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 2, 2019

WASHINGTON REAL ESTATE INVESTMENT TRUST
(Exact name of registrant as specified in its charter)

MARYLAND	001-06622	53-0261100
(State of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

1775 EYE STREET, NW, SUITE 1000, WASHINGTON, DC 20006
(Address of principal executive office) (Zip code)

Registrant's telephone number, including area code: (202) 774-3200

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

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. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On April 2, 2019, Washington Real Estate Investment Trust (the “Company”) entered into an Agreement of Sale (the “Agreement”), with Barton’s Crossing LP, Magazine Carlyle Station LP, Magazine Fox Run LP, Magazine Glen LP, Magazine Lionsgate LP, Magazine Village At McNair Farms LP, and Magazine Watkins Station LP, each, a Delaware limited partnership, to acquire a portfolio of seven multifamily assets (the “Multifamily Portfolio”) for a contract purchase price of approximately $461 million. The aggregate deposit amount is approximately $13.8 million (with one-half funded at signing and the other half funded at the end of a 17-day inspection period).

The seven assets in the Multifamily Portfolio are as follows:

Virginia Assets

1. 205 Century Place, Alexandria
2. 13690 Legacy Circle, Herndon
3. 2511 Farmcrest Drive, Herndon
4. 10519 Lariat Lane, Manassas
5. 86 Heritage Way, NE, Leesburg

Maryland Assets

1. 2 Observation Court, Germantown
2. 99 Watkins Mill Road, Gaithersburg

The Company expects to close the acquisition of the five Virginia assets in the second quarter and expects to close the acquisition of the two Maryland assets within 60 days after satisfying certain county notification and approval requirements related to these assets. The Agreement is subject to closing conditions and other terms and conditions customary for real estate transactions.

The Agreement contains representations and warranties the parties thereto made to and solely for the benefit of each other, and such representations and warranties should not be relied upon by any other person. The assertions embodied in those representations and warranties were made solely for the purposes of the purchase and sale agreement and are subject to important qualifications and limitations agreed to by and between the Company and the other parties thereto in connection with negotiating the Agreement. Accordingly, security holders should not rely on the representations and warranties as accurate or complete or characterizations of the actual state of facts as of any specified date because such representations and warranties are modified in important part by the underlying disclosure schedules, are subject to a contractual standard of materiality different from that generally applicable to security holders and were used only for the purposes of conducting certain limited due diligence inquiries and allocating risks and not for establishing all material facts with respect to the matters addressed.

In connection with the above-described transaction, the Company has obtained a financing commitment to provide an unsecured bridge loan facility in the original principal amount of $450 million (the “Bridge Facility”) to fund the acquisitions under the Agreement, as necessary, pursuant to a commitment letter (the “Commitment Letter”), dated April 2, 2019, from Wells Fargo Bank, National Association, PNC Bank, National Association, U.S. Bank National Association, KeyBank National Association and Capital One, National Association. The funding of the Bridge Facility is contingent on the satisfaction of customary conditions, including but not limited to (i) execution and delivery of definitive documentation with respect to the Bridge Facility in accordance with the terms set forth in the Commitment Letter; and (ii) consummation of the purchase of the Virginia Assets in accordance with the Agreement. The actual documentation governing the Bridge Facility has not been finalized, and accordingly, the actual terms may differ from the description of such terms in the Commitment Letter.

Item 7.01 Regulation FD Disclosure.

A press release issued by the Company on April 2, 2019 regarding the contract to purchase the Multifamily Portfolio is attached as Exhibit 99.1. This information is being furnished pursuant to Item 7.01 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.

On April 2, 2019, the Company posted an Investor Presentation entitled Growing Value-Add Multifamily, to its website atwww.washreit.com on the “Investor” page. A copy of the Investor Presentation is attached as Exhibit 99.2. This information is being furnished pursuant to Item 7.01 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.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release issued April 2, 2019 regarding the contract to purchase the Multifamily Portfolio
99.2	Growing Value-Add Multifamily Investor Presentation

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/ W. Drew Hammond
(Signature)

W. Drew Hammond
Vice President, Chief Accounting Officer

April 3, 2019
(Date)

WASH★REIT

FOR IMMEDIATE RELEASE

Contact: Tejal Engman, WashREIT
Phone: 202-774-3253
E-Mail: tengman@washreit.com

WASHREIT TO ACQUIRE VALUE-ADD MULTIFAMILY PORTFOLIO IN THE WASHINGTON METRO REGION

Washington, DC, April 2, 2019 — WashREIT (NYSE: WRE), a leading owner of commercial and multifamily properties in the Washington, DC area, has entered into a definitive agreement to purchase a 2,113 unit multifamily portfolio for approximately $461 million. The portfolio consists of seven suburban Class B apartment communities in northern Virginia and Montgomery County, Maryland. The Company plans to sell select commercial assets to fund the acquisition and will provide further information upon closing the asset sales.

"We are expanding our multifamily portfolio to serve the fast-growing cohort of renters - aging millennials - who can't afford home ownership or urban infill rents and are drawn to well-located, Class B suburban multifamily with its larger living spaces and excellent community services," said Paul McDermott, President and CEO of WashREIT. "Moreover, our research indicates the 35-44 year old renter cohort is expected to grow significantly over the next five years, while supply is expected to remain in check in the suburbs and development is solidly focused on the urban core, thereby creating strong fundamentals for suburban Class B multifamily product."

The multifamily portfolio consists of garden-style apartments located at 205 Century Place, Alexandria, VA; 13690 Legacy Circle, Herndon, VA; 2511 Farmcrest Drive, Herndon, VA; 10519 Lariat Lane, Manassas, VA; 86 Heritage Way, NE, Leesburg, VA; 2 Observation Court, Germantown, MD and 99 Watkins Mill Road, Gaithersburg, MD.

The portfolio is approximately 95% occupied and well-located in close proximity to major regional highways that provide excellent access to prime employment concentrations throughout the Washington region including: downtown Washington, DC; Crystal City/Pentagon City; the Rosslyn-Ballston Corridor; Tysons; Reston/Herndon; Route 28 South; Alexandria and the I-270 Corridor. The majority of the portfolio is Metro-accessible or will be upon completion of the Silver Line in 2020.

The Company expects to implement appropriately scoped, value-add unit renovations across most of the acquired portfolio and to grow rents by upgrading these well-located, accessible and desirable communities.

WashREIT expects to close the acquisition in the second quarter of 2019, potentially in multiple closings, each subject to due diligence and the satisfaction of customary closing conditions. Dispositions are expected to close primarily in the third quarter. The Company has term loan commitments from members of its bank group to provide interim funding prior to completing the expected asset sales. Following the asset sales, WashREIT expects to update its 2019 Core FFO guidance along with the underlying guidance assumptions.

This purchase will grow the Company's multifamily unit count by 50% to approximately 6,400 units and make WashREIT one of the largest owners and operators of value-add multifamily in the Washington Metro region. Please refer to the presentation titled "Growing Value-Add Multifamily" located in the investor section of the Company's website for additional details.

WashREIT owns and operates uniquely positioned real estate assets in the Washington D.C. market. Backed by decades of experience, expertise, and ambition, we create value by transforming insights into strategy and strategy into action. Our current portfolio of 48 properties includes more than 6.1 million square feet of commercial space and more than 4,268 multifamily apartment units. Our shares trade on the NYSE and our company currently had an enterprise value of more than $3 billion as of December 31, 2018. With a track record of driving returns and delivering satisfaction, we are a trusted authority in one *of the nation's most competitive real estate markets.*

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward looking statements by the use of forward-*looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these* words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Such statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Washington REIT to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to the risks associated with the ownership of real estate in general and our real estate assets in particular; the risk of failure to complete contemplated acquisitions and dispositions; the economic health of the greater Washington Metro region; fluctuations in interest rates; reductions in or actual or threatened changes to the timing of federal government spending; the risks related to use

of third-party providers and joint venture partners; the ability to control our operating expenses; the economic health of our tenants; the supply of competing properties; shifts away from brick and mortar stores to ecommerce; the availability and terms of financing and capital and the general volatility of securities markets; compliance with applicable laws, including those concerning the environment and access by persons with disabilities; terrorist attacks or actions and/or cyber attacks; weather conditions and natural disasters; ability to maintain key personnel; failure to qualify and maintain our qualification as a REIT and the risks of changes in laws affecting REITs; and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2018 Form 10-K and subsequent Quarterly Reports on Form 10-Q. While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We undertake no obligation to update our forward-looking statements or risk factors or risk factors to reflect new information, future events, or otherwise.

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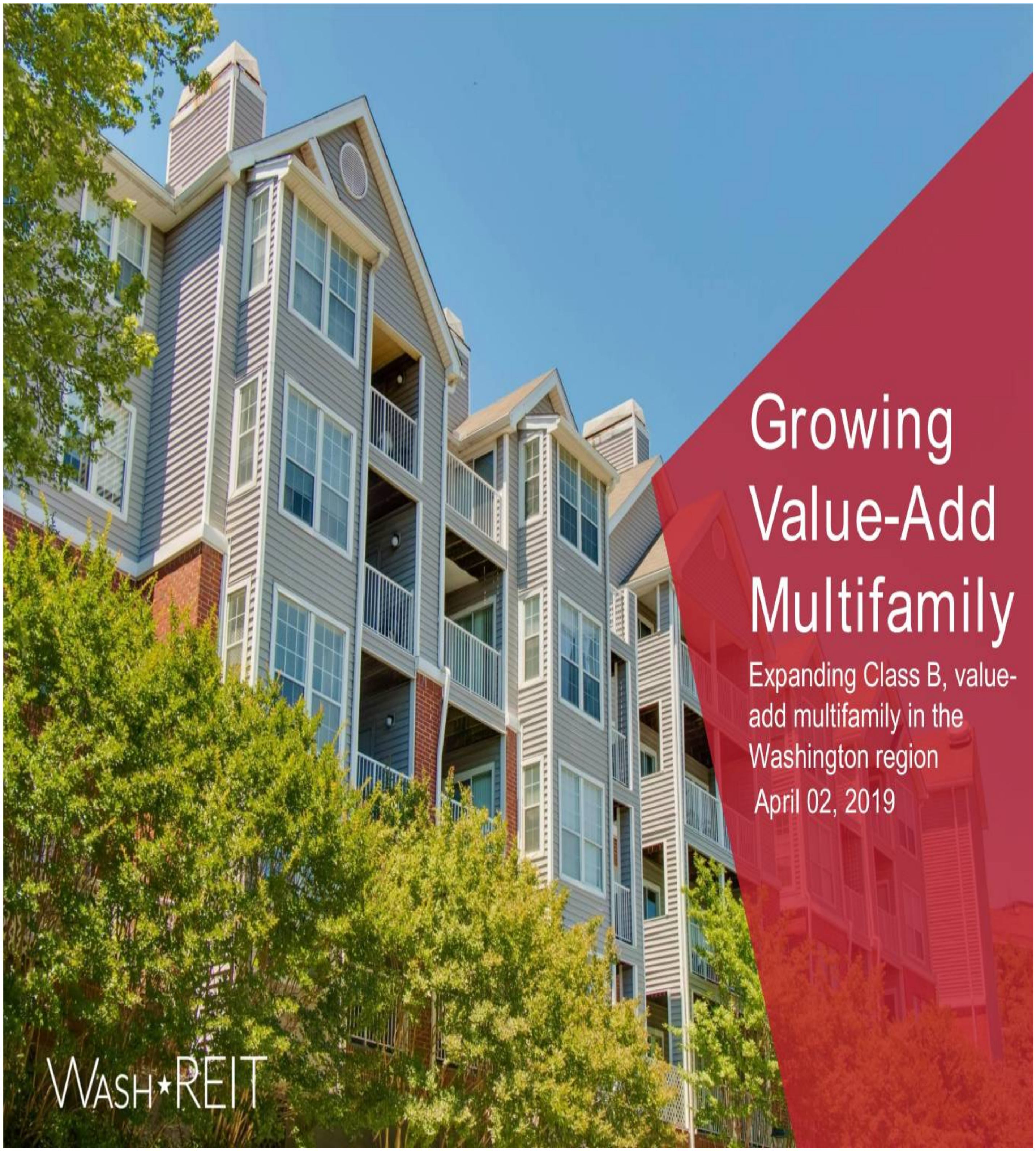
Growing Value-Add Multifamily
Expanding Class B, value-add multifamily in the Washington region
April 02, 2019
WASH★REIT

FORWARD-LOOKING STATEMENTS AND USE OF NON-GAAP FINANCIAL MEASURES

Forward-Looking Statements

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Use of Non-GAAP Financial Measures and other Definitions

This presentation contains certain non-GAAP financial measures and other terms that have particular definitions when used by us. The definitions and calculations of these non-GAAP financial measures and other terms may differ from those used by other REITs and, accordingly, may not be comparable. Please refer to the definitions and calculations of these terms and the reasons for their use, and reconciliations to the most directly comparable GAAP measures included later in this investor presentation.

TRANSACTION SUMMARY

STRATEGIC RATIONALE

Expand Class B Multifamily Portfolio

To address the fast-growing cohort of 35 – 44 year olds who can't afford homeownership or urban-infill rents and are drawn to well-located Class B suburban multifamily with its larger living spaces and excellent community services that suit their life-stage.

EXPECTED PURCHASE

2,113 units / 7 assets / $461 M

Suburban, value-add Class B multifamily units

EXPECTED INTERIM FINANCING

New term loan commitment

From members of bank group

EXPECTED TIMING

Purchase 2Q19; Sales primarily 3Q19

Subject to due diligence and satisfaction of customary closing conditions

EXPECTED SALES

Select Commercial Assets

Process underway.
Details to be provided upon closing.

EXPECTED EARNINGS IMPACT

'19 Core FFO guidance + assumptions

To be updated following the completion of the expected asset sales

EXPECTED BALANCE SHEET IMPACT

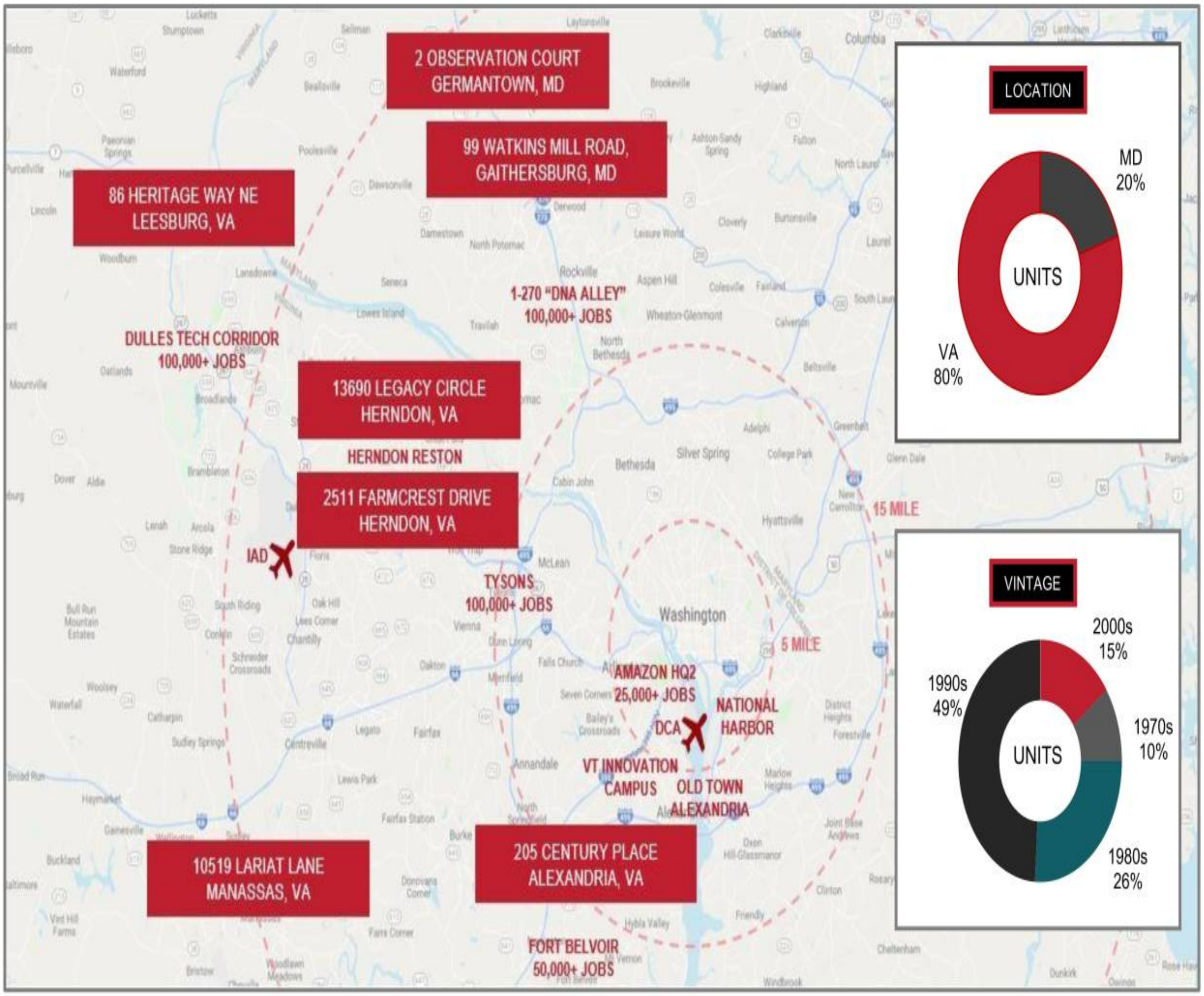
6.0x to 6.5x net debt to adj. EBITDA

Expected by year-end although leverage will be temporarily higher until asset sales close

Please refer to Washington REIT's Press Release as of April 2, 2019.

ACQUISITION PORTFOLIO OVERVIEW

Well-located, accessible portfolio



ACQUISITION PORTFOLIO OVERVIEW (cont'd)

Seven high-quality assets with 2,113 units – 95% occupied

205 CENTURY PLACE,
ALEXANDRIA, VA

532 UNITS

13690 LEGACY CIRCLE,
HERNDON, VA

328 UNITS

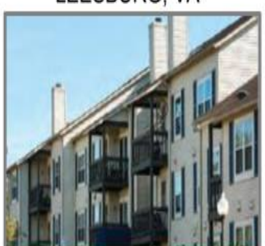
2511 FARMCREST DRIVE,
HERNDON, VA

283 UNITS

10519 LARIAT LANE,
MANASSAS, VA

408 UNITS

86 HERITAGE WAY NE,
LEESBURG, VA



134 UNITS

2 OBSERVATION
COURT,GERMANTOWN, MD

218 UNITS

99 WATKINS MILL ROAD,
GAITHERSBURG, MD

210 UNITS

STRATEGIC MULTIFAMILY GROWTH

Multifamily Growth Strategy

To grow our Class B multifamily portfolio

Urban In-fill

TARGET

Renters who can't afford Class A urban in-fill multifamily

IMPLEMENT

Value-add unit renovations at assets located in submarkets with large affordability gaps, i.e. wider than market average differentials between Class A and Class B rents

Suburban

TARGET

Renters who can't afford homeownership or urban in-fill rents and prefer the suburbs

IMPLEMENT

Appropriately scoped unit renovations to upgrade well-located, accessible and desirable communities

Strategically address the need for quality affordable housing in the DC metro region

Tactically grow rents across the portfolio

STRATEGIC CAPITAL ALLOCATION

Capital Allocation Strategy

To continue to allocate capital out of commercial and into multifamily

(2013 - 2018)

Acquired

$533 million

OF MULTIFAMILY ASSETS

Sold

$992 million

OF COMMERCIAL ASSETS

Improve cash flow stability & FAD growth

De-Risk the portfolio

Improve long-term Risk adjusted returns

(2019)

Plan to Acquire

$461 million

OF MULTIFAMILY ASSETS

Plan to Sell

Commercial assets to fund the acquisition and maintain balance sheet strength with a target net debt to EBITDA of 6.0x to 6.5x by year-end 2019

All numbers are approximate and based on full fiscal years.

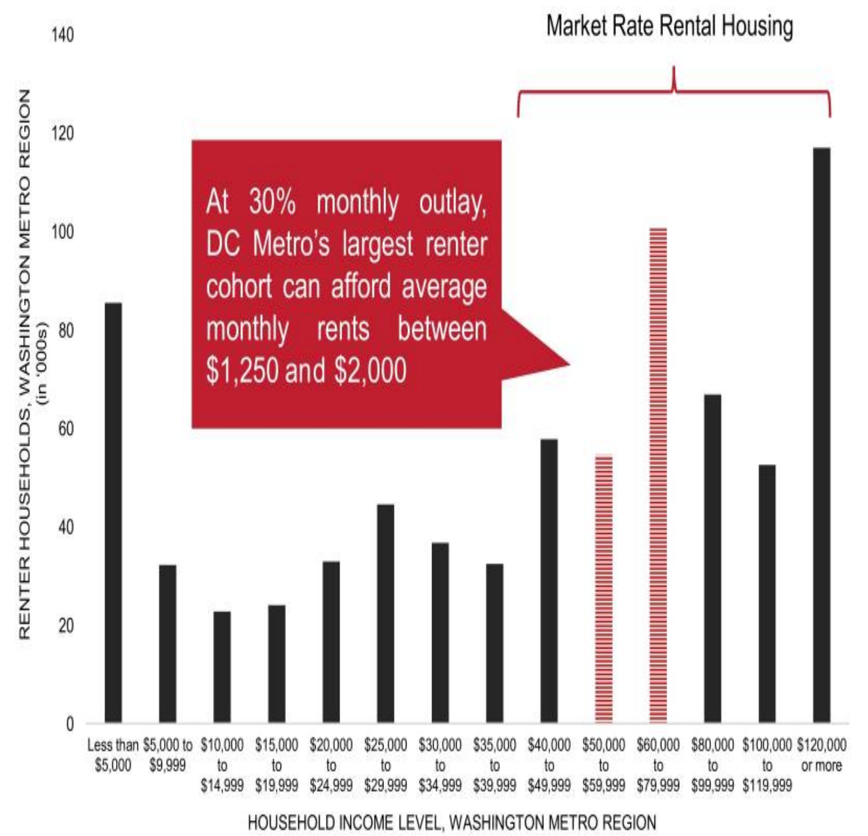
MULTIFAMILY DEMAND

DC METRO'S LARGEST RENTER COHORT NEEDS CLASS B APARTMENTS

DC Metro region's largest renter cohort, comprising 35% of all market renters, earns $50,000 – $80,000 per annum.

This creates strong demand for units with average monthly rents between $1,250 and $2,000 that is largely met by Class B suburban and urban in-fill multifamily product.

RENTER HOUSHOLDS BY HOUSEHOLD INCOME LEVEL | WASHINGTON METRO

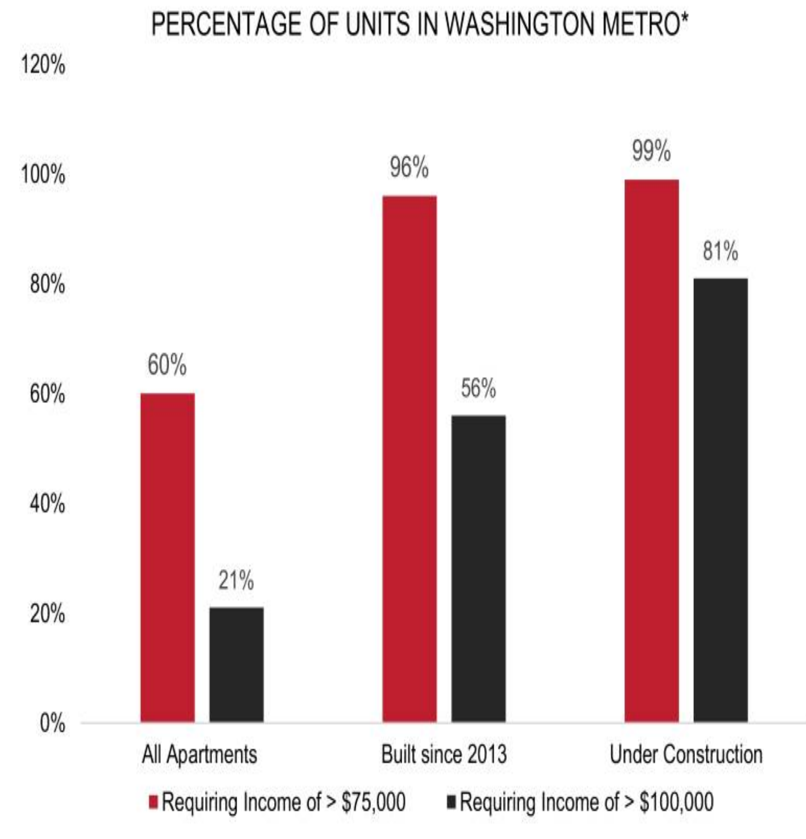


Source: American Housing Survey, US Census, WashREIT Research; March 2019.

MULTIFAMILY EXISTING AND NEW SUPPLY
REMAINS UNAFFORDABLE FOR THE MAJORITY OF MARKET RATE RENTERS

There is a significant dearth of quality, affordable multifamily supply in the DC Metro region.

Particularly for households earning $50,000 to $80,000 per annum who comprise the largest pool of market rate renters in the region.



Source: CoStar Portfolio Strategy. *Assumes 25% of income needed.

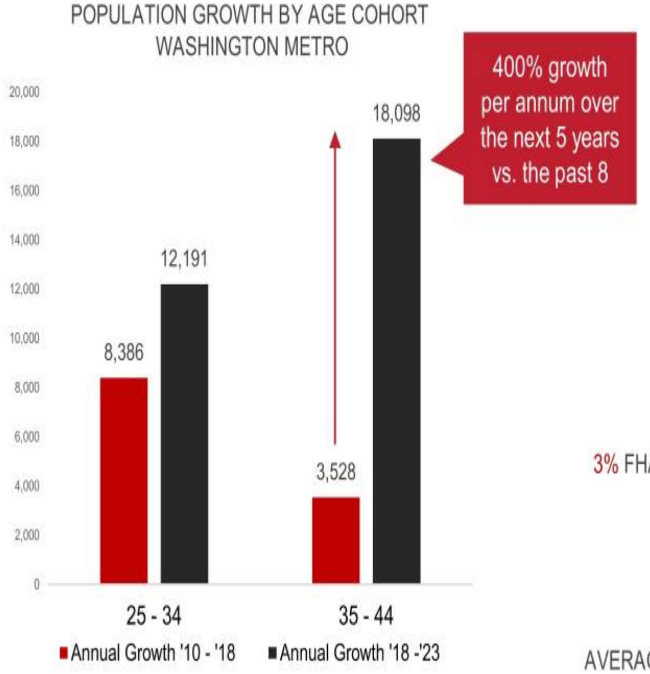
GROWTH IN REGIONAL MULTIFAMILY DEMAND
TO BE LED BY OLDER MILLENNIAL RENTERS

We expect the population of 35 – 44 year old renters to grow strongly as:

1

MILLENNIALS
AGE

POPULATION GROWTH BY AGE COHORT
WASHINGTON METRO



Source: ESRI March 2019

2

HOME OWNERSHIP REMAINS
UNAFFORDABLE

$425,000

DC METRO MEDIAN HOME PRICE

$85,000

20% FULL DOWN PAYMENT

$12,750

3% FHA DOWN PAYMENT (UNDERWRITING IS TIGHTENING)

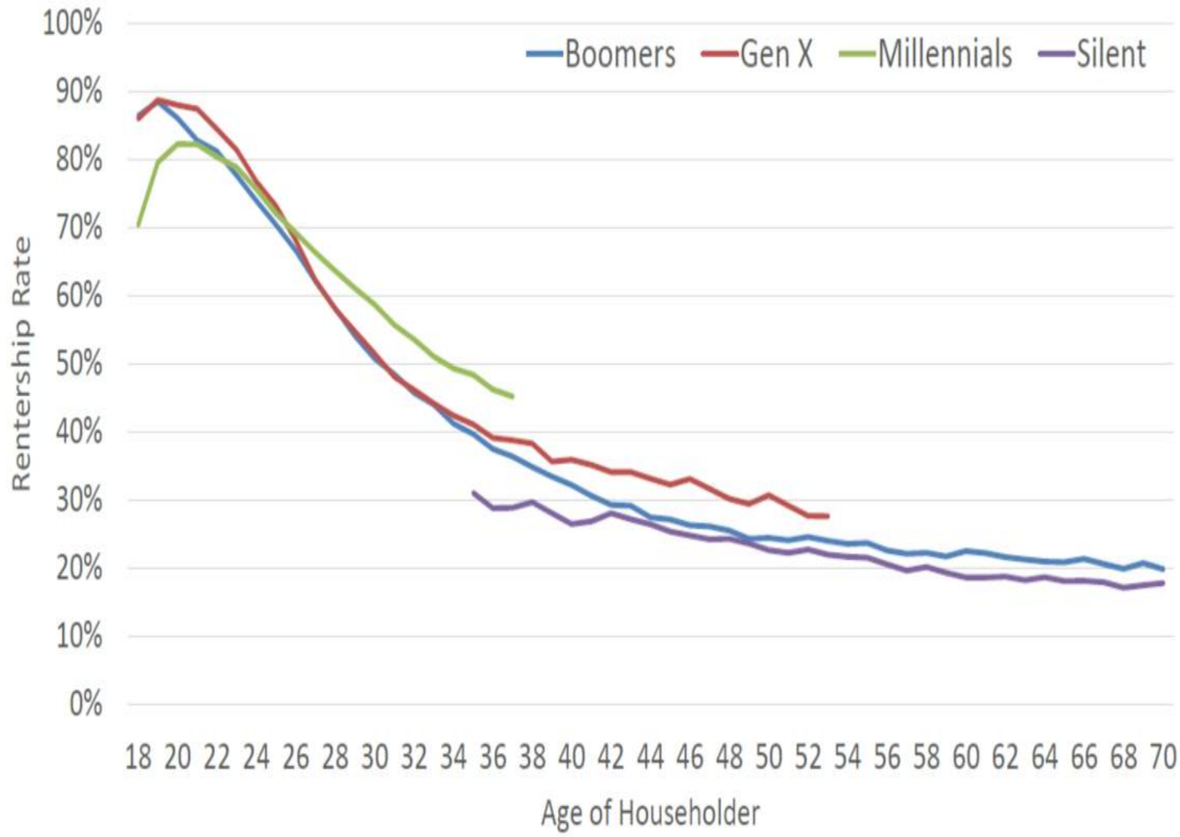
VS.

$9,000

AVERAGE MILLENNIAL SAVING (OF THOSE WHO ARE SAVING)

GROWTH IN REGIONAL MULTIFAMILY DEMAND (cont'd)
TO BE LED BY OLDER MILLENNIAL RENTERS

As millennials age, it's becoming evident that they are renting for much longer than the generations that preceded them:



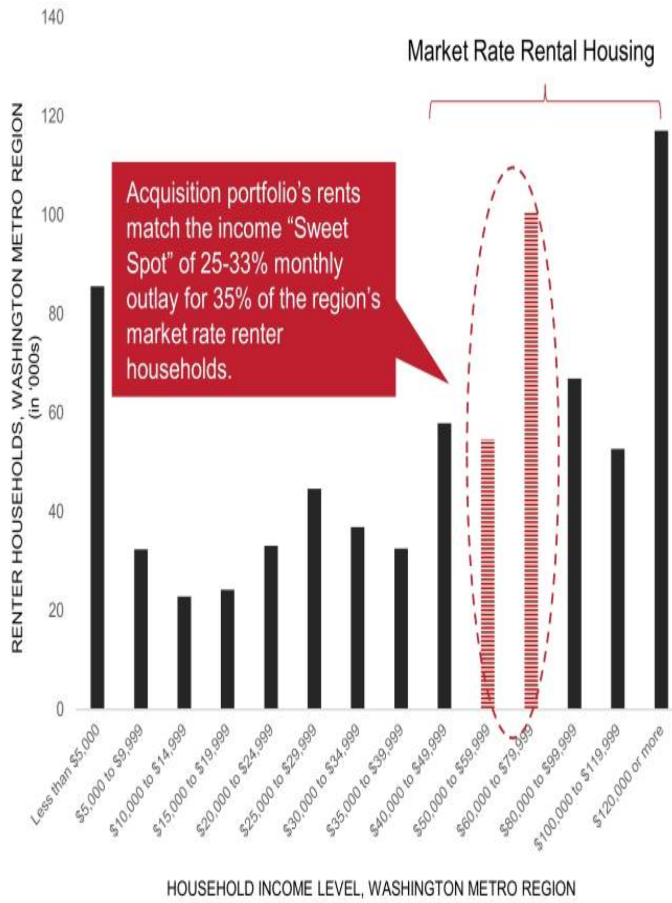
Source: NMHC tabulations of Current Population Survey microdata, Annual Social and Economic Supplement, US Census Bureau

ACQUISITION PORTFOLIO
SERVES OLDER, VALUE-CONSCIOUS MILLENNIAL RENTERS

AVERAGE LESSEE AGE REFLECTS FAST-GROWING 35- 44 YEAR OLD DEMOGRAPHIC

ACQUISITION ASSET	AVERAGE LESSEE AGE
205 Century Pl. Alexandria, VA	34
13690 Legacy Circle, Herndon, VA	35
2511 Farmcrest Drive, Herndon, VA	36
86 Heritage Way NE, Leesburg, VA	37
10519 Lariat Lane, Manassas, VA	38
2 Observation Ct. Germantown, MD	39
80 Watkins Station Cir. Gaithersburg, MD	40
AVERAGE	37

RENTAL PRICE POINT MATCHES LARGEST POOL OF POTENTIAL RENTERS IN THE REGION EARNING $50,000 - $80,000 PER ANNUM



Source: American Housing Survey, US Census, WashREIT Research; March 2019.

ACQUISITION PORTFOLIO
POSSESSES KEY ATTRIBUTES THAT APPEAL TO OLDER, VALUE-CONSCIOUS MILLENNIAL RENTERS

We believe the fast-growing 35 – 44 year old, value-conscious renter cohort is drawn to the acquisition portfolio's mature suburban locations for the following reasons:

ACCESS TO:

LARGER UNIT SIZES

- ✓ Suburban units are 15% larger than urban units on average

AFFORDABLE RENTAL RATES

- ✓ Suburban units are 22% cheaper than urban units on average

MAJOR EMPLOYMENT CENTERS

- ✓ Metro-accessible or will be upon the completion of the Silver Line
- ✓ Close proximity to major regional highways with excellent access to employment concentrations

RETAIL INFRASTRUCTURE

- ✓ Mature suburban communities that offer a number of shops, restaurants and other community serving retail within a short drive of the assets

GOOD SCHOOL DISTRICTS

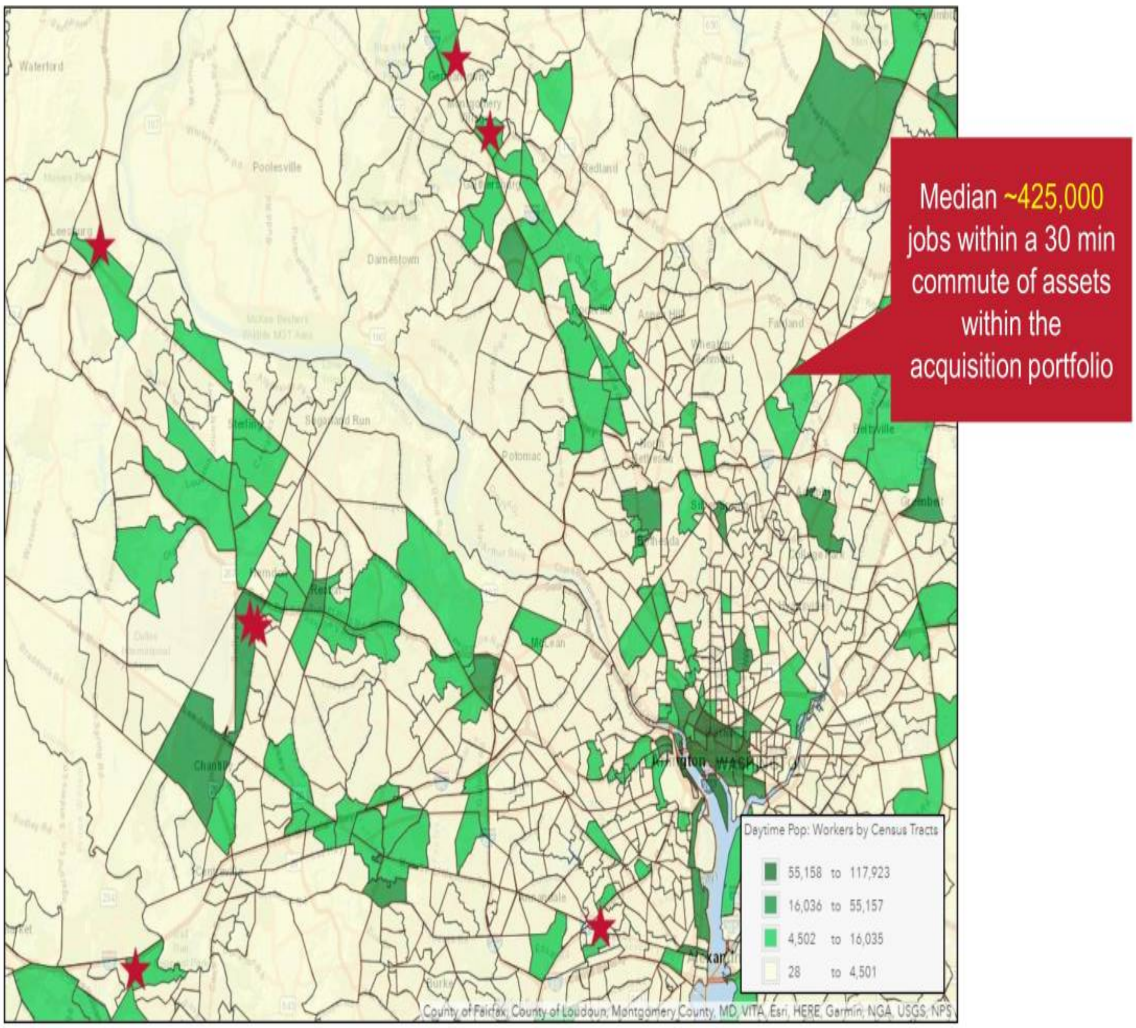
- ✓ Located in counties where schools rank among the best in the country

Source: CoStar Portfolio Strategy. Niche.com, WashREIT Research; March 2019.

ACQUISITION PORTFOLIO HAS EXCELLENT ACCESS TO JOBS

The acquisition portfolio is well located and in close proximity to some of the largest employment concentrations in the region including: Downtown Washington, DC; Crystal City; Tysons; Reston; Route 28 South and the I-270 Corridor.

ACQUISITION PORTFOLIO DAYTIME WORKER POPULATION BY CENSUS TRACT | 2018

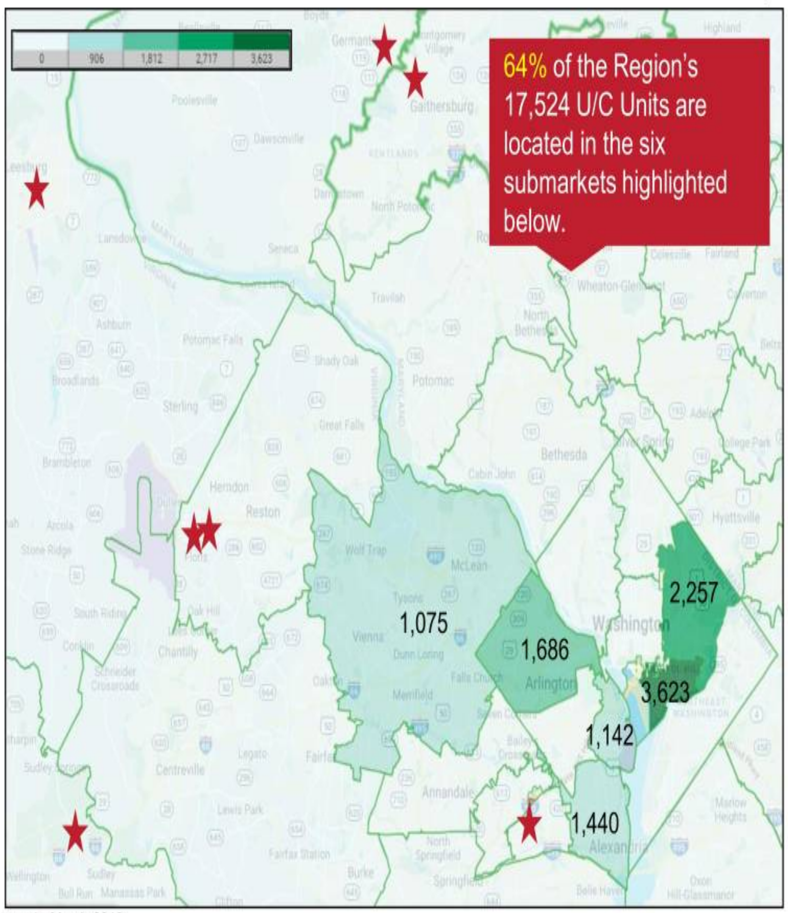


Source: ESRI, WashREIT Research; March 2019.

ACQUISITION PORTFOLIO IS INSULATED FROM NEW SUPPLY

The acquisition portfolio is relatively insulated from recent multifamily supply increases that have been concentrated in the District. Even within Northern Virginia, the acquisition portfolio doesn't directly compete with the supply pipeline in Arlington, Eastern Alexandria or Tysons.

ACQUISITION PORTFOLIO AND NUMBER OF UNITS UNDER CONSTRUCTION | Q1 2019

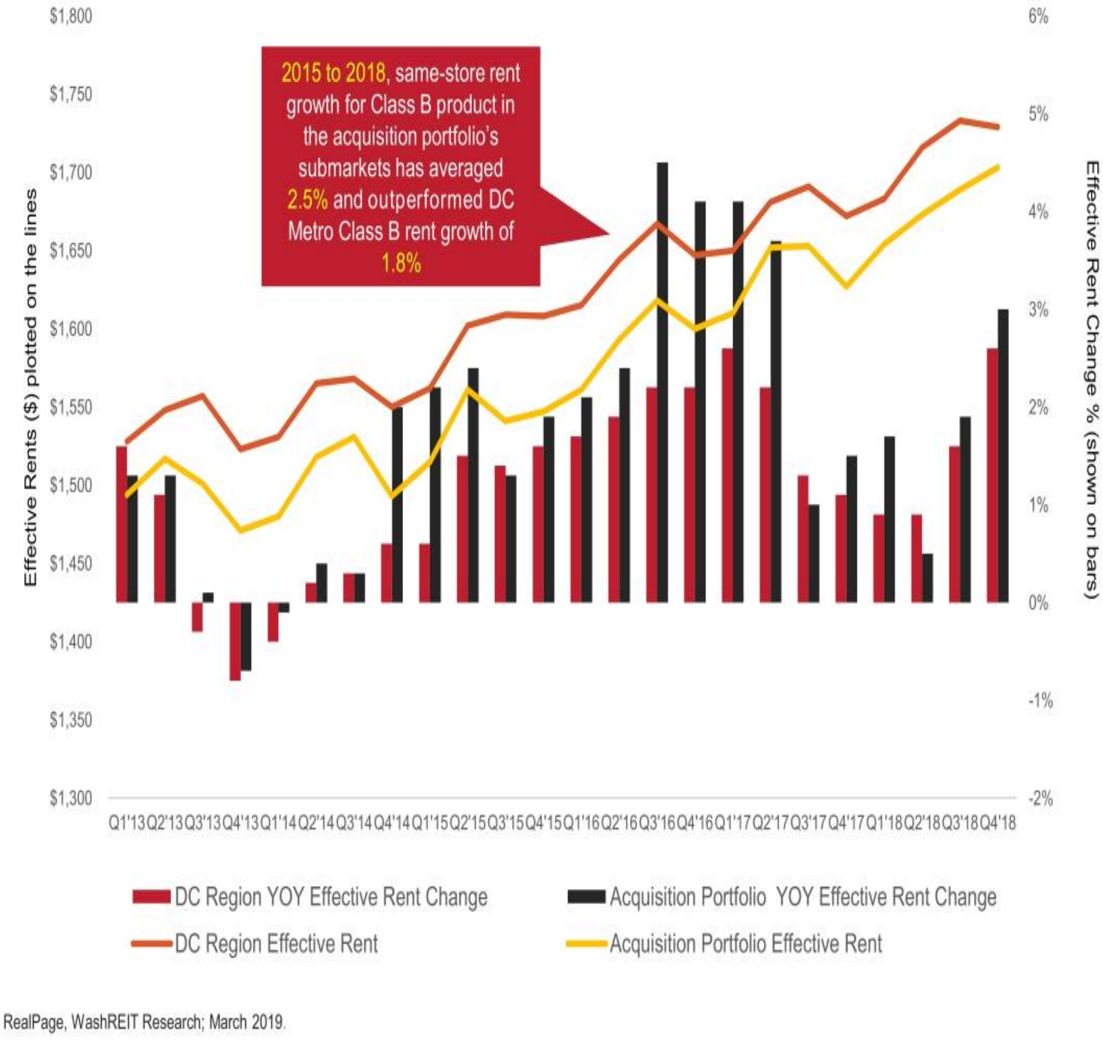


Source: Real Page, WashREIT Research; March 2019.

ACQUISITION PORTFOLIO
IS LOCATED IN SUBMARKETS WITH STRONG FUNDAMENTALS

The acquisition portfolio's submarkets have stronger Class B rent growth than the Washington Metro Class B average:

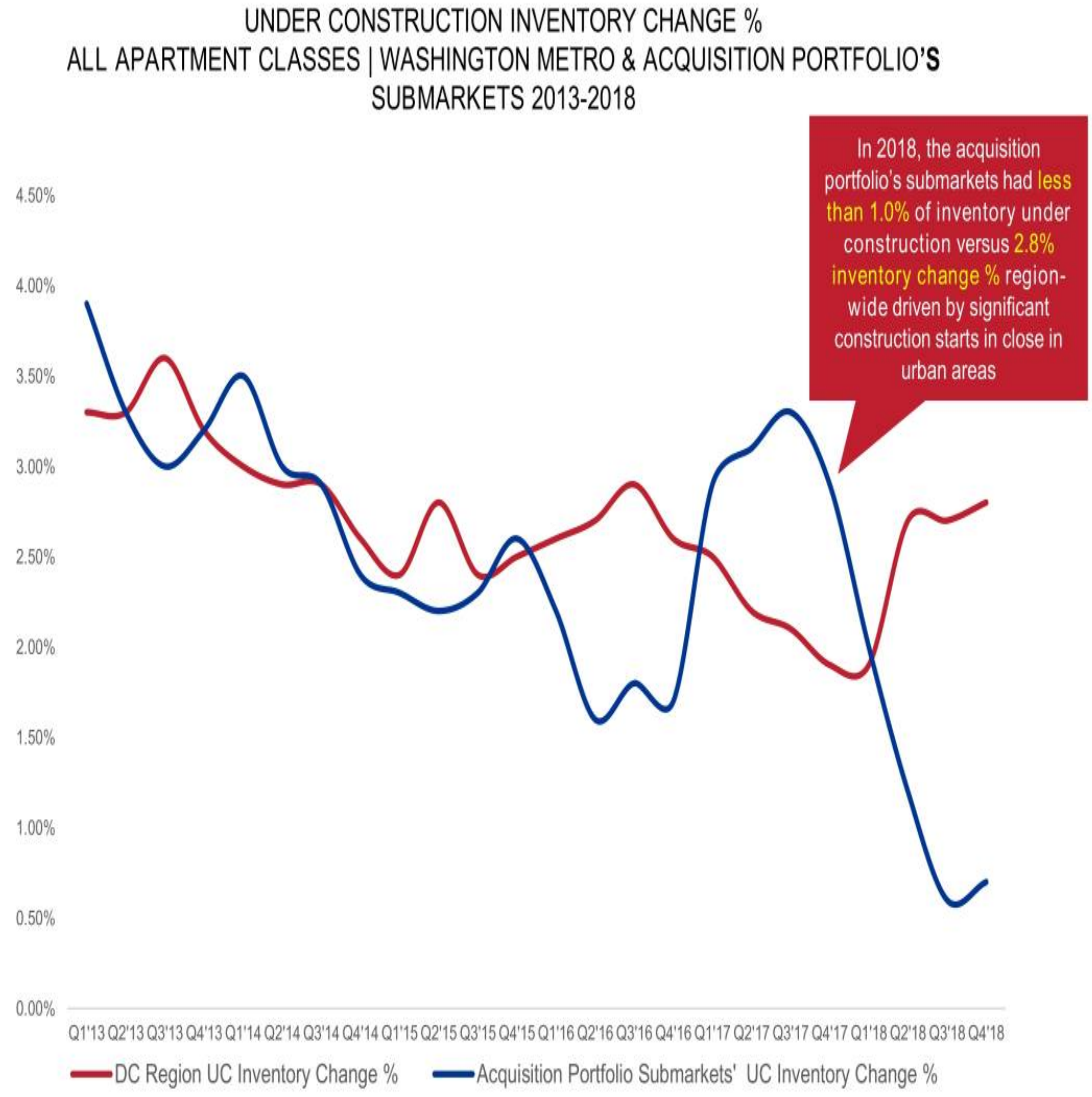
YEAR OVER YEAR EFFECTIVE RENT CHANGE AND EFFECTIVE RENT
CLASS B APARTMENTS | WASHINGTON METRO & ACQUISITION PORTFOLIO'S
SUBMARKETS 2013-2018



Source: RealPage, WashREIT Research; March 2019.

ACQUISITION PORTFOLIO
IS LOCATED IN SUBMARKETS WITH STRONG FUNDAMENTALS (cont'd)

The acquisition portfolio's submarkets have a better supply outlook than the Washington Metro region as a whole:



Source: RealPage, WashREIT Research; March 2019.

WASHREIT HAS A STRONG MULTIFAMILY TRACK RECORD

WashREIT's value-oriented, Northern Virginia centric portfolio combined with it's research-led 'affordability gap' strategy has significantly improved its same-store NOI growth trajectory despite elevated levels of multifamily supply.

WASHREIT FULL YEAR SAME STORE NOI GROWTH TRAJECTORY

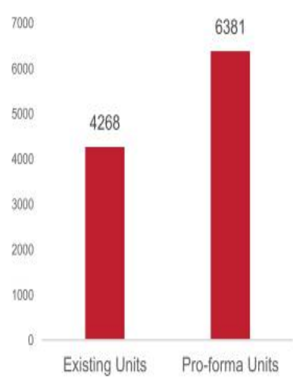
2018 SAME STORE GROWTH (YOY)			
YTD Growth	Revenue	Expense	NOI
Peer Average (for reported DC Metrics only)	2.1%	2.5%	2.1%
WRE	2.9%	2.4%	3.3%

In 2018, Wash REIT's year-over-year SS NOI growth was 120 bps ahead of that of its REIT peer group

Source: WashREIT GAAP SS NOI growth as reported in the Financial Supplemental. Peer average includes AIMCO, Avalon Bay, Camden Property Trust, MAA, Equity Residential and UDR.

WASHREIT OFFERS
EXCELLENT EXPOSURE TO DC METRO CLASS B MULTIFAMILY

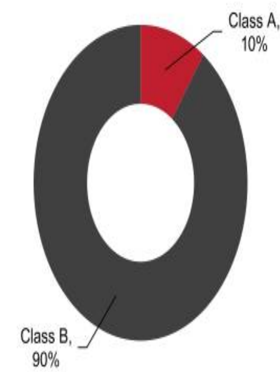
PRO- FORMA UNIT COUNT



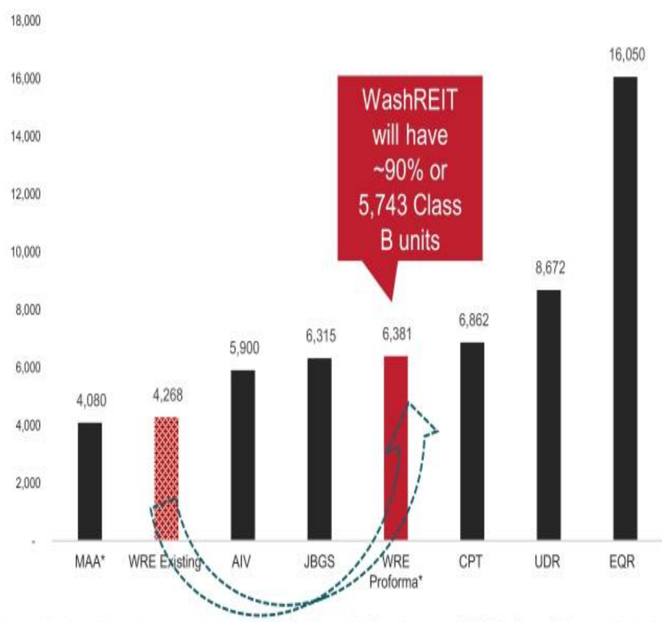
Growing multifamily portfolio by 50% to ~6,400 units

Growing Class B multifamily by 60% to ~5,700 units

PRO- FORMA UNIT SPLIT



WASHINGTON METRO MULTIFAMILY REIT OWNERSHIP BY UNIT COUNT



Source: Washington Metro multifamily REIT ownership by unit count as reported in the REIT's Financial Supplements. WRE Proforma* does not include the Trove (under construction) development of 401 units nor the Riverside Apartments' entitlement for 767 additional units.

NET OPERATING INCOME

The following table contains reconciliations of net operating income to net income attributable to the controlling interests for the periods presented (in thousands):

	Year Ended December 31,					
	2013	2014	2015	2016	2017	2018
Real estate rental reveue	$ 263,024	$ 288,637	$ 306,427	$ 313,264	$ 325,078	$ 336,890
Real estate expenses	(93,293)	(103,695)	(112,234)	(115,013)	(115,650)	(116,230)
Net operating income	169,731	184,942	194,193	198,251	209,428	220,660
Add (deduct):						
Interest expense	(63,573)	(59,785)	(59,546)	(53,126)	(47,534)	(51,144)
Depreciation and amortization	(85,740)	(96,011)	(108,935)	(108,406)	(112,056)	(121,228)
General and administrative	(17,535)	(19,761)	(20,123)	(19,545)	(22,580)	(22,089)
Income tax (expense) benefit	-	-	(134)	615	84	-
Gain on sale of real estate	-	570	91,107	101,704	24,915	2,495
Real estate impairment (loss) and casualty gain, net	-	-	(5,909)	676	(33,152)	(1,886)
Other income	926	825	709	297	507	-
Acquisition costs	(1,265)	(5,710)	(2,056)	(1,178)	-	-
Loss on extinguishment of debt	(2,737)	-	(119)	-	-	(1,178)
(Loss) income from continuing operations	(193)	5,070	89,187	119,288	19,612	25,630
Discontinued operations:						
Income from operations of properties sold or held for sale	15,395	546	-	-	-	-
Gain on sale of real estate	22,144	105,985	-	-	-	-
Income from discontinued operation	37,539	106,531	-	-	-	-
Net income	37,346	111,601	89,187	119,288	19,612	25,630
Less: Net income attributable to noncontrolling interests	-	38	553	51	56	-
Net income attributable to the controlling interests	$ 37,346	$ 111,639	$ 89,740	$ 119,339	$ 19,668	$ 25,630

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 or loss on sale, if any), plus interest expense, depreciation and amortization, general and administrative expenses, acquisition costs, real estate impairment and gain or loss on extinguishment of debt. We believe that NOI is a useful performance measure because, when compared across periods, it reflects the impact on operations of trends in occupancy rates, rental rates and operating costs on an unleveraged basis, providing perspective not immediately apparent from net income. As a result of the foregoing, we provide NOI as a supplement to net income, calculated in accordance with GAAP. Neither represents net income or income from continuing operations, in either case calculated in accordance with GAAP. As such, NOI and cash NOI should not be considered alternatives to these measures as an indication of our operating performance.

For purposes of evaluating comparative operating performance, we categorize our properties as "same-store", "non-same-store" or discontinued operations. Same-store properties include properties that were owned for the entirety of the years being compared, and exclude properties under redevelopment or development and properties acquired, sold or classified as held for sale during the years being compared. The calculations of NOI on a same-store basis and reconciliations to the most directly comparable GAAP measures are included in our Supplemental Operating and Financial Data, which may be accessed on the investor page of our website: www.washreit.com.

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