

# 2021 INVESTOR UPDATE 1<sup>ST</sup> QUARTER



QUALITY  
INNOVATION  
INTEGRITY  
COMMUNITY

## Our Business Plan Key Constructs



Grow earnings

Grow cash flow

Continual balance  
sheet management



### Operational Excellence

- Stable platform supports growth strategy with lower forward rollover risk
- Steady & improving markets with top quality product
- Proactive portfolio management



### Growth Strategy

- Capital recycling
- Strong forward development pipeline



### Balance Sheet Management

- Ongoing improvement to all coverage ratios
- Maximize liquidity
- Protection against rising rates

## High Quality Land Inventory

- Land bank that can deliver 15M potential FAR with very low basis affording great flexibility
- Target land holdings, including ground leases, at 3-4% of total assets (currently 3.7%)
- Deploy land holdings into mixed-use development projects to maximize value
- Use sale, re-zoning or co-investment vehicles to monetize value on existing non-core land base

## Our Core Markets

### Greater Philadelphia, PA (75% of NOI)

- #1 growth rate of highly educated population among 25 largest metros since 2008
- #1 in NIH grant funding for cell and gene therapy
- \$4.47 Billion in total NIH Grant Funding over last 5 Years
- 3<sup>rd</sup> highest number of doctoral degrees completed in medicine and pharmacy by MSA
- \$2.9 Billion in equity investments in Life Science related companies YTD 2021. \$980 Billion of this total went into Cell & Gene Therapy companies
- Growing Life Sciences sector represents 800+ companies and 50,000 employees in the region

### Austin, TX (22% of NOI)

- #1 Fastest Growing Metro (US Census Bureau)
- #1 Best Job Market (Wall Street Journal)
- #1 Best Place to Start Business (Inc.)
- #2 City to Watch for 2021 (ULI Emerging Trends)
- #2 Hottest City for Commercial RE (Forbes)
- Recovered 86% of last Spring's pandemic related job losses
- Oracle relocating its headquarters to Austin and doubling in size to 10K employees
- Tesla relocating cyber truck and model 3 production in May 2021
- Samsung rumored to be doubling size of semiconductor plant adding 1,900 employees
- Austin Economic Development reports 2020 a record year of corporate relocations and expansions adding 21,000 new jobs to market



## BROADMOOR AUSTIN, TX



### Project Status

- We have received all required government and third party approvals for campus-wide redevelopment which includes our master plan and related zoning.
- Costs of future developments will be funded through a combination of existing cash balances or equity and debt capital raised through one or more joint venture formations.
- With existing buildings in-place, we are currently planning, and can construct the following phases:

1. Block A (4.72 acres):
  - Office: 347,838 SF
  - Multi-Family Units: 341
  - Retail: 14,841 SF
  - Parking Spaces: 1,525
2. Block F (5.1 acres):
  - Multi-Family Units (Phase 1): 272
  - Multi-Family Units (Phase 2): 257
  - Parking Spaces (Phase 1): 355
  - Parking Spaces (Phase 2): 307
3. Block L (14.1 acres):
  - Office (Bldg. 1): 762,648 SF
  - Office (Bldg. 2): 559,944 SF
  - Retail: 20,607 SF
  - Parking Spaces: 3,063



### Overview

- Broadmoor is a mixed-use, 66 acre transit-oriented community with an extraordinary existing amenity base at the nearby Domain. The campus is home to IBM in approximately 641,000 square feet for IBM. Once redeveloped, the project will include office, multi-family, hotels, retail and a new CapMetro light rail station.
- Broadmoor sits at the population center of Greater Austin, and near the crossroads of three major

highways. The area is served by multi-modal transportation options including CapMetro light rail and bus lines.

- The project will offer over 11 acres of park space, and access to more than 23 miles of existing and planned jogging trails and bike routes.

- In addition, Blocks B and D give us capacity to build an additional 1.1M SF without disturbing the existing buildings.

## Schuylkill Yards PHILADELPHIA, PA



- PLANNED & IN-PROCESS LAB DEVELOPMENTS
- BRANDYWINE COMPLETED PROJECTS
- 14 ACRES
- 700K SF** OF OFFICE
- 250K SF** OF HOTEL SPACE
- 1.3M SF** OF RESIDENTIAL
- 6.5 ACRES** OF GREENSPACE
- 65K SF** OF RETAIL SPACE
- 2.8M SF** OF LIFE SCIENCE & INNOVATION SPACE

### Overview

- We are the master developer of Schuylkill Yards, a multi-phase development of residential, life science, research and academic facilities, office, retail and hospitality space.
- With extensions, we control the project through 2053 with no requirement to acquire the leasehold parcels until commencement of construction.
- Adjacent to the nation's 3rd busiest rail station, the project will be one of the most transit-rich developments in the country, featuring 6.5 acres of public space.
- Entire project is located within an opportunity zone which provides federal tax incentives. Certain phases of project can also receive state and local tax incentives.

### Project Status

- We have acquired the leasehold interests in two parcels of land to develop two mixed-use buildings, aggregating approximately 1.3 million square feet for \$35 per FAR, or \$45M.
- We have entered into partnership with global institutional investor to develop the first parcel 3025 JFK (West Tower). This project has commenced construction and will deliver the following:
  - 200,000 SF life science/office space
  - 326 apartment units
  - Ground floor retail & below grade parking
- Costs of future developments will be funded through a combination of existing cash balances, equity and debt capital raised through one or more joint venture formations.

## OUR UNIVERSITY CITY LIFE SCIENCE OPPORTUNITIES

- University City is located in the 5<sup>th</sup> largest cluster of laboratories in the country with over \$4.47B in NIH funding secured over the last 5 years.
- Life Science demand is strong with 0.6% vacancy in University City and 3% in Philadelphia CBD

LOCATION	STATUS	LAB (SF)	% of PORTFOLIO
Bulletin Building	Occupied by Spark Therapeutics	183,208	1.3%
Cira Centre Conversion	Office SF to Life Science SF – Commence 1Q21	74,389	0.5%
3000 Market Redevelopment	100% Leased to Spark Therapeutics – 3Q21 Occupancy	64,070	0.5%
3151 Market	Planned Development: 2H21 commencement	500,000	3.4%(A)
Incremental SY Capacity	Life Science Planned Development	2,152,722	12.6%(A)
TOTAL		2,974,389	17.5%(A)

(A) Expanded portfolio

# Joint Venture Value Creation



## Parc | Plymouth Meeting, PA

- Recycled office land holding and converted into residential JV with Toll Brothers.
- Sold our 50% interest for \$100M (\$253K per unit).
- Generated \$27M net cash proceeds and achieved 19% IRR.



## evo at Cira South | Philadelphia, PA

- Monetized our ownership interest in our student housing JV.
- Sold our 50% interest for \$198M.
- Generated \$43M net cash proceeds and achieved 23% IRR.



## 1919 Market St. | Philadelphia, PA

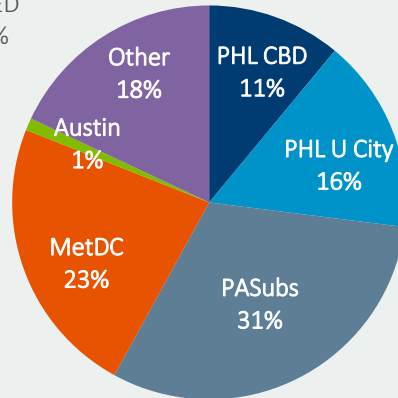
- Recycled land position purchased at auction and converted into residential JV.
- \$142M project cost at 7.0% cash yield.
- Projected terminal value of \$200M at 5.0% cap rate.
- Achieves an implied 23.5% IRR.

**Mid-Atlantic Office JV** | recently formed JV projected to generate mid-teens current return on invested capital

Active Portfolio Management to Drive & Cash Flow Growth

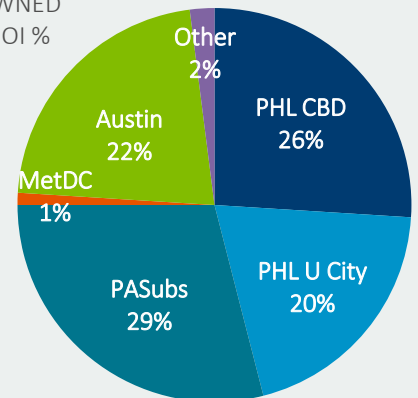
2013  
WHOLLY-OWNED  
NOI %

Greater Phila/Austin 59%  
MetDC/Other 41%



2021  
WHOLLY-OWNED  
NOI %

Greater Phila/Austin 97%  
MetDC/Other 3%



Improved Metrics, Results & Balance Sheet

CATEGORY	BRANDYWINE *BAML Stats for Q1	OFFICE PEERS
Average Annual Maturities 2021-2025	7.6%	9.2%
1Q Collection	98.9%	97.3%
1Q Office Occupancy	90.3%	88.3%
1Q Cash Leasing MTM	5.0%	2.5%
1Q G&A as a % of NOI	8.9%	15.4%

Source: Bank of America Global Research





## Brandywine Continues to Lead the Way in Healthy Buildings

Brandywine has always focused heavily on the intersection between sustainability and human health and wellness, working to reduce its environmental impact while positively impacting the building occupants. In the wake of COVID-19, Brandywine continues to elevate its commitment across all its properties, including an emphasis on indoor air quality, resulting in increased healthy building certifications and cutting-edge technology implementation.

- **UL Verified Healthy Building Certifications** for Cira Centre in Philadelphia and One Rodney, the first and only building in Wilmington, DE to receive this verification to date.
- **Fitwel Certifications** for Cira Square in Philadelphia and 1676 International, which is the first Fitwel 2 certified multi-tenant building in the state of Virginia.
- **Bipolar Ionization** technology is being deployed in elevators across the entire core portfolio to safely and effectively clean the air and purify the air with full completion for all core owned and managed locations by end of Q2.



## Brandywine Q1 2021 by the Numbers

-  **8.2%** energy saved by 52 Baseline Buildings in the InSite Optimization Program in Q1 2021 vs Q1 2020
-  **\$286,072** in new efficiency savings or recaptured performance drift identified in Q1
-  **40%** of square footage in the core portfolio was ENERGY STAR certified for 2020
-  **8,878,490** square feet in the portfolio is green building certified\*

*\*Includes certifications for new development and operational assets and buildings with multiple certifications are counted only once*

## Q1 Industry Leadership

- Announcement of the Tioga District redevelopment project that will be the first local community in Philadelphia seeking **WELL** certification
- Cira Centre earns **ENERGY STAR** certification and **BOMA 360** designation
- Brandywine's COVID efforts featured in an **ESG Case Study** by industry organization Nareit
- Ron Becker, SVP of Operations and Sustainability, interviewed in **Enertiv Fireside Chat Podcast**



The value in what we do lies in the difference we can make.

# 2021 Business Plan Goals (as of 4/19/21)



Four Points, Austin, TX

**2021**

## Same Store NOI Increase

GAAP 0 - 2%

CASH 3 - 5%

## Rental Rate Increase

GAAP 14 - 16%

CASH 8 - 10%

**2021**

Year-end SS Occupancy 91 - 93%

Year-end Core Occupancy 91 - 93%

Year-end Core Leased 92 - 94%

Dispositions None Incorporated

Acquisitions None Incorporated

Spec Revenue \$18 - \$22MM  
**\$18.1mm achieved**

Capital as % of Lease Revenue 10 - 12%

Average Lease Term 7.0 Years

Funds from Operations \$1.33 - \$1.41

Cash Available for Distribution Payout Ratio 81% - 75%

## 2021 Capital Plan (4/1/21-12/31/21)

### Uses (MM)

**2021**

Dividends \$98

Contributions to JV Development 20

Rev. Maint'g. Cap Ex 30

Rev. Creating Cap Ex 35

Dev/Redev Projects 137

**Total Uses \$320**

### Sources (MM)

CF After Interest Pmts. \$135

Land Sales, Net 20

Decrease to Cash 46

LOC Usage 119

**Total Sources \$320**

## Liquidity

**12/31/21 E**

LOC: \$468

Cash: 0



## High Quality Portfolio in Stable Markets (as of 4/19/21)

Wholly Owned and Joint Venture Properties<sup>(1)</sup>

Region	# of Properties	Square Feet	% of Total SF	1Q '21 % of NOI	% Occupied	% Leased <sup>(2)</sup>
Phila. - CBD	9	4,822,003	21.8%	29.9%	91.8%	92.9%
Phila. - Univ .City	4	1,829,684	8.3%	17.7%	94.7%	97.3%
PA Suburbs	54	5,343,401	24.2%	26.9%	88.3%	90.3%
Metro D.C.	19	3,019,829	13.7%	3.1%	70.1%	74.4%
Austin, TX	20	2,768,302	12.5%	19.6%	92.1%	92.1%
<b>Subtotal</b>	<b>106</b>	<b>17,783,219</b>	<b>80.5%</b>	<b>97.2%</b>	<b>75.0%</b>	<b>76.8%</b>
Other	51	3,592,244	16.3%	3.1%	83.8%	84.9%
Dev/Redev	5	702,318	3.2%	-0.3%		
<b>Total</b>	<b>162</b>	<b>22,077,781</b>	<b>100.0%</b>	<b>100.0%</b>	<b>86.8%</b>	<b>88.5%</b>

(1) Includes total number of properties and square footage, including held for sale; % of NOI based on BDN's ownership interest

(2) Includes leases executed through 4/19/21 which will commence subsequent to 3/31/21.

## Forward-Looking Statements

Certain statements in this brochure constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our and our affiliates' actual results, performance, achievements or transactions to be materially different from any future results, performance, achievements or transactions expressed or implied by such forward-looking statements. Additional information on factors which could impact us and the forward-looking statements contained herein are included in our most recent annual and quarterly reports filed with the Securities and Exchange Commission. Please reference our most recent supplemental package for definitions and reconciliations of non-GAAP financial measures.