# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

# FORM 8-K

## **CURRENT REPORT**

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

Date of Report (Date of earliest event reported) April 20, 2004

# WASHINGTON REAL ESTATE INVESTMENT TRUST

(Exact name of registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation) 1-6622 (Commission File Number) 53-0261100 (IRS Employer Identification Number)

6110 Executive Boulevard, Suite 800, Rockville, Maryland (Address of principal executive offices)

20852 (Zip Code)

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

#### Item 7. Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 Press release issued April 20, 2004 regarding earnings for first quarter 2004

Exhibit 99.2 Certain supplemental information not included in the press release

Item 9. Regulation FD Disclosure

and

#### Item 12. Results of Operations and Financial Condition

A press release issued by the Registrant on April 20, 2004, regarding earnings for the first quarter 2004, 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 9 and Item 12 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.

# SIGNATURES

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

WASHINGTON REAL ESTATE INVESTMENT TRUST (Registrant)

By: /s/ Laura M. Franklin

(Signature)

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

April 20, 2004 (Date)

# Exhibit Index

Exhibit Number	Description
99.1	Press Release issued April 20, 2004 regarding earnings for the first quarter 2004
99.2	Certain supplemental information not included in the press release

NEWS RELEASE

# 

CONTACT:

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Newspaper Quote: WRIT

Page 1 of 5 FOR IMMEDIATE RELEASE

April 20, 2004

# WASHINGTON REAL ESTATE INVESTMENT TRUST ANNOUNCES RESULTS FOR THE QUARTER ENDED MARCH 31, 2004

Washington Real Estate Investment Trust (WRIT) reported the following results today:

	Q1 2004	Q1 2003
Net Income Per Share	\$ 0.27	\$ 0.28
Funds from Operations ("FFO") Per Share	\$ 0.51	\$ 0.49

- First quarter 2004 Net Income per fully diluted share was \$0.27, compared to \$0.28 in the first quarter 2003. The 3.6% decrease in Net Income per fully diluted share is due primarily to the issuance of 2.2 million shares in December 2003, as well as increases in depreciation expense and interest expense, all driven by the \$177 million in 2003 acquisitions. The 2003 acquisitions contributed \$5.2 million of the \$5.4 million increase in real estate revenue.
- Funds from Operations ("FFO") per fully diluted share, a non-GAAP financial measure, for the first quarter 2004 was \$0.51, representing a 4.1% increase over FFO per fully diluted share of \$0.49 in the first quarter of 2003.

A reconciliation of net income to funds from operations is provided on the attached income statement.

Edmund B. Cronin, Jr., Chairman, President and CEO, stated, "As the economy improves, we are experiencing increased activity at our commercial properties. Our multifamily sector performance continues to be flat, but with the expected increase in job growth, we anticipate before year end higher levels of occupancy and rental rate growth."

#### Company Information

WRIT is a self-administered, self-managed, equity real estate investment trust investing in income-producing properties in the greater Washington/Baltimore metropolitan region. WRIT owns a diversified portfolio of 67 properties consisting of 11 retail centers, 29 office properties, 18 industrial properties and 9 multifamily properties.

WRIT's dividends have increased every year for 33 consecutive years. WRIT's FFO per share has increased every year for 31 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 <a href="https://www.writ.com">www.writ.com</a> or by contacting Investor Relations at 301-984-

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.

Page 2 of 5 April 20, 2004

#### WASHINGTON REAL ESTATE INVESTMENT TRUST FINANCIAL HIGHLIGHTS (In thousands)

			Three Months Ended Ma			larch 31,	
OPERATIN	NG RESULTS			2004		2003	
Revenue							
	Real estate rental revenue		\$	44,376	\$	38,961	
	Other income			65		108	
				44,441		39,069	
Expenses			_				
Lipenses	Real estate expenses			(13,463)		(11,603)	
	Interest expense			(8,575)		(7,047)	
	Depreciation and amortization			(9,872)		(8,073)	
	General and administrative			(1,229)		(1,132)	
			_	(33,139)		(27,855)	
Net Incom	ne		_	11,302		11,214	
Daal astat	to demonistian and amontination		_	0.872	_	9.072	
Real estate	te depreciation and amortization		_	9,872	_	8,073	
Funds fro	om operations <sup>(1)</sup>			21,174		19,287	
Accretive							
	nant improvements (3)			(2,792)		(1,613)	
Lea Non-Accr	asing commissions capitalized			(633)		(1,419)	
	curring capital improvements			(1,428)		(865)	
Straight li	ine rents, net of reserve			(565)		(318)	
	estate depreciation & amortization			448		476	
Funds Av	vailable for Distribution <sup>(2)</sup>		\$	16,204	\$	15,548	
			_		_		
Total Div	vidends Paid		\$	15,558	\$	13,812	
Per Share D	Data						
Income from	rom continuing operations	(Basic)	\$	0.27	\$	0.29	
Net incom	ne	(Diluted) (Basic)	\$ \$	0.27 0.27	\$ \$	0.28	
		(Diluted)	\$	0.27	\$	0.28	
Funds from	om operations	(Basic)	\$	0.51	\$	0.49	
Dividends	s paid	(Diluted)	\$ \$	0.51 0.3725	\$ \$	0.49 0.3525	
	average shares outstanding		4	1,571,542	30	9,173,898	
	ated weighted average shares outstanding			1,819,783		9,357,895	
-						, ,	

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

Funds Available for Distribution ("FAD") is calculated by subtracting from FFO (1) recurring expenditures, tenant improvements and leasing costs, that are capitalized and amortized and are necessary to maintain our properties and revenue stream and (2) straight line rents, then adding non-real estate depreciation and amortization. FAD is included herein, because we consider it to be a measure of a REIT's ability to incur and service debt and to distribute dividends to its shareholders. FAD is not a standardized measure, and may be calculated differently by other REITs.

<sup>(3)</sup> Tenant improvements for the three months ended March 31, 2004 include payments to one tenant of \$1.1 million.

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

	(	March 31, 2004	December 31, 2003
Assets			
Land		\$ 212,136	\$ 210,366
Building		862,377	846,411
Total real estate, at cost		1,074,513	1,056,777
Accumulated depreciation		(187,147)	(177,983)
Total investment in real estate, net		887,366	878,794
Cash and cash equivalents		6,064	5,486
Rents and other receivables, net of allowance for doubtful account	ints of \$2,603 and \$2,674, respectively	19,362	18,397
Prepaid expenses and other assets		25,236	25,412
Total Assets		\$ 938,028	\$ 928,089
1:11:2: 101 1.11 1.E. 2:			
Liabilities and Shareholders' Equity		¢ 17.522	e 10.000
Accounts payable and other liabilities Advance rents		\$ 17,532 5,757	\$ 19,068 5,322
Tenant security deposits		6,271	5,322 6,168
Mortgage notes payable		141,752	142,182
Lines of credit/short-term note payable		13,250	142,182
Notes payable		375,000	375,000
Notes payable			
Total Liabilities		559,562	547,740
Minority interest		1,609	1,601
Cl. 1.11.2.P. %			
Shareholders' Equity	. 1 41 764 141 607 1		
Shares of beneficial interest, \$.01 par value; 100,000 shares auth respectively	ionized: 41,764 and 41,607 snares issued and outstanding,	418	416
Additional paid-in capital		400,582	396,462
Retained earnings (deficit)		(20,528)	(16,272)
Less: Deferred compensation on restricted shares		(3,615)	(1,858)
Total Shareholders' Equity		376,857	378,748
Total Liabilities and Shareholders' Equity		\$ 938,028	\$ 928,089

#### Washington Real Estate Investment Trust FOR IMMEDIATE RELEASE Page 4 of 5

## Occupancy Levels by Core Portfolio and All Properties

	Core Por	Core Portfolio			
Sector	1st QTR 2004	1st QTR 2003	1st QTR 2004	1st QTR 2003	
Multifamily	88.6%*	90.9%	88.6%*	90.9%	
Office Buildings	86.7%	87.1%	89.1%	87.1%	
Retail Centers	94.4%	96.1%	94.4%	96.1%	
Industrial/Flex Centers	91.2%	87.7%	91.5%	88.2%	
Overall Portfolio	88.8%**	89.2%	90.0%**	89.3%	

<sup>\*</sup> Multifamily occupancy at 3/31/04 for the Core Portfolio and All Properties would be 89.9% without the 21 HUD units and 4 additional units at The Ashby at McLean off the market for complete renovation.

#### **2004 Acquisition Summary**

	Acquisition Date	Square Feet	Occupied Sq. Ft. at Acquisition	Occupancy Percentage at Acquisition	March 31, 2004 Leased Percentage	_	Investment
8880 Gorman Road	3/10/04	140,700	140,700	100%	100%	\$	11,500,000

<sup>(1)</sup> Core portfolio properties include all properties that were owned for the entirety of the current and prior year reporting periods. For Q1 2004 and Q1 2003, core portfolio properties exclude Fullerton Industrial Center, 718 Jefferson Street, 1776 G Street, Prosperity Medical Center and 8880 Gorman Road.

<sup>\*\*</sup> Overall Portfolio occupancy at 3/31/04 for the Core Portfolio and All Properties would be 89.1% and 90.3%, respectively, without the impact of the 21 HUD units and 4 additional units at The Ashby at McLean off the market for complete renovation.

#### Washington Real Estate Investment Trust FOR IMMEDIATE RELEASE Page 5 of 5

## **Conference Call Information**

WRIT will conduct a Conference/Webcast Call to discuss 1st Quarter on Wednesday, April 21, 2004 at 11:00 AM, Eastern Time. Conference call access information is as follows:

USA Toll Free Number: 1-800-299-7635 International Toll Number: 1-617-786-2901 Leader: Sara Grootwassink Passcode: 28452754

The instant replay of the Conference Call will be available until April 28, 2004 at 11:59 PM Eastern Time. Instant Replay access information is as follows:

USA Toll Free Number: 1-888-286-8010
International Toll Number: 1-617-801-6888
Passcode: 42021899

The live on-demand webcast of the Conference Call will also be available on WRIT's website atwww.writ.com. The on-line playback of the webcast will be available at <a href="https://www.writ.com">www.writ.com</a> for 30 days following the Conference Call.



Supplemental Information March 31, 2004

Contact: Sara Grootwassink Chief Financial Officer Direct Dial: (301) 255-0820 E-mail: sgrootwassink@writ.com 6110 Executive Boulevard Suite 800 Rockville, MD 20852 (301) 984-9400 (301) 984-9610 fax

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#### Washington Real Estate Investment Trust About the Trust

#### **Mission Statement**

Washington Real Estate Investment Trust, founded in 1960 and headquarted in Rockville, Maryland, invests in a diversified range of income-producing property types. Our purpose is to acquire and manage real estate investments in markets we know well and protect our assets from single property-type value fluctuations through diversified holdings. Our goal is to continue to safely increase earnings and shareholder value.

#### Company Background

We are a self-administered, self-managed, equity real estate investment trust investing in income-producing properties in the greater Washington-Baltimore region. We own a diversified portfolio of 67 properties consisting of 11 retail centers, 29 office properties, 18 industrial properties and 9 multifamily properties.

Our dividends have increased every year for 33 consecutive years and our Funds From Operations ("FFO") per share has increased every year for 31 consecutive years. WRIT shares are publicly traded on the New York Stock Exchange (symbol: WRE).

Certain statements in the supplemental disclosures which follow 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 Consolidated Statements of Operations (In thousands, except per share data)

#### Three Months Ended

OPERATING RESULTS	0.	3/31/04	1	2/31/03		09/30/03	0	06/30/03		03/31/03
Real estate rental revenue	\$	44,376	\$	43,854	\$	41,109	\$	39,481	\$	38,961
Real estate expenses		(13,463)		(12,598)	_	(12,426)		(11,235)	_	(11,603)
		30,913		31,256		28,683		28,246		27,358
Real estate depreciation and amortization		(9,872)		(10,336)		(9,101)		(8,245)	_	(8,073)
Income from real estate		21,041		20,920		19,582		20,001		19,285
Other income		65		72		102		132		108
Interest expense		(8,575)		(8,011)		(7,401)		(7,581)		(7,047)
General and administrative		(1,229)		(1,583)	_	(1,296)	_	(1,264)	_	(1,132)
Net Income	\$	11,302	\$	11,398	\$	10,987	\$	11,288	\$	11,214
									_	
Per Share Data										
Net Income	\$	0.27	\$	0.28	\$	0.28	\$	0.29	\$	0.28
Fully diluted weighted average shares										
outstanding	41	,819,783	40	),121,060	39	9,528,812	39	,451,560	3	9,357,895
Percentage of Revenues:										
Real estate expenses		30.3%		28.7%		30.2%		28.5%		29.8%
General and administrative		2.8%		3.6%		3.2%		3.2%		2.9%
Ratios:										
EBITDA / Interest Expense		3.5x		3.7x		3.7x		3.6x		3.6x
Net income / Total revenue		25.5%		26.0%		26.7%		28.6%		28.8%

# Washington Real Estate Investment Trust Consolidated Balance Sheets (In thousands)

	March 31, 2004	December 31, 2003	September 30, 2003	June 30, 2003	March 31, 2003
Assets					
Land	\$ 212,136	\$ 210,366	\$ 203,878	\$ 172,378	\$ 171,514
Building and improvements	862,377	846,411	761,556	701,659	695,802
Total real estate, at cost	1,074,513	1,056,777	965,434	874,037	867,316
Accumulated depreciation	(187,147)	(177,983)	(168,524)	(161,264)	(154,004)
Total investment in real estate, net	887,366	878,794	796,910	712,773	713,312
Cash and cash equivalents	6,064	5,486	5,968	20,669	17,350
Rents and other receivables, net of allowance for doubtful accounts	19,362	18,397	17,266	15,967	14,822
Prepaid expenses and other assets	25,236	25,412	27,384	20,751	23,746
Total Assets	\$ 938,028	\$ 928,089	\$ 847,528	\$ 770,160	\$ 769,230
Liabilities and Shareholders' Equity					
Accounts payable and other liabilities	\$ 17,532	\$ 19,068	\$ 14,749	\$ 16,702	\$ 13,189
Advance rents	5,757	5,322	4,833	5,071	5,440
Tenant security deposits	6,271	6,168	6,276	6,282	6,582
Mortgage notes payable	141,752	142,182	92,909	93,201	93,499
Lines of credit/short-term note payable	13,250	_	132,500	_	_
Notes payable	375,000	375,000	275,000	325,000	325,000
Total Liabilities	559,562	547,740	526,267	446,256	443,710
NC 10 10 10	1.600	1.601	1.610	1.501	1.565
Minority interest	1,609	1,601	1,618	1,581	1,565
Shareholders' Equity					
Shares of beneficial interest, \$.01 par value; 100,000	Φ 410	0 416	A 204	Φ 202	
shares authorized	\$ 418	\$ 416	\$ 394	\$ 393	\$ 392
Additional paid-in capital	400,582	396,462	332,261	330,808	329,134
Distributions in excess of net income Less: Deferred Compensation on restricted shares	(20,528) (3,615)	(16,272) (1,858)	(12,171) (841)	(8,498)	(5,152) (419)
Ecss. Deterred compensation on restricted shares	(5,015)				(417)
Total Shareholders' Equity	376,857	378,748	319,643	322,323	323,955
Total Liabilities and Shareholders' Equity	\$ 938,028	\$ 928,089	\$ 847,528	\$ 770,160	\$ 769,230
Total Debt / Total Market Capitalization	0.28:1	0.30:1	0.30:1	0.28:1	0.29:1

#### Washington Real Estate Investment Trust Funds From Operations and Funds Available for Distribution (In thousands, except per share data)

Three Months Ended

	03/3	31/04	1	2/31/03	0	9/30/03	(	06/30/03		03/31/03
Funds From Operations(1)										
Net Income	\$	11,302	\$	11,398	\$	10,987	\$	11,288	\$	11,214
Real estate depreciation and amortization		9,872		10,336		9,101		8,245		8,073
		_	_		_		_		_	
Funds From Operations (FFO)		21,174		21,734		20,088		19,533		19,287
		_	_		_		_		_	
FFO per share - basic	\$	0.51	\$	0.55	\$	0.51	\$	0.50	\$	0.49
FFO per share - fully diluted	\$	0.51	\$	0.54	\$	0.51	\$	0.50	\$	0.49
Funds Available for Distribution(2)										
Accretive:										
Tenant Improvements (3)		(2,792)		(4,958)		(1,239)		(1,696)		(1,613)
Leasing Commissions Capitalized		(633)		(935)		(1,515)		(372)		(1,419)
Non-Accretive:										
Recurring Capital Improvements		(1,428)		(2,887)		(1,277)		(1,519)		(865)
Straight-Line Rent, Net		(565)		(395)		(503)		(473)		(318)
Non-real estate depreciation and amortization		448		448		467		453		476
Funds Available for Distribution (FAD)	\$	16,204	\$	13,007	\$	16,021	\$	15,926	\$	15,548
			_		_		_		_	
Total Dividends Paid	\$	15,558	\$	15,499	\$	14,659	\$	14,634	\$	13,812
Average shares - basic	41,5	71,542	39	,862,110	39	,311,293	39	9,240,682	39	9,173,898
Average shares - fully diluted	41,8	19,783	40	,121,060	39	,528,812	39	9,451,560	39	9,357,895

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

Funds Available for Distribution ("FAD") is calculated by subtracting from FFO (1) recurring expenditures, tenant improvements and leasing costs, that are capitalized and amortized and are necessary to maintain our properties and revenue stream and (2) straight line rents, then adding non-real estate depreciation and amortization. FAD is included herein, because we consider it to be a measure of a REIT's ability to incur and service debt and to distribute dividends to its shareholders. FAD is not a standardized measure, and may be calculated differently by other REITs.

<sup>(3)</sup> Tenant improvements for the three months ended March 31, 2004 and December 31, 2003 include payments to one tenant of \$1.1 million and \$3.5 million, respectively.

# Washington Real Estate Investment Trust Earnings Before Interest Taxes Depreciation and Amortization (EBITDA) (In thousands)

Three Months Ended 03/31/04 12/31/03 09/30/03 06/30/03 03/31/03 EBITDA(1) Net income \$11,302 \$11,398 \$10,987 \$11,288 \$11,214 Add: Interest expense 8,575 8,011 7,401 7,581 7,047 Real estate depreciation and amortization 9,872 10,336 9,101 8,245 8,073 Non-real estate depreciation 114 117 120 127 149 Less: Other income (65)(72)(102)(132)(108)EBITDA \$29,790 \$29,798 \$27,507 \$27,109 \$ 26,375

<sup>(1)</sup> EBITDA is earnings before interest, taxes, depreciation and amortization. We consider EBITDA to be an appropriate supplemental performance measure because it eliminates depreciation, interest and the gain (loss) from property dispositions, which permits investors to view income from operations without the effect of non-cash depreciation or the cost of debt.

# Washington Real Estate Investment Trust Long-Term Debt Analysis (In thousands)

	March 31, 2004	December 31, 2003	September 30, 2003	June 30, 2003	March 31, 2003
Balances Outstanding					
Secured					
Conventional fixed rate	\$ 141,752	\$ 142,182	\$ 92,909	\$ 93,201	\$ 93,499
Secured total	141,752	142,182	92,909	93,201	93,499
Unsecured			<u> </u>	<u> </u>	
Fixed rate bonds and notes	375,000	375,000	275,000	325,000	325,000
Credit facilities	13,250	_	132,500	_	_
Unsecured total	388,250	375,000	407,500	325,000	325,000
Total	\$ 530,002	\$ 517,182	\$ 500,409	\$ 418,201	\$ 418,499
Average Interest Rates					
Secured					
Conventional fixed rate	6.6%	6.6%	7.2%	7.2%	7.2%
Secured total	6.6%	6.6%	7.2%	7.2%	7.2%
Usessand					
Unsecured Fixed rate bonds	6.5%	( 50/	6.9%	7.0%	7.00/
Credit facilities		6.5%			7.0%
Credit facilities	1.8%	0.0%	1.8%	0.0%	0.0%
Unsecured total	6.3%	6.5%	5.2%	7.0%	7.0%
Average	6.4%	6.5%	5.6%	7.0%	7.0%

# **Maturity Schedule**

Future Maturities of Debt

Year	Secured Debt	Unsecured Debt	Total Debt	Average Interest Rate
2004	\$ 1,528	\$ 68,250	\$ 69,778	6.7%
2005	27,549	_	27,549	7.7%
2006	7,388	50,000	57,388	7.3%
2007	8,642	_	8,642	6.7%
2008	834	60,000	60,834	6.7%
2009	50,887	_	50,887	7.1%
2010	937	_	937	5.4%
2011	989	_	989	5.4%
2012	1,037	_	1,037	5.4%
Thereafter	41,961	210,000	251,961	5.7%
Total maturities	\$ 141,752	\$ 388,250	\$ 530,002	6.4%

Weighted average maturity = 7.6 years

# Washington Real Estate Investment Trust **Capital Analysis**

(In thousands, except per share amounts)

	March 31, 2004	December 31, 2003	September 30, 2003	June 30, 2003	March 31, 2003
Market Data					
Shares Outstanding	41,764	41,607	39,354	39,286	39,184
Market Price per Share	\$ 32.45	\$ 29.20	\$ 29.00	\$ 27.20	\$ 25.97
Equity Market Capitalization	\$ 1,355,242	\$ 1,214,924	\$ 1,141,266	\$ 1,068,579	\$ 1,017,608
Total Debt	\$ 530,002	\$ 517,182	\$ 500,409	\$ 418,201	\$ 418,499
Total Market Capitalization	\$ 1,885,244	\$ 1,732,106	\$ 1,641,675	\$ 1,486,778	\$ 1,436,101
Total Debt to Market Capitalization	0.28:1	0.30:1	0.30:1	0.28:1	0.29:1
Earnings to Fixed Charges <sup>(1)</sup>	2.3x	2.4x	2.5x	2.5x	2.6x
Debt Service Coverage Ratio <sup>(2)</sup>	3.3x	3.5x	3.6x	3.4x	3.6x
Dividend Data					
Total Dividends Paid	\$ 15,558	\$ 15,499	\$ 14,659	\$ 14,634	\$ 13,812
Common Dividend per Share	\$ 0.3725	\$ 0.3725	\$ 0.3725	\$ 0.3725	\$ 0.3525
Payout Ratio (FFO per share basis)	73.6%	68.8%	73.3%	74.5%	71.9%

<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 plus

fixed charges, less capitalized interest. Fixed charges consist of interest expense, including amortized costs of debt issuance, plus interest costs capitalized.

Debt service coverage ratio is computed by dividing earnings before interest income and expense, depreciation, amortization and gain on sale of real estate by interest (2) expense and principal amortization.

## Washington Real Estate Investment Trust Core Portfolio Net Operating Income (NOI) Growth & Rental Rate Growth Q1 2004 vs. Q1 2003

## **Cash Basis**

Sector	NOI Growth	Rental Rate Growth
<del></del>	<del></del>	
Multifamily <sup>(1)</sup>	-5.5%	1.5%
Office Buildings	-2.6%	0.2%
Retail Centers	2.9%	3.7%
Industrial / Flex Properties	3.2%	-0.7%
Overall Core Portfolio	-1.2%	0.9%

## **GAAP Basis**

Sector	NOI Growth	Rental Rate Growth
Multifamily <sup>(1)</sup>	-5.7%	1.4%
Office Buildings	-2.1%	0.1%
Retail Centers	1.4%	2.5%
Industrial / Flex Properties	3.6%	-1.0%
Overall Core Portfolio	-1.2%	0.6%

NOI growth for Multifamily and Core Porfolio for Q1 2004 would be as follows without the impact of the 21 HUD units and 4 additional units off the market at The Ashby at McLean for complete renovation. After renovation, the former HUD units will be leased at market rates.

	Cash Basis
Multifamily	-5.4%
Overall Core Portfolio	-1.2%
	GAAP Basis
Multifamily	-5.6%
Overall Core Portfolio	

# Washington Real Estate Investment Trust Core Portfolio Net Operating Income (NOI) (In Thousands)

		Three Months Ended March 31,		ch 31,
	_	2004		2003
Net income	\$	11,302	\$	11,214
Real estate depreciation and amortization		9,872		8,073
Funds From Operations		21,174	_	19,287
Add:				
General and administrative		1,229		1,132
Interest expense		8,575		7,047
Less:				
NOI for non-core properties <sup>(1)</sup>		(4,091)		(204)
Other income		(65)		(108)
Core portfolio NOI, GAAP Basis		26,822		27,154
Straight-line revenue, net for core properties		(321)		(309)
Effect of SFAS 141		20		_
Core portfolio NOI, Cash Basis	\$	26,521	\$	26,845
Core portfolio NOI by segment:				
GAAP Basis:				
Multifamily	\$	4,169	\$	4,421
Office Buildings		13,345		13,638
Retail Centers		5,277		5,206
Industrial/Flex		4,031		3,889
	\$	26,822	\$	27,154
			_	
Cash Basis:				
Multifamily	\$	4,175	\$	4,420
Office Buildings		13,158		13,506
Retail Centers		5,194		5,048
Industrial/Flex		3,994		3,871
	\$	26,521	\$	26,845

Non-core properties for Q1 2004 and Q1 2003 were Fullerton Industrial Center, 718 Jefferson Street, 1776 G Street, Prosperity Medical Center and 8880 Gorman Road.

## Washington Real Estate Investment Trust Core Portfolio & Overall Occupancy Levels by Sector Q1 2004 vs. Q1 2003

## **GAAP Basis**

	Core Po	Core Portfolio		All Properties		
Sector	1st QTR 2004	1st QTR 2003	1st QTR 2004	1st QTR 2003		
Multifamily (1)	88.6%	90.9%	88.6%	90.9%		
Office Buildings	86.7%	87.1%	89.1%	87.1%		
Retail Centers	94.4%	96.1%	94.4%	96.1%		
Industrial / Flex Properties	91.2%	87.7%	91.5%	88.2%		
Overall Portfolio <sup>(2)</sup>	88.8%	89.2%	90.0%	89.3%		

<sup>(1)</sup> Multifamily occupancy at 3/31/04 for the Core Portfolio and All Properties would be 89.9% without the 21 HUD units and 4 additional units at The Ashby at McLean off the market for complete renovation.

Overall Portfolio occupancy at 3/31/04 for the Core Portfolio and All Properties would be 89.1% and 90.3%, respectively, without the impact of the 21 HUD units and 4 additional units at The Ashby at McLean off the market for complete renovation.

#### **Washington Real Estate Investment Trust Schedule of Properties** March 31, 2004

Office Buildings           1901 Pennsylvania Avenue         Washington, DC         1977         1960           51 Monroe Street         Rockville, MD         1979         1975           7700 Leesburg Pike         Falls Church, VA         1990         1976           515 King Street         Alexandria, VA         1992         1966           The Lexington Building         Rockville, MD         1993         1970           The Saratoga Building         Rockville, MD         1993         1977           Brandywine Center         Rockville, MD         1993         1969           Tycon Plaza II         Vienna, VA         1994         1981           Tycon Plaza III         Vienna, VA         1994         1981           6110 Executive Boulevard         Rockville, MD         1995         1971           1220 19th Street         Washington, DC         1995         1976           Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981	NET RENTABLE SQUARE FEET
1901 Pennsylvania Avenue       Washington, DC       1977       1960         51 Monroe Street       Rockville, MD       1979       1975         7700 Leesburg Pike       Falls Church, VA       1990       1976         515 King Street       Alexandria, VA       1992       1966         The Lexington Building       Rockville, MD       1993       1970         The Saratoga Building       Rockville, MD       1993       1977         Brandywine Center       Rockville, MD       1993       1969         Tycon Plaza II       Vienna, VA       1994       1981         Tycon Plaza III       Vienna, VA       1994       1978         6110 Executive Boulevard       Rockville, MD       1995       1971         1220 19th Street       Washington, DC       1995       1976         Maryland Trade Center I       Greenbelt, MD       1996       1981         Maryland Trade Center II       Greenbelt, MD       1996       1984         1600 Wilson Boulevard       Arlington, VA       1997       1973         7900 Westpark Drive       McLean, VA       1997       1972/1986/1991         8230 Boone Boulevard       Vienna, VA       1998       1981         Woodburn Medical Park I <td< td=""><td></td></td<>	
7700 Leesburg Pike         Falls Church, VA         1990         1976           515 King Street         Alexandria, VA         1992         1966           The Lexington Building         Rockville, MD         1993         1970           The Saratoga Building         Rockville, MD         1993         1977           Brandywine Center         Rockville, MD         1993         1969           Tycon Plaza II         Vienna, VA         1994         1981           Tycon Plaza III         Vienna, VA         1994         1978           6110 Executive Boulevard         Rockville, MD         1995         1971           1220 19th Street         Washington, DC         1995         1976           Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park II         Annandale, VA         1998         1984           Woodburn Medical Park II         Anna	97,000
515 King Street       Alexandria, VA       1992       1966         The Lexington Building       Rockville, MD       1993       1970         The Saratoga Building       Rockville, MD       1993       1977         Brandywine Center       Rockville, MD       1993       1969         Tycon Plaza II       Vienna, VA       1994       1981         Tycon Plaza III       Vienna, VA       1994       1978         6110 Executive Boulevard       Rockville, MD       1995       1971         1220 19th Street       Washington, DC       1995       1976         Maryland Trade Center I       Greenbelt, MD       1996       1981         Maryland Trade Center II       Greenbelt, MD       1996       1984         1600 Wilson Boulevard       Arlington, VA       1997       1973         7900 Westpark Drive       McLean, VA       1997       1972/1986/1999¹         8230 Boone Boulevard       Vienna, VA       1998       1981         Woodburn Medical Park I       Annandale, VA       1998       1984         Woodburn Medical Park II       Annandale, VA       1998       1988	210,000
515 King Street       Alexandria, VA       1992       1966         The Lexington Building       Rockville, MD       1993       1970         The Saratoga Building       Rockville, MD       1993       1977         Brandywine Center       Rockville, MD       1993       1969         Tycon Plaza II       Vienna, VA       1994       1981         Tycon Plaza III       Vienna, VA       1994       1978         6110 Executive Boulevard       Rockville, MD       1995       1971         1220 19th Street       Washington, DC       1995       1976         Maryland Trade Center I       Greenbelt, MD       1996       1981         Maryland Trade Center II       Greenbelt, MD       1996       1984         1600 Wilson Boulevard       Arlington, VA       1997       1973         7900 Westpark Drive       McLean, VA       1997       1972/1986/1999¹         8230 Boone Boulevard       Vienna, VA       1998       1981         Woodburn Medical Park I       Annandale, VA       1998       1984         Woodburn Medical Park II       Annandale, VA       1998       1984	147,000
The Lexington Building         Rockville, MD         1993         1970           The Saratoga Building         Rockville, MD         1993         1977           Brandywine Center         Rockville, MD         1993         1969           Tycon Plaza II         Vienna, VA         1994         1981           Tycon Plaza III         Vienna, VA         1994         1978           6110 Executive Boulevard         Rockville, MD         1995         1971           1220 19th Street         Washington, DC         1995         1976           Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1984	78,000
The Saratoga Building         Rockville, MD         1993         1977           Brandywine Center         Rockville, MD         1993         1969           Tycon Plaza II         Vienna, VA         1994         1981           Tycon Plaza III         Vienna, VA         1994         1978           6110 Executive Boulevard         Rockville, MD         1995         1971           1220 19th Street         Washington, DC         1995         1976           Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1984	46,000
Brandywine Center         Rockville, MD         1993         1969           Tycon Plaza II         Vienna, VA         1994         1981           Tycon Plaza III         Vienna, VA         1994         1978           6110 Executive Boulevard         Rockville, MD         1995         1971           1220 19th Street         Washington, DC         1995         1976           Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1984	59,000
Tycon Plaza II         Vienna, VA         1994         1981           Tycon Plaza III         Vienna, VA         1994         1978           6110 Executive Boulevard         Rockville, MD         1995         1971           1220 19th Street         Washington, DC         1995         1976           Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1984	35,000
Tycon Plaza III         Vienna, VA         1994         1978           6110 Executive Boulevard         Rockville, MD         1995         1971           1220 19th Street         Washington, DC         1995         1976           Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1984	127,000
6110 Executive Boulevard       Rockville, MD       1995       1971         1220 19th Street       Washington, DC       1995       1976         Maryland Trade Center I       Greenbelt, MD       1996       1981         Maryland Trade Center II       Greenbelt, MD       1996       1984         1600 Wilson Boulevard       Arlington, VA       1997       1973         7900 Westpark Drive       McLean, VA       1997       1972/1986/1999¹         8230 Boone Boulevard       Vienna, VA       1998       1981         Woodburn Medical Park I       Annandale, VA       1998       1984         Woodburn Medical Park II       Annandale, VA       1998       1988	151,000
1220 19th Street       Washington, DC       1995       1976         Maryland Trade Center I       Greenbelt, MD       1996       1981         Maryland Trade Center II       Greenbelt, MD       1996       1984         1600 Wilson Boulevard       Arlington, VA       1997       1973         7900 Westpark Drive       McLean, VA       1997       1972/1986/1999¹         8230 Boone Boulevard       Vienna, VA       1998       1981         Woodburn Medical Park I       Annandale, VA       1998       1984         Woodburn Medical Park II       Annandale, VA       1998       1988	199,000
Maryland Trade Center I         Greenbelt, MD         1996         1981           Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1988	102,000
Maryland Trade Center II         Greenbelt, MD         1996         1984           1600 Wilson Boulevard         Arlington, VA         1997         1973           7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1988	190,000
1600 Wilson Boulevard       Arlington, VA       1997       1973         7900 Westpark Drive       McLean, VA       1997       1972/1986/1999¹         8230 Boone Boulevard       Vienna, VA       1998       1981         Woodburn Medical Park I       Annandale, VA       1998       1984         Woodburn Medical Park II       Annandale, VA       1998       1988	158,000
7900 Westpark Drive         McLean, VA         1997         1972/1986/1999¹           8230 Boone Boulevard         Vienna, VA         1998         1981           Woodburn Medical Park I         Annandale, VA         1998         1984           Woodburn Medical Park II         Annandale, VA         1998         1988	166,000
8230 Boone BoulevardVienna, VA19981981Woodburn Medical Park IAnnandale, VA19981984Woodburn Medical Park IIAnnandale, VA19981988	521,000
Woodburn Medical Park IAnnandale, VA19981984Woodburn Medical Park IIAnnandale, VA19981988	58,000
Woodburn Medical Park II Annandale, VA 1998 1988	71,000
,	96,000
	115,000
1700 Research Boulevard Rockville, MD 1999 1982	103,000
Parklawn Plaza Rockville, MD 1999 1986	40,000
Wayne Plaza Silver Spring, MD 2000 1970	91,000
Courthouse Square Alexandria, VA 2000 1979	113,000
One Central Plaza Rockville, MD 2001 1974	267,000
The Atrium Building Rockville, MD 2002 1980	81,000
1776 G Street Washington, DC 2003 1979	262,000
Prosperity Medical Center I Merrifield, VA 2003 2000	92,000
1 7	
	88,000
Prosperity Medical Center III Merrifield, VA 2003 2002	75,000
Subtotal	3,838,000
Retail Centers	
Takoma Park Takoma Park, MD 1963 1962	51,000
Westminster Westminster, MD 1972 1969	146,000
Concord Centre Springfield, VA 1973 1960	76,000
Wheaton Park Wheaton, MD 1977 1967	72,000
Bradlee Alexandria, VA 1984 1955	168,000
Chevy Chase Metro Plaza Washington, DC 1985 1975	50,000
Montgomery Village Center Gaithersburg, MD 1992 1969	198,000
Shoppes of Foxchase Alexandria, VA 1994 1960	128,000
Frederick County Square Frederick, MD 1995 1973	227,000
200 C. Washington Street	
1998/2003 1955/1959	45,000
1620 Wilson Boulevard Arlington, VA 2002 1959	5,000
Centre at Hagerstown Hagerstown, MD 2002 2000	334,000
Subtotal	1,500,000

A 49,000 square foot addition to 7900 Westpark Drive was completed in September 1999.

South Washington Street includes 718 Jefferson Street, acquired in May 2003 to complete the ownership of the entire block of 800 S. Washington Street. The net rentable square feet reduction from 12/31/03 is due to space taken off market for development of residential units.

# Washington Real Estate Investment Trust Schedule of Properties (Cont.) March 31, 2004

PROPERTIES	LOCATION	YEAR ACQUIRED	YEAR CONSTRUCTED	NET RENTABLE* SQUARE FEET
Multifamily Buildings / # units				
3801 Connecticut Avenue / 307	Washington, DC	1963	1951	177,000
Roosevelt Towers / 190	Falls Church, VA	1965	1964	168,000
Country Club Towers / 227	Arlington, VA	1969	1965	159,000
Park Adams / 200	Arlington, VA	1969	1959	172,000
Munson Hill Towers / 279	Falls Church, VA	1970	1963	259,000
The Ashby at McLean / 250	McLean, VA	1996	1982	244,000
Walker House Apartments / 212 <sup>3</sup>	Gaithersburg, MD	1996	1971/2003	154,000
Bethesda Hills Apartments / 194	Bethesda, MD	1997	1986	226,000
Avondale / 236	Laurel, MD	1999	1987	170,000
Subtotal (2,095 units)				1,729,000
Industrial Distribution / Flex Properties				
Fullerton Business Center	Springfield, VA	1985	1980	104,000
Pepsi-Cola Distribution Center	Forestville, MD	1987	1971	69,000
Charleston Business Center	Rockville, MD	1993	1973	85,000
Tech 100 Industrial Park	Elkridge, MD	1995	1990	167,000
Crossroads Distribution Center	Elkridge, MD	1995	1987	85,000
The Alban Business Center	Springfield, VA	1996	1981/1982	87,000
The Earhart Building	Chantilly, VA	1996	1987	90,000
Ammendale Technology Park I	Beltsville, MD	1997	1985	167,000
Ammendale Technology Park II	Beltsville, MD	1997	1986	108,000
Pickett Industrial Park	Alexandria, VA	1997	1973	246,000
Northern Virginia Industrial Park	Lorton, VA	1998	1968/1991	788,000
8900 Telegraph Road	Lorton, VA	1998	1985	32,000
Dulles South IV	Chantilly, VA	1999	1988	83,000
Sully Square	Chantilly, VA	1999	1986	95,000
Amvax	Beltsville, MD	1999	1986	31,000
Sullyfield Center	Chantilly, VA	2001	1985	245,000
Fullerton Industrial Center	Springfield, VA	2003	1980	137,000
8880 Gorman Road	Laurel, MD	2004	1980	141,000
Subtotal				2,760,000
TOTAL				9,827,000

A 16 unit addition referred to as The Gardens at Walker House was completed in October 2003. Multifamily buildings are presented in gross square feet.

# Washington Real Estate Investment Trust Commercial Leasing Summary Three months ended March 31, 2004

	1st Quarter 2004	
Gross Leasing Square Footage		
Office Buildings	201,249	
Retail Centers	31,175	
Industrial Centers	89,779	
	·	
Total	322,203	
Weighted Average Term (yrs)		
Office Buildings	5.3	
Retail Centers	3.0	
Industrial Centers	2.0	
Total	4.1	
2000		
	GAAP (1)	CASH
Rental Rate Increases:		
Rate on expiring leases		
Office Buildings	\$ 26.07	\$ 26.81
Retail Centers	\$ 19.95	\$ 20.52
Industrial Centers	\$ 8.51	\$ 8.72
Total	\$ 20.58	\$ 21.16
Rate on new and renewal leases		
Office Buildings	\$ 25.97	\$ 24.42
Retail Centers	\$ 22.86	\$ 22.26
Industrial Centers	\$ 7.92	\$ 7.76
massian control	Ψ ///2	
Total	\$ 20.64	\$ 19.57
% Increase		
Office Buildings	-0.38%	-8.91%
Retail Centers	14.59%	8.48%
Industrial Centers	-6.93%	-11.01%
Total	0.29%	-7.51%
1 Otal	<u> </u>	-7.5170
		Dollars per
	Total Dollars	Square Foot
Tenant Improvements and Leasing Costs		
Office Buildings	\$2,678,886	\$ 13.31
Retail Centers	\$ 39,613	\$ 1.27
Industrial Centers	\$ 56,905	\$ 0.63
Total	\$2,775,404	\$ 8.61

<sup>(1)</sup> GAAP rates are presented on a straight-line basis, meaning they reflect subsequent years' rental rate escalations.

# Washington Real Estate Investment Trust 10 Largest Tenants - Based on Annualized Base Rent March 31, 2004

Tenant	Number of Buildings	Weighted Average Remaining Lease Term in Months	Percentage of Aggregate Portfolio Annualized Rent	Aggregate Rentable Square Feet	Percentage of Aggregate Occupied Square Feet
World Bank	1	33	4.40%	149,284	2.07%
Sunrise Senior Living, Inc.	1	114	3.45%	180,066	2.49%
General Services Administration	6	21	2.39%	250,349	3.47%
Sun Microsystems, Inc.	1	33	2.22%	110,184	1.53%
Xerox Corporation (1)	1	5	2.22%	90,994	1.26%
SunTrust Bank (2)	4	11	2.21%	104,290	1.44%
INOVA Health Care Services	4	72	1.96%	83,631	1.16%
Northrop Grumman	3	11	1.89%	116,607	1.61%
International Monetary Fund	1	21	1.75%	59,146	0.82%
George Washington University	2	51	1.52%	66,066	0.91%
Total/Weighted Average		40	24.01%	1,210,617	16.76%

<sup>(1)</sup> 

Xerox will vacate 45,169 square feet on 8/31/04. SunTrust will vacate 53,345 square feet on 11/30/04. (2)

# Washington Real Estate Investment Trust Lease Expirations as of March 31, 2004

Year	Number of Leases	Rentable Square Feet	Percent of Rentable Square Feet		Annualized Rent *	Average Rental Rate	Percent of Annualized Rent *
Office:							
2004	91	666,748	20.5%	\$	17,581,598	\$ 26.37	19.7%
2005	119	468,440	14.4%		14,526,576	31.01	16.3%
2006	114	481,946	14.8%		12,555,933	26.05	14.1%
2007	58	264,686	8.1%		6,795,359	25.67	7.6%
2008	68	353,407	10.9%		9,828,816	27.81	11.0%
2009 and thereafter	136	1,016,544	31.3%	_	28,003,715	27.55	31.4%
	586	3,251,771	100.0%	\$	89,291,997	\$ 27.46	100.0%
				_			
Retail:						<b>.</b>	
2004	31	113,351	7.9%	\$	1,645,704	\$ 14.52	7.5%
2005	43	199,862	14.0%		3,452,756	17.28	15.6%
2006	46	148,896	10.4%		2,845,507	19.11	12.9%
2007	42	135,358	9.5%		2,987,038	22.07	13.5%
2008	25	168,845	11.8%		1,480,638	8.77	6.7%
2009 and thereafter		663,878	46.4%		9,658,567	14.55	43.8%
	264	1,430,190	100.0%	\$	22,070,211	\$ 15.43	100.0%
Industrial:							
2004	44	438,865	17.7%	\$	3,239,391	\$ 7.38	16.6%
2005	52	585,687	23.7%	Ψ	4,306,619	7.35	22.1%
2006	50	509,773	20.6%		4,635,897	9.09	23.7%
2007	17	214,361	8.7%		1,643,033	7.66	8.4%
2008	24	271,220	11.0%		2,274,942	8.39	11.7%
2009 and thereafter	21	455,454	18.4%		3,426,838	7.52	17.5%
	208	2,475,360	100.0%	\$	19,526,720	\$ 7.89	100.0%
	<del></del>			_			
Total:							
2004	166	1,218,964	17.0%	\$	22,466,693	\$ 18.43	17.2%
2005	214	1,253,989	17.5%		22,285,952	17.77	17.0%
2006	210	1,140,615	15.9%		20,037,337	17.57	15.3%
2007	117	614,405	8.6%		11,425,430	18.60	8.7%
2008	117	793,472	11.1%		13,584,395	17.12	10.4%
2009 and thereafter	234	2,135,876	29.8%	_	41,089,120	19.24	31.4%
	1,058	7,157,321	100.0%	\$	130,888,927	\$ 18.29	100.0%

<sup>\*</sup> Annualized Rent is as of March 31, 2004 rental revenue (cash basis) multiplied by 12.

#### Washington Real Estate Investment Trust 2004 Acquisition and Development Summary (\$'s in thousands)

# **Acquisition Summary**

		Acquisition Date	Square Feet	Occupancy Percentage at Acquisition	March 31, 2004 Leased Percentage	Investment
8880 Gorman Road		03/10/0	4 140,700	100%	100%	\$ 11,500
<b>Development Summary</b>						
	Property and Location	Total Rentable Square Feet or # of Units	Percentage Leased or Committed	Anticipated Total Cost	Cost to Date	Anticipated Construction Completion Date
Redevelopment						
	Westminster Shopping Center (1) Westminster, MD	37,650 sq ft.	100%	\$ 3,700	\$ 978	4Q 04
Development		•				
	WRIT Rosslyn Center (2) Arlington, VA	224 units & 6,500 sq ft. retail	0%	\$ 56,100	\$ 4,875(4)	2Q 06
	South Washington Street <sup>(3)</sup> Alexandria, VA	75 units & 3,000 sq ft. retail	0%	\$ 17,500	\$ 1,917(4)	1Q 06

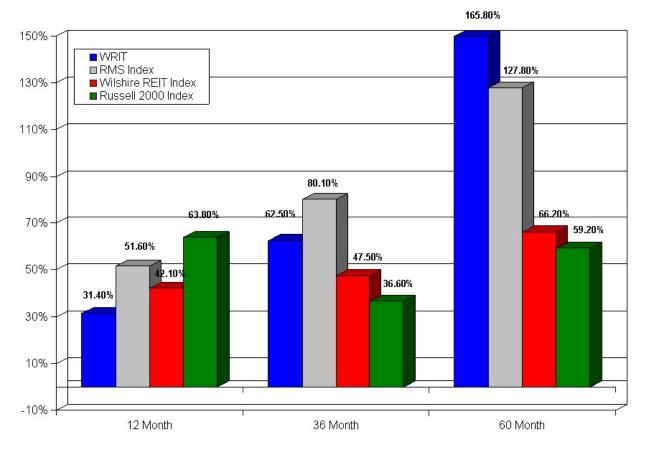
<sup>(1)</sup> Redevelopment in conjunction with a lease executed in May 2003 with a national food chain.

(4) Includes land cost.

WRIT Rosslyn Center is a planned 224 unit multifamily property in the early development stages. 1620 Wilson Boulevard was acquired in conjunction with the overall development plan for WRIT Rosslyn Center.

<sup>(3) 718</sup> E. Jefferson Street was acquired to complete our ownership of the entire block of 800 S. Washington Street. The surface parking lot on this block is now in the preliminary stages of development. We refer to this development project as South Washington Street.

# WRIT vs. Morgan Stanley REIT Index, Russell 2000 Index & Wilshire REIT Index 12, 36 and 60 Month Total Returns through March 31, 2004



#### Washington Real Estate Investment Trust Reporting Definitions March 31, 2004

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

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

**EBITDA** is earnings before interest, taxes, depreciation and amortization.

Ratio of earnings to fixed charges is computed by dividing earnings by fixed charges. For this purpose, earnings consist of income from continuing operations plus fixed charges, less capitalized interest. Fixed charges consist of interest expense, including amortized costs of debt issuance, plus interest costs capitalized.

Debt service coverage ratio is computed by dividing earnings before interest income and expense, depreciation, amortization and gain on sale of real estate by interest expense and principal amortization.

Funds from operations (FFO) - The National Association of Real Estate Investment Trusts, Inc. (NAREIT) defines FFO (April, 2002 White Paper) as net income (computed in accordance with generally accepted accounting principles (GAAP)) excluding gains (or losses) from sales of property plus real estate depreciation and amortization.

Funds Available for Distribution (FAD) is calculated by subtracting from FFO recurring expenditures, tenant improvements and leasing costs, that are capitalized and amortized and are necessary to maintain our properties and revenue stream and straight line rents, then adding non-real estate depreciation and amortization.

Recurring capital expenditures represents 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 to 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.

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

Core portfolio net operating income (NOI)growth is the change in the NOI of the core portfolio properties from the prior reporting period to the current reporting period.