

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2022
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number: 1-9044 (Duke Realty Corporation) 0-20625 (Duke Realty Limited Partnership)



**DUKE REALTY CORPORATION
DUKE REALTY LIMITED PARTNERSHIP**

(Exact Name of Registrant as Specified in Its Charter)

**Indiana (Duke Realty Corporation)
Indiana (Duke Realty Limited Partnership)
(State or Other Jurisdiction
of Incorporation or Organization)
8711 River Crossing Boulevard
Indianapolis, Indiana
(Address of Principal Executive Offices)**

**35-1740409 (Duke Realty Corporation)
35-1898425 (Duke Realty Limited Partnership)
(I.R.S. Employer
Identification Number)

46240
(Zip Code)**

Registrant's Telephone Number, Including Area Code:
(317) 808-6000

Securities registered pursuant to Section 12(b) of the Act:

	Title of Class	Trading Symbol(s)	Name of Exchange on Which Registered
Duke Realty Corporation	Common Stock, \$0.01 par value	DRE	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Duke Realty Corporation Yes No **Duke Realty Limited Partnership** Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Duke Realty Corporation Yes No **Duke Realty Limited Partnership** Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Duke Realty Corporation:

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

Duke Realty Limited Partnership:

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

Duke Realty Corporation Yes No **Duke Realty Limited Partnership** Yes No

The number of shares of Duke Realty Corporation's common stock outstanding at April 27, 2022 was 384,455,127.

EXPLANATORY NOTE

This report (the "Report") combines the quarterly reports on Form 10-Q for the period ended March 31, 2022 of both Duke Realty Corporation and Duke Realty Limited Partnership. Unless stated otherwise or the context otherwise requires, references to "Duke Realty Corporation" or the "General Partner" mean Duke Realty Corporation and its consolidated subsidiaries, and references to the "Partnership" mean Duke Realty Limited Partnership and its consolidated subsidiaries. The terms the "Company," "we," "us" and "our" refer to the General Partner and the Partnership, collectively, and those entities owned or controlled by the General Partner and/or the Partnership.

Duke Realty Corporation is a self-administered and self-managed real estate investment trust ("REIT") and is the sole general partner of the Partnership, owning approximately 99.0% of the common partnership interests of the Partnership ("General Partner Units") as of March 31, 2022. The remaining 1.0% of the common partnership interests ("Limited Partner Units" and, together with the General Partner Units, the "Common Units") are owned by limited partners. As the sole general partner of the Partnership, the General Partner has full, exclusive and complete responsibility and discretion in the day-to-day management and control of the Partnership.

The General Partner and the Partnership are operated as one enterprise. The management of the General Partner consists of the same members as the management of the Partnership. As the sole general partner with control of the Partnership, the General Partner consolidates the Partnership for financial reporting purposes, and the General Partner does not have any significant assets other than its investment in the Partnership. Therefore, the assets and liabilities of the General Partner and the Partnership are substantially the same.

We believe combining the quarterly reports on Form 10-Q of the General Partner and the Partnership into this single report results in the following benefits:

- enhances investors' understanding of the General Partner and the Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminates duplicative disclosure and provides a more streamlined and readable presentation of information since a substantial portion of the Company's disclosure applies to both the General Partner and the Partnership; and
- creates time and cost efficiencies through the preparation of one combined report instead of two separate reports.

We believe it is important to understand the few differences between the General Partner and the Partnership in the context of how we operate as an interrelated consolidated company. The General Partner's only material asset is its ownership of partnership interests in the Partnership. As a result, the General Partner does not conduct business itself, other than acting as the sole general partner of the Partnership and issuing public equity from time to time. The General Partner does not issue any indebtedness, but does guarantee some of the unsecured debt of the Partnership. The Partnership holds substantially all the assets of the business, directly or indirectly, and holds the ownership interests related to certain of the Company's investments. The Partnership conducts the operations of the business and has no publicly traded equity. Except for net proceeds from equity issuances by the General Partner, which are contributed to the Partnership in exchange for General Partner Units or Preferred Units, the Partnership generates the capital required by the business through its operations, its incurrence of indebtedness and the issuance of Limited Partner Units to third parties.

Noncontrolling interests, shareholders' equity and partners' capital are the main areas of difference between the consolidated financial statements of the General Partner and those of the Partnership. The noncontrolling interests in the Partnership's financial statements include the interests in consolidated investees not wholly owned by the Partnership. The noncontrolling interests in the General Partner's financial statements include the same noncontrolling interests at the Partnership level, as well as the common limited partnership interests in the Partnership, which are accounted for as partners' capital by the Partnership.

In order to highlight the differences between the General Partner and the Partnership, there are separate sections in this report, as applicable, that separately discuss the General Partner and the Partnership, including separate financial statements and separate Exhibit 31 and 32 certifications. In the sections that combine disclosure of the General Partner and the Partnership, this report refers to actions or holdings as being actions or holdings of the collective Company.

DUKE REALTY CORPORATION/DUKE REALTY LIMITED PARTNERSHIP

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements
DUKE REALTY CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
(in thousands, except per share amounts)

	March 31, 2022	December 31, 2021
	(Unaudited)	
ASSETS		
Real estate investments:		
Real estate assets	\$ 9,796,211	\$ 9,616,076
Construction in progress	832,319	744,871
Investments in and advances to unconsolidated joint ventures	208,644	168,336
Undeveloped land	580,446	473,317
	<u>11,417,620</u>	<u>11,002,600</u>
Accumulated depreciation	(1,746,146)	(1,684,413)
Net real estate investments	<u>9,671,474</u>	<u>9,318,187</u>
Real estate investments and other assets held-for-sale	—	144,651
Cash and cash equivalents	9,160	69,752
Accounts receivable	15,947	13,449
Straight-line rent receivable	182,673	172,225
Receivables on construction contracts, including retentions	37,167	57,258
Deferred leasing and other costs, net of accumulated amortization of \$213,796 and \$209,975	339,561	337,936
Other escrow deposits and other assets	331,427	332,197
Total assets	<u>\$ 10,587,409</u>	<u>\$ 10,445,655</u>
LIABILITIES AND EQUITY		
Indebtedness:		
Secured debt, net of deferred financing costs of \$295 and \$304	\$ 58,291	\$ 59,418
Unsecured debt, net of deferred financing costs of \$42,222 and \$45,136	3,332,778	3,629,864
Unsecured line of credit	260,000	—
	<u>3,651,069</u>	<u>3,689,282</u>
Liabilities related to real estate investments held-for-sale	—	6,278
Construction payables and amounts due subcontractors, including retentions	99,604	107,009
Accrued real estate taxes	81,492	77,464
Accrued interest	20,891	20,815
Other liabilities	340,399	339,023
Tenant security deposits and prepaid rents	59,430	66,823
Total liabilities	<u>4,252,885</u>	<u>4,306,694</u>
Shareholders' equity:		
Common shares (\$0.01 par value); 600,000 shares authorized; 383,494 and 382,513 shares issued and outstanding, respectively	3,835	3,825
Additional paid-in capital	6,185,119	6,143,147
Accumulated other comprehensive loss	(27,122)	(28,011)
Retained earnings (distributions in excess of net income)	65,973	(75,210)
Total shareholders' equity	<u>6,227,805</u>	<u>6,043,751</u>
Noncontrolling interests	106,719	95,210
Total equity	<u>6,334,524</u>	<u>6,138,961</u>
Total liabilities and equity	<u>\$ 10,587,409</u>	<u>\$ 10,445,655</u>

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY CORPORATION AND SUBSIDIARIES
Consolidated Statements of Operations and Comprehensive Income
For the three months ended March 31,
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	2022	2021
Revenues:		
Rental and related revenue	\$ 275,214	\$ 258,179
General contractor and service fee revenue	2,949	31,113
	<u>278,163</u>	<u>289,292</u>
Expenses:		
Rental expenses	25,286	28,130
Real estate taxes	43,928	41,170
General contractor and other services expenses	1,469	29,463
Depreciation and amortization	94,001	93,573
	<u>164,684</u>	<u>192,336</u>
Other operating activities:		
Equity in earnings of unconsolidated joint ventures	3,815	16,268
Gain on sale of properties	210,747	21,360
Gain on land sales	1,092	1,238
Other operating expenses	(779)	(1,145)
Non-incremental costs related to successful leases	(5,512)	(2,958)
General and administrative expenses	(23,913)	(24,217)
	<u>185,450</u>	<u>10,546</u>
Operating income	298,929	107,502
Other income (expenses):		
Interest and other income, net	825	463
Interest expense	(19,999)	(22,507)
Loss on debt extinguishment	(21,948)	(70)
Income before income taxes	257,807	85,388
Income tax expense	(6,330)	(5,184)
Net income	251,477	80,204
Net income attributable to noncontrolling interests	(2,556)	(842)
Net income attributable to common shareholders	<u>\$ 248,921</u>	<u>\$ 79,362</u>
Weighted average number of common shares outstanding	382,708	373,667
Weighted average number of common shares and potential dilutive securities	<u>387,937</u>	<u>377,744</u>
Net income per common share attributable to common shareholders - basic	\$ 0.65	\$ 0.21
Net income per common share attributable to common shareholders - diluted	\$ 0.65	\$ 0.21
Comprehensive income:		
Net income	\$ 251,477	\$ 80,204
Other comprehensive income:		
Amortization of interest rate swap contracts	889	889
Comprehensive income	<u>\$ 252,366</u>	<u>\$ 81,093</u>

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the three months ended March 31,
(in thousands)
(Unaudited)

	Three Months Ended	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 251,477	\$ 80,204
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of buildings and tenant improvements	79,022	79,062
Amortization of deferred leasing and other costs	14,979	14,511
Amortization of deferred financing costs	2,506	2,439
Straight-line rental income and expense, net	(10,255)	(8,021)
Loss on debt extinguishment	21,948	70
Gain on land and property sales	(211,839)	(22,598)
Third-party construction contracts, net	785	749
Other accrued revenues and expenses, net	(9,368)	14,651
Operating distributions received in excess of (less than) equity in earnings from unconsolidated joint ventures	3,079	(10,925)
Net cash provided by operating activities	142,334	150,142
Cash flows from investing activities:		
Development of real estate investments	(161,868)	(140,432)
Acquisition of buildings and related intangible assets	(32,974)	(34,738)
Acquisition of land and other real estate assets	(202,282)	(64,594)
Second generation tenant improvements, leasing costs and building improvements	(14,437)	(14,676)
Other deferred leasing costs	(12,280)	(8,007)
Other assets	(18,143)	(36,844)
Proceeds from land and property sales, net	315,134	85,479
Capital distributions from unconsolidated joint ventures	33,645	3,532
Capital contributions and advances to unconsolidated joint ventures	(10,553)	—
Net cash used for investing activities	(103,758)	(210,280)
Cash flows from financing activities:		
Proceeds from issuance of common shares, net	40,578	30,381
Proceeds from unsecured debt	—	446,634
Payments on unsecured debt	(320,110)	(40,226)
Payments on secured indebtedness including principal amortization	(1,064)	(1,007)
Borrowings (repayments) on line of credit, net	260,000	(295,000)
Distributions to common shareholders	(107,175)	(95,310)
Distributions to noncontrolling interests	(1,086)	(1,092)
Tax payments on stock-based compensation awards	(7,180)	(4,754)
Change in book cash overdrafts	16,094	(14,430)
Other financing activities	48	(270)
Deferred financing costs	(137)	(9,800)
Net cash (used for) provided by financing activities	(120,032)	15,126
Net decrease in cash, cash equivalents and restricted cash	(81,456)	(45,012)
Cash, cash equivalents and restricted cash at beginning of period	103,164	67,223
Cash, cash equivalents and restricted cash at end of period	<u>\$ 21,708</u>	<u>\$ 22,211</u>
Non-cash activities:		
Lease liabilities arising from right-of-use assets	\$ 385	\$ 18,257
Assumption of indebtedness and other liabilities in real estate acquisitions	\$ —	\$ 40,226
Contribution of properties to unconsolidated joint venture	\$ 67,148	\$ —
Non-cash distribution of assets from unconsolidated joint ventures, net	\$ —	\$ 11,023

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the three months ended March 31, 2022 and 2021
(in thousands, except per share data)
(Unaudited)

	Common Shareholders					
	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Distributions in Excess of Net Income)	Noncontrolling Interests	Total
Balance at December 31, 2021	\$ 3,825	\$ 6,143,147	\$ (28,011)	\$ (75,210)	\$ 95,210	\$ 6,138,961
Net income	—	—	—	248,921	2,556	251,477
Other comprehensive income	—	—	889	—	—	889
Issuance of common shares	7	40,571	—	—	—	40,578
Stock-based compensation plan activity	3	1,401	—	(563)	10,039	10,880
Distributions to common shareholders (\$0.28 per share)	—	—	—	(107,175)	—	(107,175)
Distributions to noncontrolling interests	—	—	—	—	(1,086)	(1,086)
Balance at March 31, 2022	<u>\$ 3,835</u>	<u>\$ 6,185,119</u>	<u>\$ (27,122)</u>	<u>\$ 65,973</u>	<u>\$ 106,719</u>	<u>\$ 6,334,524</u>

	Common Shareholders					
	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Distributions in Excess of Net Income	Noncontrolling Interests	Total
Balance at December 31, 2020	\$ 3,733	\$ 5,723,326	\$ (31,568)	\$ (532,519)	\$ 71,476	\$ 5,234,448
Net income	—	—	—	79,362	842	80,204
Other comprehensive income	—	—	889	—	—	889
Issuance of common shares	7	30,374	—	—	—	30,381
Stock-based compensation plan activity	3	3,038	—	(376)	6,956	9,621
Distributions to common shareholders (\$0.255 per share)	—	—	—	(95,310)	—	(95,310)
Distributions to noncontrolling interests	—	—	—	—	(1,092)	(1,092)
Balance at March 31, 2021	<u>\$ 3,743</u>	<u>\$ 5,756,738</u>	<u>\$ (30,679)</u>	<u>\$ (548,843)</u>	<u>\$ 78,182</u>	<u>\$ 5,259,141</u>

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY LIMITED PARTNERSHIP AND SUBSIDIARIES
Consolidated Balance Sheets
(in thousands)

	March 31, 2022 (Unaudited)	December 31, 2021
ASSETS		
Real estate investments:		
Real estate assets	\$ 9,796,211	\$ 9,616,076
Construction in progress	832,319	744,871
Investments in and advances to unconsolidated joint ventures	208,644	168,336
Undeveloped land	580,446	473,317
	<u>11,417,620</u>	<u>11,002,600</u>
Accumulated depreciation	(1,746,146)	(1,684,413)
Net real estate investments	<u>9,671,474</u>	<u>9,318,187</u>
Real estate investments and other assets held-for-sale	—	144,651
Cash and cash equivalents	9,160	69,752
Accounts receivable	15,947	13,449
Straight-line rent receivable	182,673	172,225
Receivables on construction contracts, including retentions	37,167	57,258
Deferred leasing and other costs, net of accumulated amortization of \$213,796 and \$209,975	339,561	337,936
Other escrow deposits and other assets	331,427	332,197
Total assets	<u>\$ 10,587,409</u>	<u>\$ 10,445,655</u>
LIABILITIES AND EQUITY		
Indebtedness:		
Secured debt, net of deferred financing costs of \$295 and \$304	\$ 58,291	\$ 59,418
Unsecured debt, net of deferred financing costs of \$42,222 and \$45,136	3,332,778	3,629,864
Unsecured line of credit	260,000	—
	<u>3,651,069</u>	<u>3,689,282</u>
Liabilities related to real estate investments held-for-sale	—	6,278
Construction payables and amounts due subcontractors, including retentions	99,604	107,009
Accrued real estate taxes	81,492	77,464
Accrued interest	20,891	20,815
Other liabilities	340,399	339,023
Tenant security deposits and prepaid rents	59,430	66,823
Total liabilities	<u>4,252,885</u>	<u>4,306,694</u>
Partners' equity:		
Common equity (383,494 and 382,513 General Partner Units issued and outstanding, respectively)	6,254,927	6,071,762
Limited Partners' common equity (3,879 and 3,663 Limited Partner Units issued and outstanding, respectively)	102,095	90,679
Accumulated other comprehensive loss	(27,122)	(28,011)
Total partners' equity	<u>6,329,900</u>	<u>6,134,430</u>
Noncontrolling interests	4,624	4,531
Total equity	<u>6,334,524</u>	<u>6,138,961</u>
Total liabilities and equity	<u>\$ 10,587,409</u>	<u>\$ 10,445,655</u>

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY LIMITED PARTNERSHIP AND SUBSIDIARIES
Consolidated Statements of Operations and Comprehensive Income
For the three months ended March 31,
(in thousands, except per unit amounts)
(Unaudited)

	Three Months Ended	
	2022	2021
Revenues:		
Rental and related revenue	\$ 275,214	\$ 258,179
General contractor and service fee revenue	2,949	31,113
	<u>278,163</u>	<u>289,292</u>
Expenses:		
Rental expenses	25,286	28,130
Real estate taxes	43,928	41,170
General contractor and other services expenses	1,469	29,463
Depreciation and amortization	94,001	93,573
	<u>164,684</u>	<u>192,336</u>
Other operating activities:		
Equity in earnings of unconsolidated joint ventures	3,815	16,268
Gain on sale of properties	210,747	21,360
Gain on land sales	1,092	1,238
Other operating expenses	(779)	(1,145)
Non-incremental costs related to successful leases	(5,512)	(2,958)
General and administrative expenses	(23,913)	(24,217)
	<u>185,450</u>	<u>10,546</u>
Operating income	298,929	107,502
Other income (expenses):		
Interest and other income, net	825	463
Interest expense	(19,999)	(22,507)
Loss on debt extinguishment	(21,948)	(70)
Income before income taxes	257,807	85,388
Income tax expense	(6,330)	(5,184)
Net income	251,477	80,204
Net income attributable to noncontrolling interests	(93)	(81)
Net income attributable to common unitholders	<u>\$ 251,384</u>	<u>\$ 80,123</u>
Weighted average number of Common Units outstanding	386,516	377,242
Weighted average number of Common Units and potential dilutive securities	387,937	377,744
Net income per Common Unit attributable to common unitholders - basic	\$ 0.65	\$ 0.21
Net income per Common Unit attributable to common unitholders - diluted	\$ 0.65	\$ 0.21
Comprehensive income:		
Net income	\$ 251,477	\$ 80,204
Other comprehensive income:		
Amortization of interest rate swap contracts	889	889
Comprehensive income	<u>\$ 252,366</u>	<u>\$ 81,093</u>

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY LIMITED PARTNERSHIP AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the three months ended March 31,
(in thousands)
(Unaudited)

	Three Months Ended	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 251,477	\$ 80,204
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of buildings and tenant improvements	79,022	79,062
Amortization of deferred leasing and other costs	14,979	14,511
Amortization of deferred financing costs	2,506	2,439
Straight-line rental income and expense, net	(10,255)	(8,021)
Loss on debt extinguishment	21,948	70
Gain on land and property sales	(211,839)	(22,598)
Third-party construction contracts, net	785	749
Other accrued revenues and expenses, net	(9,368)	14,651
Operating distributions received in excess of (less than) equity in earnings from unconsolidated joint ventures	3,079	(10,925)
Net cash provided by operating activities	142,334	150,142
Cash flows from investing activities:		
Development of real estate investments	(161,868)	(140,432)
Acquisition of buildings and related intangible assets	(32,974)	(34,738)
Acquisition of land and other real estate assets	(202,282)	(64,594)
Second generation tenant improvements, leasing costs and building improvements	(14,437)	(14,676)
Other deferred leasing costs	(12,280)	(8,007)
Other assets	(18,143)	(36,844)
Proceeds from land and property sales, net	315,134	85,479
Capital distributions from unconsolidated joint ventures	33,645	3,532
Capital contributions and advances to unconsolidated joint ventures	(10,553)	—
Net cash used for investing activities	(103,758)	(210,280)
Cash flows from financing activities:		
Contributions from the General Partner	40,578	30,381
Proceeds from unsecured debt	—	446,634
Payments on unsecured debt	(320,110)	(40,226)
Payments on secured indebtedness including principal amortization	(1,064)	(1,007)
Borrowings (repayments) on line of credit, net	260,000	(295,000)
Distributions to common unitholders	(108,261)	(96,252)
Distributions to noncontrolling interests	—	(150)
Tax payments on stock-based compensation awards	(7,180)	(4,754)
Change in book cash overdrafts	16,094	(14,430)
Other financing activities	48	(270)
Deferred financing costs	(137)	(9,800)
Net cash (used for) provided by financing activities	(120,032)	15,126
Net decrease in cash, cash equivalents and restricted cash	(81,456)	(45,012)
Cash, cash equivalents and restricted cash at beginning of period	103,164	67,223
Cash, cash equivalents and restricted cash at end of period	<u>\$ 21,708</u>	<u>\$ 22,211</u>
Non-cash activities:		
Lease liabilities arising from right-of-use assets	\$ 385	\$ 18,257
Assumption of indebtedness and other liabilities in real estate acquisitions	\$ —	\$ 40,226
Contribution of properties to unconsolidated joint venture	\$ 67,148	\$ —
Non-cash distribution of assets from unconsolidated joint ventures, net	\$ —	\$ 11,023

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY LIMITED PARTNERSHIP AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the three months ended March 31, 2022 and 2021
(in thousands, except per unit data)
(Unaudited)

	Common Unitholders					
	General Partner's Common Equity	Limited Partners' Common Equity	Accumulated Other Comprehensive Loss	Total Partners' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2021	\$ 6,071,762	\$ 90,679	\$ (28,011)	\$ 6,134,430	\$ 4,531	\$ 6,138,961
Net income	248,921	2,463	—	251,384	93	251,477
Other comprehensive income	—	—	889	889	—	889
Capital contribution from the General Partner	40,578	—	—	40,578	—	40,578
Stock-based compensation plan activity	841	10,039	—	10,880	—	10,880
Distributions to common unitholders (\$0.28 per Common Unit)	(107,175)	(1,086)	—	(108,261)	—	(108,261)
Balance at March 31, 2022	\$ 6,254,927	\$ 102,095	\$ (27,122)	\$ 6,329,900	\$ 4,624	\$ 6,334,524

	Common Unitholders					
	General Partner's Common Equity	Limited Partners' Common Equity	Accumulated Other Comprehensive Loss	Total Partners' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2020	\$ 5,194,540	\$ 66,874	\$ (31,568)	\$ 5,229,846	\$ 4,602	\$ 5,234,448
Net income	79,362	761	—	80,123	81	80,204
Other comprehensive income	—	—	889	889	—	889
Capital contribution from the General Partner	30,381	—	—	30,381	—	30,381
Stock-based compensation plan activity	2,665	6,956	—	9,621	—	9,621
Distributions to common unitholders (\$0.255 per Common Unit)	(95,310)	(942)	—	(96,252)	—	(96,252)
Distributions to noncontrolling interests	—	—	—	—	(150)	(150)
Balance at March 31, 2021	\$ 5,211,638	\$ 73,649	\$ (30,679)	\$ 5,254,608	\$ 4,533	\$ 5,259,141

See accompanying Notes to Consolidated Financial Statements

DUKE REALTY CORPORATION AND DUKE REALTY LIMITED PARTNERSHIP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. General Basis of Presentation

The interim consolidated financial statements included herein have been prepared by the General Partner and the Partnership. The 2021 year-end consolidated balance sheet data included in this Report was derived from the audited financial statements in the combined Annual Report on Form 10-K of the General Partner and the Partnership for the year ended December 31, 2021 (the "2021 Annual Report"), but does not include all disclosures required by accounting principles generally accepted in the United States of America ("GAAP"). The financial statements have been prepared in accordance with GAAP for interim financial information and in accordance with Rule 10-01 of Regulation S-X of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenue and expenses during the reporting period. Our actual results could differ from those estimates and assumptions. These financial statements should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations included herein and the consolidated financial statements and notes thereto included in the 2021 Annual Report.

The General Partner was formed in 1985, and we believe that it qualifies as a REIT under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"). The Partnership was formed on October 4, 1993, when the General Partner contributed all of its properties and related assets and liabilities, together with the net proceeds from an offering of additional shares of its common stock, to the Partnership. Simultaneously, the Partnership completed the acquisition of Duke Associates, a full-service commercial real estate firm operating in the Midwest whose operations began in 1972.

The General Partner is the sole general partner of the Partnership, owning approximately 99.0% of the Common Units as of March 31, 2022. The remaining 1.0% of the Common Units are owned by limited partners. As the sole general partner of the Partnership, the General Partner has full, exclusive and complete responsibility and discretion in the day-to-day management and control of the Partnership. The General Partner and the Partnership are operated as one enterprise. The management of the General Partner consists of the same members as the management of the Partnership. As the sole general partner with control of the Partnership, the General Partner consolidates the Partnership for financial reporting purposes, and the General Partner does not have any significant assets other than its investment in the Partnership. Therefore, the assets and liabilities of the General Partner and the Partnership are substantially the same.

Limited partners have the right to redeem their Limited Partner Units, subject to certain restrictions. Pursuant to the Fifth Amended and Restated Agreement of Limited Partnership, as amended (the "Partnership Agreement"), the General Partner is obligated to redeem the Limited Partner Units in shares of its common stock, unless it determines in its reasonable discretion that the issuance of shares of its common stock could cause it to fail to qualify as a REIT. Each Limited Partner Unit shall be redeemed for one share of the General Partner's common stock, or, in the event that the issuance of shares could cause the General Partner to fail to qualify as a REIT, cash equal to the fair market value of one share of the General Partner's common stock at the time of redemption, in each case, subject to certain adjustments described in the Partnership Agreement. The Limited Partner Units are not required, per the terms of the Partnership Agreement, to be redeemed in registered shares of the General Partner.

As of March 31, 2022, we owned and operated a portfolio primarily consisting of industrial properties and provided real estate services to third-party owners, customers and joint ventures. Substantially all of our Rental Operations (see Note 10) are conducted through the Partnership. We conduct our Service Operations (see Note 10) through Duke Realty Services, LLC, Duke Realty Services Limited Partnership and Duke Construction Limited Partnership ("DCLP"), which are consolidated entities that are 100% owned by a combination of the General Partner and the Partnership. DCLP is owned through a taxable REIT subsidiary. The consolidated financial statements include our accounts and the accounts of our majority-owned or controlled subsidiaries.

2. Leases

Lease Income

Our leases generally include scheduled rent increases, but do not include variable payments based on indexes. Our rental revenue is primarily based on fixed, non-cancelable leases. Our variable rental revenue primarily consists of amounts recovered from lessees for property tax, insurance and common area maintenance ("CAM").

If we conclude that collection of lease payments is not probable, any difference between the revenue that would have been recognized under the straight-line method and the lease payments that have been collected is recognized as a current period adjustment to rental revenues. Any other changes in collectability reserves for leases not subject to the collectability constraint are also recorded as a current period adjustment to rental revenues.

All revenues related to lease and lease-related services are included in, and comprise substantially all of, the caption "Rental and Related Revenue" on the Consolidated Statements of Operations and Comprehensive Income. The components of Rental and Related Revenue are as follows (in thousands):

	Three Months Ended March 31,	
	2022	2021
Rental revenue - fixed payments	\$ 202,696	\$ 187,387
Rental revenue - variable payments (1)	72,518	70,792
Rental and related revenue	\$ 275,214	\$ 258,179

(1) Primarily includes tenant recoveries for real estate taxes, insurance and CAM.

Lessee Accounting

As of March 31, 2022, our lease arrangements, where we are the lessee, primarily consisted of office and ground leases. For these lease arrangements, as required by Accounting Standards Codification Topic 842, *Leases* ("ASC 842"), we recognized right-of-use ("ROU") assets and the corresponding lease liabilities representing the discounted value of future lease payments. In determining these amounts, we elected an available practical expedient that allows us, as a lessee, to not separate lease and non-lease components.

All of our office leases are classified as operating leases under ASC 842. Ground leases that were classified as operating leases prior to adoption of ASC 842 continue to be accounted for as operating leases by electing the practical expedient under ASC 842. Two ground leases that were entered into subsequent to the adoption of ASC 842 are classified as finance leases. For our operating leases, we recognized ROU assets and related lease liabilities as follows (in thousands):

	March 31, 2022		December 31, 2021	
	\$		\$	
ROU assets	\$	36,268	\$	36,774
Lease liabilities		41,006		41,363

For our finance leases, we recognized ROU assets and related lease liabilities as follows (in thousands):

	March 31, 2022		December 31, 2021	
	\$		\$	
ROU assets	\$	37,365	\$	37,540
Lease liabilities		39,489		39,194

ROU assets were included within Other Escrow Deposits and Other Assets and lease liabilities were included within Other Liabilities on our Consolidated Balance Sheets.

3. Reclassifications

No amounts in the accompanying consolidated financial statements for 2021 have been reclassified to conform to the 2022 consolidated financial statement presentation.

4. Restricted Cash

Restricted cash primarily consists of cash proceeds from dispositions but restricted only for qualifying like-kind exchange transactions and cash held in escrow related to acquisition and disposition holdbacks. The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheets that sum to the total of the same such amounts shown in the Consolidated Statements of Cash Flows (in thousands):

	March 31, 2022	December 31, 2021
Cash and cash equivalents	\$ 9,160	\$ 69,752
Restricted cash included in other escrow deposits and other assets	12,548	33,412
Total cash, cash equivalents, and restricted cash shown in the Consolidated Statements of Cash Flows	\$ 21,708	\$ 103,164

5. Variable Interest Entities

Partnership

Due to the fact that the Limited Partners do not have kick out rights, or substantive participating rights, the Partnership is a variable interest entity ("VIE"). Because the General Partner holds majority ownership and exercises control over every aspect of the Partnership's operations, the General Partner has been determined as the primary beneficiary and, therefore, consolidates the Partnership.

The assets and liabilities of the General Partner and the Partnership are substantially the same, as the General Partner does not have any significant assets other than its investment in the Partnership. All of the Company's debt is an obligation of the Partnership.

Joint Ventures

We have equity interests in unconsolidated joint ventures that are primarily engaged in the operation and development of industrial real estate properties.

We consolidate those joint ventures that are considered to be VIEs where we are the primary beneficiary. We analyze our investments in joint ventures to determine if the joint venture is considered a VIE and would require consolidation. We (i) evaluate the sufficiency of the total equity investment at risk, (ii) review the voting rights and decision-making authority of the equity investment holders as a group and whether there are limited partners (or similar owning entities) that lack substantive participating or kick out rights and (iii) establish whether or not activities within the venture are on behalf of an investor with disproportionately few voting rights in making this VIE determination.

To the extent that we own interests in a VIE and we (i) are the sole entity that has the power to direct the activities of the VIE and (ii) have the obligation or rights to absorb the VIE's losses or receive its benefits, then we would be determined to be the primary beneficiary and would consolidate the VIE. To the extent we own interests in a VIE, then at each reporting period, we re-assess our conclusions as to which, if any, party within the VIE is considered the primary beneficiary. Consolidated joint ventures that are VIEs are not significant in any period presented in these consolidated financial statements.

To the extent that our joint ventures do not qualify as VIEs, they are consolidated if we control them through majority ownership interests or if we are the managing entity (general partner or managing member) and the other partner does not have substantive participating rights. Control is further demonstrated by our ability to unilaterally make significant operating decisions, refinance debt and sell the assets of the joint venture without the consent of the non-managing entity and the inability of the non-managing entity to remove us from our role as the managing entity. Consolidated joint ventures that are not VIEs are not significant in any period presented in these consolidated financial statements.

We use the equity method of accounting for those joint ventures where we exercise significant influence but do not have control. Under the equity method of accounting, our investment in each joint venture is included on our balance sheet; however, the assets and liabilities of the joint ventures for which we use the equity method are not included on our balance sheet.

When we contribute properties to unconsolidated joint ventures and retain a non-controlling ownership interest in such assets, we recognize the difference between the consideration received and the carrying amount of the asset contributed when its derecognition criteria are met. The equity method investment we retain in such partial sale transactions is noncash consideration and is measured at fair value. As a result, the accounting for a partial sale results in the recognition of a full gain or loss.

In July 2021, we entered into a 20%-owned unconsolidated joint venture with CBRE Global Investors with plans to contribute three tranches of properties. We contributed the third tranche of properties in January 2022. The joint venture financed the acquisition of these properties with a combination of third party first mortgage loans and equity contributions from our partner in this joint venture. Upon closing of the final contribution, we recorded the ownership interest obtained at fair value as part of Investments in and Advances to Unconsolidated Joint Ventures on the Consolidated Balance Sheets as of March 31, 2022 and recognized the full gain of \$188.3 million as part of Gain on Sale of Properties on the Consolidated Financial Statement of Operations and Comprehensive Income for the three months ended March 31, 2022.

There were no unconsolidated joint ventures, in which we have any recognized assets or liabilities or have retained any economic exposure to loss at March 31, 2022, that met the criteria to be considered VIEs. Our maximum loss exposure for guarantees of unconsolidated joint venture indebtedness, none of which relate to VIEs, totaled \$12.3 million at March 31, 2022.

6. Acquisitions and Dispositions

Acquisitions and dispositions for the periods presented were completed in accordance with our strategy to reposition our investment concentration among the markets in which we operate and to increase our overall investment concentration in Coastal Tier 1 markets (we define "Coastal Tier 1" markets as Southern California, Northern California, Seattle, Northern New Jersey and South Florida). Transaction costs related to asset acquisitions are capitalized.

Acquisitions

The following table summarizes our real estate acquisition activities for the three months ended March 31, 2022 and 2021 (dollars in thousands):

	2022	2021
Buildings:		
Number of buildings	1	2
Cash paid at time of acquisition	\$ 32,974	\$ 34,738
Land and other real estate assets:		
Acres of land	233	133
Cash paid at time of acquisition (1)	\$ 202,282	\$ 64,594

(1) Includes the cash acquisition cost of other real estate investments totaling \$61.0 million for the three months ended March 31, 2022. There were no acquisitions of other real estate investments for the three months ended March 31, 2021. See Note 11 for information on other real estate investments.

The following table summarizes total real estate assets recognized (in thousands), comprised of cash paid at the time of acquisition, a purchase deposit and capitalized transaction costs, for the building acquired during the three months ended March 31, 2022:

Real estate assets	\$	34,022
Lease related intangible assets		—
Total acquired assets	\$	34,022

We did not assume any leases as part of this building acquisition.

The value that is allocated to the land underlying the acquired building relies on Level 3 inputs and is primarily determined by reference to recent comparable transactions. Capitalized acquisition costs were insignificant and the fair value of net assets acquired from unrelated parties during the three months ended March 31, 2022, was substantially the same as the cost of acquisition.

Dispositions

Dispositions of buildings and undeveloped land generated net cash proceeds of \$315.1 million and \$85.5 million during the three months ended March 31, 2022 and 2021, respectively. The number of buildings sold is disclosed in Note 11.

In January 2022, we contributed the third tranche of three buildings to a 20%-owned unconsolidated joint venture. The joint venture financed the acquisition of these properties with a combination of third party first mortgage loans and equity contributions from our partner and we received \$268.9 million of net cash proceeds. As part of the closing, we also received \$33.6 million from our ownership share of proceeds from third party first mortgage loans, which was included in Capital Distributions from Unconsolidated Joint Ventures in the Consolidated Statements of Cash Flows for the three months ended March 31, 2022.

7. Indebtedness

All debt is issued directly or indirectly by the Partnership. The General Partner does not have any indebtedness, but does guarantee some of the unsecured debt of the Partnership. The following table summarizes the book value and changes in the fair value of our debt (in thousands):

	Book Value at 12/31/2021	Book Value at 3/31/2022	Fair Value at 12/31/2021	Issuances and Assumptions	Payments/Payoffs	Adjustments to Fair Value	Fair Value at 3/31/2022
Fixed rate secured debt	\$ 58,422	\$ 57,286	\$ 59,989	\$ —	\$ (1,064)	\$ (4,141)	\$ 54,784
Variable rate secured debt	1,300	1,300	1,300	—	—	—	1,300
Unsecured debt	3,675,000	3,375,000	3,779,465	—	(300,000)	(301,332)	3,178,133
Unsecured line of credit	—	260,000	—	260,000	—	—	260,000
Total	\$ 3,734,722	\$ 3,693,586	\$ 3,840,754	\$ 260,000	\$ (301,064)	\$ (305,473)	\$ 3,494,217
Less: Deferred financing costs	45,440	42,517					
Total indebtedness as reported on the consolidated balance sheets	\$ 3,689,282	\$ 3,651,069					

Secured Debt

Because our fixed rate secured debt is not actively traded in any marketplace, we utilized a discounted cash flow methodology to determine its fair value. Accordingly, we calculated fair value by applying an estimate of the current market rate to discount the debt's remaining contractual cash flows. Our estimate of a current market rate, which is the most significant input in the discounted cash flow calculation, is intended to replicate debt of similar maturity and loan-to-value relationship. The estimated market rates for all of our current fixed rate secured debt are between 3.90% and 4.00%, depending on the attributes of the specific loans. The current market rates we utilized were internally estimated; therefore, we have concluded that our determination of fair value for our fixed rate secured debt was primarily based upon level 3 inputs.

Unsecured Debt

At March 31, 2022, all of our unsecured debt bore interest at fixed rates and primarily consisted of unsecured notes that are publicly traded. We utilized broker estimates in estimating the fair value of our fixed rate unsecured debt. The broker estimates took into account any recent trades within the same series of our fixed rate unsecured debt, comparisons to recent trades of other series of our fixed rate unsecured debt, trades of fixed rate unsecured debt from companies with profiles similar to ours, as well as overall economic conditions. We reviewed these broker estimates for reasonableness and accuracy, considering whether the estimates were based upon market participant assumptions within the principal and most advantageous market and whether any other observable inputs would be more accurate indicators of fair value than the broker estimates. We concluded that the broker estimates were representative of fair value. We have determined that our estimation of the fair value of our fixed rate unsecured debt was primarily based upon level 3 inputs. The estimated trading values of our fixed rate unsecured debt, depending on the maturity and coupon rates, ranged from 86.00% to 117.00% of face value.

The indentures (and related supplemental indentures) governing our outstanding series of unsecured notes also require us to comply with financial ratios and other covenants regarding our operations. We were in compliance with all such financial covenants at March 31, 2022.

In February 2022, we redeemed \$300.0 million of 3.75% senior unsecured notes due December 2024. We recognized a loss of \$21.9 million in connection with the redemption of these notes, which included the prepayment premium and write-off of unamortized deferred financing costs.

Unsecured Line of Credit

Our unsecured line of credit at March 31, 2022 is described as follows (in thousands):

Description	Borrowing Capacity	Maturity Date	Outstanding Balance at March 31, 2022
Unsecured Line of Credit - Partnership	\$ 1,200,000	March 31, 2025	\$ 260,000

Our unsecured line of credit bears interest at one month LIBOR plus 0.765% (equal to 1.13%) for our outstanding borrowings at March 31, 2022, which includes a 0.01% reduction to borrowing costs due to achieving certain sustainability linked metrics. The line of credit matures on March 31, 2025 with two six-month extension options. Subject to certain conditions, the terms also include an option to increase the facility by up to an additional \$800.0 million, for a total of up to \$2.00 billion. This line of credit provides us with an option to obtain borrowings from financial institutions that participate in the line at rates that may be lower than the stated interest rate, subject to certain restrictions. The line of credit also allows automatic transition to an alternative rate of interest in the event that the one month LIBOR ceases to publish and needs to be replaced.

This line of credit contains financial covenants that require us to meet certain financial ratios and defined levels of performance, including those related to fixed charge coverage, unsecured interest expense coverage and debt-to-asset value (with asset value being defined in the Partnership's unsecured line of credit agreement). At March 31, 2022, we were in compliance with all financial covenants under this line of credit.

We utilized a discounted cash flow methodology in order to estimate the fair value of outstanding borrowings on our unsecured line of credit. To the extent that credit spreads have changed since the origination of the line of credit, the net present value of the difference between future contractual interest payments and future interest payments based on our estimate of a current market rate would represent the difference between the book value and the fair value. This estimate of a current market rate is based upon the rate, considering current market conditions and our specific credit profile, at which we estimate we could obtain similar borrowings. As our credit spreads have not changed appreciably, we believe that the contractual interest rate and the current market rate on any outstanding borrowings on the line of credit are the same. The current market rate is internally estimated and therefore is primarily based upon a level 3 input.

8. Shareholders' Equity of the General Partner and Partners' Capital of the Partnership

General Partner

The General Partner has an at the market ("ATM") equity program that allows it to issue and sell its common shares through sales agents from time to time. Actual sales under the ATM equity program depend on a variety of factors to be determined by the General Partner, including, among others, market conditions, the trading price of the General Partner's common stock, determinations by the General Partner of the appropriate sources of funding and potential uses of funding available.

In February 2022, the General Partner terminated its previous equity distribution agreement for the ATM equity program and entered into a new equity distribution agreement pursuant to which the General Partner may sell, from time to time, up to an aggregate offering price of \$600.0 million of its common stock through sales agents or forward sellers. The ability to enter into forward sale agreements through the new ATM equity program will enable the General Partner to set the price of such shares upon pricing the offering (subject to certain adjustments) while delaying the issuance of such shares and the receipt of the net proceeds by the General Partner.

During the three months ended March 31, 2022, the General Partner issued 698,000 common shares pursuant to its ATM equity program, generating gross proceeds of \$40.1 million and, after deducting commissions and other costs, net proceeds of \$39.5 million. The proceeds from these sales were contributed to the Partnership and used to fund development activities.

Partnership

For each common share or preferred share that the General Partner issues, the Partnership issues a corresponding General Partner Unit or Preferred Unit, as applicable, to the General Partner in exchange for the contribution of the proceeds from the stock issuance. Similarly, when the General Partner redeems or repurchases common shares or preferred shares, the Partnership redeems the corresponding General Partner Units or Preferred Units held by the General Partner at the same price.

9. Net Income per Common Share or Common Unit

Basic net income per common share or Common Unit is computed by dividing net income attributable to common shareholders or common unitholders, less dividends or distributions on share-based awards expected to vest (referred to as "participating securities" and primarily composed of unvested restricted stock units), by the weighted average number of common shares or Common Units outstanding for the period.

Diluted net income per common share is computed by dividing the sum of net income attributable to common shareholders and the noncontrolling interest in earnings allocable to Limited Partner Units (to the extent the Limited Partner Units are dilutive), less dividends or distributions on participating securities that are anti-dilutive, by the sum of the weighted average number of common shares outstanding and, to the extent they are dilutive, weighted average number of Limited Partner Units outstanding and any potential dilutive securities for the period. Diluted net income per Common Unit is computed by dividing the net income attributable to common unitholders, less dividends or distributions on participating securities that are anti-dilutive, by the sum of the weighted average number of Common Units outstanding and any potential dilutive securities for the period. The following table reconciles the components of basic and diluted net income per common share or Common Unit (in thousands):

	Three Months Ended March 31,	
	2022	2021
General Partner		
Net income attributable to common shareholders	\$ 248,921	\$ 79,362
Less: dividends on participating securities	(327)	(371)
Basic net income attributable to common shareholders	\$ 248,594	\$ 78,991
Add back dividends on dilutive participating securities	327	—
Noncontrolling interest in earnings of common unitholders	2,463	761
Diluted net income attributable to common shareholders	\$ 251,384	\$ 79,752
Weighted average number of common shares outstanding	382,708	373,667
Weighted average Limited Partner Units outstanding	3,808	3,575
Other potential dilutive shares	1,421	502
Weighted average number of common shares and potential dilutive securities	387,937	377,744
Partnership		
Net income attributable to common unitholders	\$ 251,384	\$ 80,123
Less: distributions on participating securities	(327)	(371)
Basic net income attributable to common unitholders	\$ 251,057	\$ 79,752
Add back distributions on dilutive participating securities	327	—
Diluted net income attributable to common unitholders	\$ 251,384	\$ 79,752
Weighted average number of Common Units outstanding	386,516	377,242
Other potential dilutive units	1,421	502
Weighted average number of Common Units and potential dilutive securities	387,937	377,744

The following table summarizes the data that is excluded from the computation of net income per common share or Common Unit as a result of being anti-dilutive (in thousands):

	Three Months Ended March 31,	
	2022	2021
General Partner and Partnership		
Other potential dilutive shares or units:		
Anti-dilutive outstanding participating securities	—	1,568

10. Segment Reporting

Reportable Segments

As of March 31, 2022, we had two reportable operating segments, the first consisting of the ownership and rental of industrial real estate investments. We continue to increase our investments in quality industrial properties largely based on anticipated geographic trends in supply and demand for industrial buildings, as well as the real estate needs of our major tenants that operate on a national level. We treat our industrial properties as a single operating and reportable segment based on our method of internal reporting. Properties not included in our reportable segments, because they are not industrial properties and do not by themselves meet the quantitative thresholds for separate presentation as a reportable segment, are generally referred to as non-reportable Rental Operations. Our non-reportable Rental Operations primarily include our remaining office properties and medical office property at March 31, 2022. The operations of our industrial properties, as well as our non-reportable Rental Operations, are collectively referred to as "Rental Operations."

Our second reportable segment consists of various real estate services such as development, general contracting, construction management, property management, asset management, maintenance and leasing to third-party property owners, customers and joint ventures, and is collectively referred to as "Service Operations." The Service Operations segment is identified as one single operating segment because the lowest level of financial results reviewed by our chief operating decision maker are the results for the Service Operations segment in total. Further, our reportable segments are managed separately because each segment requires different operating strategies and management expertise.

Revenues by Reportable Segment

The following table shows the revenues for each of the reportable segments, as well as a reconciliation to consolidated revenues (in thousands):

	Three Months Ended March	
	2022	2021
Revenues		
Rental Operations:		
Industrial	\$ 273,670	\$ 256,670
Non-reportable Rental Operations	1,373	1,509
Service Operations	2,949	31,113
Total segment revenues	277,992	289,292
Other revenue	171	—
Consolidated revenue	<u>\$ 278,163</u>	<u>\$ 289,292</u>

Supplemental Performance Measure

Property-level net operating income on a cash basis ("PNOI") is the non-GAAP supplemental performance measure that we use to evaluate the performance of, and to allocate resources among, the real estate investments in the reportable and operating segments that comprise our Rental Operations. PNOI for our Rental Operations segments is comprised of rental revenues less rental expenses and real estate taxes, along with certain other adjusting items (collectively referred to as "Rental Operations revenues and expenses excluded from PNOI," as shown in the following table). Additionally, we do not allocate interest expense, depreciation expense and certain other non-property specific revenues and expenses (collectively referred to as "Non-Segment Items," as shown in the following table) to our individual operating segments.

We evaluate the performance of our Service Operations reportable segment using net income or loss, as allocated to that segment ("Earnings from Service Operations").

The most comparable GAAP measure to PNOI is income before income taxes. PNOI excludes expenses that materially impact our overall results of operations and, therefore, should not be considered as a substitute for income before income taxes or any other measures derived in accordance with GAAP. Furthermore, PNOI may not be comparable to other similarly titled measures of other companies.

The following table shows a reconciliation of our segment-level measures of profitability to consolidated income before income taxes (in thousands):

	Three Months Ended March 31,	
	2022	2021
PNOI		
Industrial	\$ 189,528	\$ 163,006
Non-reportable Rental Operations	3,153	1,273
PNOI, excluding all sold properties	192,681	164,279
PNOI from sold properties	760	13,729
PNOI	<u>\$ 193,441</u>	<u>\$ 178,008</u>
Earnings from Service Operations	<u>1,480</u>	<u>1,650</u>
Rental Operations revenues and expenses excluded from PNOI:		
Straight-line rental income and expense, net	10,255	8,021
Revenues related to lease buyouts	170	310
Amortization of lease concessions and above and below market rents	2,588	2,832
Intercompany rents and other adjusting items	(662)	(418)
Non-Segment Items:		
Equity in earnings of unconsolidated joint ventures	3,815	16,268
Interest expense	(19,999)	(22,507)
Depreciation and amortization expense	(94,001)	(93,573)
Gain on sale of properties	210,747	21,360
Interest and other income, net	825	463
General and administrative expenses	(23,913)	(24,217)
Gain on land sales	1,092	1,238
Other operating expenses	(779)	(1,145)
Loss on extinguishment of debt	(21,948)	(70)
Non-incremental costs related to successful leases	(5,512)	(2,958)
Other non-segment revenues and expenses, net	208	126
Income before income taxes	<u>\$ 257,807</u>	<u>\$ 85,388</u>

11. Real Estate Assets and Assets Held-for-Sale

Real Estate Assets

Real estate assets, excluding assets held-for-sale, consisted of the following (in thousands):

	March 31, 2022	December 31, 2021
Buildings and tenant improvements	\$ 6,058,476	\$ 6,007,848
Land and improvements	3,501,860	3,435,591
Other real estate investments (1)	235,875	172,637
Real estate assets	<u>\$ 9,796,211</u>	<u>\$ 9,616,076</u>

(1) Includes underutilized in-fill sites, which may have had buildings/structures on site when we acquired them, that are either (i) under lease to a third party and, after the lease ends, are expected to be redeveloped or will require significant capital expenditures before re-leasing; or (ii) industrial/logistics properties that we intend to re-lease after significant retrofitting and/or environmental remediation is completed. The leases on these assets are usually short term in nature.

Assets Held-for-Sale

The following table illustrates the number of sold or held-for-sale properties in this Report:

	Held-for-Sale at March 31, 2022	Sold Year-to-Date in 2022	Sold in 2021	Total
Properties sold or classified as held-for-sale	—	4	30	34

The following table illustrates aggregate balance sheet information for held-for-sale properties (in thousands):

	Held-for-Sale Properties	
	March 31, 2022	December 31, 2021
Land and improvements	\$ —	\$ 67,818
Buildings and tenant improvements	—	102,867
Accumulated depreciation	—	(36,785)
Deferred leasing and other costs, net	—	5,392
Other assets	—	5,359
Total assets held-for-sale	\$ —	\$ 144,651
Accrued expenses	—	43
Other liabilities	—	6,235
Total liabilities related to assets held-for-sale	\$ —	\$ 6,278

12. Subsequent Event

Declaration of Dividends/Distributions

The General Partner's board of directors declared the following dividends/distributions at its regularly scheduled board meeting held on April 22, 2022:

Class of stock/units	Quarterly Amount per Share or Unit	Record Date	Payment Date
Common - Quarterly	\$0.28	May 16, 2022	May 31, 2022

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to help the reader understand our operations and our present business environment. Management's Discussion and Analysis is provided as a supplement to, and should be read in conjunction with, our consolidated financial statements and the notes thereto contained in Part I, Item 1 of this Report, and the consolidated financial statements and notes thereto contained in Part IV, Item 15 of our 2021 Annual Report.

Cautionary Notice Regarding Forward-Looking Statements

Certain statements contained in or incorporated by reference into this Report, including, without limitation, those related to our future operations, constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. The words "believe," "estimate," "expect," "anticipate," "intend," "plan," "strategy," "continue," "seek," "may," "could" and similar expressions or statements regarding future periods are intended to identify forward-looking statements, although not all forward-looking statements may contain such words.

These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements, or industry results, to differ materially from any predictions of future results, performance or achievements that we express or imply in this Report or in the information incorporated by reference into this Report. Some of the risks, uncertainties and other important factors that may affect future results include, among others:

- Changes in general economic and business conditions, including the financial condition of our tenants and the value of our real estate assets;
- Changes to U.S. laws, regulations, rules and policies;
- The General Partner's continued qualification as a REIT for U.S. federal income tax purposes;
- Heightened competition for tenants and potential decreases in property occupancy;
- Adverse events concerning our major tenants;
- Potential changes in the financial markets and interest rates;
- Volatility in the General Partner's stock price and trading volume;
- Our continuing ability to raise funds on favorable terms;
- Our ability to successfully identify, acquire, develop and/or manage properties on terms that are favorable to us;
- Potential increases in real estate construction costs including construction cost increases as the result of inflation and supply chain constraints;
- Our real estate asset concentration in the industrial sector and potential volatility in this sector;
- Our ability to successfully dispose of properties on terms that are favorable to us;
- Our ability to successfully integrate our acquired properties;
- Our ability to retain our current credit ratings;
- Inherent risks related to disruption of information technology networks and related systems and cyber security attacks;
- Inherent risks in the real estate business, including, but not limited to, tenant defaults, potential liability relating to environmental matters and liquidity of real estate investments; and
- Other risks and uncertainties described herein, as well as those risks and uncertainties discussed from time to time in our other reports and other public filings with the Securities and Exchange Commission (the "SEC").

Although we presently believe that the plans, expectations and anticipated results expressed in or suggested by the forward-looking statements contained in or incorporated by reference into this Report are reasonable, all forward-looking statements are inherently subjective, uncertain and subject to change, as they involve substantial risks and uncertainties, including those beyond our control. New factors emerge from time to time, and it is not possible for us to predict the nature, or assess the potential impact, of each new factor on our business. Given these uncertainties, we caution you not to place undue reliance on these forward-looking statements. We undertake no obligation to update or revise any of our forward-looking statements for events or circumstances that arise after the statement is made, except as otherwise may be required by law.

The above list of risks and uncertainties is only a summary of some of the most important factors and is not intended to be exhaustive. Additional information regarding risk factors that may affect us is included in our 2021 Annual Report. The risk factors contained in our 2021 Annual Report are updated by us from time to time in Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings that we make with the SEC.

Business Overview

The General Partner and Partnership collectively specialize in the ownership, management and development of industrial real estate.

The General Partner is a self-administered and self-managed REIT that began operations in 1986 and is the sole general partner of the Partnership. The Partnership is a limited partnership formed in 1993, at which time all of the properties and related assets and liabilities of the General Partner, as well as proceeds from a secondary offering of the General Partner's common shares, were contributed to the Partnership. Simultaneously, the Partnership completed the acquisition of Duke Associates, a full-service commercial real estate firm operating in the Midwest whose operations began in 1972. We operate the General Partner and the Partnership as one enterprise, and therefore, our discussion and analysis refers to the General Partner and its consolidated subsidiaries, including the Partnership, collectively. A more complete description of our business, and of management's philosophy and priorities, is included in our 2021 Annual Report.

At March 31, 2022, we:

- Owned or jointly controlled 556 primarily industrial properties, of which 521 properties totaling 153.7 million square feet were in service and 35 properties totaling 11.4 million square feet were under development. The 521 in-service properties were comprised of 478 consolidated properties totaling 138.6 million square feet and 43 unconsolidated joint venture properties totaling 15.2 million square feet. The 35 properties under development consisted of 33 consolidated properties totaling 10.3 million square feet and two unconsolidated joint venture properties totaling 1.2 million square feet.
- Owned directly, or through ownership interests in unconsolidated joint ventures (with acreage not adjusted for our percentage ownership interest), approximately 480 acres of land and controlled approximately 925 acres through purchase options.

Our overall strategy is to continue to increase our investment in quality industrial properties primarily through development, on both a speculative and build-to-suit basis, supplemented with acquisitions in Coastal Tier 1 markets.

Key Performance Indicators

Our operating results depend primarily upon rental income from our Rental Operations. The following discussion highlights the metrics that drive the performance of our Rental Operations, which management uses to operate the business, and that we consider to be critical drivers of future revenues.

Occupancy Analysis

Occupancy is an important metric for management and our investors for understanding our financial performance. Our ability to maintain high occupancy rates is among the principal drivers of maintaining and increasing rental revenue. The following table sets forth percent leased and average net effective rent information regarding our in-service portfolio of rental properties at March 31, 2022 and 2021, respectively:

Type	Total Square Feet (in thousands)		Percent of Total Square Feet		Percent Leased*		Average Annual Net Effective Rent**	
	2022	2021	2022	2021	2022	2021	2022	2021
Industrial	138,344	141,087	99.8 %	99.9 %	99.0 %	97.6 %	\$5.88	\$5.33
Non-reportable Rental Operations	211	211	0.2 %	0.1 %	93.8 %	96.8 %	\$22.55	\$22.31
Total Consolidated	138,555	141,298	100.0 %	100.0 %	99.0 %	97.6 %	\$5.91	\$5.36
Unconsolidated Joint Ventures	15,154	10,673			100.0 %	97.6 %	\$4.84	\$4.37
Total Including Unconsolidated Joint Ventures	153,709	151,971			99.1 %	97.6 %		

* Represents the percentage of total square feet leased based on executed leases and without regard to whether the leases have commenced.

** Average annual net effective rent represents average annual base rental payments per leased square foot, on a straight-line basis for the term of each lease, from space leased to tenants at the end of the most recent reporting period. This amount excludes additional amounts paid by tenants as reimbursement for operating expenses.

The higher leased percentage in our industrial portfolio at March 31, 2022, compared to March 31, 2021, was due to both leasing up speculative developments and leasing previously vacant space within our existing properties.

Vacancy Activity

The following table sets forth vacancy activity, shown in square feet, from our in-service rental properties for the three months ended March 31, 2022 (in thousands):

	Consolidated Properties	Unconsolidated Joint Venture Properties	Total Including Unconsolidated Joint Venture Properties
Vacant square feet at December 31, 2021	2,626	257	2,883
Vacant space in acquisitions	75	—	75
Expirations	565	125	690
Early lease terminations	41	—	41
Leasing of previously vacant space	(1,960)	(382)	(2,342)
Vacant square feet at March 31, 2022	1,347	—	1,347

Total Leasing Activity

Our ability to maintain and improve occupancy and net effective rents primarily depends upon our continuing ability to lease vacant space. The volume and quality of our leasing activity is closely scrutinized by management in operation of the business and provides useful information regarding future performance. The initial leasing of development projects or vacant space in acquired properties is referred to as first generation lease activity. The leasing of such space that we have previously held under lease to a tenant is referred to as second generation lease activity. Second generation lease activity may be in the form of renewals of existing leases or new leases of previously leased space. The total leasing activity for our consolidated and unconsolidated industrial rental properties, expressed in square feet of leases signed, is as follows (in thousands):

	Three Months Ended March 31,	
	2022	2021
New Leasing Activity - First Generation	2,955	2,918
New Leasing Activity - Second Generation	579	1,253
Renewal Leasing Activity	2,395	2,737
Early Renewal Leasing Activity *	190	136
Short-Term New Leasing Activity **	150	50
Short-Term Renewal Leasing Activity **	473	345
Total Consolidated Leasing Activity	6,742	7,439
Unconsolidated Joint Venture Leasing Activity	980	—
Total Including Unconsolidated Joint Venture Leasing Activity	7,722	7,439

* Early renewals represent renewals executed more than two years in advance of a lease's originally scheduled end date.

** Short-term leases represent leases with a term of less than twelve months.

Second Generation Leases

The following table sets forth the estimated costs of tenant improvements and leasing costs, on a per square foot basis, that we are obligated to fulfill under the second generation industrial leases signed for our rental properties during the three months ended March 31, 2022 and 2021:

	Square Feet of Leases (in thousands)		Percent of Expiring Leases Renewed		Average Term in Years		Estimated Tenant Improvement Cost per Square Foot		Leasing Commissions per Square Foot		Leasing Concessions per Square Foot	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Three Months												
Consolidated - New Second Generation	579	1,253			8.3	7.3	\$3.05	\$1.66	\$5.40	\$2.93	\$—	\$0.36
Unconsolidated Joint Ventures - New Second Generation	382	—			10.3	—	2.71	—	4.34	—	—	—
Total - New Second Generation	961	1,253			9.1	7.3	\$2.91	\$1.66	\$4.98	\$2.93	\$—	\$0.36
Consolidated - Renewal	2,395	2,737	85.8 %	87.9 %	5.3	4.7	\$0.83	\$0.31	\$1.38	\$1.39	\$0.10	\$0.18
Unconsolidated Joint Ventures - Renewal	24	—	16.1 %	— %	5.0	—	0.04	—	0.41	—	—	—
Total - Renewal	2,419	2,737	82.2 %	85.0 %	5.3	4.7	\$0.79	\$0.31	\$1.33	\$1.39	\$0.10	\$0.18

Growth in average annual net effective rents for new second generation and renewal leases, on a combined basis, for our consolidated and unconsolidated industrial rental properties at our ownership share, is as follows:

Ownership Type	Three Months Ended March 31,	
	2022	2021
Consolidated properties	49.4 %	25.3 %
Unconsolidated joint venture properties	44.9 %	— %
Total	49.2 %	25.3 %

Lease Expirations

The table below reflects our consolidated in-service portfolio lease expiration schedule at March 31, 2022 (in thousands, except percentage data and number of leases):

Year of Expiration	Total Consolidated Portfolio			Industrial		Non-Reportable	
	Square Feet	Annual Rental Revenue*	Number of Leases	Square Feet	Annual Rental Revenue*	Square Feet	Annual Rental Revenue*
Remainder of 2022	6,088	\$ 27,602	68	6,071	\$ 27,410	17	\$ 192
2023	15,140	76,265	146	15,119	75,973	21	292
2024	14,563	78,515	154	14,556	78,433	7	82
2025	15,605	87,146	148	15,603	87,121	2	25
2026	16,123	84,995	142	16,111	84,846	12	149
2027	17,805	94,467	90	17,800	94,410	5	57
2028	10,452	70,762	55	10,333	67,275	119	3,487
2029	9,616	55,376	38	9,616	55,376	—	—
2030	7,402	47,783	34	7,402	47,783	—	—
2031	6,295	48,062	24	6,280	47,885	15	177
2032 and Thereafter	18,117	139,709	57	18,117	139,709	—	—
Total Leased	137,206	\$ 810,682	956	137,008	\$ 806,221	198	\$ 4,461
Total Portfolio Square Feet	138,555			138,344		211	
Percent Leased	99.0 %			99.0 %		93.8 %	

* Annualized rental revenue represents average annual base rental payments, on a straight-line basis for the term of each lease, from space leased to tenants at the end of the most recent reporting period. Annualized rental revenue excludes additional amounts paid by tenants as reimbursement for operating expenses.

Property Acquisitions

Our decision process in determining whether or not to acquire a property or portfolio of properties involves several factors, including expected rent growth, multiple yield metrics, property locations and expected demographic growth in each location, current occupancy of the properties, tenant profile and remaining terms of the in-place leases in the properties. It is difficult to predict which markets may present acquisition opportunities that align with our strategy. Because of the numerous factors considered in our acquisition decisions, we do not establish specific target yields for future acquisitions.

We acquired one in-service building during the three months ended March 31, 2022 and ten buildings during the year ended December 31, 2021. The following table summarizes the acquisition price, percent leased at time of acquisition and in-place yields of property acquisitions (in thousands, except percentage data):

Type	Year-to-Date 2022 Acquisitions			Full Year 2021 Acquisitions		
	Fair Value of Acquired Assets*	In-Place Yield (Mark to Market)**	Percent Leased at Acquisition Date***	Fair Value of Acquired Assets*	In-Place Yield (Mark to Market)**	Percent Leased at Acquisition Date***
Industrial	\$ 34,022	(1.3)%	— %	\$ 609,241	4.4 %	100.0 %

* Includes fair value of real estate assets and acquired in-place lease intangible assets.

** In-place yields of completed acquisitions are calculated as the current annualized net rental payments from space leased to tenants at the date of acquisition, including the amortization of above or below market leases, less current annualized operating expenses not recovered through tenant reimbursements, divided by the fair value of the acquired real estate assets.

*** Represents percentage of total square feet leased based on executed leases and without regard to whether the leases have commenced, at the date of acquisition, including lease-backs with sellers executed in connection with the acquisition(s).

Building Dispositions

We dispose of properties on a basis that is generally consistent with our strategic plans. Our ability to dispose of properties, from time to time, on favorable terms is a key performance indicator from the perspective of management, as a source of capital to fund future investment. We believe that evaluating our disposition activity is also useful to investors.

We sold four consolidated properties during the three months ended March 31, 2022 and 30 consolidated properties during the year ended December 31, 2021. The following table summarizes the sales prices, in-place yields and percent leased of industrial property dispositions (in thousands, except percentage data):

Type	Year-to-Date 2022 Dispositions			Full Year 2021 Dispositions		
	Sales Price	In-Place Yield*	Percent Leased**	Sales Price	In-Place Yield*	Percent Leased**
Industrial	\$ 324,507	3.7 %	100.0 %	\$ 1,069,120	4.6 %	100.0 %

* In-place yields of completed dispositions are calculated as annualized net operating income from space leased to tenants at the date of sale on a lease-up basis, including full rent from all executed leases, even if currently in a free rent period, divided by the sales price. Annualized net operating income is comprised of base rental payments, excluding reimbursement of operating expenses, less current annualized operating expenses not recovered through tenant reimbursements.

** Represents percentage of total square feet leased based on executed leases and without regard to whether the leases have commenced, at the date of sale.

Development

We expect to generate future earnings from Rental Operations as development properties are placed in service and leased. Development activities, and our ability to lease those developments, are viewed by management as key indicators of future earnings growth and provide useful information to investors for the same reasons.

At March 31, 2022, we had 11.4 million square feet of property under development with total estimated costs upon completion of \$1.64 billion compared to 10.4 million square feet with total estimated costs upon completion of \$1.40 billion at March 31, 2021. The square footage includes both consolidated properties and unconsolidated joint venture development activity at 100% while estimated costs include consolidated properties and unconsolidated joint venture development activity at our 50% ownership share.

The following table summarizes our properties under development at March 31, 2022 (in thousands, except percentage data and number of buildings):

Ownership Type	Number of Buildings	Square Feet	Percent Leased	Total Estimated Project Costs	Total Incurred to Date	Amount Remaining to be Spent
Consolidated properties	33	10,262	46.0 %	\$ 1,598,850	\$ 758,673	\$ 840,177
Unconsolidated joint venture properties	2	1,157	100.0 %	43,658	26,626	17,032
Total	35	11,419	51.5 %	\$ 1,642,508	\$ 785,299	\$ 857,209

Results of Operations

A summary of our operating results and property statistics is as follows (in thousands, except number of properties):

	Three Months Ended March 31,	
	2022	2021
Rental and related revenue	\$ 275,214	\$ 258,179
Operating income	298,929	107,502
<u>General Partner</u>		
Net income attributable to common shareholders	\$ 248,921	\$ 79,362
<u>Partnership</u>		
Net income attributable to common unitholders	\$ 251,384	\$ 80,123
Number of in-service consolidated properties at end of period	478	483
In-service consolidated square footage at end of period	138,555	141,298
Number of in-service unconsolidated joint venture properties at end of period	43	37
In-service unconsolidated joint venture square footage at end of period	15,154	10,673

Supplemental Performance Measures

In addition to net income computed in accordance with GAAP, we assess and measure the overall operating results of the General Partner and the Partnership using certain non-GAAP supplemental performance measures, which include (i) Funds From Operations ("FFO"), (ii) PNOI and (iii) Same-Property Net Operating Income - Cash Basis ("SPNOI").

These non-GAAP metrics are commonly used by industry analysts and investors as supplemental operating performance measures of REITs and are viewed by management to be useful indicators of operating performance. Historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, many industry analysts and investors have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. Management believes that the use of FFO, PNOI and SPNOI, combined with net income (which remains the primary GAAP measure of performance), improves the understanding of operating results of REITs among the investing public and makes comparisons of REIT operating results more meaningful.

The most comparable GAAP measure to FFO is net income (loss) attributable to common shareholders or common unitholders, while the most comparable GAAP measure to PNOI and SPNOI is income (loss) before income taxes.

FFO, PNOI and SPNOI each exclude expenses that materially impact our overall results of operations and, therefore, should not be considered as a substitute for net income (loss) attributable to common shareholders or common unitholders, income (loss) before income taxes, or any other measures derived in accordance with GAAP. Furthermore, these metrics may not be comparable to other similarly titled measures of other companies.

Funds From Operations

The National Association of Real Estate Investment Trusts ("Nareit") created FFO as a non-GAAP supplemental measure of REIT operating performance. FFO, as defined by Nareit, represents GAAP net income (loss), excluding gains or losses from sales of real estate assets (including real estate assets incidental to our business) and related taxes, gains and losses from change in control, impairment charges related to real estate assets (including real estate assets incidental to our business) plus certain non-cash items such as real estate asset depreciation and amortization, and after similar adjustments for unconsolidated partnerships and joint ventures. We calculate FFO in accordance with the definition that was adopted by the Board of Governors of Nareit.

Management believes that the use of FFO as a performance measure enables investors and analysts to readily identify the operating results of the long-term assets that form the core of a REIT's activity and assists them in comparing these operating results between periods or between different companies that use the Nareit definition of FFO.

The following table shows a reconciliation of net income attributable to common shareholders or common unitholders to the calculation of FFO attributable to common shareholders or common unitholders (in thousands):

	Three Months Ended March 31,	
	2022	2021
Net income attributable to common shareholders of the General Partner	\$ 248,921	\$ 79,362
Add back: Net income attributable to noncontrolling interests - common limited partnership interests in the Partnership	2,463	761
Net income attributable to common unitholders of the Partnership	251,384	80,123
Adjustments:		
Depreciation and amortization	94,001	93,573
Company share of unconsolidated joint venture depreciation, amortization and other adjustments	3,298	2,257
Gain on sale of properties	(210,747)	(21,360)
Gain on land sales	(1,092)	(1,238)
Income tax expense not allocable to FFO	6,330	5,184
Gains on sales of real estate assets - share of unconsolidated joint ventures	—	(12,748)
FFO attributable to common unitholders of the Partnership	\$ 143,174	\$ 145,791
Additional General Partner Adjustments:		
Net income attributable to noncontrolling interests - common limited partnership interests in the Partnership	(2,463)	(761)
Noncontrolling interest share of adjustments	1,066	(622)
FFO attributable to common shareholders of the General Partner	\$ 141,777	\$ 144,408

Property-Level Net Operating Income - Cash Basis

PNOI is comprised of rental revenues less rental expenses and real estate taxes, along with certain other adjusting items. As a performance metric that consists of only the cash-based revenues and expenses directly related to ongoing real estate rental operations, PNOI is narrower in scope than Nareit FFO.

PNOI, as we calculate it, may not be directly comparable to similarly titled, but differently calculated, measures for other REITs. We believe that PNOI is another useful supplemental performance measure, as it is an input in many REIT valuation models and it provides a means by which to evaluate the performance of the properties within our Rental Operations segments. The operations of our industrial properties, as well as our non-reportable Rental Operations (our residual non-industrial properties that have not yet been sold, referred to throughout as "non-reportable"), are collectively referred to as "Rental Operations."

The major factors influencing PNOI are occupancy levels, acquisitions and sales, development properties that achieve stabilized operations, rental rate increases or decreases, and the recoverability of operating expenses.

Note 10 to the consolidated financial statements included in Part I, Item 1 of this Report shows a calculation of our PNOI for the three months ended March 31, 2022 and 2021 and provides a reconciliation of PNOI for our Rental Operations segments to income before income taxes.

Same-Property Net Operating Income - Cash Basis

We also evaluate the performance of our properties, including our share of properties we jointly control, on a "same-property" basis, using a metric referred to as SPNOI. We view SPNOI as a useful supplemental performance measure because it improves comparability between periods by eliminating the effects of changes in the composition of our portfolio.

On an individual property basis, SPNOI is generally computed in a consistent manner as PNOI.

We define our "same-property" population once a year at the beginning of the current calendar year and include buildings that were stabilized (the term "stabilized" means properties that have reached 90% leased or that have been in-service for at least one year since development completion or acquisition) as of January 1 of the prior calendar year. The "same-property" pool is also adjusted to remove properties that were sold subsequent to the beginning of the current calendar year. As such, the "same-property" population for the period ended March 31, 2022 includes all properties that we owned or jointly controlled at January 1, 2022, which had both been owned or jointly controlled and had reached stabilization by January 1, 2021, and have not been sold.

A reconciliation of income before income taxes to SPNOI is presented as follows (in thousands, except percentage data):

	Three Months Ended March		Percent
	31,		
	2022	2021	Change
Income before income taxes	\$ 257,807	\$ 85,388	
Share of SPNOI from unconsolidated joint ventures	6,605	6,545	
PNOI excluded from the "same-property" population	(21,206)	(4,787)	
Earnings from Service Operations	(1,480)	(1,650)	
Rental Operations revenues and expenses excluded from PNOI	(13,111)	(24,474)	
Non-Segment Items	(50,535)	105,015	
SPNOI	\$ 178,080	\$ 166,037	7.3 %

The composition of the line items titled "Rental Operations revenues and expenses excluded from PNOI" and "Non-Segment Items" from the table above are shown in greater detail in Note 10 to the consolidated financial statements included in Part I, Item 1 of this Report.

We believe that the factors that impact SPNOI are generally the same as those that impact PNOI. The following table details the number of properties, square feet, average commencement occupancy and average cash rental rate for the properties included in SPNOI for the respective periods:

	Three Months Ended March 31,	
	2022	2021
Number of properties	487	487
Square feet (in thousands) (1)	133,484	133,484
Average commencement occupancy percentage (2)	98.5%	97.9%
Average rental rate - cash basis (3)	\$5.31	\$5.13

(1) Includes the total square feet of the consolidated properties that are in the "same-property" population as well as 6.1 million square feet of space for unconsolidated joint ventures, which represents our ratable share of the 15.2 million total square feet of space for buildings owned by unconsolidated joint ventures that are in the "same-property" population.

(2) Commencement occupancy represents the percentage of total square feet where the leases have commenced.

(3) Represents the average annualized contractual rent per square foot for tenants in occupancy in properties in the "same-property" population. Cash rent does not include the tenant's obligation to pay property operating expenses and real estate taxes. If a tenant was within a free rent period, its rent would equal zero for purposes of this metric.

Comparison of Three Months Ended March 31, 2022 to Three Months Ended March 31, 2021

Rental and Related Revenue

The following table sets forth rental and related revenue (in thousands):

	Three Months Ended March 31,	
	2022	2021
Rental and related revenue:		
Industrial	\$ 273,670	\$ 256,670
Non-reportable Rental Operations and non-segment revenues	1,544	1,509
Total rental and related revenue	\$ 275,214	\$ 258,179

The primary reasons for the increase in rental and related revenue were:

- We acquired 11 properties and placed 23 developments in service from January 1, 2021 to March 31, 2022, which provided incremental revenues of \$22.4 million during the three months ended March 31, 2022, as compared to the same period in 2021.
- Rental and related revenue from our "same-property" portfolio increased by \$8.8 million during the three months ended March 31, 2022, as compared to the same period in 2021. These increased revenues were primarily driven by rental rate growth and occupancy within our "same-property" portfolio.
- The sale of 34 in-service properties since January 1, 2021 resulted in a decrease of \$15.2 million to rental and related revenue during the three months ended March 31, 2022, as compared to the same period in 2021, which partially offset the aforementioned increases to rental and related revenue.

Rental Expenses and Real Estate Taxes

The following table sets forth rental expenses and real estate taxes (in thousands):

	Three Months Ended March 31,	
	2022	2021
Rental expenses:		
Industrial	\$ 25,150	\$ 27,824
Non-reportable Rental Operations and non-segment expenses	136	306
Total rental expenses	<u>\$ 25,286</u>	<u>\$ 28,130</u>
Real estate taxes:		
Industrial	\$ 43,794	\$ 41,164
Non-reportable Rental Operations and non-segment expenses	134	6
Total real estate tax expense	<u>\$ 43,928</u>	<u>\$ 41,170</u>

Overall, rental expenses decreased by \$2.8 million during the three months ended March 31, 2022, compared to the same period in 2021. The decrease in rental expenses was primarily due to the sale of certain properties that had significant snow removal expenses during the three months ended March 31, 2021, partially offset by the impact of developments placed in service and acquisitions.

Overall, real estate tax expense increased by \$2.8 million during the three months ended March 31, 2022, compared to the same period in 2021. The increase in real estate tax expense was mainly due to higher real estate tax assessments in certain of our markets and the result of acquisitions and developments placed in service from January 1, 2021 to March 31, 2022, which have generally been concentrated in markets with higher tax rates and/or assessed values. These increases were partially offset by the impact of property sales.

Depreciation and Amortization

Depreciation and amortization expense was \$94.0 million and \$93.6 million for the three months ended March 31, 2022 and 2021, respectively. The impact of acquired properties and developments placed in service was offset by property dispositions.

Equity in Earnings of Unconsolidated Joint Ventures

Equity in earnings of unconsolidated joint ventures represents our ownership share of net income from investments in unconsolidated joint ventures that generally own and operate rental properties. Equity in earnings from unconsolidated joint ventures was \$3.8 million and \$16.3 million for the three months ended March 31, 2022 and 2021, respectively. During the three months ended March 31, 2021, we recognized \$10.6 million of equity in earnings of unconsolidated joint ventures related to gains on the distribution of joint venture assets to our partner in two unconsolidated joint ventures made in connection with a plan of dissolution. We also recognized \$2.3 million of equity in earnings related to our share of gains on land sales to unrelated parties by an unconsolidated joint venture. There were no such transactions in the corresponding period in 2022.

Gain on Sale of Properties

The \$210.7 million recognized as gain on sale of properties for the three months ended March 31, 2022 was primarily the result of the sale of four properties.

The \$21.4 million recognized as gain on sale of properties for the three months ended March 31, 2021 was primarily the result of the sale of two properties.

General and Administrative Expenses

General and administrative expenses consist of two components. The first component includes general corporate expenses, and the second component represents the indirect operating costs not allocated to, or absorbed by, either the development, leasing and operation of our consolidated properties or our Service Operations. Such indirect operating costs are primarily comprised of employee compensation, including related costs such as benefits and wage-related taxes, but also include other ancillary costs such as travel and information technology support. Total indirect operating costs, prior to any allocation or absorption, and general corporate expenses are collectively referred to as our overall pool of overhead costs.

Those indirect costs not allocated to or absorbed by these operations are charged to general and administrative expenses. We regularly review our total overhead cost structure relative to our leasing, development and construction volume and adjust the level of total overhead, generally through changes in our level of staffing in various functional departments, as necessary, in order to control overall general and administrative expenses.

General and administrative expenses were \$23.9 million and \$24.2 million for the three months ended March 31, 2022 and 2021, respectively. The following table sets forth the factors that led to the decreased general and administrative expenses (in millions):

General and administrative expenses - three months ended March 31, 2021	\$	24.2
Increase to overall pool of overhead costs		4.3
Impact of increased allocation of costs to leasing and development activities (1)		(2.0)
Increased allocation of costs to Service Operations and Rental Operations		(2.6)
General and administrative expenses - three months ended March 31, 2022	\$	23.9

(1) We capitalized \$2.0 million and \$6.2 million of our total overhead costs to leasing and development, respectively, for consolidated properties during the three months ended March 31, 2022, compared to capitalizing \$2.1 million and \$6.7 million of such costs, respectively, during the three months ended March 31, 2021. Combined overhead costs capitalized to leasing and development totaled 17.6% and 20.7% of our overall pool of overhead costs for the three months ended March 31, 2022 and 2021, respectively. Additionally, \$5.5 million of our total overhead costs, which were not capitalizable, were recorded as expenses and presented separately in the line item "Non-Incremental Costs Related to Successful Leases" on the Consolidated Statements of Operations for the three months ended March 31, 2022, compared to \$3.0 million of such expenses for the three months ended March 31, 2021.

Interest Expense

Interest expense was \$20.0 million and \$22.5 million for the three months ended March 31, 2022 and 2021, respectively. The decrease in interest expense for the three months ended March 31, 2022 was primarily due to lower average interest rates resulting from refinancing unsecured notes and higher capitalized interest expense.

We capitalized \$9.1 million and \$8.0 million of interest costs for the three months ended March 31, 2022 and 2021, respectively.

Debt Extinguishment

During the three months ended March 31, 2022, the Partnership redeemed \$300.0 million of its unsecured notes due December 2024, which had a stated interest rate of 3.75%. A loss of \$21.9 million was recognized in connection with the redemption of these notes, which included the prepayment premium and write-off of the unamortized deferred financing costs.

In January 2021, the Partnership assumed and immediately repaid \$40.2 million of unsecured debt related to the assets received as part of the dissolution of unconsolidated joint ventures.

Liquidity and Capital Resources

Overview

We expect to meet our short-term liquidity requirements over the next 12 months, which include payments of dividends and distributions, completion of development projects that are currently under construction and capital expenditures needed to maintain our current real estate assets, through working capital, net cash provided by operating activities and short term borrowings on the Partnership's unsecured line of credit. We had \$9.2 million of cash on hand and \$260.0 million of outstanding borrowings on the Partnership's \$1.20 billion unsecured line of credit at March 31, 2022.

In addition to our existing sources of liquidity, we expect to meet long-term liquidity requirements, such as scheduled mortgage and unsecured debt maturities, financing of development activities, acquisitions and other capital improvements, through multiple sources of capital including operating cash flow, proceeds from property dispositions and accessing the public debt and equity markets.

Sources of Liquidity

Rental Operations

Cash flows from Rental Operations is our primary source of liquidity and provides a stable source of cash flow to fund operational expenses. We believe that this cash-based revenue stream is substantially aligned with revenue recognition (except for items such as periodic straight-line rental income accruals and amortization of above or below market rents) as cash receipts from the leasing of rental properties are generally received in advance of, or a short time following, the actual revenue recognition.

We are subject to a number of risks related to general economic conditions, including reduced occupancy, tenant defaults and bankruptcies and potential reduction in rental rates upon renewal or re-letting of properties, any of which would result in reduced cash flow from operations.

Debt and Equity Securities

We use the Partnership's unsecured line of credit (which is guaranteed by the General Partner) as a temporary source of capital to fund development activities, acquire additional rental properties and provide working capital.

In 2017, the Alternative Reference Rates Committee proposed that the Secured Overnight Funding Rate replace LIBOR. In March 2021, the administrator of LIBOR announced that the publication of LIBOR will cease for one-week and two-month USD LIBOR settings immediately after December 31, 2021, and the remaining USD LIBOR settings immediately after June 30, 2023. As the Partnership's unsecured line of credit agreement has provisions that allow for automatic transition to a new rate, and the Partnership has no other material debt arrangements that are indexed to LIBOR, we believe that the transition will not have a material impact on our consolidated financial statements.

Debt securities issued by the Partnership are governed pursuant to certain indentures and related supplemental indentures, which also require us to comply with financial ratios and other covenants regarding our operations. We were in compliance with all such covenants, as well as applicable covenants under our unsecured line of credit, at March 31, 2022.

At March 31, 2022, we had on file with the SEC an automatic shelf registration statement on Form S-3 relating to the offer and sale, from time to time, of an indeterminate amount of debt and equity securities (including guarantees of the Partnership's debt securities by the General Partner). Equity securities are offered and sold by the General Partner, and the net proceeds of such offerings are contributed to the Partnership in exchange for additional General Partner Units or Preferred Units. From time to time, we expect to issue additional securities under this automatic shelf registration statement to fund the repayment of debt, development and future acquisitions and for other general corporate purposes.

In February 2022, the General Partner terminated its previous equity distribution agreement for the ATM equity program and entered into a new equity distribution agreement pursuant to which the General Partner may sell from time to time up to an aggregate offering price of \$600.0 million of its common stock through sales agents or forward sellers. During the three months ended March 31, 2022, the General Partner issued a total of 698,000 common shares pursuant to its ATM equity program, resulting in net proceeds of \$39.5 million after paying total compensation of \$400,000 to the applicable sales agents, in addition to other fees paid totaling \$207,000. As of March 31, 2022, the ATM equity program had \$559.9 million worth of common shares available to issue.

Sale of Real Estate Assets

We dispose of certain properties in a manner consistent with our strategic plans. Our ability to dispose of such properties on favorable terms is dependent upon a number of factors including the availability of credit to potential buyers to purchase properties at prices that we consider acceptable. Although we believe that we have demonstrated our ability to generate significant liquidity through property dispositions, potential future adverse changes to market and economic conditions could negatively impact our further ability to dispose of properties that no longer meet our long-term objectives.

Sales of land and properties provided \$315.1 million and \$85.5 million in net proceeds during the three months ended March 31, 2022 and 2021, respectively.

Transactions with Unconsolidated Joint Ventures

Transactions with unconsolidated joint ventures also provide a source of liquidity. From time to time we will sell properties to unconsolidated joint ventures, while retaining a continuing interest in that entity, and receive proceeds commensurate to those interests that we do not own. Additionally, unconsolidated joint ventures will from time to time obtain debt financing or sell properties and will then distribute to us, and our joint venture partners, all or a portion of the proceeds from such transactions. During the three months ended March 31, 2022, our share of capital distributions from unconsolidated joint ventures totaled \$33.6 million related to our share of the distribution of proceeds from third party mortgage loans originated in connection with the contribution of three of our properties to a 20%-owned unconsolidated joint venture (see Note 6 to the consolidated financial statements included in Part I, Item 1 of this Report).

Uses of Liquidity

Our principal uses of liquidity include the following:

- property investment;
- leasing/capital costs;
- dividends and distributions to shareholders and unitholders;
- debt service and maturities;
- opportunistic repurchases of outstanding debt; and
- other contractual obligations.

Property Investment

Our overall strategy is to continue to increase our investment in quality industrial properties, primarily through development, on both a speculative and build-to-suit basis, supplemented with acquisitions in Coastal Tier 1 markets. Pursuant to this strategy, we evaluate development and acquisition opportunities based upon our market outlook, including general economic conditions, supply and long-term growth potential. Our ability to make future property investments is dependent upon identifying suitable acquisition and development opportunities, and our continued access to our longer-term sources of liquidity, including issuances of debt or equity securities as well as generating cash flow by disposing of selected properties.

Leasing/Capital Costs

Tenant improvements and lease-related costs pertaining to our initial leasing of newly completed space, or vacant space in acquired properties, are referred to as first generation expenditures. Such first generation expenditures for tenant improvements are included within "development of real estate investments" in our Consolidated Statements of Cash Flows, while such expenditures for capitalizable lease-related costs are included within "other deferred leasing costs."

Cash expenditures related to the construction of a building's shell, as well as the associated site improvements, are also included within "development of real estate investments" in our Consolidated Statements of Cash Flows.

Tenant improvements and leasing costs to renew or re-let rental space that we previously leased to tenants for second generation leases are referred to as second generation expenditures. Building improvements that are not specific to any tenant but serve to improve integral components of our real estate properties are also second generation expenditures. One of the principal uses of our liquidity is to fund the second generation leasing/capital expenditures of our real estate investments.

The following table summarizes our second generation capital expenditures by type of expenditure, as well as capital expenditures for the development of real estate investments and for other deferred leasing costs (in thousands):

	Three Months Ended March 31,	
	2022	2021
Second generation tenant improvements	\$ 4,472	\$ 6,940
Second generation leasing costs	7,967	6,764
Building improvements	1,998	972
Total second generation capital expenditures	\$ 14,437	\$ 14,676
Development of real estate investments	\$ 161,868	\$ 140,432
Other deferred leasing costs	\$ 12,280	\$ 8,007

The capital expenditures in the table above include the capitalization of internal overhead costs. We capitalized \$2.0 million and \$2.1 million of overhead costs that are incremental to executing leases, including both first and second generation leases, during the three months ended March 31, 2022 and 2021, respectively. We capitalized \$6.2 million and \$6.7 million of overhead costs related to development activities, including both development and tenant improvement projects on first and second generation space, during the three months ended March 31, 2022 and 2021, respectively. Combined overhead costs capitalized to leasing and development totaled 17.6% and 20.7% of our overall pool of overhead costs for the three months ended March 31, 2022 and 2021, respectively.

Further discussion of the capitalization of overhead costs can be found herein, in the quarter-to-quarter comparison of general and administrative expenses of this Item 2 as well as in the Critical Accounting Policies section of Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2021 Annual Report.

In addition to the capitalization of overhead costs, the totals for development of real estate assets in the table above include the capitalization of \$9.1 million and \$8.0 million of interest costs during the three months ended March 31, 2022 and 2021, respectively.

Both our first and second generation expenditures vary significantly between leases on a per square foot basis, dependent upon several factors including the nature of a tenant's operations, the specific physical characteristics of each individual property and the market in which the property is located.

Dividend and Distribution Requirements

The General Partner is required to meet the distribution requirements of the Code in order to maintain its REIT status. We paid regular dividends or distributions of \$0.28 per common share or Common Unit in the first quarter of 2022, and the General Partner's board of directors declared dividends or distributions of \$0.28 per common share or Common Unit for the second quarter of 2022.

We expect to continue to distribute at least an amount equal to our taxable earnings, to meet the requirements to maintain the General Partner's REIT status, and additional amounts as determined by the General Partner's board of directors. Distributions are declared at the discretion of the General Partner's board of directors and are subject to actual cash available for distribution, our financial condition, capital requirements and such other factors as the General Partner's board of directors deems relevant.

Debt Service and Maturities

Debt outstanding at March 31, 2022 had a face value totaling \$3.69 billion with a weighted average interest rate of 2.81% and maturities at various dates through 2050. Of this total amount, we had \$3.38 billion of unsecured debt, \$55.1 million of secured debt and \$260.0 million outstanding borrowings on our unsecured line of credit at March 31, 2022. Scheduled principal amortization and repayment of unsecured debt totaled \$301.1 million for the three months ended March 31, 2022.

The following table is a summary of the scheduled future amortization and maturities of our indebtedness at March 31, 2022 (in thousands, except percentage data):

Year	Future Repayments			Weighted Average Interest Rate of Future Repayments
	Scheduled Amortization	Maturities	Total	
Remainder of 2022	\$ 3,582	\$ —	\$ 3,582	5.12 %
2023	4,893	—	4,893	5.24 %
2024	5,155	—	5,155	5.26 %
2025	5,102	—	5,102	5.11 %
2026	3,238	635,000	638,238	2.46 %
2027	1,615	475,000	476,615	3.18 %
2028	1,307	500,000	501,307	4.45 %
2029	1,359	400,000	401,359	2.88 %
2030	1,413	350,000	351,413	1.86 %
2031	1,469	450,000	451,469	1.84 %
2032	1,233	515,332	516,565	2.45 %
Thereafter	2,028	332,402	334,430	3.19 %
	<u>\$ 32,394</u>	<u>\$ 3,657,734</u>	<u>\$ 3,690,128</u>	2.81 %

The Partnership's unsecured line of credit is reflected in the table above as maturing in March 2026, based on the ability to exercise the two six-month extension options from its stated maturity date of March 2025 (see Note 7 to the consolidated financial statements included in Part I, Item 1 of this Report). We anticipate generating capital to fund our debt maturities by using undistributed cash generated from our Rental Operations and property dispositions and by raising additional capital from future debt or equity transactions.

Repayments of Outstanding Debt

To the extent that it supports our overall capital strategy, we may purchase or redeem some of our outstanding unsecured notes prior to their stated maturities.

In February 2022, we redeemed \$300.0 million of unsecured notes that were scheduled to mature in December 2024.

Contractual Obligations

Aside from repayment of long-term debt described above, there have been no other material changes in our outstanding commitments since December 31, 2021, as previously discussed in our 2021 Annual Report.

Historical Cash Flows

Cash, cash equivalents and restricted cash were \$21.7 million and \$22.2 million at March 31, 2022 and 2021, respectively. The following table highlights significant changes in net cash associated with our operating, investing and financing activities (in millions):

	Three Months Ended March 31,	
	2022	2021
Net cash provided by operating activities	\$ 142.3	\$ 150.1
Net cash used for investing activities	\$ (103.8)	\$ (210.3)
Net cash (used for) provided by financing activities	\$ (120.0)	\$ 15.1

Operating Activities

Cash flows from operating activities provide the cash necessary to meet our operational requirements and the receipt of rental income from Rental Operations continues to be our primary source of operating cash flows. The decrease in net cash provided by operating activities was primarily due to the timing of interest payments on our unsecured notes, the timing and amount of payroll-related costs as well as other changes in working capital.

Investing Activities

Highlights of significant cash sources and uses are as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Development of real estate investments	\$ (161.9)	\$ (140.4)
Acquisition of buildings, land and other real estate assets	(235.3)	(99.3)
Proceeds from sale of land and properties, net	315.1	85.5
Second generation tenant improvements, leasing costs and building improvements	(14.4)	(14.7)
Issuance of secured loan	—	(31.7)
Capital distributions from unconsolidated joint ventures	33.6	3.5
Capital contributions and advances to unconsolidated joint ventures	(10.6)	—

Financing Activities

Highlights of cash inflows and outflows from equity transactions are as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Proceeds from issuances of common shares under ATM equity programs	\$ 39.5	\$ 29.5
Distributions to common shareholders	(107.2)	(95.3)
Distributions to limited partners	(1.1)	(0.9)

Highlights of cash inflows and outflows from debt transactions are as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
<u>Proceeds from the issuance of debt</u>		
Senior unsecured debt	\$ —	\$ 446.6
<u>Repurchase of and repayments on debt (including extinguishment costs)</u>		
Senior unsecured debt	\$ (320.1)	\$ (40.2)
<u>Borrowings (repayments) on line of credit, net</u>		
Unsecured line of credit	\$ 260.0	\$ (295.0)

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks, including interest rates, in the ordinary course of business.

Interest Rate Risk

We are exposed to interest rate changes primarily as a result of our line of credit and our long-term borrowings. Our interest rate risk management objective is to limit the impact of interest rate changes on earnings and cash flows and to lower overall borrowing costs. To achieve our objectives, we borrow primarily at fixed rates and may enter into derivative financial instruments such as interest rate swaps, from time to time, in order to mitigate our interest rate risk on a related financial instrument. We do not enter into derivative or interest rate transactions for speculative purposes.

Our interest rate risk is monitored using a variety of techniques. The table below presents the principal amounts (in thousands) of the expected annual maturities, weighted average interest rates for the average debt outstanding in the specified period and fair values (in thousands).

	Remainder of 2022	2023	2024	2025	2026	Thereafter	Face Value	Fair Value
Long-Term Debt:								
Fixed rate secured debt	\$ 3,282	\$ 4,593	\$ 4,855	\$ 4,702	\$ 3,238	\$ 33,158	\$ 53,828	\$ 54,784
Weighted average interest rate	5.54 %	5.55 %	5.56 %	5.51 %	5.27 %	4.08 %	4.62 %	
Variable rate secured debt	\$ 300	\$ 300	\$ 300	\$ 400	\$ —	\$ —	\$ 1,300	\$ 1,300
Weighted average interest rate	0.47 %	0.47 %	0.47 %	0.47 %	N/A	N/A	0.47 %	
Fixed rate unsecured debt	\$ —	\$ —	\$ —	\$ —	\$ 375,000	\$ 3,000,000	\$ 3,375,000	\$ 3,178,133
Weighted average interest rate	N/A	N/A	N/A	N/A	3.36 %	2.86 %	2.92 %	
Variable rate unsecured line of credit	\$ —	\$ —	\$ —	\$ —	\$ 260,000	\$ —	\$ 260,000	\$ 260,000
Rate at March 31, 2022	N/A	N/A	N/A	N/A	1.13 %	N/A	1.13 %	

The Partnership's unsecured line of credit is reflected in the table above as maturing in March 2026, based on the ability to exercise the two six-month extension options from its stated maturity date of March 2025 (see Note 7 to the consolidated financial statements included in Part I, Item 1 of this Report).

As the above table incorporates only those exposures that existed at March 31, 2022, it does not consider those exposures or positions that could arise after that date. As a result, the ultimate impact of interest rate fluctuations will depend on future exposures that arise, our hedging strategies at that time, to the extent we are party to interest rate derivatives, and interest rates. Interest expense on our unsecured line of credit, to the extent there are outstanding borrowings, will be affected by fluctuations in the one month LIBOR indices or applicable replacement rates, changes in our credit rating as well as certain sustainability linked metrics achieved each year. The interest rate at such point in the future as we may renew, extend or replace our unsecured line of credit will be heavily dependent upon the state of the credit environment.

Item 4. Controls and Procedures

Controls and Procedures (General Partner)

(a) Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. These disclosure controls and procedures are further designed to ensure that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. Based upon the foregoing, the Chief Executive Officer and the Chief Financial Officer concluded that, as of the end of the period covered by this Report, our disclosure controls and procedures were effective.

(b) Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the period covered by this Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Controls and Procedures (Partnership)

(a) Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. These disclosure controls and procedures are further designed to ensure that such information is accumulated and communicated to management, including the General Partner's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of management, including the General Partner's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. Based upon the foregoing, the General Partner's Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this Report, our disclosure controls and procedures were effective.

(b) Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the period covered by this Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

From time to time, we are parties to a variety of legal proceedings and claims arising in the ordinary course of our businesses. While these matters generally are covered by insurance, there is no assurance that our insurance will cover any particular proceeding or claim. We are not subject to any material pending legal proceedings other than routine litigation arising in the ordinary course of business. We presently believe that all of the proceedings to which we were subject as of March 31, 2022, taken as a whole, will not have a material adverse effect on our liquidity, business, financial condition or results of operations.

Item 1A. Risk Factors

In addition to the information set forth in this Report, you also should carefully review and consider the information contained in our other reports and periodic filings that we make with the SEC, including, without limitation, the information contained under the caption "Item 1A. Risk Factors" in our 2021 Annual Report. The risks and uncertainties described in our 2021 Annual Report are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we presently deem to be immaterial, also may materially adversely affect our business, financial condition and results of operations. There have not been any material changes to the risk factors that we face since our 2021 Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Unregistered Sales of Equity Securities

None

(b) Use of Proceeds

None

(c) Issuer Purchases of Equity Securities

From time to time, we repurchase our securities under a repurchase program that initially was approved by the General Partner's board of directors and publicly announced in October 2001 (the "Repurchase Program").

On January 26, 2022, the General Partner's board of directors adopted a resolution that amended and restated the Repurchase Program and delegated authority to management to repurchase a maximum of \$300.0 million of the General Partner's common shares, \$750.0 million of the Partnership's debt securities and \$500.0 million of the General Partner's preferred shares, subject to the prior notification of the Chairman of the finance committee of the board of directors of planned repurchases within these limits. We did not repurchase any equity securities through the Repurchase Program during the three months ended March 31, 2022.

Item 3. Defaults upon Senior Securities

During the period covered by this Report, we did not default under the terms of any of our material indebtedness.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the period covered by this Report, there was no information required to be disclosed by us in a Current Report on Form 8-K that was not so reported, nor were there any material changes to the procedures by which our security holders may recommend nominees to the General Partner's board of directors.

Item 6. Exhibits

(a) Exhibits

- 3.1 [Sixth Amended and Restated Articles of Incorporation of the General Partner \(filed as Exhibit 3.1 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on January 5, 2015, and incorporated herein by this reference\).](#)
- 3.2 [Fifth Amended and Restated Bylaws of the General Partner \(filed as Exhibit 3.1 to the General Partner's Current Report on Form 8-K as filed with the SEC on October 26, 2017, and incorporated herein by this reference\).](#)
- 3.3 [Certificate of Limited Partnership of the Partnership, dated September 17, 1993 \(filed as Exhibit 3.1\(i\) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 2006 as filed with the SEC on March 13, 2007, and incorporated herein by this reference\) \(File No. 000-20625\).](#)
- 3.4 (i) [Fifth Amended and Restated Agreement of Limited Partnership of the Partnership \(filed as Exhibit 3.2 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on May 5, 2014, and incorporated herein by this reference\).](#)
- 3.4 (ii) [First Amendment to Fifth Amended and Restated Agreement of Limited Partnership of the Partnership \(filed as Exhibit 3.2 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on August 6, 2014, and incorporated herein by this reference\).](#)
- 3.4 (iii) [Second Amendment to Fifth Amended and Restated Agreement of Limited Partnership of the Partnership \(filed as Exhibit 3.2 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on December 16, 2014, and incorporated herein by this reference\).](#)
- 3.4 (iv) [Third Amendment to Fifth Amended and Restated Agreement of Limited Partnership of the Partnership \(filed as Exhibit 3.2 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on January 5, 2015, and incorporated herein by this reference\).](#)
- 3.4 (v) [Fourth Amendment to Fifth Amended and Restated Agreement of Limited Partnership of the Partnership \(filed as Exhibit 3.1 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on January 29, 2015, and incorporated herein by this reference\).](#)
- 3.4 (vi) [Fifth Amendment to Fifth Amended and Restated Agreement of Limited Partnership of the Partnership \(filed as Exhibit 3.1 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on October 25, 2018, and incorporated herein by this reference\).](#)
- 10.1 [Equity Distribution Agreement, dated February 18, 2022, by and among the Company, the Partnership and each Agent and its related Forward Purchaser \(filed as Exhibit 1.1 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on February 18, 2022, and incorporated herein by this reference\).](#)
- 10.2 [Form of Master Confirmation \(filed as Exhibit 1.2 to the combined Current Report on Form 8-K of the General Partner and the Partnership as filed with the SEC on February 18, 2022, and incorporated herein by this reference\).](#)
- 31.1 [Rule 13a-14\(a\) Certification of the Chief Executive Officer of the General Partner.*](#)
- 31.2 [Rule 13a-14\(a\) Certification of the Chief Financial Officer of the General Partner.*](#)
- 31.3 [Rule 13a-14\(a\) Certification of the Chief Executive Officer for the Partnership.*](#)
- 31.4 [Rule 13a-14\(a\) Certification of the Chief Financial Officer for the Partnership.*](#)
- 32.1 [Section 1350 Certification of the Chief Executive Officer of the General Partner.**](#)
- 32.2 [Section 1350 Certification of the Chief Financial Officer of the General Partner.**](#)
- 32.3 [Section 1350 Certification of the Chief Executive Officer for the Partnership.**](#)
- 32.4 [Section 1350 Certification of the Chief Financial Officer for the Partnership.**](#)
- 101.Def Definition Linkbase Document
- 101.Pre Presentation Linkbase Document
- 101.Lab Labels Linkbase Document
- 101.Cal Calculation Linkbase Document
- 101.Sch Schema Document
- 101.Ins Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101)

* Filed herewith.

** The certifications attached as Exhibits 32.1, 32.2, 32.3 and 32.4 accompany this Quarterly Report on Form 10-Q and are "furnished" to the SEC pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed "filed" by the General Partner or the Partnership, respectively, for purposes of Section 18 of the Exchange Act.

SIGNATURES

Pursuant to the requirements 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.

DUKE REALTY CORPORATION

/s/ James B. Connor

James B. Connor
Chairman and Chief Executive Officer

/s/ Mark A. Denien

Mark A. Denien
Executive Vice President and Chief Financial Officer

DUKE REALTY LIMITED PARTNERSHIP

By: DUKE REALTY CORPORATION, its general partner

/s/ James B. Connor

James B. Connor
Chairman and Chief Executive Officer of the General Partner

/s/ Mark A. Denien

Mark A. Denien
Executive Vice President and Chief Financial Officer of the General Partner

Date: April 29, 2022

DUKE REALTY CORPORATION
CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, James B. Connor, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Duke Realty Corporation;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2022

/s/ James B. Connor

James B. Connor
Chairman and Chief Executive Officer

DUKE REALTY CORPORATION

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, Mark A. Denien, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Duke Realty Corporation;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2022

/s/ Mark A. Denien

Mark A. Denien

Executive Vice President and Chief Financial Officer

DUKE REALTY LIMITED PARTNERSHIP
CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, James B. Connor, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Duke Realty Limited Partnership;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2022

/s/ James B. Connor

James B. Connor
Chairman and Chief Executive Officer of the General Partner

DUKE REALTY LIMITED PARTNERSHIP
CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, Mark A. Denien, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Duke Realty Limited Partnership;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2022

/s/ Mark A. Denien

Mark A. Denien

Executive Vice President and Chief Financial Officer of the General Partner

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Duke Realty Corporation (the "General Partner") on Form 10-Q for the quarter ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James B. Connor, Chairman and Chief Executive Officer of the General Partner, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the General Partner.

/s/ James B. Connor

James B. Connor
Chairman and Chief Executive Officer

Date: April 29, 2022

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Duke Realty Corporation, and will be retained by Duke Realty Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Duke Realty Corporation (the “General Partner”) on Form 10-Q for the quarter ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark A. Denien, Executive Vice President and Chief Financial Officer of the General Partner, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the General Partner.

/s/ Mark A. Denien

Mark A. Denien

Executive Vice President and Chief Financial Officer

Date: April 29, 2022

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Duke Realty Corporation, and will be retained by Duke Realty Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Duke Realty Limited Partnership (the "Partnership") on Form 10-Q for the quarter ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James B. Connor, Chairman and Chief Executive Officer of Duke Realty Corporation, the general partner of the Partnership (the "General Partner"), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ James B. Connor

James B. Connor

Chairman and Chief Executive Officer of the General Partner

Date: April 29, 2022

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Duke Realty Limited Partnership, and will be retained by Duke Realty Limited Partnership and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Duke Realty Limited Partnership (the "Partnership") on Form 10-Q for the quarter ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark A. Denien, Executive Vice President and Chief Financial Officer of Duke Realty Corporation, the general partner of the Partnership (the "General Partner"), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Mark A. Denien

Mark A. Denien

Executive Vice President and Chief Financial Officer of the General Partner

Date: April 29, 2022

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Duke Realty Limited Partnership, and will be retained by Duke Realty Limited Partnership and furnished to the Securities and Exchange Commission or its staff upon request.