# 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 29, 2010**

# 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**

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

and

Item 7.01 Regulation FD Disclosure

A press release issued by the Registrant on April 29, 2010, regarding earnings for the three months ended March 31, 2010, is attached as Exhibit 99.1. Also, certain supplemental information not included in the press release is attached as Exhibit 99.2. This information is being furnished pursuant to Item 7.01 and Item 2.02 of Form 8-K. This information is not deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 and is not incorporated by reference into any Securities Act registration statements.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 Press release issued April 29, 2010 regarding earnings for the three months ended March 31, 2010

Exhibit 99.2 Certain supplemental information not included in the press release

## SIGNATURES

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

WASHINGTON REAL ESTATE INVESTMENT TRUST
(Registrant)

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

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

April 29, 2010
(Date)

Exhibit Index

| Exhibit Number | Description |
|---|---|
| 99.1 | Press Release issued April 29, 2010 regarding earnings for the three months ended March 31, 2010. |
| 99.2 | Certain supplemental information not included in the press release |

**Exhibit 99.1**

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

# NEWS RELEASE

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**April 29, 2010**

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

Washington Real Estate Investment Trust (WRIT) (NYSE: WRE) reported financial and operating results today for the quarter ended March 31, 2010:

- Funds From Operations (FFO)(1) was $0.48 per diluted share compared to $0.64 per diluted share in the same period one year ago. This difference is primarily due to gains on extinguishment of debt in the first quarter of 2009, share dilution from our equity offerings in 2009 and 2010, and snow removal costs in the first quarter of 2010.
- Net income was $0.09 per diluted share compared to $0.20 per diluted share in the same period one year ago. The first quarter 2009 net income included a gain of $0.11 per diluted share related to the extinguishment of debt.

“We continue to see signs of a recovery in real estate fundamentals—leasing activity is up, delinquencies are declining and investment opportunities are increasing. While this recovery may not be a rapid one, we believe an upturn in market conditions has begun and the future looks bright for the Washington region. We are pleased with our first quarter results, which met our expectations, and look forward to potentially increasing performance in the quarters ahead,” stated George “Skip” McKenzie, President and Chief Executive Officer, Washington Real Estate Investment Trust.

### Capital Structure

Year to date, WRIT has issued 732,646 common shares through its Sales Agency Financing Agreement with BNY Mellon Capital Markets at an average offering price of $30.18 for gross proceeds of approximately $22.1 million. These proceeds were used to repay a portion of WRIT’s line of credit. As of today, the outstanding balance on the line of credit is $100 million. WRIT also repurchased a total of $1.2 million of its 3.875% convertible notes at an average discounted price of 99.3% of par.

On March 31, 2010, WRIT paid a quarterly dividend of $0.4325 per share for its 193rd consecutive quarterly dividend at equal or increasing rates.

As of March 31, 2010, WRIT had a total market capitalization of $3.1 billion(2)

### Operating Results

Overall portfolio economic occupancy for the first quarter was 91.2%, compared to 92.3% in the same period one year ago and 92.2% in the fourth quarter of 2009. Overall portfolio Net Operating Income (NOI)(3) was $49.0 million compared to $49.7 million in the same period one year ago and $51.4 million in the fourth quarter of 2009. This quarter’s results include non-reimbursable snow removal expenses of $1.2 million.

Core[4] portfolio economic occupancy for the first quarter was 92.1%, compared to 93.5% in the same period one year ago and 92.5% in the fourth quarter of 2009. Core portfolio NOI for the first quarter decreased 1.9% and rental rate growth was 1.2% compared to the same period one year ago.

- Multifamily properties' core NOI for the first quarter decreased 1.8% compared to the same period one year ago. The primary driver of NOI decline was snow removal costs in the first quarter of 2010, which offset gains in occupancy at all but one property. Rental rate growth was -2.0% while core economic occupancy for properties included in the results for both the first quarter of 2009 and 2010 increased 270 basis points (bps) to 94.2%. Sequentially, core economic occupancy for properties included in the results for both the fourth quarter of 2009 and the first quarter of 2010 remained unchanged at 94.1% from the fourth quarter of 2009.
- Office properties' core NOI for the first quarter increased 0.8% compared to the same period one year ago. Rental rate growth was 2.0% while core economic occupancy for properties included in the results for both the first quarter of 2009 and 2010 decreased 130 bps to 92.2%. Sequentially, core economic occupancy for properties included in the results for both the fourth quarter of 2009 and the first quarter of 2010 decreased 110 bps from the fourth quarter of 2009.
- Medical office properties' core NOI for the first quarter increased 0.7% compared to the same period one year ago. Rental rate growth was 2.8% while core economic occupancy for properties included in the results for both the first quarter of 2009 and 2010 decreased 60 bps to 95.9%. Sequentially, core economic occupancy for properties included in the results for both the fourth quarter of 2009 and the first quarter of 2010 remained unchanged at 91.1% from the fourth quarter of 2009. The difference in occupancy in the year over year comparison versus the sequential comparison is the effect of purchasing Lansdowne Medical Office Building in the third quarter of 2009.
- Retail properties' core NOI for the first quarter decreased 6.3% compared to the same period one year ago. Rental rate growth was 0.9% while core economic occupancy for properties included in the results for both the first quarter of 2009 and 2010 decreased 390 bps to 91.3%. Sequentially, core economic occupancy for properties included in the results for both the fourth quarter of 2009 and the first quarter of 2010 decreased 310 bps from the fourth quarter of 2009, primarily due to higher vacancy at our Frederick Crossing and Montgomery Village Centers.
- Industrial properties' core NOI for the first quarter decreased 8.0% compared to the same period one year ago. Rental rate growth was 0.2% while core economic occupancy for properties included in the results for both the first quarter of 2009 and 2010 decreased 540 bps to 85.5%. Sequentially, core economic occupancy for properties included in the results for both the fourth quarter of 2009 and the first quarter of 2010 decreased 160 bps from the fourth quarter of 2009, primarily due to the eviction of several non-paying tenants in the fourth quarter of 2009.

**Leasing Activity**

During the first quarter, WRIT signed commercial leases for 274,000 square feet with an average rental rate increase of 15.8% over expiring lease rates, an average lease term of 5.5 years, tenant improvement costs of $15.07 per square foot and leasing costs of $9.37 per square foot.

- Rental rates for new and renewed office leases increased 15.3% to $30.97 per square foot, with $17.47 per square foot in tenant improvement costs and $10.38 per square foot in leasing costs.
- Rental rates for new and renewed medical office leases increased 25.5% to $40.38 per square foot, with $24.88 per square foot in tenant improvement costs and $16.73 per square foot in leasing costs.
- Rental rates for new and renewed retail leases increased 21.2% to $31.31 per square foot, with no tenant improvement costs and $1.35 per square foot in leasing costs.
- Rental rates for new and renewed industrial/flex leases increased 1.9% to $9.47 per square foot, with $1.41 per square foot in tenant improvement costs and $2.14 per square foot in leasing costs.

**Conference Call Information**

The Conference Call for 1st Quarter Earnings is scheduled for Friday, April 30, 2010 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 14, 2010 at 11:59 P.M. Eastern time. Instant replay access information is as follows:

| | |
|---|---|
| USA Toll Free Number: | 1-877-660-6853 |
| International Toll Number: | 1-201-612-7415 |
| Account: | 286 |
| Conference ID: | 347642 |

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

**About WRIT**

WRIT is a self-administered, self-managed, equity real estate investment trust investing in income-producing properties in the greater Washington metro region. WRIT owns a diversified portfolio of 90 properties totaling approximately 11 million square feet of commercial space and 2,540 residential units. These 90 properties consist of 27 office properties, 20 industrial/flex properties, 18 medical office properties, 14 retail centers, 11 multifamily properties and land for development. WRIT shares are publicly traded on the New York Stock Exchange (NYSE:WRE).

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

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially. Such risks, uncertainties and other factors include, but are not limited to, the effect of the current credit and financial market conditions, the availability and cost of capital, fluctuations in interest rates, tenants' financial conditions, the timing and pricing of lease transactions, levels of competition, the effect of government regulation, the impact of newly adopted accounting principles, changes in general and local economic and real estate market conditions, and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2009 Form 10-K. We assume no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

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

(2) Total market capitalization is calculated by multiplying the total outstanding common shares at period end times the closing share price on the last trading day of the period, and then adding the book value of the total outstanding debt at period end.

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

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

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

**Economic Occupancy Levels by Core Properties [(i)] and All Properties**

| | Core Properties | | All Properties | |
|---|---|---|---|---|
| Segment | 1st QTR 2010 | 1st QTR 2009 | 1st QTR 2010 | 1st QTR 2009 |
| Residential | 94.2% | 91.5% | 94.1% [(ii)] | 87.4% |
| Office | 92.2% | 93.5% | 91.6% | 92.6% |
| Medical Office | 95.9% | 96.5% | 91.1% | 96.5% |
| Retail | 91.3% | 95.2% | 91.3% | 95.2% |
| Industrial | 85.5% | 90.9% | 85.7% | 90.4% |
| Overall Portfolio | 92.1% | 93.5% | 91.2% | 92.3% |

(i) Core properties include all properties that were owned for the entirety of the current and prior year reporting periods. For Q1 2010 and Q1 2009, core properties exclude:

Residential Acquisitions: none;
Office Acquisitions: none;
Medical Office Acquisition: Lansdowne Medical Office Building;
Retail Acquisitions: none;
Industrial Acquisitions: none.

Also excluded from Core Properties in Q1 2010 and Q1, 2009 are:
Sold Properties: Avondale, Brandywine Center, Tech 100 and Crossroads Distribution Center;
Held for Sale Properties: Charleston Business Center, Parklawn Plaza, Lexington and Saratoga;
In Development Properties: Bennett Park, Clayborne Apartments, and Dulles Station.

(ii) Residential occupancy for all properties reflects the completion of Bennett Park and Clayborne Apartments. At 3/31/10, 219 of 224 units were occupied at Bennett Park and 69 of 74 units were occupied at Clayborne Apartments.

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

| OPERATING RESULTS | Three Months Ended March 31, 2010 | Three Months Ended March 31, 2009 |
|---|---|---|
| Revenue | | |
| Real estate rental revenue | $ 76,446 | $ 76,580 |
| Expenses | | |
| Real estate expenses | 27,401 | 26,896 |
| Depreciation and amortization | 23,512 | 22,958 |
| General and administrative | 3,838 | 3,182 |
| | 54,751 | 53,036 |
| Real estate operating income | 21,695 | 23,544 |
| Other income (expense): | | |
| Interest expense | (17,065) | (19,681) |
| Investment income | 289 | 320 |
| Gain (loss) on extinguishment of debt | (42) | 5,845 |
| | (16,818) | (13,516) |
| Income from continuing operations | 4,877 | 10,028 |
| Discontinued operations: | | |
| Income from operations of properties held for sale | 388 | 872 |
| Net income | 5,265 | 10,900 |
| Less: Net income attributable to noncontrolling interests in subsidiaries | (49) | (49) |
| Net income attributable to the controlling interests | $ 5,216 | $ 10,851 |
| Income from continuing operations attributable to the controlling interests | $ 4,828 | $ 9,979 |
| Continuing operations real estate depreciation and amortization | 23,512 | 22,958 |
| Funds from continuing operations | $ 28,340 | $ 32,937 |
| Income from discontinued operations before gain on sale | 388 | 872 |
| Discontinued operations real estate depreciation and amortization | 96 | 344 |
| Funds from discontinued operations | 484 | 1,216 |
| **Funds from operations(1)** | $ 28,824 | $ 34,153 |
| Non-cash (gain) loss on extinguishment of debt | 42 | (5,845) |
| Tenant improvements | (2,012) | (1,066) |
| External and internal leasing commissions capitalized | (2,268) | (1,058) |
| Recurring capital improvements | (864) | (1,174) |
| Straight-line rents, net | (608) | (664) |
| Non-cash fair value interest expense | 776 | 1,128 |
| Non real estate depreciation & amortization of debt costs | 993 | 1,219 |
| Amortization of lease intangibles, net | (562) | (597) |
| Amortization and expensing of restricted share and unit compensation | 1,633 | 577 |
| **Funds available for distribution(5)** | $ 25,954 | $ 26,673 |

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

| **Per share data attributable to the controlling interests:** | | **Three Months Ended March 31, 2010** | **2009** |
|---|---|---|---|
| Income from continuing operations | (Basic) | $ 0.08 | $ 0.19 |
| | (Diluted) | $ 0.08 | $ 0.19 |
| Net income | (Basic) | $ 0.09 | $ 0.20 |
| | (Diluted) | $ 0.09 | $ 0.20 |
| Funds from continuing operations | (Basic) | $ 0.47 | $ 0.62 |
| | (Diluted) | $ 0.47 | $ 0.62 |
| Funds from operations | (Basic) | $ 0.48 | $ 0.64 |
| | (Diluted) | $ 0.48 | $ 0.64 |
| Dividends paid | | $ 0.4325 | $ 0.4325 |
| Weighted average shares outstanding | | 59,898 | 52,914 |
| Fully diluted weighted average shares outstanding | | 60,001 | 52,915 |

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

| | March 31, 2010 | December 31, 2009 |
|---|---|---|
| Assets | | |
| Land | $ 408,779 | $ 408,779 |
| Income producing property | 1,889,281 | 1,886,408 |
| | 2,298,060 | 2,295,187 |
| Accumulated depreciation and amortization | (488,387) | (468,291) |
| Net income producing property | 1,809,673 | 1,826,896 |
| Development in progress | 25,561 | 25,031 |
| Total real estate held for investment, net | 1,835,234 | 1,851,927 |
| Investment in real estate sold or held for sale | 14,212 | 14,289 |
| Cash and cash equivalents | 10,758 | 11,203 |
| Restricted cash | 20,465 | 19,170 |
| Rents and other receivables, net of allowance for doubtful accounts of $7,155 and $6,433, respectively | 52,686 | 50,441 |
| Prepaid expenses and other assets | 93,020 | 97,605 |
| Other assets related to property sold or held for sale | 601 | 590 |
| Total assets | $2,026,976 | $2,045,225 |
| Liabilities | | |
| Notes payable | $ 688,358 | $ 688,912 |
| Mortgage notes payable | 404,518 | 405,451 |
| Lines of credit | 110,000 | 128,000 |
| Accounts payable and other liabilities | 53,628 | 52,580 |
| Advance rents | 9,963 | 11,103 |
| Tenant security deposits | 9,736 | 9,668 |
| Other liabilities related to property sold or held for sale | 502 | 448 |
| Total liabilities | $1,276,705 | $1,296,162 |
| Shareholders' equity | | |
| Shares of beneficial interest, $0.01 par value; 100,000 Shares authorized; 60,545 and 59,811 shares issued and outstanding, respectively | 607 | 599 |
| Additional paid-in capital | 966,952 | 944,825 |
| Distributions in excess of net income | (219,094) | (198,412) |
| Accumulated other comprehensive income | (2,004) | (1,757) |
| Total shareholders' equity | 746,461 | 745,255 |
| Noncontrolling interests in subsidiaries | 3,810 | 3,808 |
| Total equity | 750,271 | 749,063 |
| Total liabilities and equity | $2,026,976 | $2,045,225 |

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

The following tables contain reconciliations of net income to core net operating income for the periods presented:

| Three months ended March 31, 2010 | Multifamily | Office | Medical Office | Retail | Industrial | Total |
|---|---|---|---|---|---|---|
| Core net operating income[4] | $ 5,606 | $20,779 | $7,603 | $7,217 | $ 6,307 | $ 47,512 |
| Add: Net operating income from non-core properties[4] | 1,133 | 539 | (139) | — | — | 1,533 |
| Total net operating income[3] | $ 6,739 | $21,318 | $7,464 | $7,217 | $ 6,307 | $ 49,045 |
| Add/(deduct): | | | | | | |
| Other income | | | | | | 289 |
| Interest expense | | | | | | (17,065) |
| Gain (loss) on extinguishment of debt | | | | | | (42) |
| Depreciation and amortization | | | | | | (23,512) |
| General and administrative expenses | | | | | | (3,838) |
| Income from operations of properties held for sale | | | | | | 388 |
| Net income | | | | | | 5,265 |
| Less: Net income attributable to noncontrolling interests in subsidiaries | | | | | | (49) |
| Net income attributable to the controlling interests | | | | | | $ 5,216 |

| Three months ended March 31, 2009 | Multifamily | Office | Medical Office | Retail | Industrial | Total |
|---|---|---|---|---|---|---|
| Core net operating income[4] | $ 5,707 | $20,616 | $7,553 | $7,706 | $ 6,859 | $ 48,441 |
| Add: Net operating income from non-core properties[4] | 573 | 670 | — | — | — | 1,243 |
| Total net operating income[3] | $ 6,280 | $21,286 | $7,553 | $7,706 | $ 6,859 | $ 49,684 |
| Add/(deduct): | | | | | | |
| Other income | | | | | | 320 |
| Interest expense | | | | | | (19,681) |
| Gain (loss) on extinguishment of debt | | | | | | 5,845 |
| Depreciation and amortization | | | | | | (22,958) |
| General and administrative expenses | | | | | | (3,182) |
| Income from operations of properties held for sale | | | | | | 872 |
| Net income | | | | | | 10,900 |
| Less: Net income attributable to noncontrolling interests in subsidiaries | | | | | | (49) |
| Net income attributable to the controlling interests | | | | | | $ 10,851 |

Exhibit 99.2


First Quarter 2010

**Supplemental Operating and Financial Data**

*for the Quarter Ended March 31, 2010*

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

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Rockville, MD 20852
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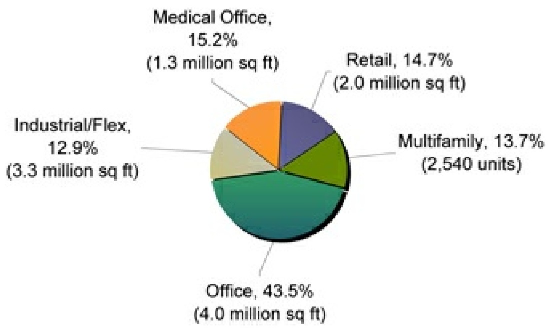
Washington Real Estate Investment Trust ("WRIT") is a self-administered, self-managed, equity real estate investment trust investing in income-producing properties in the greater Washington metro region. WRIT is diversified, as it invests in office, industrial/flex, medical office, retail, and multifamily properties and land for development.

Year to date, WRIT has issued 732,646 common shares through its Sales Agency Financing Agreement with BNY Mellon Capital Markets at an average price of $30.18 for gross proceeds of $22.1 million. WRIT used the proceeds to pay down its line of credit from $128 million at year end 2009 to $110 million at the end of the first quarter. WRIT also repurchased $1.2 million of its 3.875% convertible notes at an average discounted price of 99.3% of par.

WRIT executed 274,000 square feet of commercial lease transactions in the first quarter with an average lease term of 5.5 years. The average rental rate increase on new and renewal leases in the commercial portfolio was 15.8% on a GAAP basis and 2.9% on a cash basis. Commercial tenant improvement costs were $15.07 per square foot and leasing commissions were $9.37 per square foot for the quarter.

***Net Operating Income Contribution by Sector - First Quarter 2010****




* Excludes discontinued operations:
Held for Sale Properties: Parklawn Plaza, Lexington Building, Saratoga Building and Charleston Business Center.

As of March 31, 2010, WRIT owned a diversified portfolio of 90 properties totaling approximately 11 million square feet of commercial space and 2,540 residential units. These 90 properties consist of 27 office properties, 20 industrial/flex properties, 18 medical office properties, 14 retail centers, 11 multifamily properties and land for development. WRIT shares are publicly traded on the New York Stock Exchange (NYSE: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, the effect of the current credit and financial market conditions, the availability and cost of capital, fluctuations in interest rates, tenants' financial conditions, the timing and pricing of lease transactions, levels of competition, the effect of government regulation, the impact of newly adopted accounting principles, changes in general and local economic and real estate market conditions, and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2009 Form 10-K. We assume no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

## *Supplemental Financial and Operating Data*
## *Table of Contents*
*March 31, 2010*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

## Consolidated Statements of Operations

*(In thousands, except per share data)*
*(Unaudited)*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | 03/31/10 | 12/31/09 | 09/30/09 | 06/30/09 | 03/31/09 |
| **OPERATING RESULTS** | | | | | |
| Real estate rental revenue | $ 76,446 | $ 77,254 | $ 74,987 | $ 75,596 | $ 76,580 |
| Real estate expenses | (27,401) | (25,844) | (25,573) | (25,078) | (26,896) |
| | 49,045 | 51,410 | 49,414 | 50,518 | 49,684 |
| Real estate depreciation and amortization | (23,512) | (23,802) | (23,484) | (23,178) | (22,958) |
| Income from real estate | 25,533 | 27,608 | 25,930 | 27,340 | 26,726 |
| Other income | 289 | 284 | 262 | 339 | 320 |
| Gain from non-disposal activities | — | 11 | 62 | — | — |
| Gain (loss) on extinguishment of debt | (42) | (1,595) | (133) | 1,219 | 5,845 |
| Interest expense | (17,065) | (17,780) | (18,224) | (19,316) | (19,681) |
| General and administrative | (3,838) | (3,174) | (3,834) | (3,716) | (3,182) |
| Income from continuing operations | 4,877 | 5,354 | 4,063 | 5,866 | 10,028 |
| Discontinued operations: | | | | | |
| Income from operations of properties held for sale | 388 | 422 | 393 | 602 | 872 |
| Gain on sale of real estate | — | 1,527 | 5,147 | 6,674 | — |
| Income from discontinued operations | 388 | 1,949 | 5,540 | 7,276 | 872 |
| Net income | 5,265 | 7,303 | 9,603 | 13,142 | 10,900 |
| Less: Net income from noncontrolling interests | (49) | (49) | (53) | (52) | (49) |
| Net income attributable to the controlling interests | $ 5,216 | $ 7,254 | $ 9,550 | $ 13,090 | $ 10,851 |
| **Per Share Data** | | | | | |
| Net income attributable to the controlling interests | $ 0.09 | $ 0.12 | $ 0.16 | $ 0.23 | $ 0.20 |
| Fully diluted weighted average shares outstanding | 60,001 | 59,833 | 58,571 | 56,277 | 52,915 |
| **Percentage of Revenues:** | | | | | |
| Real estate expenses | 35.8% | 33.5% | 34.1% | 33.2% | 35.1% |
| General and administrative | 5.0% | 4.1% | 5.1% | 4.9% | 4.2% |
| **Ratios:** | | | | | |
| EBITDA / Interest expense | 2.7x | 2.7x | 2.5x | 2.5x | 2.7x |
| Income from continuing operations attributable to the controlling interest/Total real estate revenue | 6.3% | 6.9% | 5.3% | 7.7% | 13.0% |
| Net income attributable to the controlling interest/Total real estate revenue | 6.8% | 9.4% | 12.7% | 17.3% | 14.2% |

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

## Consolidated Balance Sheets

*(In thousands)*
*(Unaudited)*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | March 31, 2010 | December 31, 2009 | September 30, 2009 | June 30, 2009 | March 31, 2009 |
|---|---|---|---|---|---|
| Assets | | | | | |
| Land | $ 408,779 | $ 408,779 | $ 408,779 | $ 407,470 | $ 407,475 |
| Income producing property | 1,889,281 | 1,886,408 | 1,877,614 | 1,853,608 | 1,845,584 |
| | 2,298,060 | 2,295,187 | 2,286,393 | 2,261,078 | 2,253,059 |
| Accumulated depreciation and amortization | (488,387) | (468,291) | (448,663) | (428,681) | (408,978) |
| Net income producing property | 1,809,673 | 1,826,896 | 1,837,730 | 1,832,397 | 1,844,081 |
| Development in progress, including land held for development | 25,561 | 25,031 | 24,611 | 24,140 | 23,678 |
| Total real estate held for investment, net | 1,835,234 | 1,851,927 | 1,862,341 | 1,856,537 | 1,867,759 |
| Investment in real estate held for sale, net | 14,212 | 14,289 | 16,782 | 24,436 | 37,065 |
| Cash and cash equivalents | 10,758 | 11,203 | 7,119 | 58,446 | 9,685 |
| Restricted cash | 20,465 | 19,170 | 18,072 | 21,038 | 19,343 |
| Rents and other receivables, net of allowance for doubtful accounts | 52,686 | 50,441 | 49,031 | 48,558 | 46,591 |
| Prepaid expenses and other assets | 93,020 | 97,605 | 104,160 | 100,537 | 105,216 |
| Other assets related to properties sold or held for sale | 601 | 590 | 892 | 1,260 | 1,514 |
| Total assets | $2,026,976 | $2,045,225 | $ 2,058,397 | $2,110,812 | $2,087,173 |
| Liabilities and Equity | | | | | |
| Notes payable | $ 688,358 | $ 688,912 | $ 796,064 | $ 807,128 | $ 845,364 |
| Mortgage notes payable | 404,518 | 405,451 | 406,377 | 457,238 | 458,084 |
| Lines of credit/short-term note payable | 110,000 | 128,000 | 6,000 | 15,000 | 48,000 |
| Accounts payable and other liabilities | 53,628 | 52,580 | 64,370 | 70,933 | 71,516 |
| Advance rents | 9,963 | 11,103 | 9,666 | 9,301 | 8,923 |
| Tenant security deposits | 9,736 | 9,668 | 9,816 | 9,803 | 9,847 |
| Other liabilities related to properties sold or held for sale | 502 | 448 | 535 | 654 | 807 |
| Total Liabilities | 1,276,705 | 1,296,162 | 1,292,828 | 1,370,057 | 1,442,541 |
| Equity | | | | | |
| Shares of beneficial interest, $0.01 par value; 100,000 shares authorized | 607 | 599 | 598 | 584 | 531 |
| Additional paid-in capital | 966,952 | 944,825 | 942,884 | 901,603 | 793,441 |
| Distributions in excess of net income | (219,094) | (198,412) | (179,639) | (163,425) | (151,172) |
| Accumulated other comprehensive income (loss) | (2,004) | (1,757) | (2,080) | (1,808) | (1,963) |
| Total shareholders' equity | 746,461 | 745,255 | 761,763 | 736,954 | 640,837 |
| Noncontrolling interests in subsidiaries | 3,810 | 3,808 | 3,806 | 3,801 | 3,795 |
| Total equity | 750,271 | 749,063 | 765,569 | 740,755 | 644,632 |
| Total liabilities and equity | $2,026,976 | $2,045,225 | $ 2,058,397 | $2,110,812 | $2,087,173 |
| Total Debt / Total Market Capitalization | 0.39:1 | 0.43:1 | 0.41:1 | 0.50:1 | 0.60:1 |

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

## Funds From Operations and Funds Available for Distribution
*(In thousands, except per share data)*
*(Unaudited)*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | 3/31/2010 | 12/31/2009 | 9/30/2009 | 6/30/2009 | 3/31/2009 |
| **Funds from operations** (1) | | | | | |
| Net income (loss) attributable to the controlling interests | $ 5,216 | $ 7,254 | $ 9,550 | $13,090 | $10,851 |
| Real estate depreciation and amortization | 23,512 | 23,802 | 23,484 | 23,178 | 22,958 |
| Gain from non-disposal activities | — | (11) | (62) | — | — |
| Discontinued operations: | | | | | |
| Gain on sale of real estate | — | (1,527) | (5,147) | (6,674) | — |
| Real estate depreciation and amortization | 96 | 146 | 205 | 330 | 344 |
| Funds From Operations (FFO) | $28,824 | $ 29,664 | $28,030 | $29,924 | $34,153 |
| FFO per share - basic | $ 0.48 | $ 0.50 | $ 0.48 | $ 0.53 | $ 0.64 |
| FFO per share - fully diluted | $ 0.48 | $ 0.50 | $ 0.48 | $ 0.53 | $ 0.64 |
| FFO per share - fully diluted, excluding gain (loss) on extinguishment of debt | $ 0.48 | $ 0.52 | $ 0.48 | $ 0.51 | $ 0.53 |
| **Funds available for distribution** (2) | | | | | |
| Non-cash (gain)/loss on extinguishment of debt | 42 | 595 | 133 | (1,219) | (5,845) |
| Tenant improvements | (2,012) | (4,425) | (2,272) | (4,727) | (1,066) |
| External and internal leasing commissions capitalized | (2,268) | (1,058) | (1,543) | (2,186) | (1,058) |
| Recurring capital improvements | (864) | (1,442) | (1,756) | (1,984) | (1,174) |
| Straight-line rent, net | (608) | (1,527) | (576) | (612) | (664) |
| Non-cash fair value interest expense | 776 | 773 | 794 | 900 | 1,128 |
| Non-real estate depreciation and amortization | 993 | 1,037 | 1,122 | 1,177 | 1,219 |
| Amortization of lease intangibles, net | (562) | (777) | (559) | (654) | (597) |
| Amortization and expensing of restricted share and unit compensation | 1,633 | 820 | 1,136 | 927 | 577 |
| Funds Available for Distribution (FAD) | $25,954 | $ 23,660 | $24,509 | $21,546 | $26,673 |
| Total Dividends Paid | $25,890 | $ 25,843 | $25,591 | $25,193 | $22,923 |
| Average shares - basic | 59,898 | 59,735 | 58,556 | 56,276 | 52,914 |
| Average shares - fully diluted | 60,001 | 59,833 | 58,571 | 56,277 | 52,915 |

(1) Funds From Operations ("FFO") – The National Association of Real Estate Investment Trusts, Inc. ("NAREIT") defines FFO (April, 2002 White Paper) as net income (computed in accordance with generally accepted accounting principles ("GAAP")) excluding gains (or losses) 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 diminishes predictably over time. Since real estate values have instead historically risen or fallen with market conditions, we believe that FFO more accurately provides investors an indication of our ability to incur and service debt, make capital expenditures and fund other needs. FFO is a non-GAAP measure.

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

## Earnings Before Interest Taxes Depreciation and Amortization (EBITDA)

*(In thousands)*
*(Unaudited)*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | 03/31/10 | 12/31/09 | 09/30/09 | 06/30/09 | 03/31/09 |
| **EBITDA** [(1)] | | | | | |
| Net income attributable to the controlling interests | $ 5,216 | $ 7,254 | $ 9,550 | $13,090 | $10,851 |
| Add: | | | | | |
| Interest expense | 17,065 | 17,780 | 18,224 | 19,316 | 19,681 |
| Real estate depreciation and amortization | 23,608 | 23,948 | 23,689 | 23,508 | 23,302 |
| Non-real estate depreciation | 272 | 288 | 293 | 306 | 305 |
| Less: | | | | | |
| Gain on sale of real estate | — | (1,527) | (5,147) | (6,674) | — |
| Gain from non-disposal activities | — | (11) | (62) | — | — |
| Other income | (289) | (284) | (262) | (339) | (320) |
| EBITDA | $45,872 | $47,448 | $46,285 | $49,207 | $53,819 |

(1) 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. EBITDA is a non-GAAP measure.

**Long-Term Debt Analysis**
*(In thousands, except per share amounts)*

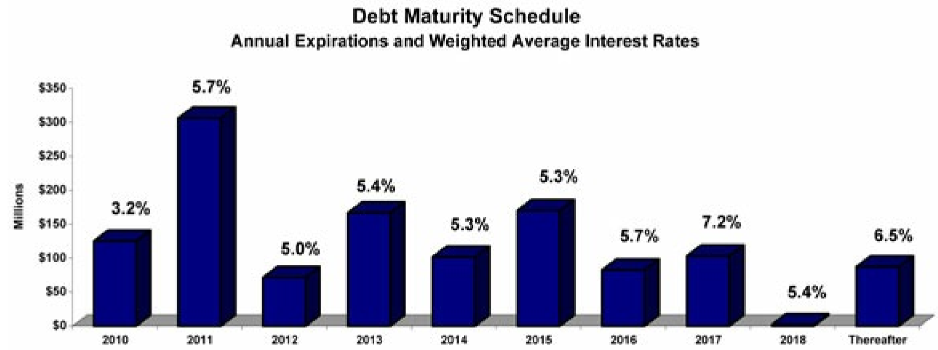
WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | March 31, 2010 | December 31, 2009 | September 30, 2009 | June 30, 2009 | March 31, 2009 |
|---|---|---|---|---|---|
| **Balances Outstanding** | | | | | |
| **Secured** | | | | | |
| Conventional fixed rate | $ 404,518 | $ 405,451 | $ 406,377 | $ 457,238 | $ 458,084 |
| Secured total | 404,518 | 405,451 | 406,377 | 457,238 | 458,084 |
| **Unsecured** | | | | | |
| Fixed rate bonds and notes | 688,358 | 688,912 | 796,064 | 807,128 | 845,364 |
| Credit facility | 110,000 | 128,000 | 6,000 | 15,000 | 48,000 |
| Unsecured total | 798,358 | 816,912 | 802,064 | 822,128 | 893,364 |
| Total | $1,202,876 | $1,222,363 | $ 1,208,441 | $1,279,366 | $1,351,448 |
| **Average Interest Rates** | | | | | |
| **Secured** | | | | | |
| Conventional fixed rate | 5.9% | 5.9% | 5.9% | 6.0% | 6.0% |
| Secured total | 5.9% | 5.9% | 5.9% | 6.0% | 6.0% |
| **Unsecured** | | | | | |
| Fixed rate bonds | 5.7% | 5.7% | 5.7% | 5.7% | 5.6% |
| Credit facilities | 2.4% (1) | 2.8% (1) | 0.7% | 0.7% | 0.9% |
| Unsecured total | 5.2% | 5.2% | 5.7% | 5.6% | 5.3% |
| Average | 5.5% | 5.5% | 5.7% | 5.8% | 5.6% |

Note: The current balances outstanding of the secured and unsecured fixed rate bonds and notes are shown net of discounts/premiums in the amount of $7,234,750 and $4,736,803, respectively.

(1) On December 1, 2009, we borrowed $100.0 million on a line of credit in order to prepay the $100.0 million term loan. Through February 19, 2010, the interest rate on this $100.0 million borrowing on our lines of credit is effectively fixed by an interest rate swap at 3.375%. Beginning February 20, 2010 through November 1, 2011, an interest rate swap effectively fixes the interest rate at 2.525%.

*(In thousands, except per share amounts)*




| Year | *Future Maturities of Debt* Secured Debt | Unsecured Debt | Credit Facilities | Total Debt | Average Interest Rate |
|---|---|---|---|---|---|
| 2010 | $ 24,876[2] | $ — | $ 100,000 | $ 124,876 | 3.2% |
| 2011 | 13,349 | 283,095[1] | 10,000 | 306,444 | 5.7% |
| 2012 | 21,362 | 50,000 | — | 71,362 | 5.0% |
| 2013 | 106,630 | 60,000 | — | 166,630 | 5.4% |
| 2014 | 1,516 | 100,000 | — | 101,516 | 5.3% |
| 2015 | 20,041 | 150,000 | — | 170,041 | 5.3% |
| 2016 | 82,281 | — | — | 82,281 | 5.7% |
| 2017 | 103,193 | — | — | 103,193 | 7.2% |
| 2018 | 1,402 | — | — | 1,402 | 5.4% |
| Thereafter | 37,102 | 50,000 | — | 87,102 | 6.5% |
| Total maturities | $ 411,752 | $ 693,095 | $ 110,000 | $1,214,847 | 5.5% |

Weighted average maturity = 4.1 years

(1) The 3.875% convertible notes due 2026 in the aggregate principal amount of $133.1 million are puttable at par in September, 2011. Due to the probability that the convertible notes will be paid off in September, 2011, that date is reflected in the future maturities schedule.

(2) The 5.82% mortgage note payable maturing in August, 2033 in the aggregate principal amount of $21.8 million may be repaid without penalty on August 11, 2010. Due to the probability that the mortgage note payable will be paid off by August 11, 2010, the date reflected in the future maturities schedule is August, 2010.

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

| | March 31, 2010 | December 31, 2009 | September 30, 2009 | June 30, 2009 | March 31, 2009 |
|---|---|---|---|---|---|
| **Market Data** | | | | | |
| Shares Outstanding | 60,545 | 59,811 | 59,724 | 58,250 | 53,000 |
| Market Price per Share | $ 30.55 | $ 27.55 | $ 28.80 | $ 22.37 | $ 17.30 |
| Equity Market Capitalization | $1,849,650 | $1,647,793 | $ 1,720,051 | $1,303,053 | $ 916,900 |
| Total Debt | $1,202,876 | $1,222,363 | $ 1,208,441 | $1,279,366 | $1,351,448 |
| Total Market Capitalization | $3,052,526 | $2,870,156 | $ 2,928,492 | $2,582,419 | $2,268,348 |
| Total Debt to Market Capitalization | 0.39:1 | 0.43:1 | 0.41:1 | 0.50:1 | 0.60:1 |
| Earnings to Fixed Charges[(1)] | 1.3 x | 1.3 x | 1.2 x | 1.3 x | 1.5 x |
| Debt Service Coverage Ratio[(2)] | 2.5 x | 2.5 x | 2.4 x | 2.4 x | 2.6 x |
| **Dividend Data** | | | | | |
| Total Dividends Paid | $ 25,890 | $ 25,842 | $ 25,591 | $ 25,193 | $ 22,923 |
| Common Dividend per Share | $ 0.4325 | $ 0.4325 | $ 0.4325 | $ 0.4325 | $ 0.4325 |
| Payout Ratio (FFO per share basis) | 90.1% | 86.5% | 90.1% | 81.6% | 67.6% |

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

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

## Core Portfolio Net Operating Income (NOI) Growth & Rental Rate Growth

2010 vs. 2009

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | First Quarter [1] | |
|---|---|---|
| | NOI Growth | Rental Rate Growth |
| **Cash Basis:** | | |
| Multifamily | -2.0% | -2.0% |
| Office Buildings | -0.1% | 1.6% |
| Medical Office Buildings | 2.2% | 3.3% |
| Retail Centers | -5.5% | 1.6% |
| Industrial/Flex | -6.3% | 2.4% |
| **Overall Core Portfolio** | **-1.8%** | **1.4%** |

| | First Quarter [1] | |
|---|---|---|
| | NOI Growth | Rental Rate Growth |
| **GAAP Basis:** | | |
| Multifamily | -1.8% | -2.0% |
| Office Buildings | 0.8% | 2.0% |
| Medical Office Buildings | 0.7% | 2.8% |
| Retail Centers | -6.3% | 0.9% |
| Industrial/Flex | -8.0% | 0.2% |
| **Overall Core Portfolio** | **-1.9%** | **1.2%** |

[1] Non-core properties were:
Acquisitions - Lansdowne Medical Office Building.
Sold properties - Avondale, Tech 100 Industrial Park, Brandywine Center and Crossroads Distribution Center.
Held for sale properties - Charleston Business Center, Parklawn Plaza, Lexington Building and Saratoga Building.
In development - Bennett Park, Clayborne Apartments and Dulles Station.

## *Core Portfolio Net Operating Income (NOI) Summary*

*(In thousands)*

| | Three Months Ended March 31, 2010 | 2009 | % Change |
|---|---|---|---|
| **Cash Basis:** | | | |
| Multifamily | $ 5,407 | $ 5,515 | -2.0% |
| Office Buildings | 19,768 | 19,794 | -0.1% |
| Medical Office Buildings | 7,398 | 7,242 | 2.2% |
| Retail Centers | 7,263 | 7,685 | -5.5% |
| Industrial/Flex | 6,349 | 6,775 | -6.3% |
| | $46,185 | $47,011 | -1.8% |
| **GAAP Basis:** | | | |
| Multifamily | $ 5,606 | $ 5,707 | -1.8% |
| Office Buildings | 20,779 | 20,616 | 0.8% |
| Medical Office Buildings | 7,603 | 7,553 | 0.7% |
| Retail Centers | 7,217 | 7,706 | -6.3% |
| Industrial/Flex | 6,307 | 6,859 | -8.0% |
| | $47,512 | $48,441 | -1.9% |

## Core Portfolio Net Operating Income (NOI) Detail
*(In thousands)*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | Three Months Ended March 31, 2010 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Multifamily | Office | Medical Office | Retail | Industrial/Flex | Corporate and Other | Total |
| Real estate rental revenue | | | | | | | |
| Core portfolio | $ 9,875 | $ 31,859 | $ 11,415 | $10,501 | $ 9,766 | $ — | $ 73,416 |
| Non-core - acquired and in development [1] | 1,967 | 1,063 | — | — | — | — | 3,030 |
| Total | 11,842 | 32,922 | 11,415 | 10,501 | 9,766 | — | 76,446 |
| Real estate expenses | | | | | | | |
| Core portfolio | 4,269 | 11,080 | 3,812 | 3,284 | 3,459 | — | 25,904 |
| Non-core - acquired and in development [1] | 834 | 524 | 139 | — | — | — | 1,497 |
| Total | 5,103 | 11,604 | 3,951 | 3,284 | 3,459 | — | 27,401 |
| Net Operating Income (NOI) | | | | | | | |
| Core portfolio | 5,606 | 20,779 | 7,603 | 7,217 | 6,307 | — | 47,512 |
| Non-core - acquired and in development [1] | 1,133 | 539 | (139) | — | — | — | 1,533 |
| Total | $ 6,739 | $ 21,318 | $ 7,464 | $ 7,217 | $ 6,307 | $ — | $ 49,045 |
| Core portfolio NOI GAAP basis (from above) | $ 5,606 | $ 20,779 | $ 7,603 | $ 7,217 | $ 6,307 | $ — | $ 47,512 |
| Straight-line revenue, net for core properties | (8) | (545) | (109) | 122 | 78 | — | (462) |
| FAS 141 Min Rent | (191) | (524) | (99) | (84) | (41) | — | (939) |
| Amortization of lease intangibles for core properties | — | 58 | 3 | 8 | 5 | — | 74 |
| Core portfolio NOI, cash basis | $ 5,407 | $ 19,768 | $ 7,398 | $ 7,263 | $ 6,349 | $ — | $ 46,185 |
| Reconciliation of NOI to Net Income | | | | | | | |
| Total NOI | $ 6,739 | $ 21,318 | $ 7,464 | $ 7,217 | $ 6,307 | $ — | $ 49,045 |
| Other income | — | — | — | — | — | 289 | 289 |
| Interest expense | (1,693) | (2,564) | (1,342) | (320) | (238) | (10,908) | (17,065) |
| Depreciation and amortization | (3,442) | (11,291) | (3,861) | (1,795) | (2,803) | (320) | (23,512) |
| General and administrative | — | — | — | — | — | (3,838) | (3,838) |
| Discontinued operations [2] | — | 194 | — | — | 194 | — | 388 |
| Gain (loss) on extinguishment of debt | — | — | — | — | — | (42) | (42) |
| Net Income | 1,604 | 7,657 | 2,261 | 5,102 | 3,460 | (14,819) | 5,265 |
| Net income attributable to noncontrolling interests | — | — | — | — | — | (49) | (49) |
| Net income attributable to the controlling interests | $ 1,604 | $ 7,657 | $ 2,261 | $ 5,102 | $ 3,460 | $ (14,868) | $ 5,216 |

1 Non-core acquired and in development properties:
Acquisition - Lansdowne Medical Office Building.
In development - Bennett Park, Clayborne Apartments and Dulles Station.

2 Discontinued operations include: Held for Sale Properties - Parklawn Plaza, Lexington Building, Saratoga Building and Charleston Business Center.

## Core Portfolio Net Operating Income (NOI) Detail

*(In thousands)*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | Three Months Ended March 31, 2009 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Multifamily | Office | Medical Office | Retail | Industrial/Flex | Corporate and Other | Total |
| Real estate rental revenue | | | | | | | |
| Core portfolio | $ 9,699 | $ 32,674 | $ 11,486 | $10,579 | $ 9,681 | $ — | $ 74,119 |
| Non-core - acquired and in development [1] | 1,470 | 991 | — | — | — | — | 2,461 |
| Total | 11,169 | 33,665 | 11,486 | 10,579 | 9,681 | — | 76,580 |
| Real estate expenses | | | | | | | |
| Core portfolio | 3,992 | 12,058 | 3,933 | 2,873 | 2,822 | — | 25,678 |
| Non-core - acquired and in development [1] | 897 | 321 | — | — | — | — | 1,218 |
| Total | 4,889 | 12,379 | 3,933 | 2,873 | 2,822 | — | 26,896 |
| Net operating income (NOI) | | | | | | | |
| Core portfolio | 5,707 | 20,616 | 7,553 | 7,706 | 6,859 | — | 48,441 |
| Non-core - acquired and in development [1] | 573 | 670 | — | — | — | — | 1,243 |
| Total | $ 6,280 | $ 21,286 | $ 7,553 | $ 7,706 | $ 6,859 | $ — | $ 49,684 |
| Core portfolio NOI GAAP basis (from above) | $ 5,707 | $ 20,616 | $ 7,553 | $ 7,706 | $ 6,859 | $ — | $ 48,441 |
| Straight-line revenue, net for core properties | — | (373) | (157) | 75 | (74) | — | (529) |
| FAS 141 min rent | (192) | (454) | (154) | (100) | (14) | — | (914) |
| Amortization of lease intangibles for core properties | — | 5 | — | 4 | 4 | — | 13 |
| Core portfolio NOI, cash basis | $ 5,515 | $ 19,794 | $ 7,242 | $ 7,685 | $ 6,775 | $ — | $ 47,011 |
| Reconciliation of NOI to net income | | | | | | | |
| Total NOI | $ 6,280 | $ 21,286 | $ 7,553 | $ 7,706 | $ 6,859 | $ — | $ 49,684 |
| Other income | — | — | — | — | — | 320 | 320 |
| Interest expense | (2,341) | (2,582) | (1,369) | (326) | (242) | (12,821) | (19,681) |
| Depreciation and amortization | (3,466) | (10,911) | (3,641) | (1,807) | (2,871) | (262) | (22,958) |
| General and administrative | — | — | — | — | — | (3,182) | (3,182) |
| Discontinued operations[2] | 312 | 214 | — | — | 346 | — | 872 |
| Gain on extinguishment of debt | — | — | — | — | — | 5,845 | 5,845 |
| Net income | 785 | 8,007 | 2,543 | 5,573 | 4,092 | (10,100) | 10,900 |
| Net income attributable to noncontrolling interests | — | — | — | — | — | (49) | (49) |
| Net income attributable to the controlling interests | $ 785 | $ 8,007 | $ 2,543 | $ 5,573 | $ 4,092 | $ (10,149) | $ 10,851 |

1 Non-core acquired and in development properties were:
Acquisition - Lansdowne Medical Office Building.
In development - Bennett Park, Clayborne Apartments and Dulles Station.

2 Discontinued operations include: Sold Properties - Crossroads Distribution Center, Brandywine Center, Tech 100 Industrial Park and Avondale; Held for Sale Properties - Parklawn Plaza, Saratoga Building, Lexington Building and Charleston Business Center.

## Net Operating Income (NOI) by Region

### WRIT Portfolio
### Maryland/Virginia/DC

| | Percentage of Q1 2010 GAAP NOI |
|---|---|
| **DC** | |
| Multifamily | 3.5% |
| Office | 15.5% |
| Medical Office Buildings | 1.8% |
| Retail | 0.6% |
| Industrial/Flex | 0.0% |
| | **21.4%** |
| **Maryland** | |
| Multifamily | 1.8% |
| Office | 13.1% |
| Medical Office Buildings | 4.5% |
| Retail | 8.3% |
| Industrial/Flex | 4.2% |
| | **31.9%** |
| **Virginia** | |
| Multifamily | 8.5% |
| Office | 14.9% |
| Medical Office Buildings | 8.9% |
| Retail | 5.8% |
| Industrial/Flex | 8.6% |
| | **46.7%** |
| **Total Portfolio** [1] | **100.0%** |

### WRIT Portfolio
### Inside & Outside the Beltway

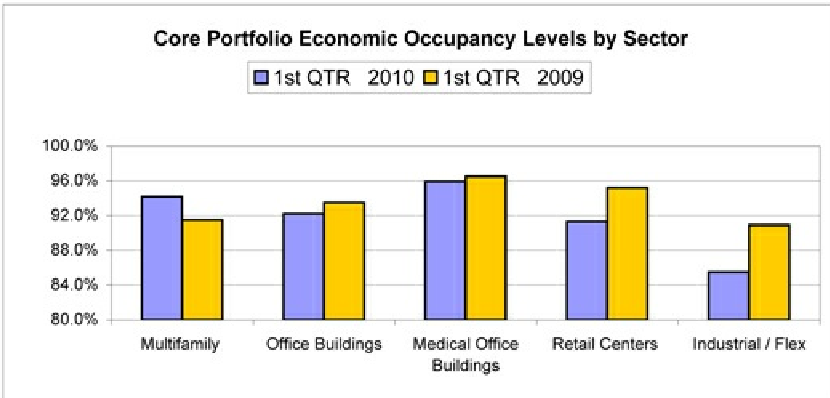
| | Percentage of Q1 2010 GAAP NOI |
|---|---|
| **Inside the Beltway** | |
| Multifamily | 13.1% |
| Office | 21.4% |
| Medical Office Buildings | 3.0% |
| Retail | 6.1% |
| Industrial/Flex | 2.5% |
| | **46.1%** |
| **Outside the Beltway** | |
| Multifamily | 0.6% |
| Office | 22.1% |
| Medical Office Buildings | 12.2% |
| Retail | 8.6% |
| Industrial/Flex | 10.4% |
| | **53.9%** |
| **Total Portfolio** [1] | **100.0%** |

[1] Excludes discontinued operations: Held for Sale Properties - Parklawn Plaza, Saratoga Building, Lexington Building and Charleston Business Center.

## Core Portfolio and Overall Economic Occupancy Levels by Sector

**GAAP Basis**

| Sector | Core Portfolio 1st QTR 2010 | Core Portfolio 1st QTR 2009 | All Properties 1st QTR 2010 | All Properties 1st QTR 2009 |
|---|---|---|---|---|
| Multifamily | 94.2% | 91.5% | 94.1% | 87.4% |
| Office Buildings | 92.2% | 93.5% | 91.6% | 92.6% |
| Medical Office Buildings | 95.9% | 96.5% | 91.1% | 96.5% |
| Retail Centers | 91.3% | 95.2% | 91.3% | 95.2% |
| Industrial / Flex | 85.5% | 90.9% | 85.7% | 90.4% |
| **Overall Portfolio** | **92.1%** | **93.5%** | **91.2%** | **92.3%** |



| | 1st Quarter 2010 |
|---|---|
| **Gross Leasing Square Footage** | |
| Office Buildings | 198,868 |
| Medical Office Buildings | 23,951 |
| Retail Centers | 5,805 |
| Industrial/Flex | 45,616 |
| **Total** | 274,240 |
| **Weighted Average Term (yrs)** | |
| Office Buildings | 5.6 |
| Medical Office Buildings | 9.0 |
| Retail Centers | 5.0 |
| Industrial/Flex | 3.3 |
| **Total** | 5.5 |

| | GAAP | CASH |
|---|---|---|
| **Rental Rate Increases:** | | |
| **Rate on expiring leases** | | |
| Office Buildings | $26.85 | $27.91 |
| Medical Office Buildings | 32.18 | 33.92 |
| Retail Centers | 25.83 | 27.42 |
| Industrial/Flex | 9.29 | 9.93 |
| **Total** | $24.37 | $25.43 |
| **Rate on new and renewal leases** | | |
| Office Buildings | $30.97 | $28.86 |
| Medical Office Buildings | 40.38 | 35.27 |
| Retail Centers | 31.31 | 29.97 |
| Industrial/Flex | 9.47 | 9.20 |
| **Total** | $28.22 | $26.18 |
| **Percentage Increase** | | |
| Office Buildings | 15.34% | 3.43% |
| Medical Office Buildings | 25.48% | 3.98% |
| Retail Centers | 21.21% | 9.30% |
| Industrial/Flex | 1.90% | -7.38% |
| **Total** | 15.79% | 2.92% |

## Commercial Leasing Summary

*Three Months Ended March 31, 2010*

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| | 1st Quarter 2010 | |
|---|---|---|
| | Total Dollars | Dollars per Square Foot |
| **Tenant Improvements** | | |
| Office Buildings | $3,473,255 | $ 17.47 |
| Medical Office Buildings | 595,969 | 24.88 |
| Retail Centers | — | — |
| Industrial/Flex | 64,327 | 1.41 |
| **Subtotal** | $4,133,551 | $ 15.07 |

| | Total Dollars | Dollars per Square Foot |
|---|---|---|
| **Leasing Costs** | | |
| Office Buildings | $2,064,933 | $ 10.38 |
| Medical Office Buildings | 400,746 | 16.73 |
| Retail Centers | 7,808 | 1.35 |
| Industrial/Flex | 97,391 | 2.14 |
| **Subtotal** | $2,570,878 | $ 9.37 |

| | Total Dollars | Dollars per Square Foot |
|---|---|---|
| **Tenant Improvements and Leasing Costs** | | |
| Office Buildings | $5,538,188 | $ 27.85 |
| Medical Office Buildings | 996,715 | 41.61 |
| Retail Centers | 7,808 | 1.35 |
| Industrial/Flex | 161,718 | 3.55 |
| **Total** | $6,704,429 | $ 24.45 |

## 10 Largest Tenants - Based on Annualized Rent

March 31, 2010

WRIT WASHINGTON REAL ESTATE INVESTMENT TRUST

| 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 | 63 | 4.51% | 210,354 | 2.29% |
| Advisory Board Company | 1 | 110 | 2.81% | 180,925 | 1.97% |
| General Services Administration | 8 | 17 | 2.18% | 262,698 | 2.85% |
| IBM Corporation | 2 | 107 | 1.96% | 134,598 | 1.46% |
| INOVA Health System | 7 | 49 | 1.96% | 113,041 | 1.23% |
| Patton Boggs LLP | 1 | 85 | 1.90% | 110,566 | 1.20% |
| Sunrise Assisted Living, Inc. | 1 | 42 | 1.61% | 115,289 | 1.25% |
| Lafarge North America, Inc | 1 | 4 | 1.34% | 80,610 | 0.88% |
| URS Corporation | 1 | 45 | 1.24% | 84,970 | 0.92% |
| Children’s Hospital | 3 | 56 | 1.05% | 69,230 | 0.75% |
| **Total/Weighted Average** | | 59 | 20.56% | 1,362,281 | 14.80% |

| Industry Classification (NAICS) | Annualized Base Rental Revenue | Percentage of Aggregate Annualized Rent | Aggregate Rentable Square Feet | Percentage of Aggregate Square Feet |
|---|---|---|---|---|
| Professional, Scientific and Technical Services | $ 59,282,259 | 27.88% | 2,234,719 | 24.08% |
| Ambulatory Health Care Services | 39,854,764 | 18.74% | 1,281,625 | 13.81% |
| Credit Intermediation and Related Activities | 14,443,641 | 6.79% | 352,606 | 3.80% |
| Executive, Legislative & Other General Government | 9,261,190 | 4.36% | 440,020 | 4.74% |
| Religious, Grantmaking, Civic, Professional | 6,717,429 | 3.16% | 205,961 | 2.22% |
| Educational Services | 6,715,169 | 3.16% | 247,852 | 2.67% |
| Food Services and Drinking Places | 5,829,246 | 2.74% | 219,951 | 2.37% |
| Administrative and Support Services | 4,952,255 | 2.33% | 320,298 | 3.45% |
| Food and Beverage Stores | 4,126,812 | 1.94% | 255,416 | 2.75% |
| Nursing and Residential Care Facilities | 3,949,198 | 1.86% | 145,010 | 1.56% |
| Broadcasting (except Internet) | 3,680,691 | 1.73% | 108,414 | 1.17% |
| Furniture and Home Furnishing Stores | 3,300,518 | 1.55% | 213,871 | 2.30% |
| Nonmetallic Mineral Product Manufacturing | 3,200,247 | 1.51% | 119,474 | 1.29% |
| Merchant Wholesalers-Durable Goods | 2,994,702 | 1.41% | 294,564 | 3.17% |
| Personal and Laundry Services | 2,874,355 | 1.35% | 102,344 | 1.10% |
| Miscellaneous Store Retailers | 2,837,459 | 1.33% | 189,479 | 2.04% |
| Health and Personal Care Services | 2,190,715 | 1.03% | 63,149 | 0.68% |
| Clothing and Clothing Accessories Stores | 2,072,551 | 0.98% | 128,933 | 1.39% |
| Hospitals | 2,070,884 | 0.97% | 64,910 | 0.70% |
| Sporting Goods/Books/Hobby/Music Stores | 1,983,963 | 0.93% | 144,171 | 1.55% |
| Miscellaneous Manufacturing | 1,927,624 | 0.91% | 181,959 | 1.96% |
| Merchant Wholesalers-Non Durable Goods | 1,850,473 | 0.87% | 200,531 | 2.16% |
| Real Estate | 1,840,602 | 0.87% | 69,091 | 0.74% |
| Specialty Trade Contractors | 1,838,859 | 0.87% | 190,685 | 2.05% |
| General Merchandise Stores | 1,687,759 | 0.79% | 222,430 | 2.40% |
| Construction of Buildings | 1,607,969 | 0.76% | 102,649 | 1.11% |
| Amusement, Gambling and Recreation industries | 1,400,951 | 0.66% | 106,464 | 1.15% |
| Computer & Electronic Product Manufacturing | 1,385,100 | 0.65% | 76,602 | 0.83% |
| Insurance Carriers and Related Activities | 1,338,501 | 0.63% | 54,026 | 0.58% |
| Printing and Related Support Activities | 1,232,316 | 0.58% | 64,775 | 0.70% |
| Telecommunications | 1,180,350 | 0.56% | 35,231 | 0.38% |
| Other | 12,994,887 | 6.10% | 844,725 | 9.10% |
| **Total** | $212,623,439 | 100.00% | 9,281,935 | 100.00% |

| Year | Number of Leases | Rentable Square Feet | Percent of Rentable Square Feet | Annualized Rent * | Average Rental Rate | Percent of Annualized Rent * |
|---|---|---|---|---|---|---|
| **Office:** | | | | | | |
| 2010 | 97 | 414,225 | 11.01% | $ 12,527,569 | $ 30.24 | 9.66% |
| 2011 | 117 | 489,267 | 13.00% | 15,645,738 | 31.98 | 12.06% |
| 2012 | 95 | 449,556 | 11.95% | 13,730,144 | 30.54 | 10.59% |
| 2013 | 65 | 473,146 | 12.58% | 14,703,016 | 31.08 | 11.34% |
| 2014 | 67 | 573,506 | 15.24% | 18,700,570 | 32.61 | 14.42% |
| 2015 and thereafter | 147 | 1,362,943 | 36.22% | 54,408,509 | 39.92 | 41.93% |
| | 588 | 3,762,643 | 100.00% | $ 129,715,546 | $ 34.47 | 100.00% |
| **Medical Office:** | | | | | | |
| 2010 | 45 | 135,344 | 11.71% | $ 4,564,630 | $ 33.73 | 10.44% |
| 2011 | 69 | 194,804 | 16.85% | 6,640,069 | 34.09 | 15.18% |
| 2012 | 43 | 134,237 | 11.61% | 5,001,113 | 37.26 | 11.43% |
| 2013 | 47 | 142,250 | 12.30% | 4,975,645 | 34.98 | 11.38% |
| 2014 | 37 | 114,172 | 9.88% | 4,439,892 | 38.89 | 10.15% |
| 2015 and thereafter | 106 | 435,418 | 37.65% | 18,120,963 | 41.62 | 41.42% |
| | 347 | 1,156,225 | 100.00% | $ 43,742,312 | $ 37.83 | 100.00% |
| **Retail:** | | | | | | |
| 2010 | 43 | 208,286 | 11.97% | $ 3,664,636 | $ 17.59 | 10.76% |
| 2011 | 42 | 200,528 | 11.52% | 3,512,150 | 17.51 | 10.32% |
| 2012 | 40 | 138,573 | 7.96% | 3,157,313 | 22.78 | 9.27% |
| 2013 | 37 | 286,002 | 16.43% | 4,347,732 | 15.20 | 12.77% |
| 2014 | 19 | 90,016 | 5.17% | 2,248,704 | 24.98 | 6.60% |
| 2015 and thereafter | 85 | 817,270 | 46.95% | 17,119,841 | 20.95 | 50.28% |
| | 266 | 1,740,675 | 100.00% | $ 34,050,376 | $ 19.56 | 100.00% |
| **Industrial/Flex:** | | | | | | |
| 2010 | 41 | 486,652 | 17.95% | $ 5,392,531 | $ 11.08 | 16.92% |
| 2011 | 63 | 517,132 | 19.08% | 5,266,986 | 10.18 | 16.53% |
| 2012 | 36 | 487,934 | 18.00% | 5,568,131 | 11.41 | 17.47% |
| 2013 | 33 | 431,194 | 15.91% | 5,040,660 | 11.69 | 15.82% |
| 2014 | 17 | 289,665 | 10.69% | 3,470,284 | 11.98 | 10.89% |
| 2015 and thereafter | 36 | 498,409 | 18.37% | 7,131,036 | 14.31 | 22.37% |
| | 226 | 2,710,986 | 100.00% | $ 31,869,628 | $ 11.76 | 100.00% |
| **Total:** | | | | | | |
| 2010 | 226 | 1,244,507 | 13.28% | $ 26,149,366 | $ 21.01 | 10.92% |
| 2011 | 291 | 1,401,731 | 14.96% | 31,064,943 | 22.16 | 12.98% |
| 2012 | 214 | 1,210,300 | 12.92% | 27,456,701 | 22.69 | 11.47% |
| 2013 | 182 | 1,332,592 | 14.22% | 29,067,053 | 21.81 | 12.14% |
| 2014 | 140 | 1,067,359 | 11.39% | 28,859,450 | 27.04 | 12.06% |
| 2015 and thereafter | 374 | 3,114,040 | 33.23% | 96,780,349 | 31.08 | 40.43% |
| | 1,427 | 9,370,529 | 100.00% | $ 239,377,862 | $ 25.55 | 100.00% |

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

| PROPERTIES | LOCATION | YEAR ACQUIRED | YEAR CONSTRUCTED | NET RENTABLE SQUARE FEET* |
|---|---|---|---|---|
| Office Buildings | | | | |
| 1901 Pennsylvania Avenue | Washington, DC | 1977 | 1960 | 97,000 |
| 51 Monroe Street | Rockville, MD | 1979 | 1975 | 210,000 |
| 515 King Street | Alexandria, VA | 1992 | 1966 | 76,000 |
| The Lexington Building | Rockville, MD | 1993 | 1970 | 46,000 |
| The Saratoga Building | Rockville, MD | 1993 | 1977 | 58,000 |
| 6110 Executive Boulevard | Rockville, MD | 1995 | 1971 | 198,000 |
| 1220 19th Street | Washington, DC | 1995 | 1976 | 102,000 |
| 1600 Wilson Boulevard | Arlington, VA | 1997 | 1973 | 166,000 |
| 7900 Westpark Drive | McLean, VA | 1997 | 1972/1986/1999 | 523,000 |
| 600 Jefferson Plaza | Rockville, MD | 1999 | 1985 | 112,000 |
| 1700 Research Boulevard | Rockville, MD | 1999 | 1982 | 101,000 |
| 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 | 80,000 |
| 1776 G Street | Washington, DC | 2003 | 1979 | 263,000 |
| Albemarle Point | Chantilly, VA | 2005 | 2001 | 89,000 |
| 6565 Arlington Boulevard | Falls Church, VA | 2006 | 1967/1998 | 140,000 |
| West Gude Drive | Rockville, MD | 2006 | 1984/1986/1988 | 276,000 |
| The Ridges | Gaithersburg, MD | 2006 | 1990 | 104,000 |
| The Crescent | Gaithersburg, MD | 2006 | 1989 | 49,000 |
| Monument II | Herndon, VA | 2007 | 2000 | 205,000 |
| Woodholme Center | Pikesville, MD | 2007 | 1989 | 73,000 |
| 2000 M Street | Washington, DC | 2007 | 1971 | 227,000 |
| Dulles Station | Herndon, VA | 2005 | 2007 | 180,000 |
| 2445 M Street | Washington, DC | 2008 | 1986 | 290,000 |
| Subtotal | | | | 4,176,000 |
| Medical Office Buildings | | | | |
| Woodburn Medical Park I | Annandale, VA | 1998 | 1984 | 71,000 |
| Woodburn Medical Park II | Annandale, VA | 1998 | 1988 | 96,000 |
| Prosperity Medical Center I | Merrifield, VA | 2003 | 2000 | 92,000 |
| Prosperity Medical Center II | Merrifield, VA | 2003 | 2001 | 88,000 |
| Prosperity Medical Center III | Merrifield, VA | 2003 | 2002 | 75,000 |
| Shady Grove Medical Village II | Rockville, MD | 2004 | 1999 | 66,000 |
| 8301 Arlington Boulevard | Fairfax, VA | 2004 | 1965 | 49,000 |
| Alexandria Professional Center | Alexandria, VA | 2006 | 1968 | 113,000 |
| 9707 Medical Center Drive | Rockville, MD | 2006 | 1994 | 38,000 |
| 15001 Shady Grove Road | Rockville, MD | 2006 | 1999 | 51,000 |
| Plumtree Medical Center | Bel Air, MD | 2006 | 1991 | 33,000 |
| 15005 Shady Grove Road | Rockville, MD | 2006 | 2002 | 52,000 |
| 2440 M Street | Washington, DC | 2007 | 1986/2006 | 110,000 |
| Woodholme Medical Office Building | Pikesville, MD | 2007 | 1996 | 125,000 |
| Ashburn Office Park | Ashburn, VA | 2007 | 1998/2000/2002 | 75,000 |
| CentreMed I & II | Centreville, VA | 2007 | 1998 | 52,000 |
| Sterling Medical Office Building | Sterling, VA | 2008 | 1986/2000 | 36,000 |
| Lansdowne Medical Office Building | Leesburg, VA | 2009 | 2009 | 87,000 |
| Subtotal | | | | 1,309,000 |
| Retail Centers | | | | |
| Takoma Park | Takoma Park, MD | 1963 | 1962 | 51,000 |
| Westminster | Westminster, MD | 1972 | 1969 | 151,000 |
| 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 | 49,000 |
| Montgomery Village Center | Gaithersburg, MD | 1992 | 1969 | 198,000 |
| Shoppes of Foxchase (1) | Alexandria, VA | 1994 | 1960 | 134,000 |
| Frederick County Square | Frederick, MD | 1995 | 1973 | 227,000 |
| 800 S. Washington Street | Alexandria, VA | 1998/2003 | 1955/1959 | 44,000 |
| Centre at Hagerstown | Hagerstown, MD | 2002 | 2000 | 332,000 |
| Frederick Crossing | Frederick, MD | 2005 | 1999/2003 | 295,000 |
| Randolph Shopping Center | Rockville, MD | 2006 | 1972 | 82,000 |
| Montrose Shopping Center | Rockville, MD | 2006 | 1970 | 143,000 |
| Subtotal | | | | 2,022,000 |

(1) Development on approximately 60,000 square feet of the center was completed in December 2006.

| PROPERTIES | LOCATION | YEAR ACQUIRED | YEAR CONSTRUCTED | NET RENTABLE SQUARE FEET* |
|---|---|---|---|---|
| Multifamily Buildings * / # units | | | | |
| 3801 Connecticut Avenue / 308 | Washington, DC | 1963 | 1951 | 179,000 |
| Roosevelt Towers / 191 | Falls Church, VA | 1965 | 1964 | 170,000 |
| Country Club Towers / 227 | Arlington, VA | 1969 | 1965 | 163,000 |
| Park Adams / 200 | Arlington, VA | 1969 | 1959 | 173,000 |
| Munson Hill Towers / 279 | Falls Church, VA | 1970 | 1963 | 259,000 |
| The Ashby at McLean / 256 | McLean, VA | 1996 | 1982 | 252,000 |
| Walker House Apartments / 212 | Gaithersburg, MD | 1996 | 1971/2003 (2) | 159,000 |
| Bethesda Hill Apartments / 195 | Bethesda, MD | 1997 | 1986 | 226,000 |
| Bennett Park / 224 | Arlington, VA | 2007 | 2007 | 268,000 |
| Clayborne / 74 | Alexandria, VA | 2008 | 2008 | 87,000 |
| Kenmore Apartments / 374 | Washington, DC | 2008 | 1948 | 270,000 |
| Subtotal (2,540 units) | | | | 2,206,000 |
| Industrial Distribution / Flex Properties | | | | |
| Fullerton Business Center | Springfield, VA | 1985 | 1980 | 104,000 |
| Charleston Business Center | Rockville, MD | 1993 | 1973 | 85,000 |
| The Alban Business Center | Springfield, VA | 1996 | 1981/1982 | 87,000 |
| Ammendale Technology Park I | Beltsville, MD | 1997 | 1985 | 167,000 |
| Ammendale Technology Park II | Beltsville, MD | 1997 | 1986 | 107,000 |
| Pickett Industrial Park | Alexandria, VA | 1997 | 1973 | 246,000 |
| Northern Virginia Industrial Park | Lorton, VA | 1998 | 1968/1991 | 787,000 |
| 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 |
| Fullerton Industrial Center | Springfield, VA | 2003 | 1980 | 137,000 |
| 8880 Gorman Road | Laurel, MD | 2004 | 2000 | 141,000 |
| Dulles Business Park Portfolio | Chantilly, VA | 2004/2005 | 1999-2005 | 324,000 |
| Albemarle Point | Chantilly, VA | 2005 | 2001/2003/2005 | 207,000 |
| Hampton Overlook | Capital Heights, MD | 2006 | 1989 | 134,000 |
| Hampton South | Capital Heights, MD | 2006 | 1989/2005 | 168,000 |
| 9950 Business Parkway | Lanham, MD | 2006 | 2005 | 102,000 |
| 270 Technology Park | Frederick, MD | 2007 | 1986-1987 | 157,000 |
| 6100 Columbia Park Road | Landover, MD | 2008 | 1969 | 150,000 |
| Subtotal | | | | 3,344,000 |
| **TOTAL** | | | | **13,057,000** |

* Multifamily buildings are presented in gross square feet.

(2) A 16 unit addition referred to as The Gardens at Walker House was completed in October 2003.

**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** (a non-GAAP measure) is earnings attributable to the controlling interest before interest, taxes, depreciation and amortization.

**Ratio of earnings to fixed charges** 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, including amortized costs of debt issuance, plus interest costs capitalized.

**Debt service coverage ratio** is computed by dividing earnings attributable to the controlling interest 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 atributable to the controlling interest (computed in accordance with generally accepted accounting principles (GAAP)) excluding gains (or losses) from sales of property plus real estate depreciation and amortization. FFO is a non-GAAP measure.

**Funds Available for Distribution (FAD)**, a non-GAAP measure, is calculated by subtracting from FFO recurring expenditures, tenant improvements, leasing incentives and leasing costs, that are capitalized and amortized and are necessary to maintain our properties and revenue stream, non-cash gain/loss from extinguishment of debt and straight line rents, then adding non-real estate depreciation and amortization, non-cash fair value interest expense, adding or subtracting amortization of lease intangibles and amortization of restricted share compensation, as appropriate.

**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 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.