
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported) FEBRUARY 20, 2003

WASHINGTON REAL ESTATE INVESTMENT TRUST

(Exact name of registrant as specified in its charter)

Maryland

1-6622

53-0261100

(State or other jurisdiction of
incorporation)

(Commission File Number)

(IRS Employer
Identification Number)

6110 Executive Boulevard, Suite 800, Rockville, Maryland

20852

(Address of principal executive offices)

(Zip Code)

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

Item 5. OTHER EVENTS

Attached hereto as Exhibit 99.1 is a copy of certain Supplemental Data included in the Trust's press release, dated February 20, 2003

Item 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

**Exhibit
Number**

| | |
|------|--|
| 99.1 | Press Release, February 20, 2003, entitled "Supplemental Data" |
|------|--|

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WASHINGTON REAL ESTATE INVESTMENT TRUST

(Registrant)

By:

/s/ Laura M. Franklin

(Signature)

Laura M. Franklin
Senior Vice President Accounting,
Administration and Corporate Secretary

February 20, 2003

(Date)

**Exhibit
Number**

99.1 Press Release, February 20, 2003, entitled "Supplemental Data"

Washington Real Estate Investment Trust

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Listed: NYSE
 Trading Symbol: WRE
 Newspaper Quote: WRIT
www.writ.com

FOR IMMEDIATE RELEASE
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February 20, 2003

WASHINGTON REAL ESTATE INVESTMENT TRUST ANNOUNCES 2002 FUNDS FROM OPERATIONS OF \$77.2 MILLION, FFO PER SHARE UP 1%

Washington Real Estate Investment Trust (WRIT) reported today that Funds From Operations (FFO) increased to \$77,209,000 in 2002 from \$74,255,000 in 2001. The following are reported amounts on a per share basis:

| | 2002 | 2001 |
|--|--------|--------|
| Funds from Operations ("FFO") Per Share | \$1.97 | \$1.96 |
| Funds Available for Distribution ("FAD") Per Share | \$1.61 | \$1.71 |
| Net Income Per Share | \$1.32 | \$1.38 |

Fourth quarter FFO totaled \$19,946,000 in 2002, compared to \$19,447,000 in fourth quarter 2001. On a per share basis, WRIT's FFO increased 2% over fourth quarter 2001.

| | 4Q02 | 4Q01 |
|--|--------|--------|
| Funds from Operations ("FFO") Per Share | \$0.51 | \$0.50 |
| Funds Available for Distribution ("FAD") Per Share | \$0.40 | \$0.44 |
| Net Income Per Share | \$0.31 | \$0.32 |

(Details regarding the above amounts are contained in the following pages. All amounts are fully diluted per share.)

Edmund B. Cronin, Jr., Chairman, President and CEO, stated, "We are proud to announce our 30th consecutive year of increased FFO per share. In this economy, our geographic focus, diversified real estate portfolio and conservative balance sheet are serving us well. Our office and industrial properties have been more adversely affected by the soft economy while the apartment and retail portfolios are performing well. Furthermore WRIT's dividend remains secure."

WRIT is a self-administered, self-managed, equity real estate investment trust investing in income-producing properties in the greater Washington-Baltimore region. The Trust owns a diversified portfolio of 60 properties consisting of 11 retail centers, 24 office properties, 16 industrial and 9 multifamily properties.

WRIT's dividends have increased every year for 32 consecutive years. WRIT shares are publicly traded on the New York Stock Exchange (symbol: WRE).

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

Certain statements in this press release and the supplemental disclosures attached hereto are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such risks, uncertainties and other factors include, but are not limited to, fluctuations in interest rates, availability of raw materials and labor costs, levels of competition, the effect of government regulation, the availability of capital, weather, conditions, the timing and pricing of lease transactions and changes in general and local economic and real estate market conditions.

WASHINGTON REAL ESTATE INVESTMENT TRUST
FINANCIAL HIGHLIGHTS
(In thousands)

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|---|------------------------------------|------------------|-------------------------------------|------------------|
| | 2002 | 2001 | 2002 | 2001 |
| OPERATING RESULTS | | | | |
| Real estate rental revenue | \$ 39,027 | \$ 37,755 | \$ 152,929 | \$ 147,283 |
| Real estate expenses | (11,124) | (10,257) | (43,905) | (41,733) |
| | 27,903 | 27,498 | 109,024 | 105,550 |
| Real estate depreciation and amortization | (7,894) | (7,017) | (29,200) | (26,640) |
| Income from real estate | 20,009 | 20,481 | 79,824 | 78,910 |
| Other income | 127 | 435 | 680 | 1,686 |
| Interest expense | (7,010) | (6,893) | (27,849) | (27,071) |
| General and administrative | (1,074) | (1,559) | (4,575) | (6,100) |
| Income from continuing operations | 12,052 | 12,464 | 48,080 | 47,425 |
| Discontinued operations: | | | | |
| Income (loss) from operations of property disposed | — | (58) | (82) | 632 |
| Gain on property disposed | — | — | 3,838 | — |
| Income before gain on sale of real estate investment | 12,052 | 12,406 | 51,836 | 48,057 |
| Gain on sale of real estate investment | — | — | — | 4,296 |
| Net Income | 12,052 | 12,406 | 51,836 | 52,353 |
| Real estate depreciation and amortization | 7,894 | 7,017 | 29,200 | 26,640 |
| Gain on sale of real estate investment | — | — | — | (4,296) |
| Divestiture sharing distribution | — | — | — | (537) |
| Discontinued operations: | | | | |
| Gain on property disposed | — | — | (3,838) | — |
| Real estate depreciation and amortization | — | 24 | 11 | 95 |
| Funds From Operations | 19,946 | 19,447 | 77,209 | 74,255 |
| Accretive: | | | | |
| Tenant Improvements | (1,267) | (578) | (4,656) | (3,186) |
| Leasing Commissions Capitalized | (496) | (306) | (1,418) | (1,001) |
| Non-Accretive: | | | | |
| Recurring Capital Improvements | (2,475) | (1,463) | (8,068) | (5,307) |
| Straight Line Rents, Net of Reserve | (484) | (550) | (1,848) | (2,352) |
| Non Real Estate Depreciation & Amortization | 501 | 449 | 1,995 | 1,789 |
| Divestiture Sharing Distribution | — | — | — | 537 |
| Funds Available for Distribution | 15,725 | 16,999 | 63,214 | 64,735 |
| Accretive: | | | | |
| Major Renovations and Expansions | (1,383) | (1,213) | (8,985) | (1,705) |
| Acquisition-Related Capital Improvements | (187) | (1,547) | (1,360) | (3,528) |
| Net Funds Available for Distribution | \$ 14,155 | \$ 14,239 | \$ 52,869 | \$ 59,502 |

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

| | | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|-----------|---------------------------------|------------|----------------------------------|------------|
| | | 2002 | 2001 | 2002 | 2001 |
| Per Share Data | | | | | |
| Income from continuing operations | (Basic) | \$ 0.31 | \$ 0.32 | \$ 1.23 | \$ 1.26 |
| | (Diluted) | \$ 0.31 | \$ 0.32 | \$ 1.22 | \$ 1.25 |
| Income (loss) from operations of properties disposed | (Basic) | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.02 |
| | (Diluted) | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.02 |
| Gain on property disposed | (Basic) | \$ 0.00 | \$ 0.00 | \$ 0.10 | \$ 0.00 |
| | (Diluted) | \$ 0.00 | \$ 0.00 | \$ 0.10 | \$ 0.00 |
| Gain on sale of real estate investment | (Basic) | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.11 |
| | (Diluted) | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.11 |
| Net Income | (Basic) | \$ 0.31 | \$ 0.32 | \$ 1.33 | \$ 1.39 |
| | (Diluted) | \$ 0.31 | \$ 0.32 | \$ 1.32 | \$ 1.38 |
| Funds From Operations | (Basic) | \$ 0.51 | \$ 0.50 | \$ 1.98 | \$ 1.97 |
| | (Diluted) | \$ 0.51 | \$ 0.50 | \$ 1.97 | \$ 1.96 |
| Funds Available for Distribution | (Basic) | \$ 0.40 | \$ 0.44 | \$ 1.62 | \$ 1.72 |
| | (Diluted) | \$ 0.40 | \$ 0.44 | \$ 1.61 | \$ 1.71 |
| Net Funds Available for Distribution | (Basic) | \$ 0.36 | \$ 0.37 | \$ 1.35 | \$ 1.58 |
| | (Diluted) | \$ 0.36 | \$ 0.36 | \$ 1.35 | \$ 1.57 |
| Dividends paid | | \$ 0.3525 | \$ 0.3325 | \$ 1.3900 | \$ 1.3100 |
| Weighted average shares outstanding | | 39,150,598 | 38,748,217 | 39,060,598 | 37,673,693 |
| Fully diluted weighted average shares outstanding | | 39,328,198 | 39,056,824 | 39,281,248 | 37,950,613 |

WASHINGTON REAL ESTATE INVESTMENT TRUST
CONSOLIDATED BALANCE SHEETS
(In thousands)

| | December 31, 2002 | December 31, 2001 |
|--|----------------------|----------------------|
| Assets | | |
| Land | \$ 169,045 | \$ 151,782 |
| Building | 684,657 | 622,804 |
| Total real estate, at cost | 853,702 | 774,586 |
| Accumulated depreciation | (146,912) | (122,625) |
| Total investment in real estate, net | 706,790 | 651,961 |
| Cash and cash equivalents | 13,076 | 26,441 |
| Rents and other receivables, net of allowance for doubtful accounts of \$2,188 and \$1,993, respectively | 14,072 | 10,523 |
| Prepaid expenses and other assets | 22,059 | 19,010 |
| Total Assets | \$ 755,997 | \$ 707,935 |
| Liabilities | | |
| Accounts payable and other liabilities | \$ 14,661 | \$ 13,239 |
| Advance rents | 4,409 | 3,604 |
| Tenant security deposits | 6,495 | 6,148 |
| Mortgage notes payable | 86,951 | 94,726 |
| Line of credit payable | 50,750 | — |
| Notes payable | 265,000 | 265,000 |
| Total Liabilities | 428,266 | 382,717 |
| Minority interest | 1,554 | 1,611 |
| Shareholders' Equity | | |
| Shares of beneficial interest, \$.01 par value; 100,000 shares authorized; 39,168 and 38,829 shares issued and outstanding, respectively | 392 | 388 |
| Additional paid-in capital | 328,797 | 323,257 |
| Retained earnings (deficit) | (2,554) | (38) |
| Less: Deferred compensation on restricted shares | (458) | — |
| Total Shareholders' Equity | 326,177 | 323,607 |
| Total Liabilities and Shareholders' Equity | \$ 755,997 | \$ 707,935 |

Debt Information as of 12/31/02

| | |
|--|-------|
| Debt to total Market Capitalization | 28.7% |
| <u>For the Quarter ended 12/31/02</u> | |
| Earnings to Fixed Charges ⁽¹⁾ | 2.70 |
| Debt Service Coverage Ratio ⁽²⁾ | 3.73 |

- (1) Earnings to Fixed Charges is computed by dividing income before (a) gain on sale of real estate; (b) interest expense, including amortization; and (c) capitalized interest by the sum of interest expense, capitalized interest and amortized debt costs.
- (2) Debt Service Coverage Ratio is computed by dividing income before (a) gain on sale of real estate; (b) interest income; (c) interest expense; and (d) depreciation and amortization by the sum of interest expense, including interest costs capitalized, and the amortized costs of debt issuance plus mortgage principal amortization.

Core Portfolio & Overall Occupancy Levels by Sector

| Sector | Core Portfolio | | All Properties | |
|--------------------------|----------------|--------------|----------------|--------------|
| | 4th QTR | 4th QTR | 4th QTR | 4th QTR |
| | 2002 | 2001 | 2002 | 2001 |
| Multifamily | 91.2% | 93.3% | 91.2% | 93.3% |
| Office Buildings | 87.3% | 96.4% | 87.9% | 96.4% |
| Retail Centers | 95.5% | 96.3% | 95.6% | 96.3% |
| Industrial/Flex Centers | 89.7% | 98.8% | 91.0% | 96.0% |
| Overall Portfolio | 89.4% | 96.0% | 90.1% | 95.7% |

2002 Acquisition Summary

| | Acquisition Date | Square Feet | Occupied Sq. Ft. at Acquisition | Occupancy Percentage at Acquisition | December 31, 2002 Leased Percentage | Investment |
|-----------------------|------------------|-------------|---------------------------------|-------------------------------------|-------------------------------------|---------------------|
| 1620 Wilson Boulevard | 01/25/2002 | 5,364 | 5,364 | 100% | 100% | \$ 2,250,000 |
| Centre at Hagerstown | 06/21/2002 | 326,846 | 320,309 | 98% | 96% | 41,700,000 |
| The Atrium Building | 07/23/2002 | 81,390 | 37,600 | 46% | 100% | 14,200,000 |
| | | | | | | \$58,150,000 |

Subsequent Event

On January 24, 2003, WRIT acquired Fullerton Industrial Center, a three building industrial property in Springfield, VA for \$10.6 million, including the assumption of a \$6.6 million existing mortgage bearing interest at 6.77%. Fullerton Industrial Center contains 137,405 rentable square feet and is 100% leased to 16 tenants.

Conference Call Information

WRIT will conduct a Conference/Webcast Call to discuss 4th Quarter Earnings on Friday, February 21, 2003 at 11:00 AM, Eastern Standard Time. Conference call access information is as follows:

| | |
|----------------------------|-------------------|
| USA Toll Free Number: | 888-552-9191 |
| International Toll Number: | 630-395-0034 |
| Pass Code: | Washington REIT |
| Leader: | Sara Grootwassink |

The instant replay of the Conference Call will be available for one week, commencing one hour after the Conference Call and concluding on February 28, 2003 at 5:00 PM Eastern Standard Time. Instant Replay access information is as follows:

| | |
|----------------------------|--------------|
| USA Toll Free Number: | 800-947-6436 |
| International Toll Number: | 402-220-3494 |

The live on-demand webcast of the Conference Call will also be available on WRIT's website at www.writ.com. The on-line playback of the webcast will be available at www.writ.com for 30 days following the Conference Call.