BioMed Realty Trust Inc
Form 424B5
February 12, 2013
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The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to purchase these securities in any jurisdiction where the offer or sale is not permitted.

PROSPECTUS SUPPLEMENT (Subject to Completion) *Issued February 12, 2013*
(To Prospectus dated August 31, 2012)

11,500,000 Shares

COMMON STOCK

BioMed Realty Trust, Inc. is offering 11,500,000 shares of its common stock to be sold in this offering. BioMed Realty Trust, Inc. will receive all of the net proceeds from the sale of such common stock.

Our common stock is listed on the New York Stock Exchange under the symbol BMR. The last reported sale price of our common stock on the New York Stock Exchange on February 11, 2013 was $20.72 per share.

To assist us in complying with certain federal income tax requirements applicable to real estate investment trusts, or REITs, our charter contains certain restrictions relating to the ownership and transfer of our stock, including an ownership limit of 9.8% on our common stock. See Restrictions on Ownership and Transfer beginning on page 22 of the accompanying prospectus.

Investing in our common stock involves a high degree of risk. Before buying any shares, you should consider the risks that we have described in Risk Factors beginning on page S-6 of this prospectus supplement and page 1 of the accompanying prospectus, as well as those described in our Annual Report on Form 10-K for the year ended December 31, 2012.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to BioMed Realty Trust, Inc.
Per share	$	$	$
Total	$	$	$

The underwriters may purchase up to an additional 1,725,000 shares from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement. The underwriters are offering the shares of our common stock as set forth under Underwriting.

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

The underwriters expect to deliver the shares to purchasers on or about February , 2013.

MORGAN STANLEY *RAYMOND JAMES*

UBS INVESTMENT BANK *WELLS FARGO SECURITIES*

The date of this prospectus supplement is February , 2013.

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with information that is different from that contained in this prospectus supplement and the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to sell shares of common stock and seeking offers to buy shares of common stock only in jurisdictions where offers and sales are permitted. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus, as well as information we previously filed with the Securities and Exchange Commission and incorporated herein by reference, is accurate only as of their respective dates or on other dates which are specified in those documents, regardless of the time of delivery of this prospectus supplement or of any sale of the common stock. Our business, financial condition, results of operations and prospects may have changed since those dates.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference in each contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act). Also, documents we subsequently file with the Securities and Exchange Commission and incorporate by reference will contain forward-looking statements. In particular, statements pertaining to our capital resources, portfolio performance and results of operations contain forward-looking statements. Likewise, our statements regarding anticipated growth in our funds from operations and anticipated market conditions, demographics and results of operations are forward-looking statements. Forward-looking statements involve numerous risks and uncertainties, and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise, and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). You can identify forward-looking statements by the use of forward-looking terminology such as believes, expects, may, will, should, seeks, approximately, intends, plans, estimates or anticipates or the negative of these words and phrases or similar words or ph can also identify forward-looking statements by discussions of strategy, plans or intentions. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- adverse economic or real estate developments in the life science industry or in our target markets, including the inability of our tenants to obtain funding to run their businesses;
- our dependence on significant tenants;
- our failure to obtain necessary outside financing on favorable terms or at all, including the continued availability of our unsecured line of credit;
- general economic conditions, including downturns in the foreign, domestic and local economies;
- volatility in financial and securities markets;
- defaults on or non-renewal of leases by tenants;
- our inability to compete effectively;
- changes in interest rates and foreign currency exchange rates;
- increased operating costs;
- our inability to successfully complete real estate acquisitions, developments and dispositions;
- risks and uncertainties affecting property development and construction;

our failure to effectively manage our growth and expansion into new markets or to successfully operate acquired properties and operations;

our ownership of properties outside of the United States that subject us to different and potentially greater risks than those associated with our domestic operations;

risks associated with investments in loans, including borrower defaults and potential principal losses;

reductions in asset valuations and related impairment charges;

the loss of services of one or more of our executive officers;

our failure to qualify or continue to qualify as a REIT;

our failure to maintain our investment grade corporate credit ratings or a downgrade in our investment grade corporate credit ratings from one or more of the rating agencies;

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- government approvals, actions and initiatives, including the need for compliance with environmental requirements;

- the effects of earthquakes and other natural disasters;

- lack of or insufficient amounts of insurance; and

- changes in real estate, zoning and other laws and increases in real property tax rates.

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For a further discussion of these and other factors that could impact our future results, performance or transactions, see the section below entitled Risk Factors, including the risks incorporated therein from our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our other filings under the Exchange Act that are incorporated by reference in this prospectus supplement and the accompanying prospectus.

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PROSPECTUS SUPPLEMENT SUMMARY

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this common stock offering. The second part, which is the accompanying prospectus, gives more general information, some of which may not apply to this offering.

If the description of this offering varies between the prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference into this prospectus supplement.

This summary may not contain all the information that may be important to you. Before making an investment decision, you should read this entire prospectus supplement and the accompanying prospectus and the documents incorporated by reference herein and therein, including the financial statements and related notes as well as the Risk Factors section in our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our other filings under the Exchange Act that are incorporated by reference in this prospectus supplement and the accompanying prospectus. References in this prospectus supplement and the accompanying prospectus to we, our, us and our company refer to BioMed Realty Trust, Inc., a Maryland corporation, BioMed Realty, L.P., and any of our other subsidiaries. BioMed Realty, L.P. is a Maryland limited partnership of which we are the sole general partner and to which we refer in this prospectus supplement and the accompanying prospectus as our operating partnership. Unless otherwise indicated, the information contained in this prospectus supplement assumes that the underwriters option to purchase additional shares is not exercised.

BIOMED REALTY TRUST, INC.

We are a REIT focused on acquiring, developing, owning, leasing and managing laboratory and office space for the life science industry. Our tenants primarily include biotechnology and pharmaceutical companies, scientific research institutions, government agencies and other entities involved in the life science industry. Our properties are generally located in markets with well-established reputations as centers for scientific research, including Boston, San Francisco, Maryland, San Diego, New York/New Jersey, Pennsylvania and Seattle. As of December 31, 2012, we owned or had interests in properties comprising approximately 13.1 million rentable square feet.

Our senior management team has significant experience in the real estate industry, principally focusing on properties designed for life science tenants. We operate as a fully integrated, self-administered and self-managed REIT, providing property management, leasing, development and administrative services to our properties. As of February 6, 2013, we had 175 employees.

Our principal offices are located at 17190 Bernardo Center Drive, San Diego, California 92128. Our telephone number at that location is (858) 485-9840. Our website is located at www.biomedrealty.com. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this prospectus supplement, the accompanying prospectus or any other report or document we file with or furnish to the Securities and Exchange Commission.

RECENT DEVELOPMENTS

Redwood City, California Property Acquisition

In February 2013, we entered into a definitive agreement to acquire a property located in Redwood City, California, for $87.0 million in cash, excluding transaction costs. The property is comprised of three buildings

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with an aggregate of approximately 256,000 square feet of laboratory and office space. As of February 1, 2013, the property was 100% leased to five tenants. This acquisition is subject to due diligence and other customary closing conditions, and there can be no assurances that the acquisition will close on the terms described herein or at all.

Series A Preferred Stock Redemption

On February 12, 2013, we distributed a notice of redemption to all holders of record of our outstanding 7.375% Series A Cumulative Redeemable Preferred Stock, or Series A preferred stock, regarding our redemption of all 7,920,000 outstanding shares of our Series A preferred stock at a redemption price of $25.30217 per share. The redemption price is equal to the original issuance price of $25.00 per share, plus accrued and unpaid dividends up to but not including the redemption date, without interest. The redemption date is expected to be March 15, 2013.

In accordance with ASC 260, Earnings per Share, initial issuance costs totaling approximately $6.5 million associated with the Series A preferred stock will be recognized as a reduction of earnings in arriving at both net income available to common stockholders and funds from operations (FFO). We expect to record this charge in the first quarter of 2013.

Charter Amendment

On February 12, 2013, we amended our charter to increase the authorized number of shares of our common stock from 200,000,000 shares to 250,000,000 shares.

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THE OFFERING

Common stock offered by us	11,500,000 shares(1).
Common stock to be outstanding after this offering	165,827,818 shares(2).
Use of proceeds	We expect that the net proceeds of this offering will be approximately $ million after deducting underwriting discounts and commissions and our expenses (and approximately $ million if the underwriters exercise their option to purchase additional shares in full). We will contribute the net proceeds of this offering to our operating partnership. Our operating partnership intends to subsequently use the net proceeds of the offering to fund our acquisition of the Redwood City property, to fund a portion of the redemption of our Series A preferred stock, to repay a portion of the outstanding indebtedness under our unsecured line of credit and for other general corporate and working capital purposes. The Redwood City property acquisition is subject to due diligence and other customary closing conditions, and there can be no assurances that the acquisition will close on the terms described herein or at all.
New York Stock Exchange symbol	BMR
Risk factors	See Risk Factors included in this prospectus supplement and the accompanying prospectus, our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our other filings under the Exchange Act that are incorporated by reference in this prospectus supplement and the accompanying prospectus, for a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.

(1) 13,225,000 shares of common stock if the underwriters exercise their option to purchase additional shares in full.

(2) 167,552,818 shares of common stock if the underwriters exercise their option to purchase additional shares in full. Based on 154,327,818 shares of common stock outstanding as of December 31, 2012, and excludes as of that date (a) 2,579,788 shares issuable upon exchange of outstanding units of our operating partnership, (b) 352,970 shares issuable upon exchange of outstanding long-term incentive plan units, or LTIP units, (c) 1,859,914 shares available for future issuance under our incentive award plan and (d) 10,259,496 shares potentially issuable upon exchange of our 3.75% exchangeable senior notes due 2030, or Notes due 2030 (based on the exchange rate as of December 31, 2012).

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RISK FACTORS

Investment in the shares offered pursuant to this prospectus supplement and the accompanying prospectus involves risks. In addition to the information presented in this prospectus supplement and the accompanying prospectus and the risk factors in our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our other filings under the Exchange Act that are incorporated by reference in this prospectus supplement and the accompanying prospectus, you should consider carefully the following risk factors before deciding to purchase these shares.

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

We cannot predict whether future issuances of shares of our common stock or the availability of shares for resale in the open market will decrease the market price per share of our common stock. Upon completion of this offering, we will have outstanding 165,827,818 shares of our common stock (167,552,818 shares if the underwriters exercise their option to purchase additional shares in full), as well as our operating partnership units and LTIP units which may be exchanged for 2,579,788 and 352,970 shares of our common stock, respectively, based on the number of shares of common stock, operating partnership units and LTIP units outstanding as of December 31, 2012. In addition, as of December 31, 2012, we had reserved an additional 1,859,914 shares of common stock for future issuance under our incentive award plan and 10,259,496 shares potentially issuable upon exchange of our Notes due 2030 (based on the exchange rate as of December 31, 2012). Sales of substantial amounts of shares of our common stock in the public market, or upon exchange of operating partnership units, LTIP units or our Notes due 2030, or the perception that such sales might occur, could adversely affect the market price of our common stock.

Furthermore, in August 2012, we filed an automatic shelf registration statement with the Securities and Exchange Commission which permits us, from time to time, to offer and sell debt securities, common stock, preferred stock, warrants and other securities to the extent necessary or advisable to meet our liquidity needs.

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

- the exercise of the underwriters   option to purchase additional shares;
- the exchange of operating partnership units, LTIP units or our Notes due 2030 for common stock;
- additional grants of LTIP units, restricted stock or other securities to our directors, executive officers and other employees under our incentive award plan;
- additional issuances of exchangeable notes or other exchangeable securities;
- additional issuances of preferred stock with liquidation or distribution preferences; and
- other issuances of our common stock.

Additionally, the existence of operating partnership units, LTIP units or our Notes due 2030 and shares of our common stock reserved for issuance upon exchange of operating partnership units, LTIP units or our Notes due 2030 and under our incentive award plan may adversely affect the terms upon which we may be able to obtain additional capital through the sale of equity securities. In addition, the sale of shares in this offering and future sales of shares of our common stock may be dilutive to existing stockholders.

In connection with this offering, certain of our officers entered into a lock-up agreement restricting the sale of their shares for no less than 30 days following the date of this prospectus supplement. However, Morgan Stanley & Co. LLC and Raymond James & Associates, Inc., at any time, may release all or a portion of the common stock subject to the foregoing lock-up provisions. When determining whether or not to release shares subject to a lock-up agreement, Morgan Stanley & Co. LLC and Raymond James & Associates, Inc. will

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consider, among other factors, the person s reasons for requesting the release, the number of shares for which the release is being requested and the possible impact of the release of the shares on the market price of our common stock. If the restrictions under such agreements are waived, the affected common stock may be available for sale into the market, which could reduce the market price of our common stock.

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

Our business operations may not generate the cash needed to make distributions on our capital stock or to service our indebtedness, and we may adjust our common stock dividend policy.

Our ability to make distributions on our common stock and payments on our indebtedness and to fund planned capital expenditures will depend on our ability to generate cash in the future. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to make distributions on our common stock, to pay our indebtedness or to fund our other liquidity needs.

Holders of our outstanding shares of Series A preferred stock have, and holders of any future outstanding shares of preferred stock will have, liquidation, dividend and other rights that are senior to the rights of the holders of our common stock.

Our board of directors has the authority to designate and issue preferred stock with liquidation, dividend and other rights that are senior to those of our common stock. Our preferred stock, including our issued and outstanding shares of Series A preferred stock, as well as any other shares of preferred stock that may be issued in the future, would receive, upon our voluntary or involuntary liquidation, dissolution or winding up, before any payment is made to holders of our common stock, their liquidation preferences as well as any accrued and unpaid distributions. These payments would reduce the remaining amount of our assets, if any, available for distribution to holders of our common stock.

Several of the underwriters may have conflicts of interest that arise out of contractual relationships they or their affiliates have with us or holdings of our securities by the underwriters or their affiliates.

We intend to use the net proceeds of this offering to repay a portion of the outstanding indebtedness under our unsecured line of credit, which line of credit includes lenders who are affiliates of Morgan Stanley & Co. LLC, Raymond James & Associates, Inc., UBS Securities LLC, Wells Fargo Securities, LLC and one or more other underwriters. We also intend to use a portion of the net proceeds from this offering to fund a portion of the redemption of our Series A preferred stock. UBS Securities LLC, Wells Fargo Securities, LLC and/or their affiliates own shares of our Series A preferred stock. As a result, a portion of the net proceeds of this offering will be received by these underwriters and their affiliates. Because they will receive a portion of the net proceeds of this offering, these underwriters and their affiliates have an interest in the successful completion of this offering beyond the customary underwriting discounts and commissions received by the underwriters in this offering, which could result in a conflict of interest and cause them to act in a manner that is not in the best interests of us or our investors in this offering.

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USE OF PROCEEDS

We estimate that the net proceeds of this offering will be approximately $ million, after deducting underwriting discounts and commissions and estimated offering expenses we will pay. If the underwriters exercise their option to purchase additional shares in full, our net proceeds will be approximately $ million.

We will contribute the net proceeds of this offering to our operating partnership. Our operating partnership intends to subsequently use the net proceeds of the offering to fund our acquisition of the Redwood City property, to fund a portion of the redemption of our Series A preferred stock, to repay a portion of the outstanding indebtedness under our unsecured line of credit and for other general corporate and working capital purposes. The purchase price for the Redwood City property is $87.0 million, excluding transaction costs, and the amount required to fund the redemption of our Series A preferred stock is approximately $200.4 million. The Redwood City property acquisition is subject to due diligence and other customary closing conditions, and there can be no assurances that the acquisition will close on the terms described herein or at all.

As of December 31, 2012, we had $118.0 million outstanding under our unsecured line of credit. These borrowings were used to fund property acquisitions and development activities and for other general corporate and working capital purposes. The unsecured line of credit matures on July 13, 2015 and bears interest at a floating rate equal to, at our option, either (1) reserve adjusted LIBOR plus a spread which ranges from 100 to 205 basis points, depending on our credit ratings, or (2) the highest of (a) the prime rate then in effect plus a spread which ranges from 0 to 125 basis points, (b) the federal funds rate then in effect plus a spread which ranges from 50 to 175 basis points or (c) one month LIBOR plus a spread which ranges from 100 to 205 basis points, in each case, depending on our credit ratings. In addition, a facility fee is payable on the aggregate commitment under the line of credit at an annual rate depending on our credit ratings, which is currently at 35 basis points. As of December 31, 2012, the stated effective interest rate on our unsecured line of credit was 1.76%. Subject to the administrative agent s reasonable discretion, we may, at our option, increase the amount of the revolving credit commitments to $1.25 billion upon satisfying certain conditions. In addition, we may, at our option, extend the maturity of the unsecured line of credit to July 13, 2016 after satisfying certain conditions and paying an extension fee.

The lenders under our unsecured line of credit include affiliates of Morgan Stanley & Co. LLC, Raymond James & Associates, Inc., UBS Securities LLC, Wells Fargo Securities, LLC and one or more other underwriters. Also, UBS Securities LLC, Wells Fargo Securities, LLC and/or their affiliates own shares of our Series A preferred stock. A portion of the net proceeds of this offering will be received by these underwriters and their affiliates because we intend to use the net proceeds to repay borrowings under our unsecured line of credit and to fund the redemption of our Series A preferred stock.

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CAPITALIZATION

The following table sets forth the historical consolidated capitalization of our company as of December 31, 2012 and our pro forma consolidated capitalization as of December 31, 2012, as adjusted to give effect to (1) the application of the estimated net proceeds of this offering and (2) borrowings of $49.0 million under our unsecured line of credit after December 31, 2012, used to fund development activities and for other general corporate and working capital purposes.

	Historical Consolidated ($ in 000s)	Pro Forma Consolidated as Adjusted ($ in 000s)
Mortgages and other secured loans	$ 571,652	$ 571,652
Unsecured loans and lines of credit[(1)]	1,597,633	
Stockholders equity:		
Preferred stock, $0.01 par value, 15,000,000 shares authorized, including the Series A preferred stock, $198,000,000 liquidation preference ($25.00 per share), 7,920,000 shares issued and outstanding as of December 31, 2012 and on a pro forma as adjusted basis[(1)]	191,469	191,469
Common stock, $0.01 par value, 200,000,000 shares authorized, 154,327,818 shares issued and outstanding as of December 31, 2012; 250,000,000 shares authorized, 165,827,818 shares issued and outstanding on a pro forma consolidated as adjusted basis[(2)]	1,543	1,658
Additional paid-in capital	2,781,849	
Accumulated other comprehensive loss, net	(54,725)	(54,725)
Dividends in excess of earnings	(443,280)	(443,280)
Total stockholders equity	2,476,856	
Noncontrolling interest in our operating partnership	7,685	7,685
Total equity	2,484,541	
Total capitalization	$ 4,653,826	$

(1) Pro forma amount reflects the initial use of the net proceeds of this offering to repay a portion of the outstanding indebtedness under our unsecured line of credit. However, in or about March 2013, after a required redemption notice period, we intend to redeem all of the outstanding shares of our Series A preferred stock using borrowings under our unsecured line of credit and cash on hand.

(2) The common stock outstanding as shown assumes no exercise of the underwriters option to purchase additional shares and excludes as of December 31, 2012 (a) 2,579,788 shares issuable upon exchange of outstanding units of our operating partnership, (b) 352,970 shares issuable upon exchange of outstanding LTIP units, (c) 1,859,914 shares available for future issuance under our incentive award plan and (d) 10,259,496 shares potentially issuable upon exchange of our Notes due 2030 (based on the exchange rate as of December 31, 2012). On February 12, 2013, we amended our charter to increase the authorized number of shares of our common stock from 200,000,000 shares to 250,000,000 shares.

UNDERWRITING

Subject to the terms and conditions in an underwriting agreement dated February , 2013, the underwriters named below, for whom Morgan Stanley & Co. LLC and Raymond James & Associates, Inc. are acting as representatives, have severally agreed to purchase from us the respective number of shares of common stock set forth opposite their names:

Underwriter	Number of Shares
Morgan Stanley & Co. LLC	
Raymond James & Associates, Inc.	
UBS Securities LLC	
Wells Fargo Securities, LLC	
Total	11,500,000

The underwriting agreement provides that the obligations of the underwriters to purchase and accept delivery of the shares of common stock offered by this prospectus supplement are subject to approval by their counsel of legal matters and to other conditions set forth in the underwriting agreement. The underwriters are obligated to purchase and accept delivery of all shares of our common stock offered by this prospectus supplement, if any of the shares are purchased, other than those covered by the option to purchase additional shares described below.

The underwriters propose to offer our common stock directly to the public at the public offering price indicated on the cover page of this prospectus supplement and to various dealers at that price less a concession not in excess of $ per share. The underwriters may allow, and the dealers may re-allow, a concession not in excess of $ per share to other dealers. If all the shares of common stock are not sold at the public offering price, the underwriters may change the public offering price and other selling terms. The shares of our common stock are offered by the underwriters as stated in this prospectus supplement, subject to receipt and acceptance by them. The underwriters reserve the right to reject an order for the purchase of our common stock in whole or in part.

We have granted the underwriters an option, exercisable for 30 days after the date of this prospectus supplement, to purchase from time to time up to an aggregate of 1,725,000 additional shares of our common stock, at the public offering price less the underwriting discounts set forth on the cover page of this prospectus supplement. If the underwriters exercise this option, each underwriter, subject to certain conditions, will become obligated to purchase its pro rata portion of these additional shares based on the underwriter s percentage purchase commitment in this offering as indicated in the table above.

The following shows the amount per share and total underwriting discounts we will pay to the underwriters (dollars in thousands, except per share amounts). These amounts are shown assuming both no exercise and full exercise of the option to purchase additional shares.

		Total ($ in 000s)	
	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts to be paid by us			
Proceeds, before expenses, to us			

In connection with the offering, we expect to incur expenses, excluding underwriting discounts and commissions, of approximately $300,000.

We have agreed in the underwriting agreement to indemnify the underwriters against various liabilities that may arise in connection with this offering, including liabilities under the Securities Act. If we cannot indemnify the underwriters, we have agreed to contribute to payments the underwriters may be required to make in respect of those liabilities.

Subject to the exception described below, certain of our officers have agreed with the underwriters, for a period of no less than 30 days after the date of this prospectus supplement, not to offer, sell, contract to sell, or otherwise dispose of or transfer any shares of our common stock or any securities convertible into or exchangeable for shares of our common stock, including any interests in the operating partnership, without the prior written consent of Morgan Stanley & Co. LLC and Raymond James & Associates, Inc. This agreement also precludes any hedging collar or other transaction designed or reasonably expected to result in a disposition of shares of our common stock or securities convertible into, or exercisable or exchangeable for, shares of our common stock. The exception to the lock-up agreements is for sales of shares of our common stock by an officer to satisfy tax obligations in connection with the granting or vesting of equity awards under our equity incentive plan.

In addition, we have agreed with the underwriters, for a period of 30 days after the date of this prospectus supplement, not to issue, sell, offer or contract to sell, or otherwise dispose of or transfer, any shares of our common stock or any securities convertible into or exchangeable for shares of our common stock, or file any registration statement with the Securities and Exchange Commission (except a registration statement on Form S-8 relating to our stock plan or on Form S-4 relating to an acquisition of another entity), without the prior written consent of Morgan Stanley & Co. LLC and Raymond James & Associates, Inc., except that we may make grants of equity awards under our existing stock plan, issue shares upon exercise of options outstanding on the date of the underwriting agreement, issue shares pursuant to our existing dividend reinvestment and stock purchase plan, issue partnership units in connection with acquisitions of real property or real property companies, or issue shares upon exchange of currently outstanding partnership units or our operating partnership s currently outstanding exchangeable notes. However, Morgan Stanley & Co. LLC and Raymond James & Associates, Inc. may, in their discretion and at any time without notice, release all or any portion of the securities subject to these agreements.

Our common stock is listed on the New York Stock Exchange under the symbol BMR.

Until the offering is completed, rules of the Securities and Exchange Commission may limit the ability of the underwriters and various selling group members to bid for and purchase our common stock. As an exception to these rules, the underwriters may engage in activities that stabilize, maintain or otherwise affect the price of our common stock, including:

- short sales;
- syndicate covering transactions;
- imposition of penalty bids; and
- purchases to cover positions created by short sales.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of our common stock while the offering is in progress. Stabilizing transactions may include making short sales of our common stock, which involve the sale by the underwriter of a greater number of shares of common stock than it is required to purchase in the offering, and purchasing common stock from us or in the open market to cover positions created by short sales. Short sales may be covered shorts, which are short positions in an amount not greater than the underwriters option to purchase additional shares referred to above, or may be naked shorts, which are short positions in excess of that amount.

The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares pursuant to the option to purchase additional shares.

A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchased in the offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters also may impose a penalty bid on selling group members. This means that if the underwriters purchase shares in the open market in stabilizing transactions or to cover short sales, the underwriters can require the selling group members that sold those shares as part of the offering to repay the selling concession received by them.

As a result of these activities, the price of our common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them without notice at any time. The underwriters may carry out these transactions on the New York Stock Exchange, in the over-the-counter market or otherwise.

Affiliates of Morgan Stanley & Co. LLC, Raymond James & Associates, Inc., UBS Securities LLC, Wells Fargo Securities, LLC and one or more other underwriters have from time to time provided, and may in the future provide, various investment banking, commercial banking, financial advisory and other services for us for which they have received or will receive customary fees and expenses. As described under Use of Proceeds, we intend to use a portion of the net proceeds from this offering to repay borrowings outstanding under our unsecured line of credit. Because affiliates of Morgan Stanley & Co. LLC, Raymond James & Associates, Inc., UBS Securities LLC, Wells Fargo Securities, LLC and one or more other underwriters are lenders under our unsecured line of credit, those affiliates will receive a portion of the net proceeds from this offering through the repayment of those borrowings.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

UBS Securities LLC, Wells Fargo Securities, LLC and/or their affiliates own shares of our Series A preferred stock. As described under Use of Proceeds, we intend to use a portion of the net proceeds from this offering to fund a portion of the redemption of our Series A preferr