire those Units in exchange for shares of the Company s common stock on a one-for-one basis, subject to adjustment in the event of stock splits, stock dividends, issuance of stock rights, specified extraordinary distributions and similar events. Minority interests also include a $1.3 million capital contribution by the limited partner, which has an 11% interest, in the limited partnership that owns the King of Prussia property, which is a consolidated entity of the Company.

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4. Secured Notes Payable

A summary of our outstanding consolidated secured indebtedness as of December 31, 2004 was as follows (in thousands):

	Stated Fixed Interest Rate	Effective Interest Rate	Principal Amount	Unamortized Premium Amount	Total Book Value	Maturity Date
Science Center Drive	7.65%	5.04%	$ 11,699	$ 1,677	$ 13,376	July 1, 2011
Bridgeview	8.07%	5.04%	11,825	1,856	13,681	January 1, 2011
Elliott Avenue	7.38%	4.63%	16,996	1,111	18,107	November 24, 2007
Eisenhower Road	5.80%	4.63%	2,252	79	2,331	May 5, 2008
Ardentech Court	7.25%	5.06%	4,828	612	5,440	July 1, 2012
Towne Centre Drive	4.55%	4.55%	22,856		22,856	January 1, 2010
Monte Villa Parkway	4.55%	4.55%	10,007		10,007	January 1, 2010
Bayshore Boulevard	4.55%	4.55%	16,438		16,438	January 1, 2010
			$ 96,901	$ 5,335	$ 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 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 December 31, 2004, principal payments due for our secured notes payable were as follows (in thousands):

2005	$ 1,834
2006	2,018
2007	17,613
2008	3,733
2009	1,717
Thereafter	69,986
	$ 96,901

5. Line of Credit

On August 11, 2004, the Company entered into a $100.0 million revolving unsecured loan agreement, which bears interest at LIBOR plus 1.20%, or higher depending on the leverage ratio of the Company at the time of the draw, or a reference rate, and expires on August 11, 2007. The Company, at its sole discretion, may extend the maturity date to August 11, 2008 after satisfying certain conditions and paying an extension fee totaling 0.20% of the then outstanding commitment. The Company may increase the amount of the commitment up to $200.0 million upon satisfying certain conditions and agreement of the lender. The credit facility requires payment of a quarterly unused commitment fee ranging from 0.15% to 0.25% depending on the total unused commitment and an annual administrative fee equal to $10,000 times the number of banks participating in the facility. As of December 31, 2004, the Company had no borrowings outstanding on the

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credit facility. However, the amount available at December 31, 2004 was $94.0 million due to the issuance of a letter of credit by the lender related to our Bridgeview property.

The terms of the credit facility 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 interest expense coverage, leverage ratio, cash flow coverage, the maximum amount of unsecured, secured and recourse indebtedness, and certain investment limitations. The dividend restriction referred to above provides that, except to enable the Company to continue to qualify as a REIT for federal income tax purposes, the Company 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, as defined, for such period, subject to other adjustments. Management believes that it was in compliance with the covenants as of December 31, 2004.

6. Earnings Per Share

Earnings per share (EPS) is calculated based on the weighted number of shares of our common stock outstanding during the period. The effect of the outstanding Units, vesting of unvested restricted stock that has been granted or has been committed to be granted, and the assumed exercise of the stock warrant, using the treasury method, were dilutive and included in the calculation of diluted weighted-average shares for the period from August 11, 2004 through December 31, 2004.

The following table sets forth information related to the computations of basic and diluted EPS in accordance with SFAS No. 128, *Earnings per Share* (in thousands, except per share amounts):

	Period August 11, 2004 through December 31, 2004
Net income attributable to common shares	$ 4,782
Weighted-average common shares outstanding:	
Basic	30,965,178
Incremental shares from assumed conversion/exercise:	
Stock warrant	51,681
Vesting of restricted stock	90,173
Operating Partnership Units	2,660,543
Diluted	33,767,575
Earnings per share basic and diluted	$ 0.15

7. Fair Value of Financial Instruments

SFAS No. 107, *Disclosure about Fair Value of Financial Instruments*, requires us to disclose fair value information about all financial instruments, whether or not recognized in the balance sheets, for which it is practicable to estimate fair value. Our disclosures of estimated fair value of financial instruments at December 31, 2004 and 2003, respectively, were determined using available market information and appropriate valuation methods. Considerable judgment is necessary to interpret market data and develop estimated fair value. The use of different market assumptions or estimation methods may have a material effect on the estimated fair value amounts.

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The carrying amounts for cash and cash equivalents, restricted cash, accounts receivable, accrued straight-line rents, accounts payable and accrued expenses approximate fair value due to the short-term nature of these instruments.

We calculate the fair value of our secured notes payable based on a currently available market rate assuming the loans are outstanding through maturity and considering the collateral. In determining the current market rate for fixed rate debt, a market spread is added to the quoted yields on federal government treasury securities with similar maturity dates to debt.

At December 31, 2004, the aggregate fair value of our secured notes payable was estimated to be $101.2 million compared to the carrying value of $102.2 million. As of December 31, 2003, the fair value of the secured notes payable and due to affiliates approximated the carrying value. As of December 31, 2004, the fair value of the debt of our investment in unconsolidated partnership approximated the carrying value.

8. Incentive Award Plan

The Company has adopted the BioMed Realty Trust, Inc. and BioMed Realty, L.P. 2004 Incentive Award Plan (the Plan). The Plan provides for the grant to directors, employees and consultants of the Company, and the Operating Partnership (and their respective subsidiaries) of stock options, restricted stock, stock appreciation rights, dividend equivalents, and other incentive awards. The Company has reserved 2,500,000 shares of common stock for issuance pursuant to the Plan, subject to adjustments as set forth in the Plan. Upon consummation of the Offering, the Company granted 8,000 shares of restricted stock with an aggregate value of $120,000 to four independent directors of the Board, which vest one year from the date of grant. After the Offering, the Company also granted 328,333 shares of restricted stock with an aggregate value of $4.9 million to certain officers and key employees pursuant to the Plan. The restricted shares generally vest in three equal installments on January 1, 2005, January 1, 2006 and January 1, 2007. Participants are entitled to cash dividends and may vote such awarded shares, but the sale or transfer of such shares is limited during the restricted period.

In accordance with SFAS 123, the Company recorded deferred compensation of approximately $5.1 million during 2004 for the grants described above based upon the market value for these shares on the dates of the award, and the related compensation charges are being amortized to expense on a straight-line basis over the respective service periods. During the period from August 11, 2004 through December 31, 2004, $872,000 of stock-based compensation expense was recognized in general and administrative expense.

9. Investment in Unconsolidated Partnership

Investment in unconsolidated partnership is accounted for using the equity method whereby our investment is recorded at cost and the investment account is adjusted for our share of the entity s income or loss and for distributions and contributions. As of December 31, 2004, we had an investment in McKellar Court, L.P. (McKellar Court). 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 (FASB) Interpretation No. 46 (revised December 2003), *Consolidation of Variable Interest Entities*; however, the Company is not the primary beneficiary. The limited partner is also the only tenant in the property and will bear a disproportionate amount of any losses. The Company, 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 the Company. The assets and liabilities of McKellar Court were $23.1 million and $17.1 million, respectively, at December 31, 2004.

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10. Financial Interests Subject to Put and Call Options

The limited partner in the King of Prussia limited partnership has a put option that would require the Company to purchase the limited partner s interest in the property beginning August 21, 2007 through November 11, 2007 for $1.8 million less any distributions paid to the limited partner. If the put option is not exercised, then the Company has a call option beginning in May 11, 2008 through August 11, 2008 to purchase the limited partner s interest for $1.9 million less any distributions paid to the limited partner. If the Company does not exercise the option, then the limited partnership will continue in existence under the terms of the partnership agreement. As of December 31, 2004, the fair value of the put and call options was $386,000 and $100,000, respectively, which is recorded as a net accrued liability included in accounts payable and accrued expenses on the consolidated balance sheets. In addition, the Company has recorded net change in fair value of the put and call options since the date of acquisition of $20,000 as a charge to income on the consolidated statements of income.

11. Segment Information

The Company s segments are based on the Company s method of internal reporting which classifies its operations by geographic area. The Company s segments by geographic area are San Francisco, San Diego, Seattle, New York/ New Jersey, Pennsylvania and Maryland. The rental operations expenses at the Corporate and Other segment consists primarily of the corporate level management of the properties.

Net Operating Income is not a measure of operating results or cash flows from operating activities as measured by U.S. generally accepted accounting principles, and it is not indicative of cash available to fund cash needs and should not be considered an alternative to cash flows as a measure of liquidity. All companies may not calculate Net Operating Income in the same manner. The Company considers Net Operating Income to be an appropriate supplemental measure to net income because it helps both investors and management to understand the core operations of the Company s properties. Net Operating Income is derived by deducting rental operations expenses from total revenues.

The Predecessor operated in one geographic area San Francisco.

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Information by geographic area (dollars in thousands):

	San Francisco	San Diego	Seattle	New York/ New Jersey	Pennsylvania	Maryland	Corporate and Other	Total
Total revenues	$ 5,165	$ 4,621	$ 2,975	$ 11,167	$ 4,565	$ 161	$	$ 28,654
% of total revenues	18.0%	16.1%	10.4%	39.0%	15.9%	0.6%	0.0%	100.0%
Rental operations expenses	$ 732	$ 820	$ 421	$ 7,194	$ 2,197	$ 17	$ 238	$ 11,619
% of total rental operations expenses	6.3%	7.1%	3.6%	61.9%	18.9%	0.1%	2.0%	100.0%
Net operating income	$ 4,433	$ 3,801	$ 2,554	$ 3,973	$ 2,368	$ 144	$ (238)	$ 17,035
% of total net operating income	26.0%	22.3%	15.0%	23.3%	13.9%	0.8%	(1.4)%	100.0%
Depreciation and amortization	$ 1,326	$ 1,689	$ 1,193	$ 2,279	$ 1,337	$ 29		$ 7,853
% of total depreciation and amortization	16.9%	21.5%	15.2%	29.0%	17.0%	0.4%		100.0%
General and administrative							$ 3,130	$ 3,130
% of total general and administrative							100.0%	100.0%
Equity in net loss of unconsolidated partnership		$ (11)						$ (11)
% of total equity loss of unconsolidated partnership		(100.0)%						(100.0)%
Interest income	$ 2	$ 16	$ 6	$ 16	$ 1		$ 149	$ 190
% of total interest income	1.2%	8.4%	3.1%	8.4%	0.5%		78.4%	100.0%
Interest expense	$ (269)	$ (200)	$ (301)		$ (43)		$ (367)	$ (1,180)

% of total interest expense	(22.8)%	(16.9)%	(25.5)%		(3.7)%		(31.1)%	(100.0)%
Minority interests					$ 145		$ (414)	$ (269)
% of total minority interests							(100.0)%	(100.0)%
Net income	$ 2,840	$ 1,917	$ 1,066	$ 1,710	$ 1,134	$ 115	$ (4,000)	$ 4,782
% of total net income	59.4%	40.1%	22.3%	35.8%	23.7%	2.4%	(83.6)%	100.0%
Improvements to rental property		$ 30		$ 260				$ 290
Investment in unconsolidated partnership		$ 2,470						$ 2,470
Total assets	$ 131,852	$ 129,908	$ 70,630	$ 101,794	$ 93,358	$ 31,833	$ 22,348	$ 581,723

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12. Property Acquisitions

In addition to the property acquisitions described above in Note 1, the Company acquired interests in four properties during the fourth quarter (in thousands):

	Purchase Price	Debt Assumed	Acquisition Date
San Diego Science Center	$ 29,750	$	October 21, 2004
Ardentech Court San Francisco	10,500	4,800(1)	November 18, 2004
Beckley Street Maryland	15,240		December 17, 2004
Tributary Street Maryland	10,160		December 17, 2004
	$ 65,650	$ 4,800	

(1) Excludes $622,000 of debt premium.

13. Future Minimum Rent

Total future minimum lease receipts under noncancelable operating tenant leases in effect at December 31, 2004 were as follows (in thousands):

2005	$ 54,038
2006	52,512
2007	49,307
2008	37,588
2009	36,491
Thereafter	135,828
	$ 365,764

The geographic concentration of future minimum lease receipts under noncancelable operating tenant leases to be received was as follows (in thousands):

Location	
San Francisco	$ 110,670
San Diego	76,324
Seattle	20,892
New York/ New Jersey	51,276
Pennsylvania	57,885
Maryland	48,717
	$ 365,764

14. Commitments and Contingencies

Concentration of Credit Risk

Life science entities comprise the vast majority of the Company s tenant base. Because of the dependence on a single industry, adverse conditions affecting that industry will more adversely affect our business. One tenant comprised 10.7% or $6.3 million of annualized revenues at December 31, 2004. The inability of this

BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

tenant to make lease payments could materially adversely affect our business. This tenant is located at our King of Prussia property located in Pennsylvania.

We generally do not require collateral or other security from our tenants, other than security deposits or letters of credit.

Capital Commitments

As of December 31, 2004, we had approximately $1.9 million outstanding in capital commitments related to tenants improvements, renovation costs and general property-related capital expenditures.

Insurance

The Company carries insurance coverage on its properties of types and in amounts that it believes are in line with coverage customarily obtained by owners of similar properties. However, certain types of losses (such as from earthquakes and floods) may be either uninsurable or not economically insurable. Further, certain of the properties are located in areas that are subject to earthquake activity and floods. Should a property sustain damage as a result of an earthquake or flood, the Company may incur losses due to insurance deductibles, co-payments on insured losses or uninsured losses. Should an uninsured loss occur, the Company could lose some or all of its capital investment, cash flow and anticipated profits related to one or more properties.

Environmental Matters

The Company follows a policy of monitoring its properties for the presence of hazardous or toxic substances. The Company is not aware of any environmental liability with respect to the properties that would have a material adverse effect on the Company s business, assets or results of operations. There can be no assurance that such a material environmental liability does not exist. The existence of any such material environmental liability could have an adverse effect on the Company s results of operations and cash flow. The Company carries environmental remediation insurance for its properties. This insurance, subject to certain exclusions and deductibles, covers the cost to remediate environmental damage caused by future spills or the historic presence of previously undiscovered hazardous substances.

Tax Indemnification Agreements and Minimum Debt Requirements

As a result of the contribution of properties to the Operating Partnership, the Company has indemnified the contributors of the properties against adverse tax consequences if it directly or indirectly sells, exchanges or otherwise disposes of the properties in a taxable transaction before the tenth anniversary of the completion of the Offering. The Company also has agreed to use its reasonable best efforts to maintain at least $8.0 million of debt, some of which must be property specific, for a period of ten years following the date of the Offering to enable certain contributors to guarantee the debt in order to defer potential taxable gain they may incur if the Operating Partnership repays the existing debt.

15. Newly Issued Accounting Pronouncements

In December 2004, FASB issued SFAS No. 123R, *Share-Based Payment* (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, the Company s equity issuances for compensation have consisted entirely of restricted stock grants to directors and employees. The Company does not believe that the treatment of its restricted stock grants under SFAS 123R

BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

differs from the treatment under SFAS 123. As a result, the Company does not expect the adoption of SFAS 123R to have a material impact on the Company s results of operations, financial position, or liquidity.

In December 2004, the FASB issued SFAS No. 153, *Exchange of Nonmonetary Assets, an amendment of APB Opinion No. 29* (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. The Company does not expect the adoption of SFAS 153 to have a material impact on the Company s results of operations, financial position, or liquidity.

16. Subsequent Events

On January 10, 2005, the Company appointed an independent director, M. Faye Wilson, to its board of directors and granted her 2,000 shares of restricted stock with an aggregate value of $42,000, which vest one year from the date of grant. During the first quarter, the Company also granted 44,225 shares of restricted stock with an aggregate value of $893,000 to officers and employees pursuant to the Plan.

On March 1, 2005, the Company invested approximately $5.1 million in a majority owned joint venture that purchased a building located at 9535 Waples in San Diego. The Company anticipates expanding and improving the building to reposition it as laboratory space. The Company has entered into an agreement with its joint venture partner, which will be responsible for construction, leasing and management.

On March 16, 2005, the Company acquired the third building on our Bridgeview property in Hayward, California for approximately $16.2 million. The purchase price was funded through the Company s revolving credit facility.

On March 17, 2005, the Company acquired a building located at 7 Graphics Drive in Ewing, New Jersey for approximately $7.7 million. The purchase price was funded through the Company s revolving credit facility and cash on hand.

On March 14, 2005, the Company declared its first quarter 2005 dividend in the amount of $0.27 per common share and operating partnership unit. The dividend is payable on April 15, 2005 to stockholders of record at the close of business on March 31, 2005. The dividend is equivalent to an annualized dividend of $1.08 per common share and unit.

BIOMED REALTY TRUST, INC. AND
INHALE 201 INDUSTRIAL ROAD, L.P. (PREDECESSOR)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Quarterly Financial Information (unaudited)

The tables below reflect the Company s and the Predecessor s selected quarterly information for the years ended December 31, 2004 and 2003 (in thousands, except per share data).

	2004 Quarter Ended				
	BioMed Realty Trust, Inc.(1)		Predecessor(2)		
	December 31,	August 11 through September 30,	July 1 through August 17,	June 30,	March 31,
Total revenues	$ 19,670	$ 8,984	$ 278	$ 1,724	$ 1,712
Income/(loss) before minority interests	$ 3,146	$ 1,905	$ (261)	$ 631	$ 631
Minority interests	$ (191)	$ (78)	$		$
Net income/ (loss)	$ 2,955	$ 1,827	$ (261)	$ 631	$ 631
Net income per share basic	$ 0.10	$ 0.06	$		$
Net income per share diluted	$ 0.09	$ 0.06	$		$

	2003 Quarter Ended			
	Predecessor(2)			
	December 31,	September 30,	June 30,	March 31,
Total revenues	$ 1,756	$ 1,755	$ 1,760	$ 1,748
Net income	$ 564	$ 620	$ 556	$ 594
Net income per share basic and diluted	$	$	$	$

(1) The Company commenced operations on August 11, 2004, after completing the Offering.

(2) Represents results of the Predecessor prior to completion of the Offering and acquisition of the Predecessor on August 17, 2004.

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SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION
As of December 31, 2004
(In thousands)

				Initial Cost				Gross amount carried at December 31, 2004				
Market	Year Built/ Renovated	Date Acquired	Encumbrances (1)	Land	Ground Lease	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Ground Lease	Buildings and Improvements	Total (2)	Accu Depre (
n Francisco	1997/2001	11/18/04	$ 4,828	$ 2,742	$	$ 5,372	$	$ 2,742	$	$ 5,372	$ 8,114	$
n Diego	1968/2000	8/13/04		1,316		9,493	30	1,316		9,523	10,839	
n Francisco	2000	8/17/04	16,438	3,667		23,131		3,667		23,131	26,798	
Maryland	1999	12/17/04		1,480		17,572		1,480		17,572	19,052	
n Diego	1974/1992	8/13/04		2,580		13,714		2,580		13,714	16,294	
n Francisco	1977/1998	9/10/04	11,825	1,315		14,716		1,315		14,716	16,031	
ennsylvania	1973/2000	8/13/04	2,252	416		2,614		416		2,614	3,030	
Seattle	1925/2004	8/24/04	16,996	10,124		38,906		10,124		38,906	49,030	
n Francisco	2001	8/17/04		12,000		41,718		12,000		41,718	53,718	
ennsylvania	1954/2004	8/11/04		12,813		68,231		12,813		68,231	81,044	
v York/ v Jersey	1958/1999	8/12/04			14,210	61,996	260		14,217	62,249	76,466	
Seattle	1996/2002	8/17/04	10,007	1,020		10,711		1,020		10,711	11,731	
n Diego	1973/2002	10/21/04		3,872		21,874		3,872		21,874	25,746	
n Diego	1995	9/24/04	11,699	2,630		16,365		2,630		16,365	18,995	
n Diego	2001	8/12/04	22,856	10,720		31,504		10,720		31,504	42,224	
Maryland	1983/1998	12/17/04		2,060		10,585		2,060		10,585	12,645	

$ 96,901	$ 68,755	$ 14,210	$ 388,502	$ 290	$ 68,755	$ 14,217	$ 388,785	$ 471,757	$ (3

(1) Excludes unamortized debt premium of $5,335.

(2) The aggregate gross cost of the Company s rental property for federal income tax purposes approximated $512,459 as of December 31, 2004 (unaudited).

(3) Depreciation of the ground lease and building and improvements are recorded on a straight-line basis over the estimated useful lives ranging from the life of the lease to 40 years.

See accompanying report of independent registered public accounting firm.

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SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION
As of December 31, 2004
(In thousands)

A summary of activity of rental property and accumulated depreciation is as follows (in thousands):

	BioMed Realty Trust, Inc.(1)	Predecessor(1)		
	August 11 thru December 31, 2004	January 1 thru August 17, 2004	December 31, 2003	December 31, 2002
Rental Property:				
Balance at beginning of period/year	$	$ 49,588	$ 49,483	$ 49,324
Property acquisitions	471,467			
Improvements	290		105	159
Balance at end of period/year	$ 471,757	$ 49,588	$ 49,588	$ 49,483
Accumulated Depreciation:				
Balance at beginning of period/year	$	$ (2,563)	$ (1,630)	$ (697)
Depreciation expense	(3,269)	(586)	(933)	(933)
Balance at end of period/year	$ (3,269)	$ (3,149)	$ (2,563)	$ (1,630)

(1) BioMed Realty Trust, Inc. commenced operations on August 11, 2004 after completion of our Offering. Industrial Road is the largest of the properties acquired in the Offering and therefore has been identified as the accounting acquirer, or Predecessor, pursuant to paragraph 17 of SFAS 141. As such, the information presented herein for our Predecessor were prepared on a stand-alone basis up to and including the acquisition date, August 17, 2004. Upon completion of the Offering, the interest in the Predecessor acquired from affiliates was recorded at historic cost. The acquisitions of the unaffiliated interests in the Predecessor and the interests in all of the other properties have been accounted for as a purchase in accordance with SFAS 141.

See accompanying report of independent registered public accounting firm.

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Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission s rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Also, we have investments in an unconsolidated entity. As we manage this entity, our disclosure controls and procedures with respect to such entity are essentially consistent with those we maintain with respect to our consolidated entities.

As required by Securities and Exchange Commission Rule 13a-15(b), we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting during the fiscal quarter ended December 31, 2004 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. ***Other Information***

None.

PART III

Item 10. ***Directors and Executive Officers of the Registrant***

As required by Section 303A.12(a) of the NYSE Listed Company Manual, our Chief Executive Officer made his annual certification to the NYSE on November 23, 2004 stating that he was not aware of any violation by our company of the corporate governance listing standards of the NYSE. In addition, we have filed, as exhibits to this Annual Report on Form 10-K, the certifications of our Chief Executive Officer and Chief Financial Officer required under Section 302 of the Sarbanes-Oxley Act of 2002 to be filed with the Securities and Exchange Commission regarding the quality of our public disclosure.

The information concerning our directors and executive officers required by Item 10 will be included in the Proxy Statement to be filed relating to our 2005 Annual Meeting of Stockholders and is incorporated herein by reference.

Pursuant to instruction G(3) to Form 10-K, information concerning audit committee financial expert disclosure set forth under the heading Information Regarding the Board Committees of the Board Audit Committee will be included in the Proxy Statement to be filed relating to our 2005 Annual Meeting of Stockholders and is incorporated herein by reference.

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Pursuant to instruction G(3) to Form 10-K, information concerning compliance with Section 16(a) of the Exchange Act concerning our directors and executive officers set forth under the heading entitled General Compliance with Section 16(a) of the Exchange Act will be included in the Proxy Statement to be filed relating to our 2005 Annual Meeting of Stockholders and is incorporated herein by reference.

Item 11. ***Executive Compensation***

The information concerning our executive compensation required by Item 11 will be included in the Proxy Statement to be filed relating to our 2005 Annual Meeting of Stockholders and is incorporated herein by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The information concerning our security ownership of certain beneficial owners and management required by Item 12 will be included in the Proxy Statement to be filed relating to our 2005 Annual Meeting of Stockholders and is incorporated herein by reference.

Item 13. ***Certain Relationships and Related Transactions***

The information concerning certain relationships and related transactions required by Item 13 will be included in the Proxy Statement to be filed relating to our 2005 Annual Meeting of Stockholders and is incorporated herein by reference.

Item 14. ***Principal Accountant Fees and Services***

The information concerning our principal accountant fees and services required by Item 14 will be included in the Proxy Statement to be filed relating to our 2005 Annual Meeting of Stockholders and is incorporated herein by reference.

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PART IV

Item 15 ***Exhibits and Financial Statement Schedules***

(a) Financial Statements and Financial Statement Schedule

The following consolidated financial information is included as a separate section of this Annual Report on Form 10-K:

(b) Exhibits

Exhibit Number	**Description**
3.1	Articles of Amendment and Restatement of BioMed Realty Trust, Inc.(1)
3.2	Amended and Restated Bylaws of BioMed Realty Trust, Inc.(1)
4.1	Form of Certificate for Common Stock of BioMed Realty Trust, Inc.(2)
10.1	Second Amended and Restated Agreement of Limited Partnership of BioMed Realty, L.P. dated as of August 13, 2004.(1)
10.2	Registration Rights Agreement dated as of August 13, 2004 among BioMed Realty Trust, Inc. and the persons named therein.(1)
10.3	2004 Incentive Award Plan.(1)
10.4	Form of Restricted Stock Award Agreement under the 2004 Incentive Award Plan.(3)
10.5	Form of Indemnification Agreement between BioMed Realty Trust, Inc. and each of its directors and officers.(2)
10.6	Employment Agreement between BioMed Realty Trust, Inc. and Alan D. Gold dated as of August 6, 2004.(1)
10.7	Employment Agreement between BioMed Realty Trust, Inc. and Gary A. Kreitzer dated as of August 6, 2004.(1)
10.8	Employment Agreement between BioMed Realty Trust, Inc. and John F. Wilson, II dated as of August 6, 2004.(1)

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Exhibit Number	Description
10.9	Employment Agreement between BioMed Realty Trust, Inc. and Matthew G. McDevitt dated as of August 6, 2004.(1)
10.10	Contribution Agreement between Alan D. Gold and BioMed Realty, L.P. dated as of May 4, 2004.(2)
10.11	Contribution Agreement between Gary A. Kreitzer and BioMed Realty, L.P. dated as of May 4, 2004.(2)
10.12	Contribution Agreement between John F. Wilson, II and BioMed Realty, L.P. dated as of May 4, 2004.(2)
10.13	Contribution Agreement between Matthew G. McDevitt and BioMed Realty, L.P. dated as of May 4, 2004.(2)
10.14	Form of Contribution Agreement between the additional contributors and BioMed Realty, L.P. dated as of May 4, 2004.(2)
10.15	Agreement to Enter Lease of Real Property between Eastview Holdings LLC and BMR-Landmark at Eastview LLC dated as of June 21, 2004.(2)
10.16	First Amendment to Agreement to Enter Lease of Real Property between Eastview Holdings LLC and BMR-Landmark at Eastview LLC dated as of June 23, 2004.(2)
10.17	Agreement of Purchase and Sale for Partnership Interests among Radnor Properties Associates-II, L.P., Radnor GP-145 KOP, L.L.C., BMR-145 King of Prussia Road GP LLC and BioMed Realty L.P. dated as of June 24, 2004.(2)
10.18	Purchase and Sale Agreement and Escrow Instructions among F&S Hayward, Inc., Foster Enterprises, Syme Family Partners L.P. and BMR-Bridgeview Technology Park LLC dated as of June 10, 2004.(2)
10.19	Purchase Agreement among Douglas P. Wilson, BMR-Bayshore Boulevard LLC, GAL-Brisbane L.P., Brisbane Tech LLC and Roger C. Stuhlmuller dated as of May 24, 2004.(2)
10.20	Amendment to Purchase Agreement among Douglas P. Wilson, BMR-Bayshore Boulevard LLC, GAL-Brisbane L.P., Brisbane Tech LLC and Roger C. Stuhlmuller dated as of June 16, 2004.(2)
10.21	Agreement of Purchase and Sale between Elliott Park LLC and BMR-201 Elliott Avenue LLC dated as of June 3, 2004.(2)
10.22	Purchase and Sale Agreement and Escrow Instructions between Illumina, Inc. and BMR-9885 Towne Centre Drive LLC dated as of June 18, 2004.(2)
10.23	Purchase and Sale Agreement and Escrow Instructions among Phase 3 Science Center LLC, Ahwatukee Hills Investors, LLC, J. Alexander s LLC and BMR-3450 Monte Villa Parkway LLC dated as of June 2, 2004.(2)
10.24	Radnor Technology and Research Center Lease between Radnor Properties-145 KOP, L.P. and Centocor, Inc. dated as of March 8, 2002.(2)
10.25	First Amendment to Radnor Technology and Research Center Lease between Radnor Properties-145 KOP, L.P. and Centocor, Inc. dated as of June 21, 2002.(2)
10.26	Second Amendment to Radnor Technology and Research Center Lease between Radnor Properties-145 KOP, L.P. and Centocor, Inc. dated as of March 3, 2003.(2)
10.27	Third Amendment to Radnor Technology and Research Center Lease between Radnor Properties-145 KOP, L.P. and Centocor, Inc. dated as of January 19, 2004.(2)
10.28	Redemption Agreement among Nektar Therapeutics (formerly known as Inhale Therapeutic Systems, Inc.), SciMed Prop III, Inc., 201 Industrial Partnership and Inhale 201 Industrial Road, L.P. dated as of June 23, 2004.(2)
10.29	

Amended and Restated Build-to-Suit Lease between Inhale 201 Industrial Road, L.P. and Nektar Therapeutics (formerly known as Inhale Therapeutic Systems, Inc.).(1)

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Exhibit Number	Description
10.30	Amendment to Amended and Restated Built-to-Suit Lease dated as of January 11, 2005 between BMR-201 Industrial Road LLC and Nektar Therapeutics.(3)
10.31	Revolving Loan Agreement dated as of August 11, 2004 by and among BioMed Realty Trust, Inc., BioMed Realty, L.P., the other borrowers and lenders party thereto, U.S. Bank National Association, as Administrative Agent, Lead Arranger and Swing Loan Bank, Keybank National Association, as Syndication Agent, and Royal Bank of Canada, as Documentation Agent.(1)
10.32	Master Loan Agreement dated December 28, 2004 between BMR-Bayshore Boulevard LLC, BMR-3450 Monte Villa Parkway LLC and BMR-9885 Towne Centre Drive LLC, and The Northwestern Mutual Life Insurance Company.(4)
10.33	Deed of Trust and Security Agreement (First Priority) dated December 28, 2004 by BMR-Bayshore Boulevard LLC in favor of The Northwestern Mutual Life Insurance Company.(4)
10.34	Deed of Trust and Security Agreement (First Priority) dated December 28, 2004 by BMR-3450 Monte Villa Parkway LLC in favor of The Northwestern Mutual Life Insurance Company.(4)
10.35	Deed of Trust and Security Agreement (First Priority) dated December 28, 2004 by BMR-9885 Towne Centre Drive LLC in favor of The Northwestern Mutual Life Insurance Company.(4)
10.36	Deed of Trust and Security Agreement (Second Priority) dated December 28, 2004 by BMR-Bayshore Boulevard LLC in favor of The Northwestern Mutual Life Insurance Company.(4)
10.37	Deed of Trust and Security Agreement (Second Priority) dated December 28, 2004 by BMR-3450 Monte Villa Parkway LLC in favor of The Northwestern Mutual Life Insurance Company.(4)
10.38	Deed of Trust and Security Agreement (Second Priority) dated December 28, 2004 by BMR-9885 Towne Centre Drive LLC in favor of The Northwestern Mutual Life Insurance Company.(4)
10.39	Fraudulent Conveyance Indemnity Agreement dated December 28, 2004 by BioMed Realty Trust, Inc. in favor of The Northwestern Mutual Life Insurance Company.(4)
10.40	BioMed Realty 401(k) Retirement Savings Plan.(3)
10.41	First Amendment to the BioMed Realty 401(k) Retirement Savings Plan.(3)
10.42	Second Amendment to the BioMed Realty 401(k) Retirement Savings Plan.(3)
21.1	List of Subsidiaries of BioMed Realty Trust, Inc.(5)
23.1	Consent of KPMG LLP.(5)
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.(5)
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.(5)
32.1	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.(5)

(1) Incorporated herein by reference to BioMed Realty Trust Inc. s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on September 20, 2004.

(2) Incorporated herein by reference to BioMed Realty Trust Inc. s Registration Statement of Form S-11, as amended (File No. 333-115204), filed with the Securities and Exchange Commission on May 5, 2004.

(3) Incorporated herein by reference to BioMed Realty Trust Inc. s Current Report on Form 8-K filed with the Securities and Exchange Commission on January 14, 2005.

(4) Incorporated herein by reference to BioMed Realty Trust Inc. s Current Report on Form 8-K filed with the Securities and Exchange Commission on January 4, 2005.

(5) Filed herewith.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BioMed Realty Trust, Inc.

/s/ Alan D. Gold

Alan D. Gold
Chairman of the Board, President and
Chief Executive Officer
(Principal Executive Officer)

/s/ John F. Wilson, II

John F. Wilson, II
Chief Financial Officer
(Principal Financial and Accounting Officer)

Dated: March 29, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Barbara R. Cambon Barbara R. Cambon	Director	March 29, 2005
/s/ Edward A. Dennis Edward A. Dennis	Director	March 29, 2005
/s/ Gary A. Kreitzer Gary A. Kreitzer	Executive Vice President, General Counsel, Secretary and Director	March 29, 2005
/s/ Mark J. Riedy Mark J. Riedy	Director	March 29, 2005
/s/ Theodore D. Roth Theodore D. Roth	Director	March 29, 2005
/s/ M. Faye Wilson M. Faye Wilson	Director	March 29, 2005

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