

# 2021 INVESTOR UPDATE 2<sup>nd</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 3.8%)
- 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 (74% 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
- \$5 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 96% 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 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; appears to be on another record pace this year with 267 active prospects





## 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

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



### 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. 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.

## 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 \$5 Billion in NIH funding secured over the last 5 years.
- Life Science demand is strong with lowest vacancy in both University City and Philadelphia CBD

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

<sup>(A)</sup> Expanded portfolio

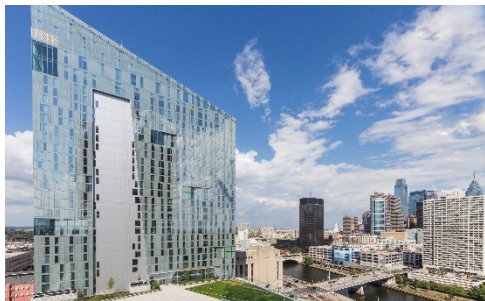


# Joint Venture Value Creation



## 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.

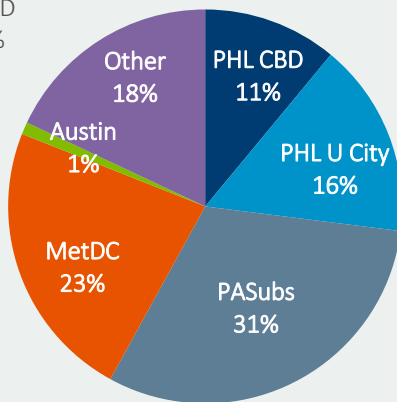
**Mid-Atlantic Office JV** | recently formed JV projected to generate mid-teens current return on invested capital

Active Portfolio Management to Drive & Cash Flow Growth

2013

WHOLLY-OWNED NOI %

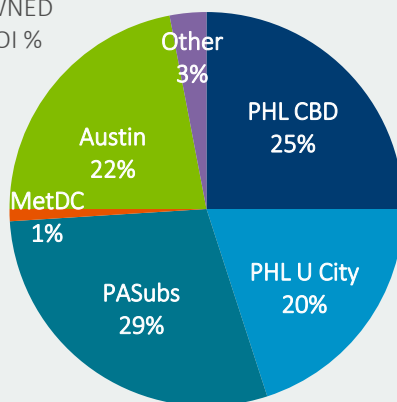
Greater Phila/Austin 59%  
MetDC/Other 41%



2021

WHOLLY-OWNED NOI %

Greater Phila/Austin 96%  
MetDC/Other 4%



Improved Metrics, Results & Balance Sheet

CATEGORY	BRANDYWINE *BAML Stats for Q2	OFFICE PEERS
Average Annual Maturities 2021-2025	7.4%	8.6%
2Q GAAP MTM	22.2%	11.2%
2Q Office Occupancy	90.5%	87.9%
2Q Cash Leasing MTM	13.7%	3.0%
2Q G&A as a % of NOI	11.5%	16.1%

Source: Bank of America Global Research

# Environmental, Social, & Governance (ESG) Highlights

## Brandywine's Industry-Leading **Social Impact**

Brandywine has a 25-year history of investing in our local communities and creating long-term value for a broad base of stakeholders. We remain committed to the highest standard of excellence in a variety of ESG practices.



**Civic 50:** Brandywine was recognized by the Philadelphia Foundation, in partnership with Points of Light and local partners, as one of the 50 most community-minded employers in the Greater Philadelphia Region for 2021



**NAREIT 2021 REIT Industry ESG Report:** Brandywine was featured in an "Exemplifying Leadership Through ESG" case study describing its unique and exceptional community outreach during COVID

PHILADELPHIA BUSINESS JOURNAL



2021 BEST PLACES TO WORK

**Best Place to Work:** Brandywine was recognized as one of the Best Places to Work by the Philadelphia Business Journal

## Brandywine Q2 2021 **By the Numbers**

**53** buildings now engaged in an ongoing commissioning optimization program

**191** major efficiency projects identified so far in 2021

**\$934K+** in annualized energy savings identified

**22%** of identified measures increased indoor environmental quality through improved ventilation, humidity, temperature and CO2 levels

**100%** of elevators in Brandywine-owned buildings are now equipped with bipolar ionization systems

### **MEMORABLE MOMENTS:**

Brandywine celebrated **PRIDE month** by lighting up the sky in rainbow colors through the amazing technology from our friends at Barbizon Lighting



Brandywine welcomed **35,000 bees** to the building's rooftop to help reconnect our community with the subtle wonders of nature while helping the bee population to thrive



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

# 2021 Business Plan Goals (as of 7/20/21)



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 \$20 - \$21MM  
**\$20.1mm achieved**

Capital as % of Lease Revenue 10 - 12%

Average Lease Term 7.0 Years

Funds from Operations \$1.34 - \$1.40

Cash Available for Distribution Payout Ratio 81% - 75%

## 2021 Capital Plan (7/1/21-12/31/21)

### Uses (MM)

**2021**

Dividends \$66

Contributions to JV Development 9

Rev. Maint'g. Cap Ex 20

Rev. Creating Cap Ex 30

Dev/Redev Projects 120

**Total Uses \$245**

### Sources (MM)

CF After Interest Pmts. \$95

Land Sales, Net 20

Decrease to Cash 48

LOC Usage 82

**Total Sources \$245**

## Liquidity

**12/31/21 E**

LOC: \$460

Cash: 0



## High Quality Portfolio in Stable Markets (as of 7/20/21)

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

Region	# of Properties	Square Feet	% of Total SF	2Q '21 % of NOI	% Occupied	% Leased <sup>(2)</sup>
Phila. - CBD	9	4,822,003	21.8%	29.2%	90.8%	91.4%
Phila. - Univ .City	4	1,829,684	8.3%	17.6%	93.7%	97.9%
PA Suburbs	54	5,343,401	24.2%	26.2%	89.1%	90.1%
Metro D.C.	19	3,019,829	13.7%	4.3%	69.7%	75.3%
Austin, TX	20	2,768,302	12.5%	19.6%	91.7%	92.3%
<b>Subtotal</b>	<b>106</b>	<b>17,783,219</b>	<b>80.5%</b>	<b>96.9%</b>	<b>87.1%</b>	<b>89.1%</b>
Other	51	3,592,244	16.3%	3.0%	83.2%	85.1%
Dev/Redev	5	704,121	3.2%	0.1%		
<b>Total</b>	<b>162</b>	<b>22,079,584</b>	<b>100.0%</b>	<b>100.0%</b>	<b>86.5%</b>	<b>88.4%</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 7/20/21 which will commence subsequent to 6/30/21.

## 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.