
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) April 25, 2013

**WASHINGTON REAL ESTATE
INVESTMENT TRUST**

(Exact name of registrant as specified in its charter)

MARYLAND
(State of incorporation)

53-0261100
(IRS Employer Identification Number)

6110 EXECUTIVE BOULEVARD, SUITE 800, ROCKVILLE, MARYLAND 20852
(Address of principal executive office) (Zip code)

Registrant's telephone number, including area code: (301) 984-9400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 2.02 Results of Operations and Financial Condition

and

Item 7.01 Regulation FD Disclosure

A press release issued by the Registrant on April 25, 2013 regarding earnings for the three months ended March 31, 2013, is attached as Exhibit 99.1. Also, certain supplemental information not included in the press release is attached as Exhibit 99.2. This information is being furnished pursuant to Item 7.01 and Item 2.02 of Form 8-K. This information is not deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 and is not incorporated by reference into any Securities Act registration statements.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 Press release issued April 25, 2013 regarding earnings for the three months ended March 31, 2013

Exhibit 99.2 Certain supplemental information not included in the press release

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 hereunto duly authorized.

WASHINGTON REAL ESTATE INVESTMENT TRUST
(Registrant)

By: /s/ Laura M. Franklin
(Signature)

Laura M. Franklin
Executive Vice President
Accounting Administration and Corporate Secretary

April 25, 2013
(Date)

Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release issued April 25, 2013 regarding earnings for the three months ended March 31, 2013
99.2	Certain supplemental information not included in the press release

WRITWASHINGTON
REAL ESTATE
INVESTMENT
TRUST**CONTACT:**

William T. Camp
Executive Vice President and
Chief Financial Officer
E-Mail: bcamp@writ.com

6110 Executive Blvd., Suite 800
Rockville, Maryland 20852
Tel 301-984-9400
Fax 301-984-9610
www.writ.com

April 25, 2013**WASHINGTON REAL ESTATE INVESTMENT TRUST ANNOUNCES
FIRST QUARTER FINANCIAL AND OPERATING RESULTS**

Washington Real Estate Investment Trust ("WRIT" or the "Company") (NYSE: WRE), a leading owner and operator of diversified properties in the Washington, D.C. region, reported financial and operating results today for the quarter ended March 31, 2013:

- Core Funds from Operations⁽¹⁾, defined as Funds from Operations⁽¹⁾ ("FFO") excluding acquisition expense, gains or losses on extinguishment of debt, severance expense and impairment, was \$29.7 million, or \$0.44 per diluted share for the quarter ended March 31, 2013, compared to \$31.2 million, or \$0.47 per diluted share for the prior year period. FFO for the quarter ended March 31, 2013 was \$29.7 million, or \$0.44 per diluted share, compared to \$31.2 million, or \$0.47 per diluted share, in the same period one year ago.
- Net income attributable to the controlling interests for the quarter ended March 31, 2013 was \$7.3 million, or \$0.11 per diluted share, compared to \$5.2 million, or \$0.08 per diluted share, in the same period one year ago. Included in first quarter 2013 was a \$3.2 million, or \$0.05 per diluted share, gain on sale of real estate.

"This quarter we commenced the marketing of our medical office portfolio, and as expected we are seeing strong interest from potential investors. Operationally, we saw an increase in same-store portfolio occupancy from the fourth quarter, particularly in our office sector, and we are hopeful that this is the beginning of a sustainable improvement in our markets," said George F. "Skip" McKenzie, President and Chief Executive Officer of WRIT.

2013 Guidance

Management reiterates its previously announced 2013 Core FFO per fully diluted share guidance of \$1.82 - \$1.90, excluding any acquisition and disposition activity, including the potential Medical Office Division sale.

"First quarter 2013 core FFO was in line with our expectations, though it was below fourth quarter 2012 results. Fourth quarter results included higher expense recoveries and lower incentive compensation, and first quarter results reflected seasonal increases in operating expenses and normalized incentive compensation estimates. We look forward to providing further detail on tomorrow's call," said William T. Camp, Executive Vice President and Chief Financial Officer.

Operating Results

The Company's overall portfolio Net Operating Income ("NOI")⁽²⁾ was \$49.8 million compared to \$49.7 million in the same period one year ago and \$51.3 million in the fourth quarter of 2012. Overall portfolio physical occupancy for the

first quarter was 88.6%, compared to 89.7% in the same period one year ago and 88.1% in the fourth quarter of 2012.

Same-store⁽³⁾ portfolio physical occupancy for the first quarter was 89.1%, compared to 90.2% in the same period one year ago. Sequentially, same-store physical occupancy increased 30 basis points (bps) compared to the fourth quarter of 2012. Same-store portfolio NOI for the first quarter decreased 1.5% and rental rate growth was 2.5% compared to the same period one year ago.

- **Multifamily: 15.9% of Total NOI** - Multifamily properties' same-store NOI for the first quarter decreased 1.5% compared to the same period one year ago. Rental rate growth was 4.0% while same-store physical occupancy decreased 140 bps to 93.8%. Sequentially, same-store physical occupancy decreased 30 bps compared to the fourth quarter of 2012.
- **Office: 49.5% of Total NOI** - Office properties' same-store NOI for the first quarter decreased 1.2% compared to the same period one year ago. Rental rate growth was 1.9% while same-store physical occupancy decreased 100 bps to 85.4%. Sequentially, same-store physical occupancy increased 60 bps compared to the fourth quarter of 2012.
- **Medical: 14.0% of Total NOI** - Medical office properties' same-store NOI for the first quarter decreased 8.0% compared to the same period one year ago. Rental rate growth was 1.9% while same-store physical occupancy decreased 210 bps to 88.4%. Sequentially, same-store physical occupancy decreased 70 bps compared to the fourth quarter of 2012.
- **Retail: 20.6% of Total NOI** - Retail properties' same-store NOI for the first quarter increased 2.7% compared to the same period one year ago. Rental rate growth was 3.1% while same-store physical occupancy decreased 50 bps to 92.4%. Sequentially, same-store physical occupancy increased 120 bps compared to the fourth quarter of 2012.

Leasing Activity

During the first quarter, WRIT signed commercial leases totaling 387,656 square feet, including 127,295 square feet of new leases and 260,361 square feet of renewal leases, as follows (all dollar amounts are on a per square foot basis):

	Square Feet	Weighted Average Term (in years)	Weighted Average Rental Rates	Weighted Average Rental Rate % Increase	Tenant Improvements	Leasing Commissions and Incentives
New:						
Office	65,566	8.5	\$ 31.96	9.7%	\$ 44.87	\$ 31.13
Medical Office	15,629	7.2	36.67	9.4%	32.87	14.29
Retail	46,100	7.3	19.12	86.3%	50.05	6.59
Total	127,295	7.9	27.89	22.1%	45.27	20.18
Renewal:						
Office	192,943	2.7	\$ 31.81	7.0%	\$ 5.37	\$ 2.35
Medical Office	21,294	5.0	39.34	3.7%	8.89	5.87
Retail	46,124	4.8	30.40	7.5%	—	1.63
Total	260,361	3.3	32.18	6.7%	4.70	2.52

Dispositions

In the first quarter, WRIT sold The Atrium Building, an 80,000 square foot office building in Rockville, Maryland, for \$15.75 million, resulting in a net book gain of \$3.2 million. The property was built in 1980 and acquired by WRIT in 2002. WRIT achieved an unleveraged internal rate of return of 11% over the ten-year holding period.

Financing Activity

WRIT repaid its \$60.0 million 5.125% unsecured notes using proceeds from a draw on its line of credit. WRIT also prepaid without penalty the West Gude 5.855% mortgage note for \$30.0 million, funded by cash and a draw on its line

of credit. As of March 31, 2013, WRIT's line of credit balance was \$70.0 million.

Hiring Activity

In the first quarter and subsequent to quarter end, WRIT announced the hiring of two Division Heads: Paul S. Weinschenk as Managing Director and Vice President, Head of Retail Division, and Edward J. Murn, IV as Managing Director, Head of Residential Division. Both will be responsible for overseeing the operations, investment and development of their respective divisions.

Dividends

On March 29, 2013, WRIT paid a quarterly dividend of \$0.30 per share.

Conference Call Information

The Conference Call for 1st Quarter Earnings is scheduled for Friday, April 26, 2013 at 11:00 A.M. Eastern time. Conference Call access information is as follows:

USA Toll Free Number: 1-877-407-9205
International Toll Number: 1-201-689-8054

The instant replay of the Conference Call will be available until May 10, 2013 at 11:59 P.M. Eastern time. Instant replay access information is as follows:

USA Toll Free Number: 1-877-660-6853
International Toll Number: 1-201-612-7415
Conference ID: 410787

The live on-demand webcast of the Conference Call will be available on the Investor section of WRIT's website at www.writ.com. On-line playback of the webcast will be available for two weeks following the Conference Call.

About WRIT

WRIT is a self-administered, self-managed, equity real estate investment trust investing in income-producing properties in the greater Washington metro region. WRIT owns a diversified portfolio of 69 properties totaling approximately 8 million square feet of commercial space and 2,540 multifamily units, and land held for development. These 69 properties consist of 25 office properties, 17 medical office properties, 16 retail centers and 11 multifamily properties. WRIT shares are publicly traded on the New York Stock Exchange (NYSE:WRE).

Note: WRIT's press releases and supplemental financial information are available on the company website at www.writ.com or by contacting Investor Relations at (301) 984-9400.

Certain statements in our earnings release and on our conference call are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially. Such risks, uncertainties and other factors include, but are not limited to, the potential for federal government budget reductions, changes in general and local economic and real estate market conditions, the timing and pricing of lease transactions, the availability and cost of capital, fluctuations in interest rates, tenants' financial conditions, levels of competition, the effect of government regulation, the impact of newly adopted accounting principles, and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2012 Form 10-K. We assume no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

⁽¹⁾ Funds From Operations ("FFO") - The National Association of Real Estate Investment Trusts, Inc. ("NAREIT") defines FFO (April, 2002 White Paper) as net income (computed in accordance with generally accepted accounting principles ("GAAP")) excluding gains (or losses) associated with sales of property, impairment of depreciable real estate and real estate depreciation and amortization. FFO is a non-GAAP measure and does not replace net income as a measure of performance or net cash provided by operating activities as a measure of liquidity. We consider FFO to be a standard supplemental measure for equity real estate investment trusts ("REITs") because it facilitates an understanding of the operating performance of our properties without giving effect to real estate depreciation and amortization, which historically assumes that the value of real estate assets diminishes predictably over time. Since real estate values have instead historically risen or fallen with market conditions, we believe that FFO more accurately provides investors an indication of our ability to incur and service debt, make capital expenditures and fund other needs.

Core Funds From Operations ("Core FFO") is calculated by adjusting FFO for the following items (which we believe are not indicative of the

performance of WRIT's operating portfolio and affect the comparative measurement of WRIT's operating performance over time): (1) gains or losses on extinguishment of debt, (2) costs related to the acquisition of properties, (3) severance expense related to corporate reorganization and related to the CEO's retirement and (4) property impairments not already excluded from FFO, as appropriate. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FFO serves as a useful, supplementary measure of WRIT's ability to incur and service debt and to distribute dividends to its shareholders. Core FFO is a non-GAAP and non-standardized measure and may be calculated differently by other REITs.

(2) Net Operating Income ("NOI"), defined as real estate rental revenue less real estate expenses, is a non-GAAP measure. NOI is calculated as net income, less non-real estate revenue and the results of discontinued operations (including the gain on sale, if any), plus interest expense, depreciation and amortization, general and administrative expenses, acquisition costs and real estate impairment. We provide NOI as a supplement to net income calculated in accordance with GAAP. As such, it should not be considered an alternative to net income as an indication of our operating performance. It is the primary performance measure we use to assess the results of our operations at the property level.

(3) For purposes of evaluating comparative operating performance, we categorize our properties as "same-store" or "non-same-store". A same-store property is one that was owned for the entirety of the periods being evaluated. A non-same-store property is one that was acquired or placed into service during either of the periods being evaluated.

(4) Funds Available for Distribution ("FAD") is a non-GAAP measure. It is calculated by subtracting from FFO (1) recurring expenditures, tenant improvements and leasing costs that are capitalized and amortized and are necessary to maintain our properties and revenue stream and (2) straight-line rents, then adding (3) non-real estate depreciation and amortization, (4) amortization of restricted share and unit compensation, and adding or subtracting amortization of lease intangibles, as appropriate. We consider FAD to be a measure of a REIT's ability to incur and service debt and to distribute dividends to its shareholders. FAD is a non-standardized measure and may be calculated differently by other REITs.

Physical Occupancy Levels by Same-Store Properties (i) and All Properties

Segment	Physical Occupancy			
	Same-Store Properties		All Properties	
	1st QTR 2013	1st QTR 2012	1st QTR 2013	1st QTR 2012
Multifamily	93.8%	95.2%	93.8%	95.2%
Office	85.4%	86.4%	85.4%	86.3%
Medical Office	88.4%	90.5%	85.2%	87.1%
Retail	92.4%	92.9%	92.4%	92.9%
Overall Portfolio	89.1%	90.2%	88.6%	89.7%

(i) Same-Store properties include all stabilized properties that were owned for the entirety of the current and prior year reporting periods. We consider newly constructed properties to be stabilized when they achieve 90% occupancy. For Q1 2013 and Q1 2012, same-store properties exclude:

Multifamily Acquisitions: none;

Office Acquisition: Fairgate at Ballston;

Medical Office Acquisition: 19500 at Riverside Office Park (formerly Lansdowne Medical Office Building);

Retail Acquisition: none.

Also excluded from Same-Store Properties in Q1 2013 and Q1 2012 are:

Held for Sale and Sold Properties: 1700 Research Boulevard, Plumtree Medical Center and the Atrium Building.

WASHINGTON REAL ESTATE INVESTMENT TRUST
FINANCIAL HIGHLIGHTS
(In thousands, except per share data)
(Unaudited)

OPERATING RESULTS	Three Months Ended March 31,	
	2013	2012
Revenue		
Real estate rental revenue	\$ 76,924	\$ 75,214
Expenses		
Real estate expenses	27,091	25,551
Depreciation and amortization	25,524	25,582
Acquisition costs	213	54
General and administrative	3,862	3,606
	<u>56,690</u>	<u>54,793</u>
Real estate operating income	20,234	20,421
Other income (expense):		
Interest expense	(16,518)	(15,831)
Other income	239	244
	<u>(16,279)</u>	<u>(15,587)</u>
Income from continuing operations	3,955	4,834
Discontinued operations:		
Income from operations of properties sold or held for sale	185	347
Gain on sale of real estate	3,195	—
Net income	<u>\$ 7,335</u>	<u>\$ 5,181</u>
Income from continuing operations	3,955	4,834
Continuing operations real estate depreciation and amortization	25,524	25,582
Funds from continuing operations ⁽¹⁾	<u>\$ 29,479</u>	<u>\$ 30,416</u>
Income from operations of properties sold or held for sale	185	347
Discontinued operations real estate depreciation and amortization	—	412
Funds from discontinued operations	185	759
Funds from operations ⁽¹⁾	<u>\$ 29,664</u>	<u>\$ 31,175</u>
Tenant improvements	(3,975)	(4,066)
External and internal leasing commissions capitalized	(2,606)	(2,557)
Recurring capital improvements	(721)	(1,539)
Straight-line rents, net	(343)	(992)
Non-cash fair value interest expense	254	228
Non real estate depreciation & amortization of debt costs	958	1,008
Amortization of lease intangibles, net	41	—
Amortization and expensing of restricted share and unit compensation	1,018	1,405
Funds available for distribution ⁽⁴⁾	<u>\$ 24,290</u>	<u>\$ 24,662</u>

Note: Certain prior period amounts have been reclassified to conform to the current presentation.

Per share data:		Three Months Ended March 31,	
		2013	2012
Income from continuing operations	(Basic)	\$ 0.06	\$ 0.07
	(Diluted)	\$ 0.06	\$ 0.07
Net income	(Basic)	\$ 0.11	\$ 0.08
	(Diluted)	\$ 0.11	\$ 0.08
Funds from continuing operations	(Basic)	\$ 0.44	\$ 0.46
	(Diluted)	\$ 0.44	\$ 0.46
Funds from operations	(Basic)	\$ 0.44	\$ 0.47
	(Diluted)	\$ 0.44	\$ 0.47
Dividends paid		\$ 0.3000	\$ 0.4338
Weighted average shares outstanding		66,393	66,194
Fully diluted weighted average shares outstanding		66,519	66,328

WASHINGTON REAL ESTATE INVESTMENT TRUST
CONSOLIDATED BALANCE SHEETS
(In thousands, except per share data)

	March 31, 2013 (unaudited)	December 31, 2012
Assets		
Land	\$ 483,198	\$ 483,198
Income producing property	1,988,929	1,979,348
	2,472,127	2,462,546
Accumulated depreciation and amortization	(625,774)	(604,614)
Net income producing property	1,846,353	1,857,932
Development in progress	52,906	49,135
Total real estate held for investment, net	1,899,259	1,907,067
Investment in real estate held for sale, net	—	11,528
Cash and cash equivalents	16,743	19,324
Restricted cash	10,804	14,582
Rents and other receivables, net of allowance for doubtful accounts of \$9,544 and \$10,958 respectively	59,429	57,076
Prepaid expenses and other assets	109,885	114,541
Other assets related to properties sold or held for sale	—	258
Total assets	<u>\$ 2,096,120</u>	<u>\$ 2,124,376</u>
Liabilities		
Notes payable	\$ 846,323	\$ 906,190
Mortgage notes payable	312,396	342,970
Lines of credit	70,000	—
Accounts payable and other liabilities	57,523	52,823
Advance rents	15,203	16,096
Tenant security deposits	9,849	9,936
Other liabilities related to properties sold or held for sale	—	218
Total liabilities	1,311,294	1,328,233
Equity		
Shareholders' equity		
Preferred shares; \$0.01 par value; 10,000 shares authorized; no shares issued and outstanding	—	—
Shares of beneficial interest, \$0.01 par value; 100,000 shares authorized; 66,485 and 66,437 shares issued and outstanding, respectively	665	664
Additional paid-in capital	1,146,683	1,145,515
Distributions in excess of net income	(366,821)	(354,122)
Total shareholders' equity	780,527	792,057
Noncontrolling interests in subsidiaries	4,299	4,086
Total equity	784,826	796,143
Total liabilities and equity	<u>\$ 2,096,120</u>	<u>\$ 2,124,376</u>

The following tables contain reconciliations of net income to same-store net operating income for the periods presented (in thousands):

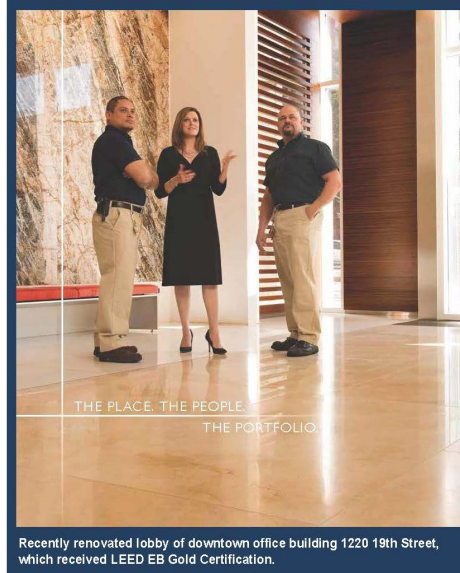
Quarter Ended March 31, 2013	Multifamily	Office	Medical Office	Retail	Total
Same-store net operating income ⁽³⁾	\$ 7,943	\$ 23,820	\$ 6,864	\$ 10,269	\$ 48,896
Add: Net operating income from non-same-store properties ⁽³⁾	—	831	106	—	937
Total net operating income ⁽²⁾	\$ 7,943	\$ 24,651	\$ 6,970	\$ 10,269	\$ 49,833
Add/(deduct):					
Other income					239
Acquisition costs					(213)
Interest expense					(16,518)
Depreciation and amortization					(25,524)
General and administrative expenses					(3,862)
Income from operations of properties sold or held for sale					185
Gain on sale of real estate					3,195
Net income					<u>\$ 7,335</u>

Quarter Ended March 31, 2012	Multifamily	Office	Medical Office	Retail	Total
Same-store net operating income ⁽³⁾	\$ 8,065	\$ 24,115	\$ 7,460	\$ 10,002	\$ 49,642
Add: Net operating income from non-same-store properties ⁽³⁾	—	(45)	66	—	21
Total net operating income ⁽²⁾	\$ 8,065	\$ 24,070	\$ 7,526	\$ 10,002	\$ 49,663
Add/(deduct):					
Other income					244
Acquisition costs					(54)
Interest expense					(15,831)
Depreciation and amortization					(25,582)
General and administrative expenses					(3,606)
Income from operations of properties sold or held for sale					347
Net income					<u>\$ 5,181</u>

WRIT

WASHINGTON
REAL ESTATE
INVESTMENT
TRUST

First Quarter 2013



Supplemental Operating and Financial Data

Contact:
William T. Camp
Executive Vice President and
Chief Financial Officer
E-mail: bcamp@writ.com

6110 Executive Boulevard
Suite 800
Rockville, MD 20852
(301) 984-9400
(301) 984-9610 fax

Company Background and Highlights

First Quarter 2013

Washington Real Estate Investment Trust ("WRIT") is a self-administered, self-managed, equity real estate investment trust investing in income-producing properties in the greater Washington metro region. WRIT is diversified, as it invests in office, medical office, retail, and multifamily properties and land for development.

In the first quarter WRIT sold The Atrium Building, an 80,000 square foot office building in Rockville, Maryland, for \$15.75 million and a net book gain of \$3.2 million. The property was built in 1980 and acquired by WRIT in 2002. WRIT achieved an unleveraged internal rate of return of 11% over the ten year holding period.

WRIT repaid its \$60 million 5.125% unsecured notes using proceeds from a draw on its line of credit. WRIT also prepaid without penalty the West Gude 5.855% mortgage note for \$30.0 million, funded by cash and a draw on its line of credit. As of March 31, 2013, WRIT's line of credit balance was \$70 million.

In the first quarter and subsequent to quarter end, WRIT announced the hiring of two Division Heads: Paul S. Weinschenk as Managing Director and Vice President, Head of Retail Division, and Edward J. Murn, IV as Managing Director, Head of Residential Division. Both will be responsible for overseeing the operations, investment and development of their respective divisions.

WRIT signed commercial leases totaling 387,656 square feet, including 127,295 square feet of new leases and 260,361 square feet of renewal leases. New leases had an average rental rate increase of 22.1% over expiring lease rates on a GAAP basis, an average lease term of 7.9 years, and total concessions of \$65.45 per square foot. Renewal leases had an average rental rate increase of 6.7% over expiring lease rates on a GAAP basis, an average lease term of 3.3 years, and total concessions of \$7.22 per square foot.

As of March 31, 2013, WRIT owned a diversified portfolio of 69 properties totaling approximately 8 million square feet of commercial space and 2,540 residential units, and land held for development. These 69 properties consist of 25 office properties, 17 medical office properties, 16 retail centers and 11 multifamily properties. WRIT shares are publicly traded on the New York Stock Exchange (NYSE: WRE).

Net Operating Income Contribution by Sector - First Quarter 2013



Certain statements in our earnings release and on our conference call are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially. Such risks, uncertainties and other factors include, but are not limited to, the potential for federal government budget reductions, changes in general and local economic and real estate market conditions, the timing and pricing of lease transactions, the effect of the current credit and financial market conditions, the availability and cost of capital, fluctuations in interest rates, tenants' financial conditions, levels of competition, the effect of government regulation, the impact of newly adopted accounting principles, and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2012 Form 10-K. We assume no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

Supplemental Financial and Operating Data

Table of Contents

March 31, 2013

Schedule	Page
Key Financial Data	
Consolidated Statements of Operations	4
Consolidated Balance Sheets	5
Funds From Operations	6
Funds Available for Distribution	7
Adjusted Earnings Before Interest Taxes Depreciation and Amortization (EBITDA)	8
Capital Analysis	
Long-Term Debt Analysis	9
Long-Term Debt Maturities	10
Debt Covenant Compliance	11
Capital Analysis	12
Portfolio Analysis	
Same-Store Portfolio Net Operating Income (NOI) Growth & Rental Rate Growth	13
Same-Store Portfolio Net Operating Income (NOI) Detail for the Quarter	14-15
Net Operating Income (NOI) by Region	16
Same-Store Portfolio & Overall Physical Occupancy Levels by Sector	17
Same-Store Portfolio & Overall Economic Occupancy Levels by Sector	18
Growth and Strategy	
Disposition Summary	19
Tenant Analysis	
Commercial Leasing Summary - New Leases	20
Commercial Leasing Summary - Renewal Leases	21
10 Largest Tenants - Based on Annualized Base Rent	22
Industry Diversification	23
Lease expirations	25
Appendix	
Schedule of Properties	26-28
Supplemental Definitions	29

Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Three Months Ended				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
OPERATING RESULTS					
Real estate rental revenue	\$ 76,924	\$ 77,071	\$ 77,108	\$ 75,590	\$ 75,214
Real estate expenses	(27,091)	(25,791)	(26,901)	(25,033)	(25,551)
	49,833	51,280	50,207	50,557	49,663
Real estate depreciation and amortization	(25,524)	(26,131)	(26,127)	(25,227)	(25,582)
Income from real estate	24,309	25,149	24,080	25,330	24,081
Interest expense	(16,518)	(17,411)	(15,985)	(15,470)	(15,831)
Other income	239	242	237	252	244
Acquisition costs	(213)	(90)	164	(254)	(54)
Real estate impairment	—	(2,097)	—	—	—
General and administrative	(3,862)	(4,545)	(3,173)	(4,164)	(3,606)
Income from continuing operations	3,955	1,248	5,323	5,694	4,834
Discontinued operations:					
Income from operations of properties sold or held for sale	185	310	514	314	347
Gain on sale of real estate	3,195	1,400	3,724	—	—
Income from discontinued operations	3,380	1,710	4,238	314	347
Net income	<u>\$ 7,335</u>	<u>\$ 2,958</u>	<u>\$ 9,561</u>	<u>\$ 6,008</u>	<u>\$ 5,181</u>
Per Share Data:					
Net income	\$ 0.11	\$ 0.04	\$ 0.14	\$ 0.09	\$ 0.08
Fully diluted weighted average shares outstanding	66,519	66,416	66,379	66,380	66,328
Percentage of Revenues:					
Real estate expenses	35.2%	33.5%	34.9%	33.1%	34.0%
General and administrative	5.0%	5.9%	4.1%	5.5%	4.8%
Ratios:					
Adjusted EBITDA / Interest expense	2.8x	2.7x	3.0x	3.1x	3.0x
Income from continuing operations/Total real estate revenue	5.1%	1.6%	6.9%	7.5%	6.4%
Net income /Total real estate revenue	9.5%	3.8%	12.4%	7.9%	6.9%

Note: Certain prior quarter amounts have been reclassified to conform to the current quarter presentation.

Consolidated Balance Sheets
(In thousands)
(Unaudited)

	<u>3/31/2013</u>	<u>12/31/2012</u>	<u>9/30/2012</u>	<u>6/30/2012</u>	<u>3/31/2012</u>
Assets					
Land	\$ 483,198	\$ 483,198	\$ 483,198	\$ 483,199	\$ 465,445
Income producing property	1,988,929	1,979,348	1,966,032	1,953,160	1,912,395
	<u>2,472,127</u>	<u>2,462,546</u>	<u>2,449,230</u>	<u>2,436,359</u>	<u>2,377,840</u>
Accumulated depreciation and amortization	(625,774)	(604,614)	(583,706)	(563,036)	(542,322)
Net income producing property	1,846,353	1,857,932	1,865,524	1,873,323	1,835,518
Development in progress, including land held for development	52,906	49,135	48,106	45,928	44,236
Total real estate held for investment, net	1,899,259	1,907,067	1,913,630	1,919,251	1,879,754
Investment in real estate held for sale, net	—	11,528	18,264	27,076	27,475
Cash and cash equivalents	16,743	19,324	68,403	14,367	17,809
Restricted cash	10,804	14,582	19,615	19,632	21,722
Rents and other receivables, net of allowance for doubtful accounts	59,429	57,076	57,704	56,861	54,089
Prepaid expenses and other assets	109,885	114,541	120,486	115,192	114,279
Other assets related to properties sold or held for sale	—	258	693	1,292	1,418
Total assets	<u>\$ 2,096,120</u>	<u>\$ 2,124,376</u>	<u>\$ 2,198,795</u>	<u>\$ 2,153,671</u>	<u>\$ 2,116,546</u>
Liabilities					
Notes payable	\$ 846,323	\$ 906,190	\$ 906,058	\$ 607,653	\$ 657,562
Mortgage notes payable	312,396	342,970	398,511	420,898	422,091
Lines of credit	70,000	—	—	221,000	109,000
Accounts payable and other liabilities	57,523	52,823	54,916	54,304	57,408
Advance rents	15,203	16,096	13,829	15,104	14,965
Tenant security deposits	9,849	9,936	9,771	9,671	8,810
Other liabilities related to properties sold or held for sale	—	218	4,646	4,826	4,991
Total liabilities	<u>1,311,294</u>	<u>1,328,233</u>	<u>1,387,731</u>	<u>1,333,456</u>	<u>1,274,827</u>
Equity					
Preferred shares; \$0.01 par value; 10,000 shares authorized	—	—	—	—	—
Shares of beneficial interest, \$0.01 par value; 100,000 shares authorized	665	664	662	662	662
Additional paid-in capital	1,146,683	1,145,515	1,143,554	1,142,391	1,141,062
Distributions in excess of net income	(366,821)	(354,122)	(337,151)	(326,714)	(303,815)
Total shareholders' equity	780,527	792,057	807,065	816,339	837,909
Noncontrolling interests in subsidiaries	4,299	4,086	3,999	3,876	3,810
Total equity	784,826	796,143	811,064	820,215	841,719
Total liabilities and equity	<u>\$ 2,096,120</u>	<u>\$ 2,124,376</u>	<u>\$ 2,198,795</u>	<u>\$ 2,153,671</u>	<u>\$ 2,116,546</u>
Total Debt / Total Market Capitalization	0.40:1	0.42:1	0.42:1	0.40:1	0.38:1

Funds from Operations
(In thousands, except per share data)
(Unaudited)

	Three Months Ended				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Funds from operations⁽¹⁾					
Net income	\$ 7,335	\$ 2,958	\$ 9,561	\$ 6,008	\$ 5,181
Real estate depreciation and amortization	25,524	26,131	26,127	25,227	25,582
Discontinued operations:					
Gain on sale of real estate	(3,195)	(1,400)	(3,724)	—	—
Real estate depreciation and amortization	—	—	91	364	412
Funds from operations (FFO)	<u>29,664</u>	<u>27,689</u>	<u>32,055</u>	<u>31,599</u>	<u>31,175</u>
Real estate impairment	—	2,097	—	—	—
Severance expense	(183)	1,583	—	—	—
Acquisition costs	213	90	(164)	254	54
Core FFO⁽¹⁾	<u>\$ 29,694</u>	<u>\$ 31,459</u>	<u>\$ 31,891</u>	<u>\$ 31,853</u>	<u>\$ 31,229</u>
Allocation to participating securities ⁽²⁾	(120)	(93)	(125)	(176)	(188)
FFO per share - basic	\$ 0.44	\$ 0.42	\$ 0.48	\$ 0.47	\$ 0.47
FFO per share - fully diluted	\$ 0.44	\$ 0.42	\$ 0.48	\$ 0.47	\$ 0.47
Core FFO per share - fully diluted	\$ 0.44	\$ 0.47	\$ 0.48	\$ 0.48	\$ 0.47
Common dividend per share	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.43375	\$ 0.43375
Average shares - basic	66,393	66,273	66,246	66,241	66,194
Average shares - fully diluted	66,519	66,416	66,379	66,380	66,328

(1) See "Supplemental Definitions" on page 29 of this supplemental for the definitions of FFO and Core FFO.

(2) Adjustment to the numerators for FFO and Core FFO per share calculations when applying the two-class method for calculating EPS.

Funds Available for Distribution
(In thousands, except per share data)
(Unaudited)

	Three Months Ended				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Funds available for distribution⁽¹⁾					
FFO	\$ 29,664	\$ 27,689	\$ 32,055	\$ 31,599	\$ 31,175
Tenant improvements	(3,975)	(4,901)	(5,216)	(2,357)	(4,066)
Leasing commissions and incentives	(2,606)	(2,334)	(2,144)	(2,122)	(2,557)
Recurring capital improvements	(721)	(1,414)	(1,362)	(2,992)	(1,539)
Straight-line rent, net	(343)	(738)	(847)	(688)	(992)
Non-cash fair value interest expense	254	253	216	229	228
Non-real estate depreciation and amortization	958	911	987	948	1,008
Amortization of lease intangibles, net	41	41	(32)	(3)	—
Amortization and expensing of restricted share and unit compensation	1,018	1,842	1,206	1,333	1,405
Real estate impairment	—	2,097	—	—	—
Funds available for distribution (FAD)	<u>24,290</u>	<u>23,446</u>	<u>24,863</u>	<u>25,947</u>	<u>24,662</u>
Non-share-based severance expense	—	850	—	—	—
Acquisition costs	213	90	(164)	254	54
Core FAD⁽¹⁾	<u>\$ 24,503</u>	<u>\$ 24,386</u>	<u>\$ 24,699</u>	<u>\$ 26,201</u>	<u>\$ 24,716</u>
Allocation to participating securities ⁽²⁾	(120)	(93)	(125)	(176)	(188)
FAD per share - basic	\$ 0.36	\$ 0.35	\$ 0.37	\$ 0.39	\$ 0.37
FAD per share - fully diluted	\$ 0.36	\$ 0.35	\$ 0.37	\$ 0.39	\$ 0.37
Core FAD per share - fully diluted	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.39	\$ 0.37
Common dividend per share	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.43375	\$ 0.43375
Average shares - basic	66,393	66,273	66,246	66,241	66,194
Average shares - fully diluted	66,519	66,416	66,379	66,380	66,328

⁽¹⁾ See "Supplemental Definitions" on page 29 of this supplemental for the definitions of FAD and Core FAD.

⁽²⁾ Adjustment to the numerators for FAD and Core FAD per share calculations when applying the two-class method for calculating EPS.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)
(In thousands)
(Unaudited)



	Three Months Ended				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Adjusted EBITDA ⁽¹⁾					
Net income	\$ 7,335	\$ 2,958	\$ 9,561	\$ 6,008	\$ 5,181
Add:					
Interest expense, including discontinued operations	16,518	17,481	16,049	15,533	15,895
Real estate depreciation and amortization, including discontinued operations	25,524	26,131	26,218	25,591	25,994
Income tax expense	—	57	17	158	13
Real estate impairment	—	2,097	—	—	—
Non-real estate depreciation	196	131	254	261	268
Less:					
Gain on sale of real estate	(3,195)	(1,400)	(3,724)	—	—
Adjusted EBITDA	<u>\$ 46,378</u>	<u>\$ 47,455</u>	<u>\$ 48,375</u>	<u>\$ 47,551</u>	<u>\$ 47,351</u>

(1) Adjusted EBITDA is earnings before interest expense, taxes, depreciation, amortization, gain on sale of real estate, gain/loss on extinguishment of debt and gain from non-disposal activities. We consider Adjusted EBITDA to be an appropriate supplemental performance measure because it permits investors to view income from operations without the effect of depreciation, the cost of debt or non-operating gains and losses. Adjusted EBITDA is a non-GAAP measure.

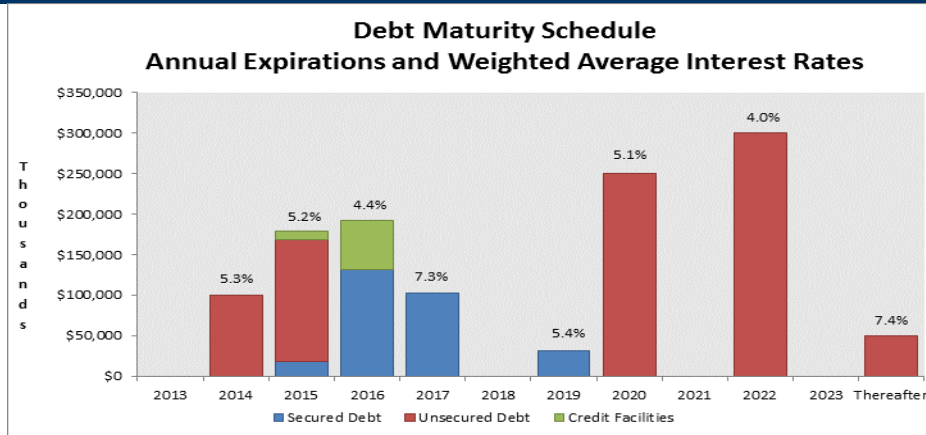
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Balances Outstanding					
Secured					
Conventional fixed rate ⁽¹⁾	\$ 312,396	\$ 342,970	\$ 402,857	\$ 425,268	\$ 426,485
Unsecured					
Fixed rate bonds and notes	846,323	906,190	906,058	607,653	657,562
Credit facility	70,000	—	—	221,000	109,000
Unsecured total	916,323	906,190	906,058	828,653	766,562
Total	<u>\$ 1,228,719</u>	<u>\$ 1,249,160</u>	<u>\$ 1,308,915</u>	<u>\$ 1,253,921</u>	<u>\$ 1,193,047</u>

Average Interest Rates

Secured					
Conventional fixed rate ⁽¹⁾	6.1 %	6.1 %	6.0 %	5.9 %	5.9 %
Unsecured					
Fixed rate bonds	4.9 %	4.9 %	4.9 %	5.4 %	5.4 %
Credit facilities	1.4 %	— %	— %	1.3 %	0.9 %
Unsecured total	4.7 %	4.9 %	4.9 %	4.3 %	4.7 %
Average	<u>5.0 %</u>	<u>5.3 %</u>	<u>5.3 %</u>	<u>4.9 %</u>	<u>5.2 %</u>

Note: The current balances outstanding of the secured and unsecured fixed rate bonds and notes are shown net of discounts/premiums in the amount of \$3.3 million and \$3.7 million, respectively.

(1) Prior quarter balances include the \$4.3 million mortgage note payable secured by Plumtree Professional Center, a property we sold on December 20, 2012 which has been reclassified to 'Other liabilities related to properties sold or held for sale'. We repaid this mortgage note payable without penalty on December 11, 2012.



Future Maturities of Debt

Year	Secured Debt	Unsecured Debt	Credit Facilities	Total Debt	Average Interest Rate
2013	—	—	—	—	
2014	—	100,000	—	100,000	5.3%
2015	18,510	150,000	10,000	178,510	5.2%
2016	131,765	—	60,000	191,765	4.4%
2017	101,866	—	—	101,866	7.3%
2018	—	—	—	—	
2019	31,280	—	—	31,280	5.4%
2020	—	250,000	—	250,000	5.1%
2021	—	—	—	—	
2022	—	300,000	—	300,000	4.0%
2023	—	—	—	—	
Thereafter	—	50,000	—	50,000	7.4%
Scheduled principal payments	\$ 283,421	\$ 850,000	\$ 70,000	\$ 1,203,421	5.0%
Scheduled amortization payments	32,270	—	—	32,270	5.2%
Net discounts/premiums	(3,295)	(3,677)	—	(6,972)	
Total maturities	\$ 312,396	\$ 846,323	\$ 70,000	\$ 1,228,719	5.0%

Weighted average maturity = 6.0 years

	Unsecured Notes Payable		Unsecured Line of Credit #1 (\$100.0 million)		Unsecured Line of Credit #2 (\$400.0 million)	
	Quarter Ended March 31, 2013	Covenant	Quarter Ended March 31, 2013	Covenant	Quarter Ended March 31, 2013	Covenant
% of Total Indebtedness to Total Assets ⁽¹⁾	43.2%	≤ 65.0%	N/A	N/A	N/A	N/A
Ratio of Income Available for Debt Service to Annual Debt Service	3.0	≥ 1.5	N/A	N/A	N/A	N/A
% of Secured Indebtedness to Total Assets ⁽¹⁾	11.0%	≤ 40.0%	N/A	N/A	N/A	N/A
Ratio of Total Unencumbered Assets ⁽²⁾ to Total Unsecured Indebtedness	2.5	≥ 1.5	N/A	N/A	N/A	N/A
Tangible Net Worth ⁽³⁾	N/A	N/A	\$853.8 million	≥ \$673.4 million	\$855.0 million	≥ \$671.9 million
% of Total Liabilities to Gross Asset Value ⁽⁵⁾	N/A	N/A	51.7%	≤ 60.0%	51.7%	≤ 60.0%
% of Secured Indebtedness to Gross Asset Value ⁽⁵⁾	N/A	N/A	12.3%	≤ 35.0%	12.3%	≤ 35.0%
Ratio of EBITDA ⁽⁴⁾ to Fixed Charges ⁽⁶⁾	N/A	N/A	2.56	≥ 1.50	2.56	≥ 1.50
Ratio of Unencumbered Pool Value ⁽⁷⁾ to Unsecured Indebtedness	N/A	N/A	2.23	≥ 1.67	2.23	≥ 1.67
Ratio of Unencumbered Net Operating Income to Unsecured Interest Expense	N/A	N/A	3.23	≥ 2.00	3.23	≥ 2.00
Ratio of Investments ⁽⁸⁾ to Gross Asset Value ⁽⁵⁾	N/A	N/A	3.4%	≤ 15.0%	3.4%	≤ 15.0%

⁽¹⁾ Total Assets is calculated by applying a capitalization rate of 7.50% to the EBITDA ⁽⁴⁾ from the last four consecutive quarters, excluding EBITDA from acquired, disposed, and non-stabilized development properties.

⁽²⁾ Total Unencumbered Assets is calculated by applying a capitalization rate of 7.50% to the EBITDA ⁽⁴⁾ from unencumbered properties from the last four consecutive quarters, excluding EBITDA from acquired, disposed, and non-stabilized development properties.

⁽³⁾ Tangible Net Worth is defined as shareholders equity less accumulated depreciation at the commitment start date plus current accumulated depreciation.

⁽⁴⁾ EBITDA is defined in our debt covenants as earnings before minority interests, depreciation, amortization, interest expense, income tax expense, and extraordinary and nonrecurring gains and losses.

⁽⁵⁾ Gross Asset Value is calculated by applying a capitalization rate to the annualized EBITDA ⁽⁴⁾ from the most recently ended quarter, excluding EBITDA from disposed properties and current quarter acquisitions. To this amount, the purchase price of current quarter acquisitions, cash and cash equivalents and development in progress is added.

⁽⁶⁾ Fixed Charges consist of interest expense, principal payments, ground lease payments and replacement reserve payments.

⁽⁷⁾ Unencumbered Pool Value is calculated by applying a capitalization rate of 7.50% to the net operating income from unencumbered properties owned for the entire quarter. To this we add the purchase price of unencumbered acquisitions during the current quarter.

⁽⁸⁾ Investments is defined as development in progress, including land held for development, plus budgeted development costs upon commencement of construction, if any.

Capital Analysis
(In thousands, except per share amounts)

	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Market Data					
Shares Outstanding	66,485	66,437	66,325	66,321	66,309
Market Price per Share	\$ 27.84	\$ 26.15	\$ 26.82	\$ 28.45	\$ 29.70
Equity Market Capitalization	\$ 1,850,942	\$ 1,737,328	\$ 1,778,837	\$ 1,886,832	\$ 1,969,377
Total Debt	\$ 1,228,719	\$ 1,249,160	\$ 1,308,915	\$ 1,253,921	\$ 1,193,047
Total Market Capitalization	\$ 3,079,661	\$ 2,986,488	\$ 3,087,752	\$ 3,140,753	\$ 3,162,424
Total Debt to Market Capitalization	0.40:1	0.42:1	0.42:1	0.40:1	0.38:1
Earnings to Fixed Charges ⁽¹⁾	1.2x	1.0x	1.3x	1.3x	1.3x
Debt Service Coverage Ratio ⁽²⁾	2.7x	2.6x	2.8x	2.8x	2.7x

Dividend Data

Total Dividends Paid	\$ 20,034	\$ 19,928	\$ 19,998	\$ 28,772	\$ 28,746
Common Dividend per Share	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.43375	\$ 0.43375
Payout Ratio (Core FFO per share basis)	68.2%	63.8%	62.5%	90.4%	92.3%
Payout Ratio (Core FAD per share basis)	81.1%	81.1%	81.1%	111.2%	117.2%
Payout Ratio (FAD per share basis)	83.3%	85.7%	81.1%	111.2%	117.2%

⁽¹⁾ The ratio of earnings to fixed charges is computed by dividing earnings by fixed charges. For this purpose, earnings consist of income from continuing operations attributable to the controlling interests plus fixed charges, less capitalized interest. Fixed charges consist of interest expense, including amortized costs of debt issuance, plus interest costs capitalized.

⁽²⁾ Debt service coverage ratio is computed by dividing Adjusted EBITDA (see page 8) by interest expense and principal amortization.

	Three Months Ended March 31, ⁽¹⁾		% Change	Rental Rate Growth
	2013	2012		
Cash Basis:				
Multifamily	\$ 7,783	\$ 7,872	(1.1)%	4.1%
Office Buildings	23,784	23,848	(0.3)%	2.6%
Medical Office Buildings	6,888	7,242	(4.9)%	2.1%
Retail Centers	10,191	9,628	5.8 %	4.4%
Overall Same-Store Portfolio ⁽¹⁾	\$ 48,646	\$ 48,590	0.1 %	3.1%
GAAP Basis:				
Multifamily	\$ 7,943	\$ 8,065	(1.5)%	4.0%
Office Buildings	23,820	24,115	(1.2)%	1.9%
Medical Office Buildings	6,864	7,460	(8.0)%	1.9%
Retail Centers	10,269	10,002	2.7 %	3.1%
Overall Same-Store Portfolio ⁽¹⁾	\$ 48,896	\$ 49,642	(1.5)%	2.5%

⁽¹⁾ Non same-store properties were:

Acquisitions:

Office - Fairgate at Ballston

Medical Office - 19500 at Riverside Office Park (formerly Lansdowne Medical Office Building)

Held for sale and sold properties:

Office - 1700 Research Boulevard and the Atrium Building

Medical Office - Plumtree Medical Center

Same-Store Portfolio Net Operating Income (NOI) Detail
(In thousands)

Three Months Ended March 31, 2013

	Multifamily	Office	Medical Office	Retail	Corporate and Other	Total
Real estate rental revenue						
Same-store portfolio	\$ 13,333	\$ 37,393	\$ 10,734	\$ 13,834	—	\$ 75,294
Non same-store - acquired and in development ⁽¹⁾	—	1,336	294	—	—	1,630
Total	13,333	38,729	11,028	13,834	—	76,924
Real estate expenses						
Same-store portfolio	5,390	13,573	3,870	3,565	—	26,398
Non same-store - acquired and in development ⁽¹⁾	—	505	188	—	—	693
Total	5,390	14,078	4,058	3,565	—	27,091
Net Operating Income (NOI)						
Same-store portfolio	7,943	23,820	6,864	10,269	—	48,896
Non same-store - acquired and in development ⁽¹⁾	—	831	106	—	—	937
Total	\$ 7,943	\$ 24,651	\$ 6,970	\$ 10,269	—	\$ 49,833
Same-store portfolio NOI GAAP basis (from above)	\$ 7,943	\$ 23,820	\$ 6,864	\$ 10,269	—	\$ 48,896
Straight-line revenue, net for same-store properties	6	(259)	62	(45)	—	(236)
FAS 141 Min Rent	(166)	44	(60)	(89)	—	(271)
Amortization of lease intangibles for same-store properties	—	179	22	56	—	257
Same-store portfolio NOI, cash basis	\$ 7,783	\$ 23,784	\$ 6,888	\$ 10,191	—	\$ 48,646
Reconciliation of NOI to net income						
Total NOI	\$ 7,943	\$ 24,651	\$ 6,970	\$ 10,269	—	\$ 49,833
Depreciation and amortization	(3,037)	(14,870)	(3,822)	(3,530)	(265)	(25,524)
General and administrative	—	—	—	—	(3,862)	(3,862)
Interest expense	(1,671)	(2,602)	(328)	(275)	(11,642)	(16,518)
Other income	—	—	—	—	239	239
Acquisition costs	—	—	—	—	(213)	(213)
Discontinued operations:						
Income from operations of properties sold or held for sale ⁽¹⁾	—	185	—	—	—	185
Gain on sale of real estate	—	—	—	—	3,195	3,195
Net income (loss)	\$ 3,235	\$ 7,364	\$ 2,820	\$ 6,464	\$ (12,548)	\$ 7,335

⁽¹⁾ For a list of non-same-store properties and held for sale and sold properties, see page 13 of this Supplemental.

Same-Store Net Operating Income (NOI) Detail
(In thousands)

Three Months Ended March 31, 2012

	Multifamily	Office	Medical Office	Retail	Corporate and Other	Total
Real estate rental revenue						
Same-store portfolio	\$ 12,996	\$ 37,547	\$ 10,995	\$ 13,446	—	\$ 74,984
Non same-store - acquired and in development ⁽¹⁾	—	—	230	—	—	230
Total	12,996	37,547	11,225	13,446	—	75,214
Real estate expenses						
Same-store portfolio	4,931	13,432	3,535	3,444	—	25,342
Non same-store - acquired and in development ⁽¹⁾	—	45	164	—	—	209
Total	4,931	13,477	3,699	3,444	—	25,551
Net Operating Income (NOI)						
Same-store portfolio	8,065	24,115	7,460	10,002	—	49,642
Non same-store - acquired and in development ⁽¹⁾	—	(45)	66	—	—	21
Total	<u>\$ 8,065</u>	<u>\$ 24,070</u>	<u>\$ 7,526</u>	<u>\$ 10,002</u>	<u>—</u>	<u>\$ 49,663</u>
Same-store portfolio NOI GAAP basis (from above)	\$ 8,065	\$ 24,115	\$ 7,460	\$ 10,002	—	\$ 49,642
Straight-line revenue, net for same-store properties	(2)	(519)	(139)	(337)	—	(997)
FAS 141 Min Rent	(191)	114	(89)	(86)	—	(252)
Amortization of lease intangibles for same-store properties	—	138	10	49	—	197
Same-store portfolio NOI, cash basis	<u>\$ 7,872</u>	<u>\$ 23,848</u>	<u>\$ 7,242</u>	<u>\$ 9,628</u>	<u>—</u>	<u>\$ 48,590</u>
Reconciliation of NOI to net income						
Total NOI	\$ 8,065	\$ 24,070	\$ 7,526	\$ 10,002	—	\$ 49,663
Depreciation and amortization	(3,123)	(14,843)	(3,797)	(3,583)	(236)	(25,582)
General and administrative	—	—	—	—	(3,606)	(3,606)
Interest expense	(1,697)	(3,044)	(1,105)	(602)	(9,383)	(15,831)
Other income	—	—	—	—	244	244
Acquisition costs	—	—	—	—	(54)	(54)
Discontinued operations:						
Income from operations of properties sold or held for sale ⁽¹⁾	—	333	14	—	—	347
Net income (loss)	<u>\$ 3,245</u>	<u>\$ 6,516</u>	<u>\$ 2,638</u>	<u>\$ 5,817</u>	<u>\$ (13,035)</u>	<u>\$ 5,181</u>

⁽¹⁾ For a list of non-same-store properties and held for sale and sold properties, see page 13 of this Supplemental.

WRIT Portfolio
Maryland/Virginia/DC

	Percentage of GAAP NOI Q1 2013
DC	
Multifamily	3.8 %
Office	19.4 %
Medical Office	1.6 %
Retail	0.7 %
	25.5 %
Maryland	
Multifamily	2.4 %
Office	9.2 %
Medical Office	3.5 %
Retail	14.6 %
	29.7 %
Virginia	
Multifamily	9.7 %
Office	21.0 %
Medical Office	8.9 %
Retail	5.2 %
	44.8 %
Total Portfolio	100.0 %

WRIT Portfolio
Inside & Outside the Beltway

	Percentage of GAAP NOI Q1 2013
Inside the Beltway	
Multifamily	15.1 %
Office	29.5 %
Medical Office	2.8 %
Retail	6.0 %
	53.4 %
Outside the Beltway	
Multifamily	0.9 %
Office	19.9 %
Medical Office	11.2 %
Retail	14.6 %
	46.6 %
Total Portfolio	100.0 %

Sector	Physical Occupancy - Same-Store Properties ⁽¹⁾				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Multifamily	93.8%	94.1%	94.8%	94.8%	95.2%
Office Buildings	85.4%	84.9%	86.3%	86.0%	86.4%
Medical Office	88.4%	89.1%	88.0%	89.7%	90.5%
Retail Centers	92.4%	91.2%	92.8%	93.3%	92.9%
Overall Portfolio	89.1%	88.7%	89.8%	89.9%	90.2%

Sector	Physical Occupancy - All Properties				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Multifamily	93.8%	94.1%	94.8%	94.8%	95.2%
Office Buildings	85.4%	84.5%	86.2%	85.8%	86.3%
Medical Office	85.2%	85.6%	85.0%	86.4%	87.1%
Retail Centers	92.4%	91.2%	92.8%	93.3%	92.9%
Overall Portfolio	88.6%	88.1%	89.2%	89.3%	89.7%

⁽¹⁾ Non same-store properties were:

Acquisitions:

Office - Fairgate at Ballston

Medical Office - 19500 at Riverside Office Park (formerly Lansdowne Medical Office Building)

Held for sale and sold properties:

Office - 1700 Research Boulevard and the Atrium Building

Medical Office - Plumtree Medical Center

Sector	Economic Occupancy - Same-Store Properties ⁽¹⁾				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Multifamily	93.1%	93.5%	94.1%	94.1%	94.0%
Office Buildings	86.0%	86.6%	87.3%	87.2%	87.8%
Medical Office Buildings	89.7%	91.0%	91.6%	92.3%	93.5%
Retail Centers	91.6%	92.9%	94.3%	93.7%	94.3%
Overall Portfolio	88.7%	89.5%	90.3%	90.2%	90.8%

Sector	Economic Occupancy - All Properties				
	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Multifamily	93.1%	93.5%	94.1%	94.1%	94.0%
Office Buildings	85.6%	86.0%	87.1%	87.1%	87.8%
Medical Office Buildings	87.6%	88.7%	89.3%	90.0%	90.8%
Retail Centers	91.6%	92.9%	94.3%	93.7%	94.3%
Overall Portfolio	88.2%	88.8%	89.8%	89.8%	90.3%

⁽¹⁾ Non same-store properties were:

Acquisitions:

Office - Fairgate at Ballston

Medical Office - 19500 at Riverside Office Park (formerly Lansdowne Medical Office Building)

Held for sale and sold properties:

Office - 1700 Research Boulevard and the Atrium Building

Medical Office - Plumtree Medical Center

Disposition Summary
March 31, 2013
(\$'s in thousands)

Disposition Summary

	<u>Disposition Date</u>	<u>Property Type</u>	<u>Square Feet</u>	<u>Contract Sales Price</u>	<u>GAAP Gain</u>
The Atrium Building	March 19, 2013	Office	79,000	\$ 15,750	\$ 3,195

Commercial Leasing Summary - New Leases

	1st Quarter 2013		4th Quarter 2012		3rd Quarter 2012		2nd Quarter 2012		1st Quarter 2012	
Gross Leasing Square Footage										
Office Buildings	65,566		76,252		46,351		73,877		51,615	
Medical Office Buildings	15,629		15,083		17,105		11,334		15,091	
Retail Centers	46,100		14,419		7,857		45,584		—	
Total	127,295		105,754		71,313		130,795		66,706	
Weighted Average Term (yrs)										
Office Buildings	8.5		8.6		6.6		7.9		8.0	
Medical Office Buildings	7.2		9.3		9.1		8.4		5.0	
Retail Centers	7.3		8.0		8.4		9.0		—	
Total	7.9		8.6		7.4		8.3		7.3	
Rental Rate Increases:										
	GAAP		CASH		GAAP		CASH		GAAP	
Rate on expiring leases										
Office Buildings	\$ 29.14	\$ 30.36	\$ 30.72	\$ 31.19	\$ 32.63	\$ 33.45	\$ 33.73	\$ 35.06	\$ 30.79	\$ 32.06
Medical Office Buildings	33.53	35.53	30.85	32.40	26.10	26.59	32.81	35.85	28.55	29.50
Retail Centers	10.26	10.26	18.49	18.59	21.39	21.74	26.27	26.45	—	—
Total	\$ 22.84	\$ 23.72	\$ 29.22	\$ 29.79	\$ 29.83	\$ 30.51	\$ 31.05	\$ 32.13	\$ 30.28	\$ 31.48
Rate on new leases										
Office Buildings	\$ 31.96	\$ 28.86	\$ 35.41	\$ 31.66	\$ 37.20	\$ 33.72	\$ 41.78	\$ 37.91	\$ 36.20	\$ 32.64
Medical Office Buildings	36.67	33.94	31.30	27.69	27.46	24.79	37.64	33.44	28.57	26.91
Retail Centers	19.12	19.04	16.74	15.35	33.21	30.17	26.98	24.91	—	—
Total	\$ 27.89	\$ 25.93	\$ 32.61	\$ 29.22	\$ 34.43	\$ 31.18	\$ 36.26	\$ 32.99	\$ 34.47	\$ 31.34
Percentage Increase										
Office Buildings	9.7%	(4.9)%	15.3%	1.5%	14.0%	0.8%	23.9%	8.1%	17.6%	1.8%
Medical Office Buildings	9.4%	(4.5)%	1.5%	(14.5)%	5.2%	(6.8)%	14.7%	(6.7)%	0.1%	(8.8)%
Retail Centers	86.3%	85.5%	(9.5)%	(17.4)%	55.2%	38.8%	2.7%	(5.8)%	—%	—%
Total	22.1%	9.3%	11.6%	(1.9)%	15.4%	2.2%	16.8%	2.7%	13.8%	(0.4)%
	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft
Tenant Improvements										
Office Buildings	\$ 2,941,901	\$ 44.87	\$ 3,186,650	\$ 41.79	\$ 1,858,979	\$ 40.11	\$ 3,703,963	\$ 50.14	\$ 2,470,740	\$ 47.87
Medical Office Buildings	513,774	32.87	652,831	43.28	863,148	50.46	558,491	49.28	347,328	23.02
Retail Centers	2,307,500	50.05	168,500	11.69	120,000	15.27	1,436,054	31.50	—	—
Subtotal	\$ 5,763,175	\$ 45.27	\$ 4,007,981	\$ 37.90	\$ 2,842,127	\$ 39.85	\$ 5,698,508	\$ 43.57	\$ 2,818,068	\$ 42.25
Leasing Commissions and Incentives										
Office Buildings	\$ 2,041,020	\$ 31.13	\$ 1,569,078	\$ 20.58	\$ 1,113,305	\$ 24.02	\$ 2,569,373	\$ 34.78	\$ 1,542,133	\$ 29.88
Medical Office Buildings	223,311	14.29	327,649	21.72	212,409	12.42	155,136	13.69	117,431	7.78
Retail Centers	303,796	6.59	64,839	4.50	72,182	9.19	215,503	4.73	—	—
Subtotal	\$ 2,568,127	\$ 20.18	\$ 1,961,566	\$ 18.55	\$ 1,397,896	\$ 19.60	\$ 2,940,012	\$ 22.48	\$ 1,659,564	\$ 24.88
Tenant Improvements and Leasing Commissions and Incentives										
Office Buildings	\$ 4,982,921	\$ 76.00	\$ 4,755,728	\$ 62.37	\$ 2,972,284	\$ 64.13	\$ 6,273,336	\$ 84.92	\$ 4,012,873	\$ 77.75
Medical Office Buildings	737,085	47.16	980,480	65.00	1,075,557	62.88	713,627	62.97	464,759	30.80
Retail Centers	2,611,296	56.64	233,339	16.19	192,182	24.46	1,651,557	36.23	—	—
Total	\$ 8,331,302	\$ 65.45	\$ 5,969,547	\$ 56.45	\$ 4,240,023	\$ 59.45	\$ 8,638,520	\$ 66.05	\$ 4,477,632	\$ 67.13

Commercial Leasing Summary - Renewal Leases

	1st Quarter 2013		4th Quarter 2012		3rd Quarter 2012		2nd Quarter 2012		1st Quarter 2012	
Gross Leasing Square Footage										
Office Buildings	192,943		76,772		99,101		44,425		84,619	
Medical Office Buildings	21,294		27,997		26,661		20,477		54,080	
Retail Centers	46,124		59,969		24,269		51,742		12,574	
Total	260,361		164,738		150,031		116,644		151,273	
Weighted Average Term (yrs)										
Office Buildings	2.7		3.9		3.9		4.0		4.2	
Medical Office Buildings	5.0		6.2		5.5		4.4		5.4	
Retail Centers	4.8		5.0		3.5		5.5		8.3	
Total	3.3		4.7		4.1		4.8		5.0	
Rental Rate Increases:	GAAP	CASH	GAAP	CASH	GAAP	CASH	GAAP	CASH	GAAP	CASH
Rate on expiring leases										
Office Buildings	\$ 29.74	\$ 31.56	\$ 29.50	\$ 30.46	\$ 32.51	\$ 34.52	\$ 30.45	\$ 32.60	\$ 27.85	\$ 29.24
Medical Office Buildings	37.92	40.11	34.83	37.61	35.00	36.98	36.81	39.61	28.24	29.75
Retail Centers	28.27	29.13	19.73	19.97	39.16	40.36	15.86	16.48	14.13	14.13
Total	\$ 30.15	\$ 31.83	\$ 26.85	\$ 27.85	\$ 34.03	\$ 35.90	\$ 24.57	\$ 26.11	\$ 26.85	\$ 28.17
Rate on new leases										
Office Buildings	\$ 31.81	\$ 31.40	\$ 31.94	\$ 30.90	\$ 35.95	\$ 34.43	\$ 33.80	\$ 32.25	\$ 29.22	\$ 27.95
Medical Office Buildings	39.34	37.20	37.04	34.30	37.04	34.56	39.15	37.29	30.33	28.29
Retail Centers	30.40	29.32	21.48	21.15	42.86	41.65	18.00	16.83	15.13	14.24
Total	\$ 32.18	\$ 31.51	\$ 29.00	\$ 27.93	\$ 37.26	\$ 35.62	\$ 27.20	\$ 25.78	\$ 28.45	\$ 26.93
Percentage Increase										
Office Buildings	7.0%	(0.5)%	8.3%	1.5 %	10.6%	(0.3)%	11.0%	(1.1)%	4.9%	(4.4)%
Medical Office Buildings	3.7%	(7.2)%	6.4%	(8.8)%	5.9%	(6.6)%	6.3%	(5.9)%	7.4%	(4.9)%
Retail Centers	7.5%	0.7 %	8.9%	6.0 %	9.5%	3.2 %	13.5%	2.1 %	7.1%	0.8 %
Total	6.7%	(1.0)%	8.0%	0.3 %	9.5%	(0.8)%	10.7%	(1.3)%	5.9%	(4.4)%
	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft	Total Dollars	\$ per Sq Ft
Tenant Improvements										
Office Buildings	\$ 1,035,279	\$ 5.37	\$ 801,452	\$ 10.44	\$ 1,155,918	\$ 11.66	\$ 575,040	\$ 12.94	\$ 467,573	\$ 5.53
Medical Office Buildings	189,280	8.89	520,981	18.61	347,034	13.02	225,037	10.99	873,239	16.15
Retail Centers	—	—	—	—	—	—	33,000	0.64	—	—
Subtotal	\$ 1,224,559	\$ 4.70	\$ 1,322,433	\$ 8.03	\$ 1,502,952	\$ 10.02	\$ 833,077	\$ 7.14	\$ 1,340,812	\$ 8.86
Leasing Commissions and Incentives										
Office Buildings	\$ 454,823	\$ 2.35	\$ 377,421	\$ 4.92	\$ 1,047,935	\$ 10.57	\$ 285,263	\$ 6.42	\$ 821,419	\$ 9.71
Medical Office Buildings	125,097	5.87	290,596	10.38	219,670	8.24	76,987	3.76	248,183	4.59
Retail Centers	75,176	1.63	29,104	0.49	23,021	0.95	41,593	0.80	9,232	0.73
Subtotal	\$ 655,096	\$ 2.52	\$ 697,121	\$ 4.23	\$ 1,290,626	\$ 8.60	\$ 403,843	\$ 3.46	\$ 1,078,834	\$ 7.13
Tenant Improvements and Leasing Commissions and Incentives										
Office Buildings	\$ 1,490,102	\$ 7.72	\$ 1,178,873	\$ 15.36	\$ 2,203,853	\$ 22.23	\$ 860,303	\$ 19.36	\$ 1,288,992	\$ 15.24
Medical Office Buildings	314,377	14.76	811,577	28.99	566,704	21.26	302,024	14.75	1,121,422	20.74
Retail Centers	75,176	1.63	29,104	0.49	23,021	0.95	74,593	1.44	9,232	0.73
Total	\$ 1,879,655	\$ 7.22	\$ 2,019,554	\$ 12.26	\$ 2,793,578	\$ 18.62	\$ 1,236,920	\$ 10.60	\$ 2,419,646	\$ 15.99

Tenant	Number of Buildings	Weighted Average Remaining Lease Term in Months	Percentage of Aggregate Portfolio Annualized Rent	Aggregate Rentable Square Feet	Percentage of Aggregate Occupied Square Feet
World Bank	1	27	5.11%	210,354	2.92%
Advisory Board Company	1	74	2.88%	180,925	2.51%
Booz Allen Hamilton, Inc.	1	34	2.35%	222,989	3.10%
Engility Corporation	1	54	2.25%	140,400	1.95%
INOVA Health System	7	36	2.08%	114,917	1.60%
Patton Boggs LLP	1	49	2.05%	110,566	1.54%
Sunrise Assisted Living, Inc.	1	15	1.66%	115,289	1.60%
General Services Administration	4	50	1.33%	66,170	0.92%
General Dynamics	2	15	1.22%	88,359	1.23%
Epstein, Becker & Green, P.C.	1	45	1.14%	53,427	0.74%
Total/Weighted Average		40	22.07%	1,303,396	18.11%

Industry Classification (NAICS)	Annualized Base Rental Revenue	Percentage of Aggregate Annualized Rent	Aggregate Rentable Square Feet	Percentage of Aggregate Square Feet
Professional, Scientific, and Technical Services	\$ 70,869,171	32.68%	2,208,947	30.78%
Ambulatory Health Care Services	39,095,068	18.03%	1,125,728	15.69%
Credit Intermediation and Related Activities	17,157,266	7.91%	328,478	4.58%
Religious, Grantmaking, Civic, Professional, and Similar Organizations	8,839,065	4.08%	252,180	3.51%
Food Services and Drinking Places	8,160,417	3.76%	265,936	3.71%
Educational Services	6,083,749	2.81%	202,416	2.82%
Food and Beverage Stores	6,014,157	2.77%	339,366	4.73%
Executive, Legislative, and Other General Government Support	5,884,246	2.71%	169,583	2.36%
Administrative and Support Services	4,379,230	2.02%	120,100	1.67%
Nursing and Residential Care Facilities	3,847,552	1.77%	121,649	1.70%
Health and Personal Care Stores	3,573,142	1.65%	105,503	1.47%
Broadcasting (except Internet)	3,270,154	1.51%	89,702	1.25%
Miscellaneous Store Retailers	3,108,068	1.43%	167,668	2.34%
Furniture and Home Furnishings Stores	3,057,391	1.41%	154,256	2.15%
Electronics and Appliance Stores	2,917,375	1.35%	166,290	2.32%
Sporting Goods, Hobby, Book, and Music Stores	2,837,386	1.31%	171,094	2.38%
Personal and Laundry Services	2,753,530	1.27%	84,633	1.18%
Clothing and Clothing Accessories Stores	2,704,361	1.25%	135,625	1.89%
Amusement, Gambling, and Recreation Industries	1,982,321	0.91%	99,338	1.38%
Hospitals	1,884,459	0.87%	50,376	0.70%
General Merchandise Stores	1,875,727	0.87%	221,503	3.09%
Real Estate	1,436,801	0.66%	44,355	0.62%
Publishing Industries (except Internet)	1,372,915	0.63%	46,655	0.65%
Telecommunications	1,326,962	0.61%	35,227	0.49%
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	1,228,696	0.57%	41,951	0.58%
Printing and Related Support Activities	1,207,035	0.56%	48,775	0.68%

Industry Classification (NAICS)	Annualized Base Rental Revenue	Percentage of Aggregate Annualized Rent	Aggregate Rentable Square Feet	Percentage of Aggregate Square Feet
Computer and Electronic Product Manufacturing	1,202,988	0.56%	41,689	0.58%
Transportation Equipment Manufacturing	791,160	0.37%	28,851	0.40%
Construction of Buildings	768,089	0.35%	26,274	0.37%
Insurance Carriers and Related Activities	646,148	0.30%	21,592	0.30%
Merchant Wholesalers, Durable Goods	626,953	0.29%	37,275	0.52%
Social Assistance	590,960	0.27%	19,241	0.27%
Motor Vehicle and Parts Dealers	541,836	0.25%	32,256	0.45%
Merchant Wholesalers, Nondurable Goods	453,827	0.21%	27,786	0.39%
Other	4,337,293	2.00%	144,541	2.00%
Total	216,825,498	100.00%	7,176,839	100.00%

Lease Expirations
March 31, 2013

Year	Number of Leases	Rentable Square Feet	Percent of Rentable Square Feet	Annualized Rent *	Average Rental Rate	Percent of Annualized Rent *
Office:						
2013	82	323,670	7.75%	\$ 10,086,317	\$ 31.16	6.51%
2014	101	893,860	21.39%	30,761,075	34.41	19.85%
2015	94	541,631	12.96%	22,245,205	41.07	14.36%
2016	84	577,898	13.83%	18,283,724	31.64	11.80%
2017	68	509,789	12.20%	20,026,447	39.28	12.92%
2018 and thereafter	168	1,331,741	31.87%	53,549,890	40.21	34.56%
	<u>597</u>	<u>4,178,589</u>	<u>100.00%</u>	<u>\$ 154,952,658</u>	<u>37.08</u>	<u>100.00%</u>
Medical Office:						
2013	46	137,131	12.36%	\$ 4,803,310	35.03	10.76%
2014	53	157,709	14.21%	6,184,316	39.21	13.85%
2015	32	88,185	7.95%	3,559,891	40.37	7.97%
2016	46	146,900	13.24%	5,741,354	39.08	12.86%
2017	42	129,789	11.70%	5,283,624	40.71	11.83%
2018 and thereafter	116	449,997	40.54%	19,074,686	42.39	42.73%
	<u>335</u>	<u>1,109,711</u>	<u>100.00%</u>	<u>\$ 44,647,181</u>	<u>40.23</u>	<u>100.00%</u>
Retail:						
2013	39	290,404	13.70%	\$ 3,944,199	13.58	8.47%
2014	42	142,382	6.72%	3,238,974	22.75	6.95%
2015	47	344,561	16.26%	7,026,376	20.39	15.09%
2016	25	199,264	9.40%	4,199,335	21.07	9.02%
2017	37	236,367	11.15%	6,612,610	27.98	14.20%
2018 and thereafter	102	906,121	42.77%	21,557,958	23.79	46.27%
	<u>292</u>	<u>2,119,099</u>	<u>100.00%</u>	<u>\$ 46,579,452</u>	<u>21.98</u>	<u>100.00%</u>
Total:						
2013	167	751,205	10.14%	\$ 18,833,826	25.07	7.65%
2014	196	1,193,951	16.12%	40,184,365	33.66	16.32%
2015	173	974,377	13.15%	32,831,472	33.69	13.34%
2016	155	924,062	12.48%	28,224,413	30.54	11.47%
2017	147	875,945	11.83%	31,922,681	36.44	12.97%
2018 and thereafter	386	2,687,859	36.28%	94,182,534	35.04	38.25%
	<u>1,224</u>	<u>7,407,399</u>	<u>100.00%</u>	<u>\$ 246,179,291</u>	<u>33.23</u>	<u>100.00%</u>

Note: Lease expiration data exclude properties classified as sold or held for sale.

* Annualized Rent is equal to the rental rate effective at lease expiration (cash basis) multiplied by 12.

PROPERTIES	LOCATION	YEAR ACQUIRED	YEAR CONSTRUCTED	NET RENTABLE SQUARE FEET
<u>Office Buildings</u>				
1901 Pennsylvania Avenue	Washington, DC	1977	1960	100,000
51 Monroe Street	Rockville, MD	1979	1975	212,000
515 King Street	Alexandria, VA	1992	1966	75,000
6110 Executive Boulevard	Rockville, MD	1995	1971	202,000
1220 19th Street	Washington, DC	1995	1976	103,000
1600 Wilson Boulevard	Arlington, VA	1997	1973	167,000
7900 Westpark Drive	McLean, VA	1997	1972/1986/1999	528,000
600 Jefferson Plaza	Rockville, MD	1999	1985	113,000
Wayne Plaza	Silver Spring, MD	2000	1970	96,000
Courthouse Square	Alexandria, VA	2000	1979	115,000
One Central Plaza	Rockville, MD	2001	1974	267,000
1776 G Street	Washington, DC	2003	1979	263,000
6565 Arlington Boulevard	Falls Church, VA	2006	1967/1998	135,000
West Gude Drive	Rockville, MD	2006	1984/1986/1988	277,000
Monument II	Herndon, VA	2007	2000	207,000
Woodholme Center	Pikesville, MD	2007	1989	74,000
2000 M Street	Washington, DC	2007	1971	228,000
2445 M Street	Washington, DC	2008	1986	290,000
925 Corporate Drive	Stafford, VA	2010	2007	134,000
1000 Corporate Drive	Stafford, VA	2010	2009	136,000
1140 Connecticut Avenue	Washington, DC	2011	1966	188,000
1227 25th Street	Washington, DC	2011	1988	132,000
Braddock Metro Center	Alexandria, VA	2011	1985	344,000
John Marshall II	Tysons Corner, VA	2011	1996/2010	223,000
Fairgate at Ballston	Arlington, VA	2012	1988	138,000
Subtotal				4,747,000

PROPERTIES	LOCATION	YEAR ACQUIRED	YEAR CONSTRUCTED	NET RENTABLE SQUARE FEET
<u>Medical Office Buildings</u>				
Woodburn Medical Park I	Annandale, VA	1998	1984	73,000
Woodburn Medical Park II	Annandale, VA	1998	1988	96,000
Prosperity Medical Center I	Merrifield, VA	2003	2000	93,000
Prosperity Medical Center II	Merrifield, VA	2003	2001	89,000
Prosperity Medical Center III	Merrifield, VA	2003	2002	75,000
Shady Grove Medical Village II	Rockville, MD	2004	1999	66,000
8301 Arlington Boulevard	Fairfax, VA	2004	1965	53,000
Alexandria Professional Center	Alexandria, VA	2006	1968	117,000
9707 Medical Center Drive	Rockville, MD	2006	1994	39,000
15001 Shady Grove Road	Rockville, MD	2006	1999	51,000
15005 Shady Grove Road	Rockville, MD	2006	2002	51,000
2440 M Street	Washington, DC	2007	1986/2006	113,000
Woodholme Medical Office Building	Pikesville, MD	2007	1996	130,000
Ashburn Office Park	Ashburn, VA	2007	1998/2000/2002	75,000
CentreMed I & II	Centreville, VA	2007	1998	53,000
Sterling Medical Office Building	Sterling, VA	2008	1986/2000	36,000
19500 at Riverside Office Park (formerly Lansdowne Medical Office Building)	Leesburg, VA	2009	2009	87,000
Subtotal				1,297,000

PROPERTIES	LOCATION	YEAR ACQUIRED	YEAR CONSTRUCTED	NET RENTABLE SQUARE FEET ⁽¹⁾
Retail Centers				
Takoma Park	Takoma Park, MD	1963	1962	51,000
Westminster	Westminster, MD	1972	1969	150,000
Concord Centre	Springfield, VA	1973	1960	76,000
Wheaton Park	Wheaton, MD	1977	1967	73,000
Bradlee Shopping Center	Alexandria, VA	1984	1955	168,000
Chevy Chase Metro Plaza	Washington, DC	1985	1975	49,000
Montgomery Village Center	Gaithersburg, MD	1992	1969	195,000
Shoppes of Foxchase	Alexandria, VA	1994	1960	134,000
Frederick County Square	Frederick, MD	1995	1973	227,000
800 S. Washington Street	Alexandria, VA	1998/2003	1955/1959	47,000
Centre at Hagerstown	Hagerstown, MD	2002	2000	332,000
Frederick Crossing	Frederick, MD	2005	1999/2003	295,000
Randolph Shopping Center	Rockville, MD	2006	1972	82,000
Montrose Shopping Center	Rockville, MD	2006	1970	145,000
Gateway Overlook	Columbia, MD	2010	2007	223,000
Olney Village Center	Olney, MD	2011	1979/2003	198,000
Subtotal				2,445,000
Multifamily Buildings / # units				
3801 Connecticut Avenue / 308	Washington, DC	1963	1951	179,000
Roosevelt Towers / 191	Falls Church, VA	1965	1964	170,000
Country Club Towers / 227	Arlington, VA	1969	1965	159,000
Park Adams / 200	Arlington, VA	1969	1959	173,000
Munson Hill Towers / 279	Falls Church, VA	1970	1963	258,000
The Ashby at McLean / 256	McLean, VA	1996	1982	274,000
Walker House Apartments / 212	Gaithersburg, MD	1996	1971/2003	157,000
Bethesda Hill Apartments / 195	Bethesda, MD	1997	1986	225,000
Bennett Park / 224	Arlington, VA	2007	2007	214,000
Clayborne / 74	Alexandria, VA	2008	2008	60,000
Kenmore Apartments / 374	Washington, DC	2008	1948	268,000
Subtotal (2,540 units)				2,137,000
TOTAL				10,626,000

⁽¹⁾ Multifamily buildings are presented in gross square feet.

Adjusted EBITDA (a non-GAAP measure) is earnings attributable to the controlling interest before interest expense, taxes, depreciation, amortization, real estate impairment, gain on sale of real estate, gain/loss on extinguishment of debt and gain/loss from non-disposal activities.

Annualized base rent ("ABR") is calculated as monthly base rent (cash basis) per the lease, as of the reporting period, multiplied by 12.

Debt service coverage ratio is computed by dividing earnings attributable to the controlling interest before interest expense, taxes, depreciation, amortization, real estate impairment, gain on sale of real estate, gain/loss on extinguishment of debt and gain/loss from non-disposal activities by interest expense (including interest expense from discontinued operations) and principal amortization.

Debt to total market capitalization is total debt divided by the sum of total debt plus the market value of shares outstanding at the end of the period.

Earnings to fixed charges ratio is computed by dividing earnings attributable to the controlling interest by fixed charges. For this purpose, earnings consist of income from continuing operations (or net income if there are no discontinued operations) plus fixed charges, less capitalized interest. Fixed charges consist of interest expense (excluding interest expense from discontinued operations), including amortized costs of debt issuance, plus interest costs capitalized.

Economic occupancy is calculated as actual real estate rental revenue recognized for the period indicated as a percentage of gross potential real estate rental revenue for that period. We determine gross potential real estate rental revenue by valuing occupied units or square footage at contract rates and vacant units or square footage at market rates for comparable properties. We do not consider percentage rents and expense reimbursements in computing economic occupancy percentages.

Funds from operations ("FFO") is defined by The National Association of Real Estate Investment Trusts, Inc. ("NAREIT") in an April, 2002 White Paper as net income (computed in accordance with generally accepted accounting principles ("GAAP")) excluding gains (or losses) associated with sales of property and impairment of depreciable real estate, plus real estate depreciation and amortization. We consider FFO to be a standard supplemental measure for equity real estate investment trusts ("REITs") because it facilitates an understanding of the operating performance of our properties without giving effect to real estate depreciation and amortization, which historically assumes that the value of real estate assets diminishes predictably over time. Since real estate values have instead historically risen or fallen with market conditions, we believe that FFO more accurately provides investors an indication of our ability to incur and service debt, make capital expenditures and fund other needs. FFO is a non-GAAP measure.

Core Funds From Operations ("Core FFO") is calculated by adjusting FFO for the following items (which we believe are not indicative of the performance of WRIT's operating portfolio and affect the comparative measurement of WRIT's operating performance over time): (1) gains or losses on extinguishment of debt, (2) costs related to the acquisition of properties, (3) severance expense related to corporate reorganization and related to the CEO's retirement and (4) property impairments not already excluded from FFO, as appropriate. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FFO serves as a useful, supplementary measure of WRIT's ability to incur and service debt, and distribute dividends to its shareholders. Core FFO is a non-GAAP and non-standardized measure, and may be calculated differently by other REITs.

Funds Available for Distribution ("FAD") is calculated by subtracting from FFO (1) recurring expenditures, tenant improvements and leasing costs, that are capitalized and amortized and are necessary to maintain our properties and revenue stream and (2) straight line rents, then adding (3) non-real estate depreciation and amortization, (4) non-cash fair value interest expense and (5) amortization of restricted share compensation, then adding or subtracting the (6) amortization of lease intangibles, (7) real estate impairment and (8) non-cash gain/loss on extinguishment of debt, as appropriate. FAD is included herein, because we consider it to be a measure of a REIT's ability to incur and service debt and to distribute dividends to its shareholders. FAD is a non-GAAP and non-standardized measure, and may be calculated differently by other REITs.

Core Funds Available for Distribution ("Core FAD") is calculated by adjusting FAD for the following items (which we believe are not indicative of the performance of WRIT's operating portfolio and affect the comparative measurement of WRIT's operating performance over time): (1) gains or losses on extinguishment of debt, (2) costs related to the acquisition of properties, (3) non-share-based severance expense related to corporate reorganization and related to the CEO's retirement not already excluded from FAD and (4) property impairments not already excluded from FAD, as appropriate. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FAD serves as a useful, supplementary measure of WRIT's ability to incur and service debt, and distribute dividends to its shareholders. Core FAD is a non-GAAP and non-standardized measure, and may be calculated differently by other REITs.

Physical occupancy is calculated as occupied square footage as a percentage of total square footage as of the last day of that period.

Recurring capital expenditures represent non-accretive building improvements and leasing costs required to maintain current revenues. Recurring capital expenditures do not include acquisition capital that was taken into consideration when underwriting the purchase of a building or which are incurred to bring a building up to "operating standard."

Rent increases on renewals and rollovers are calculated as the difference, weighted by square feet, of the net ABR due the first month after a term commencement date and the net ABR due the last month prior to the termination date of the former tenant's term.

Same-store portfolio properties include all properties that were owned for the entirety of the current and prior year reporting periods.

Same-store portfolio net operating income (NOI) growth is the change in the NOI of the same-store portfolio properties from the prior reporting period to the current reporting period.