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

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**FORM 8-K**

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**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 22, 2020

**WASHINGTON REAL ESTATE  
INVESTMENT TRUST**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State of incorporation)

**001-06622**  
(Commission File Number)

**53-0261100**  
(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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Shares of Beneficial Interest	WRE	NYSE

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.

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**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 22, 2020 regarding earnings for the three months ended March 31, 2020, 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.**

(d) Exhibits

Exhibit No.	Description
99.1	<a href="#">Press release issued April 22, 2020 regarding earnings for the three months ended March 31, 2020</a>
99.2	<a href="#">Certain supplemental information not included in the press release</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**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 22, 2020

(Date)



## FOR IMMEDIATE RELEASE

### CONTACT:

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**April 22, 2020**

## WASHINGTON REAL ESTATE INVESTMENT TRUST ANNOUNCES FIRST QUARTER FINANCIAL AND OPERATING RESULTS AND QUARTERLY DIVIDEND

Washington Real Estate Investment Trust ("WashREIT" or the "Company") (NYSE: WRE), a leading owner and operator of multifamily and commercial properties in the Washington, DC area, reported financial and operating results today for the quarter ended March 31, 2020:

### Financial Results

- Net income attributable to controlling interests was \$1.7 million, or \$0.02 per diluted share
- NAREIT FFO<sup>(1)</sup> was \$31.4 million, or \$0.38 per diluted share
- Core FFO<sup>(1)</sup> was \$0.37 per diluted share

### Operational Highlights

- Net Operating Income (NOI)<sup>(2)</sup> was \$48.2 million
- Same-store<sup>(3)</sup> NOI declined 1.6% and cash NOI declined 1.1% over first quarter 2019. The decline was primarily due to a same-store office NOI decline of 6.6% over first quarter 2019, driven largely by scheduled office lease expirations as well as lower expense reimbursements
- Same-store multifamily NOI and cash NOI increased by 6.8% over the prior year period
- Same-store multifamily blended lease rate growth was 2.3%<sup>(4)</sup>
- Same-store other<sup>(5)</sup> NOI decreased by 4.5% and cash NOI decreased by 3.2% over first quarter 2019

### Transaction Activity

- Closed on the previously announced sale of John Marshall II in Tyson's, VA, on April 21 for \$57 million
- Engaged with members of our bank group to arrange for additional liquidity through a new term loan of up to \$150 million. To date, \$50 million of commitment has been obtained, with the remaining commitments anticipated later this week. Subject to final documentation, the term loan is expected to have an initial term of one year with a one year extension option and bear interest at LIBOR plus 150 basis points with a LIBOR floor of 50 basis points.

### Liquidity Position

- Prepaid \$250 million 4.95% Senior Notes scheduled to mature in October 2020, which became pre-payable without penalty on April 1, 2020
  - Currently available liquidity of \$370 million consisting of the remaining capacity under the Company's \$700 million revolving credit facility and cash on hand. Available liquidity would further increase to approximately \$520 million assuming the completion of the full \$150 million term loan described above.
  - Following the prepayment of the above-described notes, there are no major obligations to fund for the remainder of the year and only \$150 million of additional debt scheduled to mature in 2021
  - The Company has no secured debt and has the ability to access agency debt secured by multifamily assets if additional liquidity were to be needed in the future
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"After an excellent first quarter highlighted by our 6.8% multifamily same-store NOI growth, we entered this period of economic uncertainty in a solid position, having de-risked the company in accordance with our 2019 Strategic Capital Allocation Plan by reducing our retail assets and single tenant office assets and investing in multifamily assets in strong submarkets," said Paul T. McDermott, President and CEO of WashREIT. "We finished the quarter at the low end of prior debt to EBITDA expectations and have a strong balance sheet and strong liquidity with no major capital requirements for the balance of the year. While these are difficult times, we believe WashREIT is well positioned to manage through the economic disruption caused by this global pandemic."

#### Post-quarter Update (As of April 22, 2020)

- April rent payments represent the first round of monthly rent collections to reflect the impact of government-mandated closures and social distancing guidelines
- Collected 97% of April rent for the same-store multifamily portfolio and 95% for the entire multifamily portfolio
- Collected 91% of April office rents; of \$1.0 million that remains uncollected, \$0.7 million is being evaluated for potential rent deferral
- Evaluating approximately \$0.5 million of April rent not received at retail properties for potential deferral

"While the effects of the COVID-19 pandemic did not significantly impact our first quarter operating results, we recognize that this is an unprecedented situation and the government-imposed restrictions, as well as social distancing and other efforts implemented to mitigate the outbreak, will have an adverse impact on our residents and commercial tenants," said Mr. McDermott. "We will continue to communicate with our tenants, but the scope and extent of the impact will depend on things like the duration of the pandemic, as well as the timing and manner in which stay-at-home restrictions are lifted and business activities begin to pick up."

#### First Quarter Operating Results

The Company's overall portfolio NOI from continuing operations was \$48.2 million for the quarter ended March 31, 2020 compared to \$45.3 million in the corresponding prior year period. The increase was primarily driven by multifamily rent growth, offset in part by the impact of our net asset sales during 2019, each of which was a result of our 2019 Strategic Capital Allocation Plan.

#### *Same-store portfolio by sector:*

- **Office Same-Store NOI** - Same-store NOI decreased by 6.6% and cash NOI decreased by 6.1% compared to the corresponding prior year period, primarily due to scheduled tenant move-outs and lower reimbursements due to timing. Same-store average occupancy<sup>(6)</sup> declined 290 basis points year-over-year and 100 basis points sequentially, primarily due to expected lease expirations. The same-store office portfolio was 87.2% occupied and 90.0% leased at quarter end.<sup>(7)</sup>
  - **Multifamily Same-Store NOI** - Same-store NOI and cash NOI increased by 6.8% compared to the corresponding prior year period driven by rental rate growth and lower repairs and maintenance expenses and real estate taxes. The Company achieved 2.3% percent of blended year-over-year lease rate growth<sup>(4)</sup> comprised of 4.8% of renewal lease rate growth and a decline in new lease rates of 0.9% reflecting an increase in resident retention during the quarter and strong renewal lease rate growth. At quarter end, the same-store multifamily portfolio was 95.3% occupied on a unit basis.
  - **Other Same-Store NOI** - Same-store NOI decreased by 4.5% and cash NOI decreased by 3.2% compared to the prior year period driven, in part, by approximately \$78,000 of write-offs for bad debt related to COVID-19. The same-store other portfolio was 91.1% occupied and 92.4% leased at quarter end.
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### Leasing Activity

During the first quarter, WashREIT signed commercial leases totaling 123,000 square feet, including 61,000 square feet of new leases and 62,000 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 Free Rent Period (in months)	Weighted Average Rental Rates	Weighted Average Rental Rate % Increase	Tenant Improvements	Leasing Commissions
New:							
Office	46,000	4.4	1.1	\$ 47.20	8.8%	\$ 10.45	\$ 5.24
Retail	15,000	5.5	1.1	21.31	18.7%	0.58	6.18
Total	61,000	4.7	1.1	40.71	10.0%	7.98	5.47
Renewal:							
Office	43,000	3.7	1.2	\$ 46.39	6.7%	\$ 1.86	\$ 4.92
Retail	19,000	7.1	0.1	21.73	9.3%	6.48	1.78
Total	62,000	4.8	1.0	38.69	7.2%	3.30	3.94

### 2020 Outlook

Our prior guidance was provided before the COVID-19 pandemic began to have an impact on the U.S. generally, and the Washington region in particular. Given the uncertainty surrounding the social and economic impact from COVID-19, including the duration and extent of the pandemic and associated mitigation efforts, it is difficult to predict the impact on our tenants and our ability to collect rental revenue for the remainder of 2020, as well as the cumulative impact on our future financial results. As such, the Company is withdrawing its previously issued full-year 2020 Outlook which was included in its February 13, 2020 Earnings Release and is not providing updated guidance for 2020 at this time.

On its earnings call, in addition to discussing its first quarter results, WashREIT will further discuss how it is currently assessing and managing the economic impact of COVID-19, as well as how the economic disruption has impacted its operations post quarter-end, to the extent that the Company is able to assess such impact. The Company will also discuss current expectations for some of its key business drivers, including:

- Approximately 1.3% of the Company's previous revenue expectations for 2020 included speculative office lease commencements that could be impacted by the current economic disruption. While the degree and duration of impact remain uncertain, approximately 70% of that leasing was expected to occur in high-quality space across Class A buildings and Space+, where leasing momentum had been the strongest.
- Assuming social isolation restrictions continue through the summer months, parking income is expected to decline by approximately \$2 million in 2020. However this amount does not take into account any potential increases in parking income that may occur during the second half of the year in the event that a shift in tenant transportation preferences result in higher than normal demand for parking.
- The Company currently expects multifamily operating expense saving initiatives to substantially offset the reduction to multifamily rental income due to lower new and renewal lease rate growth in 2020. While move-in and other fee income is likely to be impacted by lower turnover, it is too early to determine the duration and extent of that impact.
- The Trove, WashREIT's recently delivered multifamily development, began leasing up in the first quarter prior to the COVID-19 economic disruptions and is currently signing leases through virtual tour technology. We expect continued disruption in lease-up activities at the Trove to delay the break-even point of lease-up to the fourth quarter of 2020. Although, the uncertainties around the extent and duration of the COVID-19 impacts make it difficult to predict lease-up rates at this time. If the break-even point of the lease-up were to occur in the fourth quarter 2020, we currently expect a loss in 2020 attributable to such delay in the range of \$0.6 to \$0.7 million.

- Having substantially collected rents due through April, it is difficult to predict the impact of COVID-19 on residents' and tenants' ability to pay rent for the remainder of 2020, therefore, the Company is not providing guidance for potential future bad debt expenses.
- The Company plans to provide details regarding expected decreases in capital spending for the balance of 2020 on its earnings call.

These expectations are based on a number of factors, many of which are outside the Company's control and all of which are subject to change. In particular, uncertainty regarding the scope, severity and duration of disruptions caused by the COVID-19 pandemic make it difficult to assess future impacts with any degree of certainty. The Company may provide updates to these expectations during the year as actual anticipated results vary from these expectations, but undertakes no obligation to do so.

#### Dividends

On March 31, 2020, WashREIT paid a quarterly dividend of \$0.30 per share.

WashREIT announced today that its Board of Trustees has declared a quarterly dividend of \$0.30 per share to be paid on July 6, 2020 to shareholders of record on June 22, 2020.

#### Conference Call Information

The Conference Call for First Quarter 2020 Earnings is scheduled for Thursday, April 23, 2020 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 7, 2020 at 11:00 P.M. Eastern Time. Instant replay access information is as follows:

USA Toll Free Number: 1-877-481-4010  
International Toll Number: 1-919-882-2331  
Conference ID: 56870

The live on-demand webcast of the Conference Call will be available on the Investor section of WashREIT's website at [www.washreit.com](http://www.washreit.com). Online playback of the webcast will be available following the Conference Call.

#### About WashREIT

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. As of April 22, 2020, the Company's portfolio of 45 properties includes approximately 3.7 million square feet of commercial space and 6,861 multifamily apartment units. These 45 properties consist of 22 multifamily properties, 15 office properties, and 8 retail centers. Our shares trade on the NYSE and our company currently has an enterprise value of approximately \$3 billion. 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.

Note: WashREIT's press releases and supplemental financial information are available on the Company website at [www.washreit.com](http://www.washreit.com) or by contacting Investor Relations at (202) 774-3200.

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. 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

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risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of WashREIT to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Currently, one of the most significant factors is the potential adverse effect of the COVID-19 virus and ensuing economic turmoil on the financial condition, results of operations, cash flows and performance of the WashREIT, particularly our ability to collect rent, on the financial condition, results of operations, cash flows and performance of our tenants, and on the global economy and financial markets. The extent to which COVID-19 impacts WashREIT and its tenants will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others. Moreover, investors are cautioned to interpret many of the risks identified in the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2019, as amended by Amendment No. 1 to the Annual Report on Form 10-K, filed on March 6, 2020, as well as the risks set forth below, as being heightened as a result of the ongoing and numerous adverse impacts of COVID-19. Additional factors which may cause the actual results, performance, or achievements of WashREIT to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements 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 economic health of the greater Washington metro region; the risk of failure to enter into/and or complete contemplated acquisitions and dispositions at all, within the price ranges anticipated and on the terms and timing anticipated; changes in the composition of our portfolio; 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 e-commerce; the availability and terms of financing and capital (including risk associated with completing the new \$150 million term loan discussed in this release) 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, natural disasters and pandemics; 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 2019 Form 10-K, as amended by Amendment No. 1 to the Annual Report on Form 10-K, filed on March 6, 2020, 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 to reflect new information, future events, or otherwise.

This Earnings Release also includes certain forward-looking non-GAAP information. Due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from these estimates, together with some of the excluded information not being ascertainable or accessible, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable efforts

<sup>(1)</sup> NAREIT Funds From Operations ("FFO") is defined by the National Association of Real Estate Investment Trusts, Inc. ("NAREIT") in its NAREIT FFO White Paper - 2018 Restatement as net income (computed in accordance with GAAP) excluding gains (or losses) associated with sales of properties, impairments of depreciable real estate, and real estate depreciation and amortization. We consider NAREIT 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 NAREIT FFO more accurately provides investors an indication of our ability to incur and service debt, make capital expenditures and fund other needs. Our NAREIT FFO may not be comparable to FFO reported by other REITs. These other REITs may not define the term in accordance with the current NAREIT definition or may interpret the current NAREIT definition differently. NAREIT 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 WashREIT's operating portfolio and affect the comparative measurement of WashREIT's operating performance over time): (1) gains or losses on extinguishment of debt, (2) expenses related to acquisition and structuring activities, (3) executive transition costs, severance expenses and other expenses related to corporate restructuring and related to executive retirements or resignations, (4) property impairments, casualty gains, and gains or losses on sale not already excluded from FFO, as appropriate, and (5) relocation expense. 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 WashREIT'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.

<sup>(2)</sup> 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, lease origination expenses, general and administrative expenses, real estate impairment and gain or loss on extinguishment of debt. We also present NOI on a cash basis ("cash NOI") which is calculated as NOI less the impact of straight-lining of rent and



amortization of market intangibles. We believe that NOI and cash NOI are useful performance measures because, when compared across periods, they reflect 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. NOI and cash NOI excludes certain components from net income in order to provide results more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. As a result of the foregoing, we provide each of NOI and cash 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.

(3) 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 year being compared, and exclude properties under redevelopment or development and properties acquired, sold or classified as held for sale during the year being compared. We define development properties as those for which we have planned or ongoing major construction activities on existing or acquired land pursuant to an authorized development plan. We consider a property's development activities to be complete when the property is ready for its intended use. The property is categorized as same-store when it has been ready for its intended use for the entirety of the year being compared. We define redevelopment properties as those for which we have planned or ongoing significant development and construction activities on existing or acquired buildings pursuant to an authorized plan, which has an impact on current operating results, occupancy and the ability to lease space with the intended result of a higher economic return on the property. We categorize a redevelopment property as same-store when redevelopment activities have been complete for the majority of each year being compared.

(4) Lease rate growth, which we sometimes refer to as "trade-out", is defined as the average percentage change in effective rent (net of concessions) for a new or renewed lease compared to the prior lease based on the move-in date.

(5) Consists of retail centers not classified as discontinued operations: Takoma Park, Westminster, Concord Centre, Chevy Chase Metro Plaza, 800 S. Washington Street, Randolph Shopping Center, Montrose Shopping Center and Spring Valley Village. Pursuant to our Strategic Capital Allocation Plan, and following completion of the above described dispositions of our retail assets, we no longer report "Retail" as a separate operating segment.

(6) Average Occupancy is based on monthly occupied net rentable square footage or monthly occupied multifamily units as a percentage of total net rentable square footage or total multifamily units, respectively.

(7) Ending Occupancy is calculated as occupied square footage or multifamily units as a percentage of total square footage or multifamily units, respectively, as of the last day of that period.

#### Ending Occupancy <sup>(i)</sup> Levels by Same-Store Properties <sup>(ii)</sup> and All Properties

Segment	Ending Occupancy			
	Same-Store Properties		All Properties	
	1st QTR 2020	1st QTR 2019	1st QTR 2020	1st QTR 2019
Multifamily	95.3 %	95.5 %	89.9 %	95.5 %
Office	87.2 %	89.9 %	88.1 %	89.6 %
Other <sup>(iii)</sup>	91.1 %	90.0 %	91.1 %	91.9 %
Overall Portfolio	91.6 %	92.7 %	89.9 %	92.3 %

<sup>(i)</sup> Ending occupancy is calculated as occupied square footage as a percentage of total square footage as of the last day of that period, except for the row labeled "Multifamily," on which ending occupancy is calculated as occupied units as a percentage of total available units as of the last day of that period. The occupied square footage for office and other properties includes short-term lease agreements.

<sup>(ii)</sup> 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. We define development properties as those for which we have planned or are ongoing major construction activities on existing or acquired land pursuant to an authorized development plan. We consider a property's development activities to be complete when the property is ready for its intended use. The property is categorized as same-store when it has been ready for its intended use for the entirety of the years being compared. We define redevelopment properties as those for which we have planned or are ongoing significant development and construction activities on existing or acquired buildings pursuant to an authorized plan, which has an impact on current operating results, occupancy and the ability to lease space with the intended result of a higher economic return on the property. We categorize a redevelopment property as same-store when redevelopment activities have been complete for the majority of each year being compared. For Q1 2020 and Q1 2019, same-store properties exclude:

#### Acquisitions:

Multifamily - Assembly Alexandria, Assembly Manassas, Assembly Dulles, Assembly Leesburg, Assembly Herndon, Assembly Germantown, Assembly Watkins Mill and Cascade at Landmark

Development:

Multifamily - The Trove

Held for sale:

Office - John Marshall II

Sold properties:

Office - Quantico Corporate Center and 1776 G Street

Discontinued Operations:

Retail - Wheaton Park, Bradlee Shopping Center, Shoppes at Foxchase, Gateway Overlook, Olney Village Center, Frederick County Square, Centre at Hagerstown and Frederick Crossing

<sup>(iii)</sup> Same-Store Other consists of retail properties not classified as discontinued operations: Takoma Park, Westminster, Concord Centre, Chevy Chase Metro Plaza, 800 S. Washington Street, Randolph Shopping Center, Montrose Shopping Center and Spring Valley Village. Other also includes discontinued operations.

<sup>(8)</sup> 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 (excluding items contemplated prior to acquisition or associated with development / redevelopment of a property) 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 performance 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.

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

OPERATING RESULTS	Three Months Ended March 31,	
	2020	2019
Revenue		
Real estate rental revenue	\$ 76,792	\$ 71,434
Expenses		
Real estate expenses	28,639	26,143
Depreciation and amortization	29,720	27,057
General and administrative expenses	6,337	7,807
Real estate impairment	—	8,374
	64,696	69,381
Real estate operating income	12,096	2,053
Other expense:		
Interest expense	(10,845)	(12,496)
Gain on extinguishment of debt	468	—
	(10,377)	(12,496)
Income (loss) from continuing operations	1,719	(10,443)
Discontinued operations:		
Income from operations of properties sold or held for sale	—	6,038
Income from discontinued operations	—	6,038
Net income (loss)	1,719	(4,405)
Less: Net income attributable to noncontrolling interests in subsidiaries	—	—
Net income (loss) attributable to the controlling interests	\$ 1,719	\$ (4,405)
Income (loss) from continuing operations	\$ 1,719	\$ (10,443)
Depreciation and amortization	29,720	27,057
Real estate impairment	—	8,374
Funds from continuing operations	\$ 31,439	\$ 24,988
Income from discontinued operations	—	6,038
Discontinued operations real estate depreciation and amortization	—	2,490
Funds from discontinued operations	—	8,528
NAREIT funds from operations <sup>(1)</sup>	\$ 31,439	\$ 33,516
Non-cash gain on extinguishment of debt	(1,381)	—
Tenant improvements and incentives	(1,072)	(2,269)
External and internal leasing commissions capitalized	(529)	(503)
Recurring capital improvements	(988)	(318)
Straight-line rents, net	(663)	(824)
Non-cash fair value interest expense	(59)	(212)
Non-real estate depreciation & amortization of debt costs	942	1,001
Amortization of lease intangibles, net	457	578
Amortization and expensing of restricted share and unit compensation	1,778	2,826
Funds available for distribution	\$ 29,924	\$ 33,795

Per share data:		Three Months Ended March 31,	
		2020	2019
Income (loss) from continuing operations	(Basic)	\$ 0.02	\$ (0.13)
	(Diluted)	\$ 0.02	\$ (0.13)
Net income (loss) attributable to the controlling interests	(Basic)	\$ 0.02	\$ (0.06)
	(Diluted)	\$ 0.02	\$ (0.06)
NAREIT FFO	(Basic)	\$ 0.38	\$ 0.42
	(Diluted)	\$ 0.38	\$ 0.42
Dividends paid		\$ 0.30	\$ 0.30
Weighted average shares outstanding - basic		82,086	79,881
Weighted average shares outstanding - diluted		82,287	79,881
Weighted average shares outstanding - diluted (for NAREIT FFO)		82,287	79,979

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

	March 31, 2020 (unaudited)	December 31, 2019
<b>Assets</b>		
Land	\$ 574,025	\$ 566,807
Income producing property	2,444,525	2,392,415
	3,018,550	2,959,222
Accumulated depreciation and amortization	(719,446)	(693,610)
Net income producing property	2,299,104	2,265,612
Properties under development or held for future development	89,791	124,193
Total real estate held for investment, net	2,388,895	2,389,805
Investment in real estate held for sale, net	57,028	57,028
Cash and cash equivalents	20,601	12,939
Restricted cash	634	1,812
Rents and other receivables	64,617	65,259
Prepaid expenses and other assets	84,722	95,149
Other assets related to properties held for sale	6,123	6,336
Total assets	<u>\$ 2,622,620</u>	<u>\$ 2,628,328</u>
<b>Liabilities</b>		
Notes payable, net	\$ 997,075	\$ 996,722
Mortgage notes payable, net	—	47,074
Line of credit	148,000	56,000
Accounts payable and other liabilities	98,966	71,136
Dividend payable	—	24,668
Advance rents	8,681	9,353
Tenant security deposits	10,875	10,595
Other liabilities related to properties held for sale	875	718
Total liabilities	1,264,472	1,216,266
<b>Equity</b>		
<b>Shareholders' equity</b>		
Preferred shares; \$0.01 par value; 10,000 shares authorized; no shares issued or outstanding	—	—
Shares of beneficial interest, \$0.01 par value; 100,000 shares authorized; 82,315 and 82,099 shares issued and outstanding, as of March 31, 2020 and December 31, 2019, respectively	823	821
Additional paid-in capital	1,596,242	1,592,487
Distributions in excess of net income	(206,506)	(183,405)
Accumulated other comprehensive (loss) income	(32,744)	1,823
Total shareholders' equity	1,357,815	1,411,726
Noncontrolling interests in subsidiaries	333	336
Total equity	1,358,148	1,412,062
Total liabilities and equity	<u>\$ 2,622,620</u>	<u>\$ 2,628,328</u>

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

Three months ended March 31, 2020	Multifamily	Office	Corporate and other	Total
Same-store net operating income <sup>(3)</sup>	\$ 15,877	\$ 21,247	\$ 3,207	\$ 40,331
Add: Net operating income from non-same-store properties <sup>(3)</sup>	6,716	1,106	—	7,822
Total net operating income <sup>(2)</sup>	\$ 22,593	\$ 22,353	\$ 3,207	\$ 48,153
Add/(deduct):				
Interest expense				(10,845)
Depreciation and amortization				(29,720)
General and administrative expenses				(6,337)
Gain on extinguishment of debt				468
Income from continuing operations				1,719
Discontinued operations:				
Income from operations of properties sold or held for sale				—
Net income				1,719
Less: Net income attributable to noncontrolling interests in subsidiaries				—
Net income attributable to the controlling interests				\$ 1,719

Three months ended March 31, 2019	Multifamily	Office	Corporate and other	Total
Same-store net operating income <sup>(3)</sup>	\$ 14,865	\$ 22,756	\$ 3,357	\$ 40,978
Add: Net operating income from non-same-store properties <sup>(3)</sup>	—	4,313	—	4,313
Total net operating income <sup>(2)</sup>	\$ 14,865	\$ 27,069	\$ 3,357	\$ 45,291
Deduct:				
Interest expense				(12,496)
Depreciation and amortization				(27,057)
General and administrative expenses				(7,807)
Real estate impairment				(8,374)
Loss from continuing operations				(10,443)
Discontinued operations:				
Income from operations of properties sold or held for sale				6,038
Net loss				(4,405)
Less: Net income attributable to noncontrolling interests in subsidiaries				—
Net loss attributable to the controlling interests				\$ (4,405)

**Washington Real Estate Investment Trust**  
**Page 12 of 12**

The following table contains a reconciliation of net income attributable to the controlling interests to core funds from operations for the periods presented (in thousands, except per share data):

	<b>Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
Net income (loss)	\$ 1,719	\$ (4,405)
Add:		
Real estate depreciation and amortization	29,720	27,057
Real estate impairment	—	8,374
Discontinued operations:		
Real estate depreciation and amortization	—	2,490
NAREIT funds from operations <sup>(1)</sup>	31,439	33,516
Add/(deduct):		
Restructuring expenses	—	1,896
(Gain) on extinguishment of debt	(468)	—
Core funds from operations <sup>(1)</sup>	\$ 30,971	\$ 35,412

		<b>Three Months Ended March 31,</b>	
		<b>2020</b>	<b>2019</b>
<b>Per share data:</b>			
NAREIT FFO	(Basic)	\$ 0.38	\$ 0.42
	(Diluted)	\$ 0.38	\$ 0.42
Core FFO	(Basic)	\$ 0.38	\$ 0.44
	(Diluted)	\$ 0.37	\$ 0.44
Weighted average shares outstanding - basic		82,086	79,881
Weighted average shares outstanding - diluted (for NAREIT and Core FFO)		82,287	79,979



WASH★REIT

# SUPPLEMENTAL OPERATING AND FINANCIAL DATA

*First Quarter 2020*



# FINANCIAL STRENGTH

YTD 2020 CORE FAD  
PAYOUT RATIO

**81%**

DEBT SERVICE  
COVERAGE RATIO

**3.9x**

TARGET NET DEBT  
TO ADJ EBITDA MID  
TO LOW

**6s**

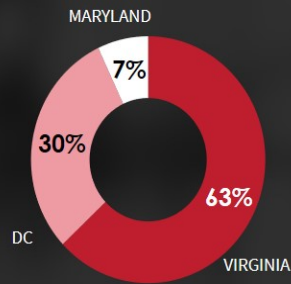
INVESTMENT GRADE  
CREDIT RATING

**Baa2 STABLE  
BBB STABLE**

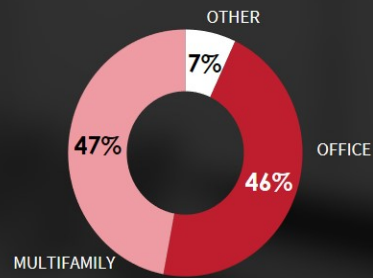
SECURED DEBT TO  
TOTAL ASSETS

**0%**

Q1 2020 NOI  
BY REGION



Q1 2020 NOI  
BY ASSET CLASS



## Supplemental Financial and Operating Data

### Table of Contents March 31, 2020

Schedule	Page
<u>Key Financial Data</u>	
Consolidated Statements of Operations	<a href="#">4</a>
Consolidated Balance Sheets	<a href="#">5</a>
Funds From Operations	<a href="#">6</a>
Funds Available for Distribution	<a href="#">7</a>
Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	<a href="#">8</a>
<u>Capital Analysis</u>	
Long Term Debt Analysis	<a href="#">9</a>
Long Term Debt Maturities	<a href="#">10</a>
Debt Covenant Compliance	<a href="#">11</a>
Capital Analysis	<a href="#">12</a>
<u>Portfolio Analysis</u>	
Same-Store Portfolio Net Operating Income (NOI) Growth	<a href="#">13</a>
Same-Store Portfolio Net Operating Income (NOI) Detail	<a href="#">14-16</a>
Net Operating Income (NOI) by Region	<a href="#">17</a>
Net Operating Income (NOI) - Multifamily	<a href="#">18</a>
Same-Store Operating Results - Multifamily	<a href="#">19</a>
Same-Store Operating Expenses - Multifamily	<a href="#">20</a>
Same-Store Portfolio and Overall Average Occupancy Levels by Sector	<a href="#">21</a>
Same-Store Portfolio and Overall Ending Occupancy Levels by Sector	<a href="#">22</a>
<u>Growth and Strategy</u>	
Development Summary	<a href="#">23</a>
<u>Tenant Analysis</u>	
Commercial Leasing Summary - New Leases	<a href="#">24</a>
Commercial Leasing Summary - Renewal Leases	<a href="#">25</a>
10 Largest Tenants - Based on Annualized Commercial Income	<a href="#">26</a>
Industry Diversification - Office	<a href="#">27</a>
Lease expirations	<a href="#">28</a>
<u>Appendix</u>	
Schedule of Properties	<a href="#">29-31</a>
Supplemental Definitions	<a href="#">32</a>

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

	Three Months Ended				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>OPERATING RESULTS</b>					
Real estate rental revenue	\$ 76,792	\$ 80,667	\$ 80,259	\$ 76,820	\$ 71,434
Real estate expenses	(28,639)	(30,611)	(30,692)	(28,134)	(26,143)
	48,153	50,056	49,567	48,686	45,291
Real estate depreciation and amortization	(29,720)	(38,812)	(37,340)	(33,044)	(27,057)
Income from real estate	18,433	11,244	12,227	15,642	18,234
Interest expense	(10,845)	(11,788)	(14,198)	(15,252)	(12,496)
Gain (loss) on sale of real estate	—	61,007	—	(1,046)	—
Gain on extinguishment of debt	468	—	—	—	—
Real estate impairment	—	—	—	—	(8,374)
General and administrative expenses	(6,337)	(6,265)	(6,461)	(5,535)	(7,807)
Income (loss) from continuing operations	1,719	54,198	(8,432)	(6,191)	(10,443)
Discontinued operations:					
Income from properties classified as discontinued operations	—	—	2,942	7,178	6,038
Gain on sale of real estate	—	—	339,024	—	—
Loss on extinguishment of debt	—	—	(764)	—	—
Income from discontinued operations	—	—	341,202	7,178	6,038
Net income (loss)	1,719	54,198	332,770	987	(4,405)
Less: Net income attributable to noncontrolling interests in subsidiaries	—	—	—	—	—
Net income (loss) attributable to the controlling interests	\$ 1,719	\$ 54,198	\$ 332,770	\$ 987	\$ (4,405)
<b>Per Share Data:</b>					
Net income (loss) attributable to the controlling interests	\$ 0.02	\$ 0.66	\$ 4.14	\$ 0.01	\$ (0.06)
Fully diluted weighted average shares outstanding	82,287	81,313	79,981	79,934	79,881
<b>Percentage of Revenues:</b>					
Real estate expenses	37.3%	37.9%	38.2%	36.6%	36.6 %
General and administrative and lease origination expenses	8.3%	7.8%	8.1%	7.2%	10.9 %
<b>Ratios:</b>					
Adjusted EBITDA / Interest expense (includes discontinued operations)	3.9x	3.8x	3.3x	3.5x	3.8x
Net income (loss) attributable to the controlling interests / Real estate rental revenue	2.2%	67.2%	414.6%	1.3%	(6.2)%

**Consolidated Balance Sheets**  
(In thousands, except per share data)  
(Unaudited)

	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Assets</b>					
Land	\$ 574,025	\$ 566,807	\$ 611,797	\$ 597,258	\$ 524,605
Income producing property	2,444,525	2,392,415	2,486,966	2,407,898	2,059,319
	<u>3,018,550</u>	<u>2,959,222</u>	<u>3,098,763</u>	<u>3,005,156</u>	<u>2,583,924</u>
Accumulated depreciation and amortization	(719,446)	(693,610)	(724,433)	(697,714)	(677,926)
Net income producing property	2,299,104	2,265,612	2,374,330	2,307,442	1,905,998
Properties under development or held for future development	89,791	124,193	110,572	107,969	97,288
Total real estate held for investment, net	2,388,895	2,389,805	2,484,902	2,415,411	2,003,286
Investment in real estate held for sale, net	57,028	57,028	—	199,865	201,777
Cash and cash equivalents	20,601	12,939	12,931	5,756	12,025
Restricted cash	634	1,812	1,578	1,650	1,368
Rents and other receivables	64,617	65,259	69,414	65,739	64,218
Prepaid expenses and other assets	84,722	95,149	106,251	113,434	109,215
Other assets related to properties sold or held for sale	6,123	6,336	—	16,242	16,578
Total assets	<u>\$ 2,622,620</u>	<u>\$ 2,628,328</u>	<u>\$ 2,675,076</u>	<u>\$ 2,818,097</u>	<u>\$ 2,408,467</u>
<b>Liabilities</b>					
Notes payable, net	\$ 997,075	\$ 996,722	\$ 996,455	\$ 1,445,444	\$ 995,750
Mortgage notes payable, net	—	47,074	47,319	47,563	47,806
Line of credit	148,000	56,000	211,000	218,000	228,000
Accounts payable and other liabilities	98,966	71,136	75,735	62,603	65,252
Dividend payable	—	24,668	—	—	—
Advance rents	8,681	9,353	9,475	8,801	8,818
Tenant security deposits	10,875	10,595	10,849	10,588	9,408
Other liabilities related to properties sold or held for sale	875	718	—	14,390	15,237
Total liabilities	<u>1,264,472</u>	<u>1,216,266</u>	<u>1,350,833</u>	<u>1,807,389</u>	<u>1,370,271</u>
<b>Equity</b>					
Preferred shares; \$0.01 par value; 10,000 shares authorized	—	—	—	—	—
Shares of beneficial interest, \$0.01 par value; 100,000 shares authorized	823	821	803	801	800
Additional paid-in capital	1,596,242	1,592,487	1,539,734	1,532,497	1,529,916
Distributions in excess of net income	(206,506)	(183,405)	(212,978)	(521,661)	(498,537)
Accumulated other comprehensive (loss) income	(32,744)	1,823	(3,659)	(1,272)	5,670
Total shareholders' equity	<u>1,357,815</u>	<u>1,411,726</u>	<u>1,323,900</u>	<u>1,010,365</u>	<u>1,037,849</u>
Noncontrolling interests in subsidiaries	333	336	343	343	347
Total equity	<u>1,358,148</u>	<u>1,412,062</u>	<u>1,324,243</u>	<u>1,010,708</u>	<u>1,038,196</u>
Total liabilities and equity	<u>\$ 2,622,620</u>	<u>\$ 2,628,328</u>	<u>\$ 2,675,076</u>	<u>\$ 2,818,097</u>	<u>\$ 2,408,467</u>

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

	Three Months Ended				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Funds from operations (FFO) <sup>(1)</sup></b>					
Net income (loss)	\$ 1,719	\$ 54,198	\$ 332,770	\$ 987	\$ (4,405)
Real estate depreciation and amortization	29,720	38,812	37,340	33,044	27,057
(Gain) loss on sale of depreciable real estate	—	(61,007)	—	1,046	—
Real estate impairment	—	—	—	—	8,374
Discontinued operations:					
Gain on sale of depreciable real estate	—	—	(339,024)	—	—
Real estate depreciation and amortization	—	—	59	2,377	2,490
<b>NAREIT funds from operations (FFO)</b>	<u>31,439</u>	<u>32,003</u>	<u>31,145</u>	<u>37,454</u>	<u>33,516</u>
(Gain) loss on extinguishment of debt	(468)	—	764	—	—
Restructuring expenses <sup>(2)</sup>	—	270	653	200	1,896
<b>Core FFO <sup>(1)</sup></b>	<u>\$ 30,971</u>	<u>\$ 32,273</u>	<u>\$ 32,562</u>	<u>\$ 37,654</u>	<u>\$ 35,412</u>
Allocation to participating securities <sup>(3)</sup>	(151)	(81)	(129)	(133)	(134)
NAREIT FFO per share - basic	\$ 0.38	\$ 0.39	\$ 0.39	\$ 0.47	\$ 0.42
NAREIT FFO per share - fully diluted	\$ 0.38	\$ 0.39	\$ 0.39	\$ 0.47	\$ 0.42
Core FFO per share - fully diluted	\$ 0.37	\$ 0.40	\$ 0.41	\$ 0.47	\$ 0.44
Common dividend per share	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
Average shares - basic	82,086	81,220	79,981	79,934	79,881
Average shares - fully diluted (for NAREIT FFO and Core FFO)	82,287	81,313	80,040	79,998	79,979

(1) See "Supplemental Definitions" on page 32 of this supplemental for the definitions of NAREIT FFO and Core FFO.

(2) Restructuring expenses include severance, accelerated share-based compensation and other expenses related to a restructuring of WashREIT personnel.

(3) 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				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Funds available for distribution (FAD) <sup>(1)</sup></b>					
<b>NAREIT FFO</b>	\$ 31,439	\$ 32,003	\$ 31,145	\$ 37,454	\$ 33,516
Non-cash (gain) loss on extinguishment of debt	(1,381)	—	(244)	—	—
Tenant improvements and incentives	(1,072)	(6,857)	(3,196)	(3,576)	(2,269)
External and internal leasing commissions capitalized	(529)	(2,700)	(1,243)	(1,925)	(503)
Recurring capital improvements	(988)	(4,345)	(1,034)	(1,049)	(318)
Straight-line rent, net	(663)	(763)	(713)	(966)	(824)
Non-cash fair value interest expense	(59)	(178)	(179)	(209)	(212)
Non-real estate depreciation and amortization of debt costs	942	1,030	1,654	1,320	1,001
Amortization of lease intangibles, net	457	504	528	573	578
Amortization and expensing of restricted share and unit compensation	1,778	1,479	1,737	1,701	2,826
<b>FAD</b>	<u>29,924</u>	<u>20,173</u>	<u>28,455</u>	<u>33,323</u>	<u>33,795</u>
Cash loss on extinguishment of debt	913	—	1,008	—	—
Restructuring expenses (excluding accelerated share-based compensation)	—	270	436	201	915
<b>Core FAD <sup>(1)</sup></b>	<u>\$ 30,837</u>	<u>\$ 20,443</u>	<u>\$ 29,899</u>	<u>\$ 33,524</u>	<u>\$ 34,710</u>

<sup>(1)</sup> See "Supplemental Definitions" on page 32 of this supplemental for the definitions of FAD and Core FAD.

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

	Three Months Ended				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Adjusted EBITDA <sup>(1)</sup></b>					
<b>Net income (loss)</b>	\$ 1,719	\$ 54,198	\$ 332,770	\$ 987	\$ (4,405)
Interest expense	10,845	11,788	14,228	15,390	12,641
Real estate depreciation and amortization	29,720	38,812	37,399	35,421	29,547
Real estate impairment	—	—	—	—	8,374
Non-real estate depreciation	238	276	250	244	249
Restructuring expenses	—	270	653	200	1,896
(Gain) loss on sale of depreciable real estate	—	(61,007)	(339,024)	1,046	—
(Gain) loss on extinguishment of debt	(468)	—	764	—	—
<b>Adjusted EBITDA</b>	<u>\$ 42,054</u>	<u>\$ 44,337</u>	<u>\$ 47,040</u>	<u>\$ 53,288</u>	<u>\$ 48,302</u>

<sup>(1)</sup> Adjusted EBITDA is earnings before interest expense, taxes, depreciation, amortization, gain/loss on sale of real estate, casualty gain/loss, real estate impairment, gain/loss on extinguishment of debt, restructuring expenses (which include severance, accelerated share-based compensation and other expenses related to a restructuring of corporate personnel), acquisition expenses 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, and the cost of debt or non-operating gains and losses. Adjusted EBITDA is a non-GAAP measure.

**Long Term Debt Analysis**  
(\$'s in thousands)

	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Balances Outstanding</b>					
<b>Secured</b>					
Mortgage note payable, net <sup>(1)</sup>	\$ —	\$ 47,074	\$ 47,319	\$ 58,039	\$ 58,805
<b>Unsecured</b>					
Fixed rate bonds	598,028	597,781	597,618	597,371	597,124
Term loans	399,047	398,941	398,837	848,073	398,626
Credit facility	148,000	56,000	211,000	218,000	228,000
Unsecured total	<u>1,145,075</u>	<u>1,052,722</u>	<u>1,207,455</u>	<u>1,663,444</u>	<u>1,223,750</u>
Total	<u>\$ 1,145,075</u>	<u>\$ 1,099,796</u>	<u>\$ 1,254,774</u>	<u>\$ 1,721,483</u>	<u>\$ 1,282,555</u>
<b>Weighted Average Interest Rates</b>					
<b>Secured</b>					
Mortgage note payable, net <sup>(1)</sup>	—%	3.8%	3.8%	4.0%	4.0%
<b>Unsecured</b>					
Fixed rate bonds	4.7%	4.7%	4.7%	4.7%	4.7%
Term loans <sup>(2)</sup>	2.8%	2.8%	2.8%	3.1%	2.8%
Credit facility	1.8%	2.7%	3.1%	3.4%	3.5%
Unsecured total	<u>3.7%</u>	<u>3.9%</u>	<u>3.8%</u>	<u>3.8%</u>	<u>3.9%</u>
Weighted Average	<u>3.7%</u>	<u>3.9%</u>	<u>3.8%</u>	<u>3.7%</u>	<u>3.9%</u>

<sup>(1)</sup> In January 2020, WashREIT prepaid the existing mortgage note associated with Yale West, resulting in a gain on extinguishment of debt of \$0.5 million.

<sup>(2)</sup> WashREIT has entered into interest rate swaps to effectively fix the floating interest rates on its term loans outstanding as of March 31, 2020 (see page [10](#) of this Supplemental).

Note: The current debt balances outstanding are shown net of discounts, premiums and unamortized debt costs (see page [10](#) of this Supplemental).

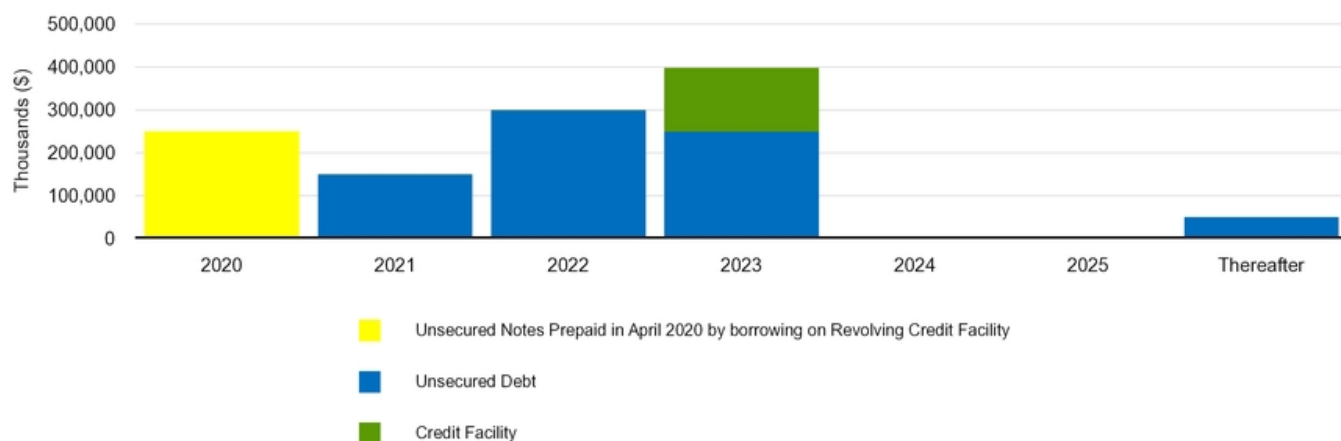


## Long Term Debt Maturities

(in thousands, except average interest rates)

March 31, 2020

### Debt Maturity Ladder



### Future Maturities of Debt

Year	Unsecured Debt	Credit Facility	Total Debt	Avg Interest Rate
2020	\$ 250,000 <sup>(1)</sup>	\$ —	\$ 250,000	5.1%
2021	150,000 <sup>(2)</sup>	—	150,000	2.7%
2022	300,000	—	300,000	4.0%
2023	250,000 <sup>(3)</sup>	148,000 <sup>(4)</sup>	398,000	2.5%
2024	—	—	—	—%
2025	—	—	—	—%
Thereafter	50,000	—	50,000	7.4%
Scheduled principal payments	\$ 1,000,000	\$ 148,000	\$ 1,148,000	3.7%
Net discounts/premiums	(699)	—	(699)	
Loan costs, net of amortization	(2,226)	—	(2,226)	
<b>Total maturities</b>	<b>\$ 997,075</b>	<b>\$ 148,000</b>	<b>\$ 1,145,075</b>	<b>3.7%</b>

Weighted average maturity = 2.9 years

<sup>(1)</sup> In April 2020, WashREIT prepaid without penalty the \$250.0 million of 4.95% Senior Notes scheduled to mature in October 2020 using borrowings on our Revolving Credit Facility.

<sup>(2)</sup> WashREIT entered into interest rate swaps to effectively fix a LIBOR plus 110 basis points floating interest rate to a 2.72% all-in fixed interest rate through the term loan maturity of March 2021.

<sup>(3)</sup> WashREIT entered into interest rate swaps to effectively fix a LIBOR plus 110 basis points floating interest rate to a 2.31% all-in fixed interest rate for \$150.0 million portion of the term loan. For the remaining \$100.0 million portion of the term loan, WashREIT entered into interest rate swaps to effectively fix a LIBOR plus 100 basis points floating interest rate to a 3.71% all-in fixed interest rate. The interest rates are fixed through the term loan maturity of July 2023.

<sup>(4)</sup> Maturity date for credit facility of March 2023 assumes election of option for two additional 6-month periods.

## Debt Covenant Compliance

	Unsecured Notes Payable		Unsecured Line of Credit and Term Loans	
	Quarter Ended March 31, 2020	Covenant	Quarter Ended March 31, 2020	Covenant
% of Total Indebtedness to Total Assets <sup>(1)</sup>	38.2%	≤ 65.0%	N/A	N/A
Ratio of Income Available for Debt Service to Annual Debt Service	3.8	≥ 1.5	N/A	N/A
% of Secured Indebtedness to Total Assets <sup>(1)</sup>	—%	≤ 40.0%	N/A	N/A
Ratio of Total Unencumbered Assets <sup>(2)</sup> to Total Unsecured Indebtedness	2.6	≥ 1.5	N/A	N/A
% of Net Consolidated Total Indebtedness to Consolidated Total Asset Value <sup>(3)</sup>	N/A	N/A	32.9%	≤ 60.0%
Ratio of Consolidated Adjusted EBITDA <sup>(4)</sup> to Consolidated Fixed Charges <sup>(5)</sup>	N/A	N/A	3.75	≥ 1.50
% of Consolidated Secured Indebtedness to Consolidated Total Asset Value <sup>(3)</sup>	N/A	N/A	—%	≤ 40.0%
% of Consolidated Unsecured Indebtedness to Unencumbered Pool Value <sup>(6)</sup>	N/A	N/A	32.9%	≤ 60.0%
Ratio of Unencumbered Adjusted Net Operating Income to Consolidated Unsecured Interest Expense	N/A	N/A	4.42	≥ 1.75

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

(3) Consolidated Total Asset Value is the sum of unrestricted cash plus the quotient of applying a capitalization rate to the annualized NOI from the most recently ended quarter for each asset class, excluding NOI from disposed properties, acquisitions during the past 6 quarters, development, major redevelopment and low occupancy properties. To this amount, we add the purchase price of acquisitions during the past 6 quarters plus values for development, major redevelopment and low occupancy properties.

(4) Consolidated Adjusted EBITDA is defined as earnings before noncontrolling interests, depreciation, amortization, interest expense, income tax expense, acquisition costs, extraordinary, unusual or nonrecurring transactions including sale of assets, impairment, gains and losses on extinguishment of debt and other non-cash charges.

(5) Consolidated Fixed Charges consist of interest expense excluding capitalized interest and amortization of deferred financing costs, principal payments and preferred dividends, if any.

(6) Unencumbered Pool Value is the sum of unrestricted cash plus the quotient of applying a capitalization rate to the annualized NOI from unencumbered properties from the most recently ended quarter for each asset class excluding NOI from disposed properties, acquisitions during the past 6 quarters, development, major redevelopment and low occupancy properties. To this we add the purchase price of unencumbered acquisitions during the past 6 quarters and values for unencumbered development, major redevelopment and low occupancy properties.

**Capital Analysis**  
(In thousands, except per share amounts)

	Three Months Ended				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Market Data</b>					
Shares Outstanding	82,315	82,099	80,292	80,082	80,029
Market Price per Share	\$ 23.87	\$ 29.18	\$ 27.36	\$ 26.73	\$ 28.38
Equity Market Capitalization	\$ 1,964,859	\$ 2,395,649	\$ 2,196,789	\$ 2,140,592	\$ 2,271,223
Total Debt	\$ 1,145,075	\$ 1,099,796	\$ 1,254,774	\$ 1,721,483	\$ 1,282,555
Total Market Capitalization	\$ 3,109,934	\$ 3,495,445	\$ 3,451,563	\$ 3,862,075	\$ 3,553,778
Total Debt to Market Capitalization	0.37:1	0.31:1	0.36:1	0.45:1	0.36:1
Earnings to Fixed Charges <sup>(1)</sup>	1.1x	5.2x	0.4x	0.6x	0.2x
Debt Service Coverage Ratio <sup>(2)</sup>	3.9x	3.7x	3.2x	3.3x	3.6x
<b>Dividend Data</b>					
	Three Months Ended				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Total Dividends Declared	\$ 24,820	\$ 24,625	\$ 24,087	\$ 24,111	\$ 24,141
Common Dividend Declared per Share	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
Payout Ratio (Core FFO basis)	81.1%	75.0%	73.2%	63.8%	68.2%
Payout Ratio (Core FAD basis)	81.1%				69.8%

<sup>(1)</sup> 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. The earnings to fixed charges ratio for the three months ended December 31, 2019 and September 30, 2019 include gains on sale of real estate of \$61.0 million and \$339.0 million, respectively.

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

**Same-Store Portfolio Net Operating Income (NOI) Growth**  
2020 vs. 2019

	Three Months Ended March 31,		
	2020	2019	% Change
<b>Cash Basis:</b>			
Multifamily	\$ 15,883	\$ 14,869	6.8 %
Office	21,011	22,385	(6.1)%
Other <sup>(2)</sup>	3,115	3,218	(3.2)%
<b>Overall Same-Store Portfolio <sup>(1)</sup></b>	<b>\$ 40,009</b>	<b>\$ 40,472</b>	<b>(1.1)%</b>
<b>GAAP Basis:</b>			
Multifamily	\$ 15,877	\$ 14,865	6.8 %
Office	21,247	22,756	(6.6)%
Other <sup>(2)</sup>	3,207	3,357	(4.5)%
<b>Overall Same-Store Portfolio <sup>(1)</sup></b>	<b>\$ 40,331</b>	<b>\$ 40,978</b>	<b>(1.6)%</b>

<sup>(1)</sup> Non same-store properties were:

Acquisitions:

Multifamily - Assembly Alexandria, Assembly Manassas, Assembly Dulles, Assembly Leesburg, Assembly Herndon, Assembly Germantown, Assembly Watkins Mill and Cascade at Landmark

Development:

Multifamily - The Trove

Held for sale:

Office - John Marshall II

Sold properties:

Office - Quantico Corporate Center and 1776 G Street

Discontinued operations:

Retail - Wheaton Park, Bradlee Shopping Center, Shoppes at Foxchase, Gateway Overlook, Olney Village Center, Frederick County Square, Centre at Hagerstown and Frederick Crossing

<sup>(2)</sup> Consists of retail centers not classified as discontinued operations: Takoma Park, Westminster, Concord Centre, Chevy Chase Metro Plaza, 800 S. Washington Street, Randolph Shopping Center, Montrose Shopping Center and Spring Valley Village.

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

	Three Months Ended March 31, 2020			
	Multifamily	Office	Corporate and Other <sup>(1)</sup>	Total
Real estate rental revenue				
Same-store portfolio	\$ 25,104	\$ 33,881	\$ 4,544	\$ 63,529
Non same-store <sup>(1)</sup>	11,474	1,789	—	13,263
Total	36,578	35,670	4,544	76,792
Real estate expenses				
Same-store portfolio	9,227	12,634	1,337	23,198
Non same-store <sup>(1)</sup>	4,758	683	—	5,441
Total	13,985	13,317	1,337	28,639
Net Operating Income (NOI)				
Same-store portfolio	15,877	21,247	3,207	40,331
Non same-store <sup>(1)</sup>	6,716	1,106	—	7,822
Total	\$ 22,593	\$ 22,353	\$ 3,207	\$ 48,153
Same-store portfolio NOI (from above)	\$ 15,877	\$ 21,247	\$ 3,207	\$ 40,331
Straight-line revenue, net for same-store properties	5	(654)	18	(631)
Amortization of acquired lease assets (liabilities) for same-store properties	1	(30)	(127)	(156)
Amortization of lease intangibles for same-store properties	—	448	17	465
Same-store portfolio cash NOI	\$ 15,883	\$ 21,011	\$ 3,115	\$ 40,009
Reconciliation of NOI to net income				
Total NOI	\$ 22,593	\$ 22,353	\$ 3,207	\$ 48,153
Depreciation and amortization	(13,961)	(14,354)	(1,405)	(29,720)
General and administrative expenses	—	—	(6,337)	(6,337)
Interest expense	(172)	—	(10,673)	(10,845)
Gain on extinguishment of debt	—	—	468	468
Net income	8,460	7,999	(14,740)	1,719
Net income attributable to noncontrolling interests	—	—	—	—
Net income attributable to the controlling interests	\$ 8,460	\$ 7,999	\$ (14,740)	\$ 1,719

<sup>(1)</sup> For a list of non-same-store and other properties, see page 13 of this Supplemental.

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

	Three Months Ended December 31, 2019			
	Multifamily	Office	Corporate and Other <sup>(1)</sup>	Total
Real estate rental revenue				
Same-store portfolio	\$ 24,923	\$ 34,931	\$ 4,653	\$ 64,507
Non same-store <sup>(1)</sup>	11,196	4,964	—	16,160
Total	36,119	39,895	4,653	80,667
Real estate expenses				
Same-store portfolio	9,438	13,046	1,418	23,902
Non same-store <sup>(1)</sup>	4,769	1,940	—	6,709
Total	14,207	14,986	1,418	30,611
Net Operating Income (NOI)				
Same-store portfolio	15,485	21,885	3,235	40,605
Non same-store <sup>(1)</sup>	6,427	3,024	—	9,451
Total	\$ 21,912	\$ 24,909	\$ 3,235	\$ 50,056
Same-store portfolio NOI (from above)	\$ 15,485	\$ 21,885	\$ 3,235	\$ 40,605
Straight-line revenue, net for same-store properties	28	(604)	(23)	(599)
Amortization of acquired lease assets (liabilities) for same-store properties	—	(95)	(126)	(221)
Amortization of lease intangibles for same-store properties	—	548	11	559
Same-store portfolio cash NOI	\$ 15,513	\$ 21,734	\$ 3,097	\$ 40,344
Reconciliation of NOI to net income				
Total NOI	\$ 21,912	\$ 24,909	\$ 3,235	\$ 50,056
Depreciation and amortization <sup>(2)</sup>	(20,991)	(16,459)	(1,362)	(38,812)
General and administrative expenses	—	—	(6,265)	(6,265)
Interest expense	(516)	—	(11,272)	(11,788)
Loss on sale of real estate	—	—	61,007	61,007
Income from continuing operations	405	8,450	45,343	54,198
Discontinued operations:				
Income from operations of properties classified as discontinued operations <sup>(1)</sup>	—	—	—	—
Net income	405	8,450	45,343	54,198
Net income attributable to noncontrolling interests	—	—	—	—
Net income attributable to controlling interests	\$ 405	\$ 8,450	\$ 45,343	\$ 54,198

<sup>(1)</sup> For a list of non-same-store, discontinued operations and other properties, see page 13 of this Supplemental.

<sup>(2)</sup> Depreciation and amortization includes \$3.9 million at the Assembly Portfolio related to amortization of intangible lease assets, which have a weighted average useful life of seven months.

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

	Three Months Ended March 31, 2019			
	Multifamily	Office	Corporate and Other <sup>(1)</sup>	Total
Real estate rental revenue				
Same-store portfolio	\$ 24,335	\$ 35,512	\$ 4,806	\$ 64,653
Non same-store <sup>(1)</sup>	—	6,781	—	6,781
Total	24,335	42,293	4,806	71,434
Real estate expenses				
Same-store portfolio	9,470	12,756	1,449	23,675
Non same-store <sup>(1)</sup>	—	2,468	—	2,468
Total	9,470	15,224	1,449	26,143
Net Operating Income (NOI)				
Same-store portfolio	14,865	22,756	3,357	40,978
Non same-store <sup>(1)</sup>	—	4,313	—	4,313
Total	\$ 14,865	\$ 27,069	\$ 3,357	\$ 45,291
Same-store portfolio NOI (from above)	\$ 14,865	\$ 22,756	\$ 3,357	\$ 40,978
Straight-line revenue, net for same-store properties	3	(877)	(4)	(878)
Amortization of acquired lease assets (liabilities) for same-store properties	1	(83)	(144)	(226)
Amortization of lease intangibles for same-store properties	—	589	9	598
Same-store portfolio cash NOI	\$ 14,869	\$ 22,385	\$ 3,218	\$ 40,472
Reconciliation of NOI to net income				
Total NOI	\$ 14,865	\$ 27,069	\$ 3,357	\$ 45,291
Depreciation and amortization	(8,354)	(17,265)	(1,438)	(27,057)
General and administrative expenses	—	—	(7,807)	(7,807)
Interest expense	(521)	—	(11,975)	(12,496)
Real estate impairment	—	—	(8,374)	(8,374)
Income (loss) from continuing operations	5,990	9,804	(26,237)	(10,443)
Discontinued operations:				
Income from operations of properties classified as discontinued operations <sup>(1)</sup>	—	—	6,038	6,038
Net income (loss)	5,990	9,804	(20,199)	(4,405)
Net income attributable to noncontrolling interests	—	—	—	—
Net income (loss) attributable to the controlling interests	\$ 5,990	\$ 9,804	\$ (20,199)	\$ (4,405)

<sup>(1)</sup> For a list of non-same-store, discontinued operations and other properties, see page 13 of this Supplemental.

## Net Operating Income (NOI) by Region

	<b>Percentage of NOI</b>
	<b>Q1 2020</b>
<b>DC</b>	
Multifamily	6.8 %
Office	21.1 %
Other <sup>(1)</sup>	2.2 %
	<hr/>
	<b>30.1 %</b>
<b>Maryland</b>	
Multifamily	4.1 %
Other <sup>(1)</sup>	2.9 %
	<hr/>
	<b>7.0 %</b>
<b>Virginia</b>	
Multifamily	36.0 %
Office	25.3 %
Other <sup>(1)</sup>	1.6 %
	<hr/>
	<b>62.9 %</b>
<b>Total Portfolio</b>	<b>100.0 %</b>



**Net Operating Income (NOI) - Multifamily**  
(Dollars In thousands)

	Apartment Units as of 3/31/2020	Three Months Ended				3/31/2019
		3/31/2020	12/31/2019	9/30/2019	6/30/2019	
<b>Rental and other property revenues</b>						
Same-store <sup>(1)</sup>	4,268	\$ 25,104	\$ 24,923	\$ 24,763	\$ 24,434	\$ 24,335
Non same-store						
Acquisitions <sup>(2)</sup>	2,390	11,437	11,174	11,014	5,453	—
Development <sup>(3)</sup>	401	37	22	13	—	—
<b>Total rental and other property revenues</b>	<b>7,059</b>	<b>36,578</b>	<b>36,119</b>	<b>35,790</b>	<b>29,887</b>	<b>24,335</b>
<b>Property operating expenses</b>						
Same-store		9,227	9,438	9,730	9,179	9,470
Non same-store						
Acquisitions		4,511	4,717	4,477	2,047	—
Development		247	52	25	—	—
<b>Total property operating expenses</b>		<b>13,985</b>	<b>14,207</b>	<b>14,232</b>	<b>11,226</b>	<b>9,470</b>
<b>Net Operating Income (NOI)</b>						
Same-store		15,877	15,485	15,033	15,255	14,865
Non same-store						
Acquisitions		6,926	6,457	6,537	3,406	—
Development		(210)	(30)	(12)	—	—
<b>Total NOI</b>		<b>\$ 22,593</b>	<b>\$ 21,912</b>	<b>\$ 21,558</b>	<b>\$ 18,661</b>	<b>\$ 14,865</b>
<b>Same-store metrics</b>						
Retention <sup>(4)</sup>		55%	55%	56%	54%	54%

<sup>(1)</sup> Includes 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.

<sup>(2)</sup> Includes properties that were acquired within the years being compared. The property is categorized as same-store when it has been ready for its intended use for the entirety of the years being compared.

<sup>(3)</sup> Include development properties as those for which we have planned or ongoing major construction activities on existing or acquired land pursuant to an authorized development plan. We consider a property's development activities to be complete when the property is ready for its intended use. The property is categorized as same-store when it has been ready for its intended use for the entirety of the years being compared. As of March 31, 2020, 121 of the 401 units in development were delivered.

<sup>(4)</sup> Represents the percentage of Same-store property leases renewed that were set to expire in the period presented.

**Same-Store Operating Results - Multifamily**  
*(Dollars in thousands, except Average Effective Monthly Rent per Unit)*

Quarter-to-Date Comparison	Apt Units	Rental and Other Property Revenue			Property Operating Expenses			Net Operating Income			Average Occupancy			Average Effective Monthly Rent per Unit		
		Q1 20	Q1 19	% Change	Q1 20	Q1 19	% Change	Q1 20	Q1 19	% Change	Q1 20	Q1 19	% Change	Q1 20	Q1 19	% Change
Total/Weighted Average	4,268	\$25,104	\$24,335	3.2%	\$9,227	\$9,470	(2.6)%	\$15,877	\$14,865	6.8%	95.6%	95.4%	0.2%	\$1,830	\$1,770	3.4%

Sequential Comparison	Apt Units	Rental and Other Property Revenue			Property Operating Expenses			Net Operating Income			Average Occupancy			Average Effective Monthly Rent per Unit		
		Q1 20	Q4 19	% Change	Q1 20	Q4 19	% Change	Q1 20	Q4 19	% Change	Q1 20	Q4 19	% Change	Q1 20	Q4 19	% Change
Total/Weighted Average	4,268	\$25,104	\$24,923	0.7%	\$9,227	\$9,438	(2.2)%	\$15,877	\$15,485	2.5%	95.6%	94.9%	0.7%	\$1,830	\$1,822	0.4%

**Same-Store Operating Expenses - Multifamily**  
*(In thousands)*

<b>Quarter-to-Date Comparison</b>	<b>Q1 2020</b>	<b>Q1 2019</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% of Q1 2020 Total</b>
Controllable <sup>(1)</sup>	\$ 4,330	\$ 4,409	\$ (79)	(1.8)%	46.9%
Non-Controllable <sup>(2)</sup>	4,897	5,061	(164)	(3.2)%	53.1%
<b>Total same-store operating expenses</b>	<b>\$ 9,227</b>	<b>\$ 9,470</b>	<b>\$ (243)</b>	<b>(2.6)%</b>	<b>100.0%</b>

<b>Sequential Comparison</b>	<b>Q1 2020</b>	<b>Q4 2019</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% of Q1 2020 Total</b>
Controllable	\$ 4,330	\$ 4,740	\$ (410)	(8.6)%	46.9%
Non-Controllable	4,897	4,698	199	4.2 %	53.1%
<b>Total same-store operating expenses</b>	<b>\$ 9,227</b>	<b>\$ 9,438</b>	<b>\$ (211)</b>	<b>(2.2)%</b>	<b>100.0%</b>

<sup>(1)</sup> Controllable operating expenses consist of:  
 Payroll, Repairs & Maintenance, Marketing, Administrative and other

<sup>(2)</sup> Non-Controllable operating expenses consist of:  
 Third-party Fees, Utilities, Insurance, and Real Estate Taxes

## Same-Store Portfolio and Overall Average Occupancy Levels by Sector

Sector	Average Occupancy - Same-Store Properties <sup>(1) (2)</sup>				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Multifamily	95.6%	94.9%	95.0%	95.4%	95.4%
Office	87.2%	88.2%	89.3%	89.7%	90.1%
Other <sup>(3)</sup>	91.0%	89.6%	88.9%	88.8%	89.7%
<b>Overall Portfolio</b>	<b>91.7%</b>	<b>91.6%</b>	<b>92.1%</b>	<b>92.6%</b>	<b>92.7%</b>

Sector	Average Occupancy - All Properties <sup>(2)</sup>				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Multifamily <sup>(4)</sup>	90.0%	94.8%	95.0%	95.4%	95.4%
Office	88.1%	89.5%	90.8%	89.7%	89.6%
Other <sup>(3)</sup> and discontinued operations	91.0%	89.6%	89.5%	91.5%	91.7%
<b>Overall Portfolio <sup>(5)</sup></b>	<b>90.0%</b>	<b>92.6%</b>	<b>92.5%</b>	<b>92.9%</b>	<b>92.3%</b>

<sup>(1)</sup> Non same-store properties were:

Acquisitions:

Multifamily - Assembly Alexandria, Assembly Manassas, Assembly Dulles, Assembly Leesburg, Assembly Herndon, Assembly Germantown, Assembly Watkins Mill and Cascade at Landmark

Development:

Multifamily - The Trove

Held for sale:

Office - John Marshall II

Sold properties:

Office - Quantico Corporate Center and 1776 G Street

Discontinued operations:

Retail - Wheaton Park, Bradlee Shopping Center, Shoppes at Foxchase, Gateway Overlook, Olney Village Center, Frederick County Square, Centre at Hagerstown and Frederick Crossing

<sup>(2)</sup> Average occupancy is based on monthly occupied net rentable square footage as a percentage of total net rentable square footage, except for the rows labeled "Multifamily," on which average occupancy is based on average monthly occupied units as a percentage of total units. The square footage for multifamily properties only includes residential space. The occupied square footage for office and other properties includes short-term lease agreements.

<sup>(3)</sup> Consists of retail centers not classified as discontinued operations: Takoma Park, Westminster, Concord Centre, Chevy Chase Metro Plaza, 800 S. Washington Street, Randolph Shopping Center, Montrose Shopping Center and Spring Valley Village.

<sup>(4)</sup> Multifamily average occupancy for the three months ended March 31, 2020 declined due to the addition of the total rentable units at the Trove, which began to lease-up in the first quarter of 2020.

<sup>(5)</sup> Average occupancy based on monthly occupied net rentable square footage excludes the Assembly Portfolio and Cascade at Landmark for the 2019 periods.

## Same-Store Portfolio and Overall Ending Occupancy Levels by Sector

Sector	Ending Occupancy - Same-Store Properties <sup>(1) (2)</sup>				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Multifamily	95.3%	95.0%	95.1%	95.2%	95.5%
Office	87.2%	88.8%	88.7%	89.2%	89.9%
Other <sup>(3)</sup>	91.1%	90.9%	89.0%	88.7%	90.0%
<b>Overall Portfolio</b>	<b>91.6%</b>	<b>92.0%</b>	<b>91.9%</b>	<b>92.4%</b>	<b>92.7%</b>

Sector	Ending Occupancy - All Properties <sup>(2)</sup>				
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Multifamily <sup>(4)</sup>	89.9%	94.9%	95.0%	95.3%	95.5%
Office	88.1%	89.6%	90.3%	90.7%	89.6%
Other <sup>(3)</sup> and discontinued operations	91.1%	90.9%	89.0%	91.5%	91.9%
<b>Overall Portfolio</b>	<b>89.9%</b>	<b>92.8%</b>	<b>93.0%</b>	<b>93.1%</b>	<b>92.3%</b>

<sup>(1)</sup> Non same-store properties were:

Acquisitions:

Multifamily - Assembly Alexandria, Assembly Manassas, Assembly Dulles, Assembly Leesburg, Assembly Herndon, Assembly Germantown, Assembly Watkins Mill and Cascade at Landmark

Development:

Multifamily - The Trove

Held for sale:

Office - John Marshall II

Sold properties:

Office - Quantico Corporate Center and 1776 G Street

Discontinued operations:

Retail - Wheaton Park, Bradlee Shopping Center, Shoppes at Foxchase, Gateway Overlook, Olney Village Center, Frederick County Square, Centre at Hagerstown and Frederick Crossing

<sup>(2)</sup> Ending occupancy is calculated as occupied square footage as a percentage of total square footage as of the last day of that period, except for the rows labeled "Multifamily," on which ending occupancy is calculated as occupied units as a percentage of total available units as of the last day of that period. The occupied square footage for office and other properties includes short-term lease agreements.

<sup>(3)</sup> Consists of retail centers not classified as discontinued operations: Takoma Park, Westminster, Concord Centre, Chevy Chase Metro Plaza, 800 S. Washington Street, Randolph Shopping Center, Montrose Shopping Center and Spring Valley Village.

<sup>(4)</sup> Multifamily ending occupancy for the three months ended March 31, 2020 declined due to the addition of the total rentable units at the Trove, which began to lease-up in the first quarter of 2020.

**Development Summary**

March 31, 2020

**Development**

Property and Location	Total Rentable Square Feet or # of Units	Anticipated Total Cash Cost <sup>(1)</sup> (in thousands)	Cash Cost to Date <sup>(1)</sup> (in thousands)	Initial Occupancy
Trove (Wellington land parcel), Arlington, VA	401 units	\$ 123,000	\$ 102,126	Phase I - first quarter 2020 <sup>(2)</sup> Phase II - fourth quarter 2020 <sup>(2)</sup>

(1) Represents anticipated/actual cash expenditures and excludes allocations of capitalized corporate overhead costs and interest.

(2) This development project has two phases: Phase I consists of 203 units and a ten-level garage. In February 2020, leasing commenced with the first deliveries of Phase I units and the completion of the ten-level garage. Phase II consists of 198 units, with delivery of units anticipated to commence in the fourth quarter of 2020.

## Commercial Leasing Summary - New Leases

	1st Quarter 2020		4th Quarter 2019		3rd Quarter 2019		2nd Quarter 2019		1st Quarter 2019	
<b>Gross Leasing Square Footage</b>										
Office Buildings	45,976		46,286		35,364		32,073		89,713	
Retail Centers	15,392		8,466		4,624		69,170		48,663	
<b>Total</b>	<b>61,368</b>		<b>54,752</b>		<b>39,988</b>		<b>101,243</b>		<b>138,376</b>	
<b>Weighted Average Term (years)</b>										
Office Buildings	4.4		7.8		9.0		6.6		13.7	
Retail Centers	5.5		14.9		3.8		10.3		6.5	
<b>Total</b>	<b>4.7</b>		<b>8.9</b>		<b>9.2</b>		<b>9.2</b>		<b>11.1</b>	
<b>Weighted Average Free Rent Period (months)</b>										
Office Buildings	1.1		6.9		9.4		3.0		1.7	
Retail Centers	1.1		6.4		3.0		1.6		1.8	
<b>Total</b>	<b>1.1</b>		<b>6.8</b>		<b>8.8</b>		<b>2.5</b>		<b>1.7</b>	
<b>Rental Rate Increases:</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>
<b>Rate on expiring leases</b>										
Office Buildings	\$ 43.39	\$ 43.12	\$ 43.09	\$ 43.81	\$ 42.68	\$ 43.70	\$ 46.75	\$ 46.32	\$ 49.40	\$ 48.68
Retail Centers	17.96	17.90	60.79	50.44	40.59	38.41	10.36	10.04	11.63	11.42
<b>Total</b>	<b>\$ 37.01</b>	<b>\$ 36.80</b>	<b>\$ 45.83</b>	<b>\$ 44.83</b>	<b>\$ 42.44</b>	<b>\$ 43.09</b>	<b>\$ 21.89</b>	<b>\$ 21.54</b>	<b>\$ 36.11</b>	<b>\$ 35.58</b>
<b>Rate on new leases</b>										
Office Buildings	\$ 47.20	\$ 45.37	\$ 57.63	\$ 52.52	\$ 52.20	\$ 47.09	\$ 51.02	\$ 47.15	\$ 62.31	\$ 53.02
Retail Centers	21.31	19.36	61.86	51.03	40.59	38.41	11.86	11.08	12.11	11.73
<b>Total</b>	<b>\$ 40.71</b>	<b>\$ 38.85</b>	<b>\$ 58.28</b>	<b>\$ 52.29</b>	<b>\$ 50.86</b>	<b>\$ 46.09</b>	<b>\$ 24.26</b>	<b>\$ 22.51</b>	<b>\$ 44.66</b>	<b>\$ 38.50</b>
<b>Percentage Increase</b>										
Office Buildings	8.8 %	5.2 %	33.7 %	19.9 %	22.3 %	7.8 %	9.1 %	1.8 %	26.1 %	8.9 %
Retail Centers	18.7 %	8.2 %	1.8 %	1.2 %	— %	— %	14.5 %	10.4 %	4.1 %	2.7 %
<b>Total</b>	<b>10.0 %</b>	<b>5.6 %</b>	<b>27.2 %</b>	<b>16.6 %</b>	<b>19.8 %</b>	<b>7.0 %</b>	<b>10.8 %</b>	<b>4.5 %</b>	<b>23.7 %</b>	<b>8.2 %</b>
	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>
<b>Tenant Improvements</b>										
Office Buildings	\$ 480,677	\$ 10.45	\$ 3,234,510	\$ 69.88	\$ 2,545,774	\$ 71.99	\$ 1,628,785	\$ 50.78	\$ 16,333,084	\$ 182.06
Retail Centers	9,000	0.58	1,075,385	127.02	—	—	1,260,945	18.23	910,870	18.72
<b>Subtotal</b>	<b>\$ 489,677</b>	<b>\$ 7.98</b>	<b>\$ 4,309,895</b>	<b>\$ 78.71</b>	<b>\$ 2,545,774</b>	<b>\$ 63.66</b>	<b>\$ 2,889,730</b>	<b>\$ 28.54</b>	<b>\$ 17,243,954</b>	<b>\$ 124.62</b>
<b>Leasing Commissions</b>										
Office Buildings	\$ 240,732	\$ 5.24	\$ 1,172,922	\$ 25.34	\$ 944,177	\$ 26.70	\$ 560,319	\$ 17.47	\$ 3,499,600	\$ 39.01
Retail Centers	95,055	6.18	360,543	42.59	31,238	6.76	354,914	5.13	271,023	5.57
<b>Subtotal</b>	<b>\$ 335,787</b>	<b>\$ 5.47</b>	<b>\$ 1,533,465</b>	<b>\$ 28.01</b>	<b>\$ 975,415</b>	<b>\$ 24.39</b>	<b>\$ 915,233</b>	<b>\$ 9.04</b>	<b>\$ 3,770,623</b>	<b>\$ 27.25</b>
<b>Tenant Improvements and Leasing Commissions</b>										
Office Buildings	\$ 721,409	\$ 15.69	\$ 4,407,432	\$ 95.22	\$ 3,489,951	\$ 98.69	\$ 2,189,104	\$ 68.25	\$ 19,832,684	\$ 221.07
Retail Centers	104,055	6.76	1,435,928	169.61	31,238	6.76	1,615,859	23.36	1,181,893	24.29
<b>Total</b>	<b>\$ 825,464</b>	<b>\$ 13.45</b>	<b>\$ 5,843,360</b>	<b>\$ 106.72</b>	<b>\$ 3,521,189</b>	<b>\$ 88.05</b>	<b>\$ 3,804,963</b>	<b>\$ 37.58</b>	<b>\$ 21,014,577</b>	<b>\$ 151.87</b>

Note: This table excludes short-term lease agreements and activity at properties sold during the quarter. The cost of landlord build-out on Space+ leases executed in Q1 2020 that are excluded from Tenant Improvements in the table above totaled \$1.1 million.

## Commercial Leasing Summary - Renewal Leases

	1st Quarter 2020		4th Quarter 2019		3rd Quarter 2019		2nd Quarter 2019		1st Quarter 2019	
<b>Gross Leasing Square Footage</b>										
Office Buildings	42,574		56,811		15,936		52,016		85,831	
Retail Centers	19,350		8,193		11,145		115,275		40,059	
<b>Total</b>	<b>61,924</b>		<b>65,004</b>		<b>27,081</b>		<b>167,291</b>		<b>125,890</b>	
<b>Weighted Average Term (years)</b>										
Office Buildings	3.7		8.7		3.9		10.6		9.8	
Retail Centers	7.1		5.0		7.8		8.9		3.5	
<b>Total</b>	<b>4.8</b>		<b>8.2</b>		<b>5.5</b>		<b>9.4</b>		<b>7.7</b>	
<b>Weighted Average Free Rent Period (months)</b>										
Office Buildings	1.2		6.5		1.5		10.6		10.9	
Retail Centers	0.1		1.1		—		—		—	
<b>Total</b>	<b>1.0</b>		<b>5.8</b>		<b>0.9</b>		<b>5.3</b>		<b>8.4</b>	
<b>Rental Rate Increases:</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>	<b>GAAP</b>	<b>CASH</b>
<b>Rate on expiring leases</b>										
Office Buildings	\$ 43.46	\$ 44.70	\$ 37.12	\$ 37.67	\$ 44.38	\$ 46.25	\$ 37.41	\$ 42.49	\$ 43.51	\$ 43.44
Retail Centers	19.88	20.96	36.13	38.30	31.30	32.75	14.00	14.35	26.31	27.67
<b>Total</b>	<b>\$ 36.09</b>	<b>\$ 37.28</b>	<b>\$ 37.00</b>	<b>\$ 37.75</b>	<b>\$ 39.00</b>	<b>\$ 40.70</b>	<b>\$ 21.28</b>	<b>\$ 23.10</b>	<b>\$ 37.71</b>	<b>\$ 38.13</b>
<b>Rate on new leases</b>										
Office Buildings	\$ 46.39	\$ 45.00	\$ 47.03	\$ 42.21	\$ 51.27	\$ 49.29	\$ 38.68	\$ 34.16	\$ 45.95	\$ 43.25
Retail Centers	21.73	20.64	39.33	38.06	42.24	40.38	16.13	15.32	29.40	28.18
<b>Total</b>	<b>\$ 38.69</b>	<b>\$ 37.39</b>	<b>\$ 46.06</b>	<b>\$ 41.69</b>	<b>\$ 47.55</b>	<b>\$ 45.62</b>	<b>\$ 23.14</b>	<b>\$ 21.18</b>	<b>\$ 40.37</b>	<b>\$ 38.17</b>
<b>Percentage Increase</b>										
Office Buildings	6.7 %	0.7 %	26.7 %	12.1 %	15.5 %	6.6 %	3.4 %	(19.6)%	5.6 %	(0.4)%
Retail Centers	9.3 %	(1.5)%	8.9 %	(0.6)%	35.0 %	23.3 %	15.2 %	6.8 %	11.8 %	1.8 %
<b>Total</b>	<b>7.2 %</b>	<b>0.3 %</b>	<b>24.5 %</b>	<b>10.4 %</b>	<b>21.9 %</b>	<b>12.1 %</b>	<b>8.7 %</b>	<b>(8.3)%</b>	<b>7.0 %</b>	<b>0.1 %</b>
	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>	<b>Total Dollars</b>	<b>\$ per Sq Ft</b>
<b>Tenant Improvements</b>										
Office Buildings	\$ 79,005	\$ 1.86	\$ 2,101,721	\$ 36.99	\$ 23,882	\$ 1.50	\$ 3,663,033	\$ 70.42	\$ 1,684,478	\$ 19.63
Retail Centers	125,447	6.48	—	—	—	—	—	—	18,132	0.45
<b>Subtotal</b>	<b>\$ 204,452</b>	<b>\$ 3.30</b>	<b>\$ 2,101,721</b>	<b>\$ 32.33</b>	<b>\$ 23,882</b>	<b>\$ 0.88</b>	<b>\$ 3,663,033</b>	<b>\$ 21.90</b>	<b>\$ 1,702,610</b>	<b>\$ 13.52</b>
<b>Leasing Commissions</b>										
Office Buildings	\$ 209,309	\$ 4.92	\$ 1,144,764	\$ 20.15	\$ 101,139	\$ 6.35	\$ 970,622	\$ 18.66	\$ 421,795	\$ 4.91
Retail Centers	34,498	1.78	20,099	2.45	34,664	3.11	267,317	2.32	39,969	1.00
<b>Subtotal</b>	<b>\$ 243,807</b>	<b>\$ 3.94</b>	<b>\$ 1,164,863</b>	<b>\$ 17.92</b>	<b>\$ 135,803</b>	<b>\$ 5.01</b>	<b>\$ 1,237,939</b>	<b>\$ 7.40</b>	<b>\$ 461,764</b>	<b>\$ 3.67</b>
<b>Tenant Improvements and Leasing Commissions</b>										
Office Buildings	\$ 288,314	\$ 6.78	\$ 3,246,485	\$ 57.14	\$ 125,021	\$ 7.85	\$ 4,633,655	\$ 89.08	\$ 2,106,273	\$ 24.54
Retail Centers	159,945	8.26	20,099	2.45	34,664	3.11	267,317	2.32	58,101	1.45
<b>Total</b>	<b>\$ 448,259</b>	<b>\$ 7.24</b>	<b>\$ 3,266,584</b>	<b>\$ 50.25</b>	<b>\$ 159,685</b>	<b>\$ 5.89</b>	<b>\$ 4,900,972</b>	<b>\$ 29.29</b>	<b>\$ 2,164,374</b>	<b>\$ 17.19</b>

Note: This table excludes short-term lease agreements and activity at properties sold during the quarter.



**10 Largest Tenants - Based on Annualized Commercial Income**

March 31, 2020

Tenant	Number of Buildings	Weighted Average Remaining Lease Term in Months	Percentage of Aggregate Portfolio Annualized Commercial Income	Aggregate Rentable Square Feet	Percentage of Aggregate Occupied Square Feet
Atlantic Media, Inc.	1	91	5.4 %	134,084	3.5 %
Capital One, N.A.	3	25	3.9 %	143,090	3.8 %
Booz, Allen & Hamilton, Inc.	1	70	3.5 %	222,989	5.9 %
EIG Management Company, LLC	1	210	2.1 %	51,252	1.4 %
B. Riley Financial, Inc.	1	33	2.1 %	54,540	1.4 %
Epstein, Becker & Green, P.C.	1	105	2.1 %	55,318	1.5 %
Hughes Hubbard & Reed LLP	1	155	2.0 %	47,788	1.3 %
Morgan Stanley Smith Barney Financing	1	126	1.8 %	42,316	1.1 %
Promontory Interfinancial Network, LLC	1	80	1.6 %	36,867	1.0 %
Graham Holdings Company	1	56	1.5 %	33,815	0.9 %
<b>Total/Weighted Average</b>		82	<b>26.0 %</b>	<b>822,059</b>	<b>21.8 %</b>

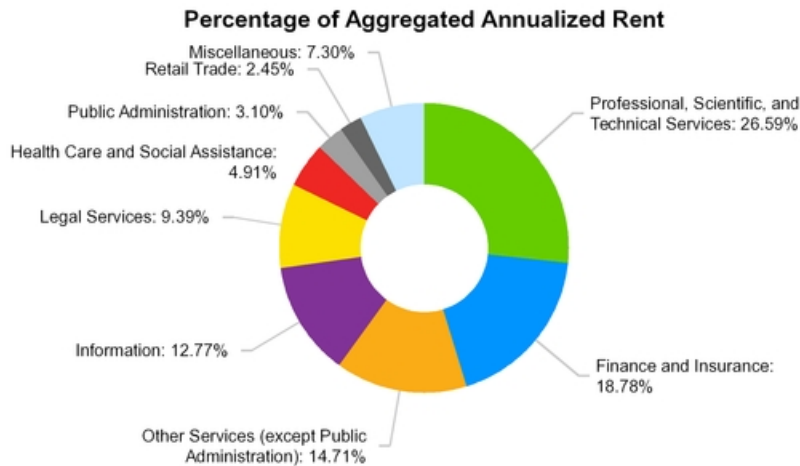
Note: This table excludes short-term lease agreements.

**Industry Diversification - Office**

March 31, 2020

Industry Classification (NAICS)	Annualized Base Rental Revenue	Percentage of Aggregate Annualized Rent	Aggregate Rentable Square Feet	Percentage of Aggregate Square Feet
<b>Office:</b>				
Professional, Scientific, and Technical Services	\$ 33,793,804	26.59%	906,087	32.30%
Finance and Insurance	23,863,165	18.78%	460,973	16.43%
Other Services (except Public Administration)	18,692,824	14.71%	381,350	13.60%
Information	16,220,886	12.77%	310,955	11.09%
Legal Services	11,928,999	9.39%	224,002	7.99%
Health Care and Social Assistance	6,243,065	4.91%	170,590	6.08%
Public Administration	3,937,653	3.10%	54,044	1.93%
Retail Trade	3,119,440	2.45%	52,848	1.88%
<b>Miscellaneous:</b>				
Real Estate, Rental and Leasing	2,570,166	2.02%	57,335	2.04%
Accommodation and Food Services	2,166,663	1.71%	54,907	1.96%
Other	4,532,108	3.57%	131,898	4.70%
<b>Total</b>	<b>\$ 127,068,773</b>	<b>100.00%</b>	<b>2,804,989</b>	<b>100.00%</b>

Note: Federal government tenants comprise 2.5% of annualized base rental revenue.



**Lease Expirations**

March 31, 2020

Year	Number of Leases	Rentable Square Feet	Percent of Rentable Square Feet	Annualized Rent <sup>(1)</sup>	Average Rental Rate	Percent of Annualized Rent <sup>(1)</sup>
<b>Office:</b>						
2020	35	152,920	5.09%	\$ 5,920,639	\$ 38.72	4.15%
2021	52	222,872	7.42%	8,559,277	38.40	6.00%
2022	44	368,800	12.27%	18,317,270	49.67	12.84%
2023	55	302,225	10.06%	15,141,306	50.10	10.62%
2024	56	298,203	9.92%	15,954,612	53.50	11.19%
2025 and thereafter	146	1,660,214	55.24%	78,709,845	47.41	55.20%
	<u>388</u>	<u>3,005,234</u>	<u>100.00%</u>	<u>\$ 142,602,949</u>	<u>47.45</u>	<u>100.00%</u>
<b>Other:</b>						
2020	6	26,959	4.58%	\$ 148,042	\$ 5.49	1.01%
2021	10	70,891	12.04%	1,500,910	21.17	10.25%
2022	13	78,934	13.41%	1,817,214	23.02	12.41%
2023	18	65,858	11.19%	1,644,596	24.97	11.23%
2024	14	130,534	22.18%	3,009,903	23.06	20.55%
2025 and thereafter	35	215,436	36.60%	6,525,872	30.29	44.55%
	<u>96</u>	<u>588,612</u>	<u>100.00%</u>	<u>\$ 14,646,537</u>	<u>24.88</u>	<u>100.00%</u>
<b>Total:</b>						
2020	41	179,879	5.01%	\$ 6,068,681	\$ 33.74	3.86%
2021	62	293,763	8.17%	10,060,187	34.25	6.40%
2022	57	447,734	12.46%	20,134,484	44.97	12.80%
2023	73	368,083	10.24%	16,785,902	45.60	10.67%
2024	70	428,737	11.93%	18,964,515	44.23	12.06%
2025 and thereafter	181	1,875,650	52.19%	85,235,717	45.44	54.21%
	<u>484</u>	<u>3,593,846</u>	<u>100.00%</u>	<u>\$ 157,249,486</u>	<u>43.76</u>	<u>100.00%</u>

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

**Schedule of Properties**

March 31, 2020

PROPERTIES	LOCATION	YEAR ACQUIRED	YEAR CONSTRUCTED	# OF UNITS	NET RENTABLE SQUARE FEET	LEASED % <sup>(1)</sup>	ENDING OCCUPANCY <sup>(1)</sup>
<u>Multifamily Buildings / # units</u>							
Clayborne	Alexandria, VA	2008	2008	74	60,000	98.6%	97.3%
Riverside Apartments	Alexandria, VA	2016	1971	1,222	1,001,000	96.9%	95.6%
Park Adams	Arlington, VA	1969	1959	200	173,000	97.0%	95.0%
Bennett Park	Arlington, VA	2007	2007	224	215,000	96.0%	95.5%
The Paramount	Arlington, VA	2013	1984	135	141,000	94.1%	94.1%
The Maxwell	Arlington, VA	2011	2014	163	116,000	95.7%	92.0%
The Wellington	Arlington, VA	2015	1960	711	600,000	97.2%	96.1%
Roosevelt Towers	Falls Church, VA	1965	1964	191	170,000	97.9%	96.3%
The Ashby at McLean	McLean, VA	1996	1982	256	274,000	95.7%	94.9%
Bethesda Hill Apartments	Bethesda, MD	1997	1986	195	225,000	97.9%	96.4%
3801 Connecticut Avenue	Washington, DC	1963	1951	307	178,000	96.1%	95.8%
Kenmore Apartments	Washington, DC	2008	1948	374	268,000	92.8%	92.5%
Yale West	Washington, DC	2014	2011	216	173,000	96.8%	96.8%
Assembly Alexandria	Alexandria, VA	2019	1990	532	437,000	96.6%	94.9%
Assembly Manassas	Manassas, VA	2019	1986	408	390,000	95.6%	94.4%
Assembly Dulles	Herndon, VA	2019	2000	328	361,000	97.6%	93.9%
Assembly Leesburg	Leesburg, VA	2019	1986	134	124,000	96.3%	94.0%
Assembly Herndon	Herndon, VA	2019	1991	283	221,000	96.8%	93.6%
Assembly Germantown	Germantown, MD	2019	1990	218	211,000	96.3%	95.0%
Assembly Watkins Mill	Gaithersburg, MD	2019	1975	210	193,000	99.0%	96.2%
Cascade at Landmark	Alexandria, VA	2019	1988	277	273,000	97.1%	97.1%
Subtotal Stabilized Properties				6,658	5,804,000	96.5%	95.1%
The Trove <sup>(2)</sup>	Arlington, VA	2015	2020	401	293,000	5.5%	3.0%
Subtotal All Properties				7,059	6,097,000		

<sup>(1)</sup> Leased percentage and ending occupancy calculations are based on units for multifamily buildings.

<sup>(2)</sup> This development project consists of 401 units with 121 units delivered in the first quarter of 2020. See page 23 for further information.

**Schedule of Properties (continued)**

March 31, 2020

PROPERTIES	LOCATION	YEAR ACQUIRED	YEAR CONSTRUCTED	NET RENTABLE SQUARE FEET	LEASED % <sup>(1)</sup>	ENDING OCCUPANCY <sup>(1)</sup>
<u>Office Buildings</u>						
515 King Street	Alexandria, VA	1992	1966	75,000	86.5%	86.5%
Courthouse Square	Alexandria, VA	2000	1979	120,000	83.0%	81.2%
1600 Wilson Boulevard	Arlington, VA	1997	1973	170,000	91.5%	88.5%
Fairgate at Ballston	Arlington, VA	2012	1988	145,000	83.7%	78.6%
Arlington Tower	Arlington, VA	2018	1980/2014	391,000	84.2%	82.6%
Monument II	Herndon, VA	2007	2000	209,000	95.1%	95.1%
Silverline Center	Tysons, VA	1997	1972/1986/1999/2015	550,000	97.3%	91.4%
John Marshall II	Tysons, VA	2011	1996/2010	223,000	100.0%	100.0%
1901 Pennsylvania Avenue	Washington, DC	1977	1960	101,000	86.9%	85.6%
1220 19th Street	Washington, DC	1995	1976	103,000	79.3%	66.6%
2000 M Street	Washington, DC	2007	1971	232,000	89.2%	89.2%
1140 Connecticut Avenue	Washington, DC	2011	1966	184,000	88.6%	88.6%
1227 25th Street	Washington, DC	2011	1988	135,000	89.6%	82.3%
Army Navy Building	Washington, DC	2014	1912/1987/2017	108,000	100.0%	100.0%
1775 Eye Street, NW	Washington, DC	2014	1964	189,000	89.3%	89.3%
Watergate 600	Washington, DC	2017	1972/1997	294,000	89.4%	87.3%
Subtotal				3,229,000	90.7%	88.1%

<sup>(1)</sup> The leased and occupied square footage for office and retail properties includes short-term lease agreements.

**Schedule of Properties (continued)**

March 31, 2020

<b>PROPERTIES</b>	<b>LOCATION</b>	<b>YEAR ACQUIRED</b>	<b>YEAR CONSTRUCTED</b>	<b>NET RENTABLE SQUARE FEET</b>	<b>LEASED % <sup>(1)</sup></b>	<b>ENDING OCCUPANCY <sup>(1)</sup></b>
<u>Retail Centers</u>						
800 S. Washington Street	Alexandria, VA	1998/2003	1955/1959	46,000	95.1%	95.1%
Concord Centre	Springfield, VA	1973	1960	75,000	89.5%	87.0%
Randolph Shopping Center	Rockville, MD	2006	1972	83,000	84.1%	84.1%
Montrose Shopping Center	Rockville, MD	2006	1970	149,000	94.0%	94.0%
Takoma Park	Takoma Park, MD	1963	1962	51,000	100.0%	100.0%
Westminster	Westminster, MD	1972	1969	150,000	95.0%	95.0%
Chevy Chase Metro Plaza	Washington, DC	1985	1975	49,000	84.7%	84.7%
Spring Valley Village	Washington, DC	2014	1941/1950/2018	94,000	93.8%	86.6%
Subtotal				<u>697,000</u>	92.4%	91.1%
<b>TOTAL PORTFOLIO</b>				<b><u>10,023,000</u></b>		

<sup>(1)</sup> The leased and occupied square footage for office and retail properties includes short-term lease agreements.

## Supplemental Definitions

March 31, 2020

**Adjusted EBITDA (a non-GAAP measure)** is earnings before interest expense, taxes, depreciation, amortization, gain/loss on sale of real estate, casualty gain/loss, real estate impairment, gain/loss on extinguishment of debt, restructuring expenses (which include severance, accelerated share-based compensation and other expenses related to a restructuring of corporate personnel), acquisition expenses and gain 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.

**Average Effective Rent per Unit** represents the average of gross rent amounts, divided by the average occupancy (in units) for the period presented.

**Average occupancy** is based on monthly occupied net rentable square footage as a percentage of total net rentable square footage, except for the rows labeled "Multifamily (calculated on a unit basis)," on which average occupancy is based on average monthly occupied units as a percentage of total units. The square footage for multifamily properties only includes residential space. The occupied square footage for office and retail properties includes temporary lease agreements.

**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, severance expense, relocation expense, acquisition and structuring expenses 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.

**Ending Occupancy** is calculated as occupied square footage as a percentage of total square footage as of the last day of that period, except Multifamily, on which ending occupancy is calculated as occupied units as a percentage of total available units as of the last day of that period.

**NAREIT Funds from operations ("NAREIT FFO")** is defined by 2018 National Association of Real Estate Investment Trusts, Inc. ("NAREIT") FFO White Paper Restatement, as net income (computed in accordance with generally accepted accounting principles ("GAAP")) excluding gains (or losses) associated with the sale of property, impairment of depreciable real estate and real estate depreciation and amortization. We consider NAREIT 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 NAREIT FFO more accurately provides investors an indication of our ability to incur and service debt, make capital expenditures and fund other needs. Our FFO may not be comparable to FFO reported by other real estate investment trusts. These other REITs may not define the term in accordance with the current NAREIT definition or may interpret the current NAREIT definition differently. NAREIT FFO is a non-GAAP measure.

**Core Funds From Operations ("Core FFO")** is calculated by adjusting NAREIT FFO for the following items (which we believe are not indicative of the performance of Washington REIT's operating portfolio and affect the comparative measurement of Washington REIT's operating performance over time): (1) gains or losses on extinguishment of debt, (2) expenses related to acquisition and structuring activities, (3) executive transition costs, severance expenses and other expenses related to corporate restructuring and related to executive retirements or resignations, (4) property impairments, casualty gains and losses, and gains or losses on sale not already excluded from NAREIT FFO, as appropriate, and (5) relocation expense. 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 Washington REIT'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 NAREIT FFO (1) recurring expenditures, tenant improvements and leasing costs that are capitalized and amortized and are necessary to maintain our properties and revenue stream (excluding items contemplated prior to acquisition or associated with development / redevelopment of a property) 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 performance 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 Washington REIT's operating portfolio and affect the comparative measurement of Washington REIT'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 executive transition costs, severance expenses and other expenses related to corporate restructuring and related to executive retirements or resignations, (4) property impairments, casualty gains and losses, and gains or losses on sale not already excluded from FAD, as appropriate, and (5) relocation expense. 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 performance measure of Washington REIT'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.

**Net Operating Income ("NOI")** is a non-GAAP measure defined as real estate rental revenue less real estate expenses. 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, casualty gains and losses, and gain or loss on extinguishment of debt. We also present NOI on a cash basis ("Cash NOI") which is calculated as NOI less the impact of straightlining of rent and amortization of market intangibles. We provide each of NOI and cash NOI as a supplement to net income calculated in accordance with GAAP. As such, neither should be considered an alternative to net income as an indication of our operating performance. They are the primary performance measures we use to assess the results of our operations at the property level.

**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. Beginning in Q4 2018, in cases where the space has been remeasured in accordance with criteria set by the Building Owners and Managers Association ("BOMA"), the square feet former tenant's space is adjusted to be equivalent to the square feet of the new/renewing tenant's space.

**Same-store portfolio 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. We define development properties as those for which we have planned or ongoing major construction activities on existing or acquired land pursuant to an authorized development plan. We consider a property's development activities to be complete when the property is ready for its intended use. The property is categorized as same-store when it has been ready for its intended use for the entirety of the years being compared. We define redevelopment properties as those for which we have planned or ongoing significant development and construction activities on existing or acquired buildings pursuant to an authorized plan, which has an impact on current operating results, occupancy and the ability to lease space with the intended result of a higher economic return on the property. We categorize a redevelopment property as same-store when redevelopment activities have been complete for the majority of each year being compared.

**Same-store portfolio NOI growth** is the change in the NOI of the same-store portfolio properties from the prior reporting period to the current reporting period.

**Short-term leases** are commercial leases with a term of less than 12 months.

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. 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 WashREIT to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Currently, one of the most significant factors is the potential adverse effect of the COVID-19 virus and ensuing economic turmoil on the financial condition, results of operations, cash flows and performance of the WashREIT, particularly our ability to collect rent, on the financial condition, results of operations, cash flows and performance of our tenants, and on the global economy and financial markets. The extent to which COVID-19 impacts WashREIT and its tenants will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others. Moreover, investors are cautioned to interpret many of the risks identified in the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2019, as amended by Amendment No. 1 to the Annual Report on Form 10-K, filed on March 6, 2020, as well as the risks set forth below, as being heightened as a result of the ongoing and numerous adverse impacts of COVID-19. Additional factors which may cause the actual results, performance, or achievements of WashREIT to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements 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 economic health of the greater Washington metro region; the risk of failure to enter into/and or complete contemplated acquisitions and dispositions at all, within the price ranges anticipated and on the terms and timing anticipated; changes to the composition of our portfolio; 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 e-commerce; 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, natural disasters and pandemics; 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 2019 Form 10-K, as amended by Amendment No. 1 to the Annual Report on Form 10-K, filed on March 6, 2020, 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 to reflect new information, future events, or otherwise.