Oxford Properties Expands its San Diego Life Science Presence with Purchase and Lease Back of Ionis Campus

- Deal grows Oxford's San Diego Life Science Business to 900,000 square feet across 16 buildings -

SAN DIEGO, CA – October 24, 2022: Oxford Properties Group ("Oxford"), a leading global real estate investor, asset manager and business builder today announced the purchase and long-term lease back of Ionis Pharmaceuticals' ("Ionis") 18.4-acre life science campus and corporate headquarters. Located in the established San Diego life science submarket of Carlsbad, the campus features approximately 250,000 square feet of existing life science and office space. As part of the transaction, Ionis will lease the properties for a minimum of 15 years.

The transaction follows on from Oxford's entrance into the San Diego life science market in February this year via a US$464 million acquisition of a 13-building portfolio. It builds on Oxford's already robust global life sciences portfolio and growing West Coast presence with high quality assets in the Bay Area and Seattle. The acquisition grows Oxford's existing San Diego life science portfolio to 900,000 square feet of income-producing properties, which will increase to over 1.2 million square feet upon completion of its development pipeline in the local market.

Founded in 1989, Ionis is a publicly traded biotech company and a leader in discovering and developing RNA-targeted therapeutics. Ionis currently has three marketed medicines and a premier late-stage pipeline highlighted by industry-leading cardiovascular and neurological franchises. It has a long history of R&D successes and has delivered multiple breakthroughs in antisense technology.

"Our team continues to create sustained yet highly-targeted growth against one of our highest conviction global investment strategies, to build a global life science business of scale," said **Chad Remis, Executive Vice President, North America at Oxford**. "Today's acquisition adds another leading life sciences company to our business as well as high quality income-producing assets to our growing portfolio plus complements our development pipeline in San Diego. The transaction perfectly encapsulates the purpose of our life science business; by investing Oxford's capital and capabilities to own, build and manage this highly technical real estate infrastructure we are able to free up the resources of life science firms to better focus on what they do best – research and create the life changing therapeutics of tomorrow. We look forward to working with Ionis as they continue to advance their science for the benefit of society at large."

"Ionis has long maintained a strong financial foundation to support our business objectives. While we have a healthy cash balance, we also have near-term capital needs to scale our organization to deliver on our growth initiatives. This transaction will provide us with significant cash proceeds while allowing us to conduct our day-to-day operations as we normally do. We

have worked closely with Oxford to create a bespoke solution that can accommodate our future growth and retain flexibility as our business evolves," said **Elizabeth L. Hougen, executive vice president and chief financial officer of Ionis.**

The Ionis campus features three assets of one and two storeys and comprises approximately 250,000 square feet across 18.4 acres. The buildings are all modern vintage, with the oldest completed in 2011 and the most recent in 2021. They feature chemistry labs, biology labs and R&D support systems as well as modern office space. The campus is located in Carlsbad, part of the prominent San Diego North County life science cluster and home to leading firms such as Novartis, Thermo Fisher and Genentech. The North County has become highly sought after by life science firms in recent years, which has dropped the vacancy rate to 3.6%[1].

San Diego has defined itself as one of the most important life science markets globally. Nearly 40% of its population holds a bachelor's degree or higher, rapidly outpacing the national average of 28%, and its universities graduate more STEM talent than any other region in the US. Its ecosystem is anchored by renowned research institutions and non-profits including San Diego State University, UC San Diego, Scripps Research and the Sandford Burnham Prebys Medical Discovery Institute. San Diego's life science market has witnessed record demand over recent years, leading to significant and sustained rental growth with asking rents growing by 34% in 2021.

"Our purchase of the Ionis campus adds to Oxford's significant presence in a top three global life science market that is characterized by high barriers to entry," **said Tycho Suter, Vice President of Investments at Oxford.** "We have long-term conviction in the San Diego life sciences market, which is supported by its strong STEM presence and a highly-skilled labour force as well as world-renowned research and academic institutions. Together, it creates a highly innovative ecosystem that captures research funding, venture capital and business growth to the region."

Oxford has invested in the life science industry since 2017. It has built substantial expertise in the sector while deploying capital through a variety of equity and credit investments as well as cultivating a significant development pipeline. Since the start of 2021 alone, Oxford has invested over US$3 billion in global life sciences and has identified a further US$5 billion of follow-on development opportunities. Oxford's life science business now operates across the top 10 North American life science markets and in leading European markets through holdings in Cambridge, London and Paris.

- Ends -

About Oxford Properties Group

Oxford Properties Group ("Oxford") is a leading global real estate investor, asset manager and business builder. It builds, buys, and grows defined real estate operating business with world-

[1] From *Q2 2022 San Diego Life Science Marketbeat*, Cushman & Wakefield*, pg 3*

class management teams. Established in 1960, Oxford and its portfolio companies manage approximately C$80 billion of assets across four continents on behalf of their investment partners. Oxford's owned portfolio encompasses office, logistics, retail, multifamily residential, life sciences, hotels and credit in global gateway cities and high-growth hubs. A thematic investor with a committed source of capital, Oxford invests in properties, portfolios, development sites, debt, securities and real estate businesses across the risk-reward spectrum. Together with its portfolio companies, Oxford is one of the world's most active developers with over 100 projects currently underway globally across all major asset classes. Oxford is owned by OMERS, the Canadian defined benefit pension plan for Ontario's municipal employees.

For more information on Oxford, visit www.oxfordproperties.com

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