

Investor Presentation

July 2021

WASH★REIT®



DISCLOSURES

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities of WashREIT, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification of such securities under the securities law of any such jurisdiction. If WashREIT were to conduct an offering of securities in the future, it will be made under an effective registration statement filed with the Securities and Exchange Commission and only by means of a prospectus supplement and accompanying prospectus. In such an event, a copy of the prospectus and the applicable preliminary prospectus supplement and final prospectus supplement, as well as the final term sheet, if applicable, relating to such transaction will be able to be obtained from the Securities and Exchange Commission at www.sec.gov, from any underwriters in that offering, or by contacting WashREIT at 202-774-3200. Before you invest in any such offering, you should read the applicable prospectus supplement related to such offering, the accompanying prospectus and the information incorporated by reference therein and other documents WashREIT has then filed with the Securities and Exchange Commission for more complete information about WashREIT and any such offering.

Forward-Looking Statements

Certain statements in this presentation are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and involve risks and uncertainties. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "assumed," "pro forma," "target," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Such statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of WashREIT to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Currently, one of the most significant factors continues to be adverse effect of the COVID-19 virus, including any variants and mutations thereof, the actions taken to contain the pandemic or mitigate the impact of COVID-19, and the direct and indirect economic effects of the pandemic and containment measures. The extent to which COVID-19 continues to impact WashREIT and its tenants will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, the continued speed and success of the vaccine rollout, effectiveness and willingness of people to take COVID-19 vaccines, and the duration of associated immunity and their efficacy against emerging variants of COVID-19, among others. Moreover, investors are cautioned to interpret many of the risks identified in the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2020 filed on February 16, 2021, as being heightened as a result of the ongoing and numerous adverse impacts of COVID-19. Additional factors which may cause the actual results, performance, or achievements of WashREIT to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements include, but are not limited to the risks associated with the failure to enter into and/or complete contemplated acquisitions or dispositions (including the announced office portfolio sale transaction and assumed retail asset sales) within the price ranges anticipated and on the terms and timing anticipated, or at all; our ability to execute on our strategies, including new strategies with respect to our operations and our portfolio, including the acquisition of multifamily properties and the repayment of debt, and to realize any anticipated benefits, including the performance of any acquired multifamily properties at the levels anticipated; whether our Actual NOI for 2021 will be consistent with our Estimated 2021 NOI; whether our actual Net Leverage (including its components of Net Debt and Adjusted EBITDA) will be consistent with our targeted Net Leverage range (including its components of Net Debt and Adjusted EBITDA); whether Actual 2021 and 2022 NOI for Trove will be consistent with Annualized Estimated 2021 NOI and our Estimated Stabilized NOI for Trove for Q2 2022; whether actual 2021 NOI for Watergate 600 will be consistent with Estimated 2021 NOI for Watergate 600; our assumptions regarding capitalization rates; the ownership of real estate in general and our real estate assets in particular; the economic health of the greater Washington, DC metro region and the larger Southeastern region; changes in the composition and geographic location of our portfolio; fluctuations in interest rates; reductions in or actual or threatened changes to the timing of federal government spending; the risks related to use of third-party providers and joint venture partners; the ability to control our operating expenses; the economic health of our tenants; shifts away from brick and mortar stores to ecommerce; the availability and terms of financing and capital and the general volatility of securities markets; compliance with applicable laws, including those concerning the environment and access by persons with disabilities; the risks related to not having adequate insurance to cover potential losses; the risks related to our organizational structure and limitations of stock ownership; changes in the market value of securities; terrorist attacks or actions and/or cyber-attacks; failure to qualify and maintain our qualification as a REIT and the risks of changes in laws affecting REITs; and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2020 Form 10-K filed on February 16, 2021 and the additional assumptions included on slide 45 of this presentation. While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We undertake no obligation to update our forward-looking statements or risk factors to reflect new information, future events, or otherwise.

Use of Non-GAAP Financial Measures and other Definitions

This presentation contains certain non-GAAP financial measures and other terms that have particular definitions when used by us. The definitions and calculations of these non-GAAP financial measures and other terms may differ from those used by other REITs and, accordingly, may not be comparable. Please refer to the definitions and calculations of these terms and the reasons for their use, and reconciliations to the most directly comparable GAAP measures included later in this investor presentation. See pages 45 - 58 for certain definitions and reconciliations of non-GAAP information.

Definitions and Reconciliation of Certain Forward-Looking Non-GAAP information

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

Strategic Transactions

As discussed in greater detail under the "Forward-Looking Statements" above, there is no assurance that we will execute the transactions and strategies described in this presentation, including the expected dispositions, repayment of debt and redeployment of proceeds into additional multifamily assets, on the terms and timing anticipated, or at all.

Market Data

Market data and industry forecasts are used in this presentation, including data obtained from publicly available sources. These sources generally state that the information they provide has been obtained from sources believed to be reliable, but the accuracy and completeness of the information is not assured. The Company has not independently verified any such information.



A modern restaurant interior featuring a brick backsplash, a large concrete island, and teal bar stools. The scene is lit with warm, ambient lighting. A red banner with the text "TRANSFORMATION UPDATE" is overlaid on the image.

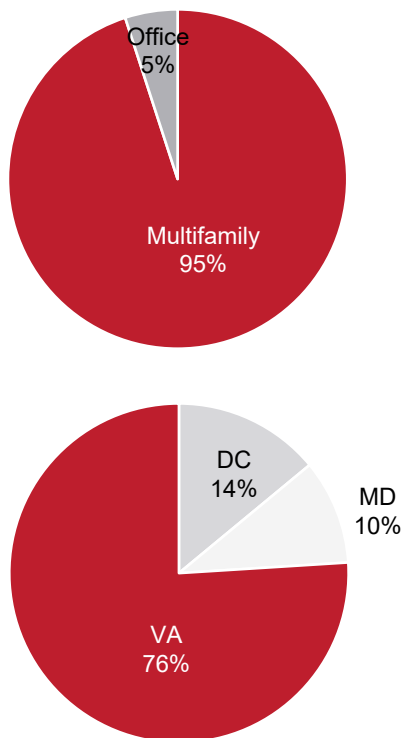
TRANSFORMATION UPDATE

TRANSFORMATION SNAPSHOT

Accelerates transformation of WashREIT into a multifamily REIT, adding meaningful geographic diversity with a lower risk profile

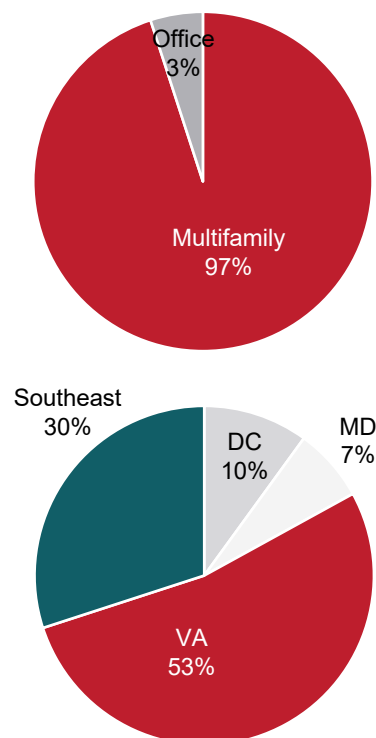
PORTFOLIO MIX

Following Sales of Commercial Assets Before Reinvestment¹

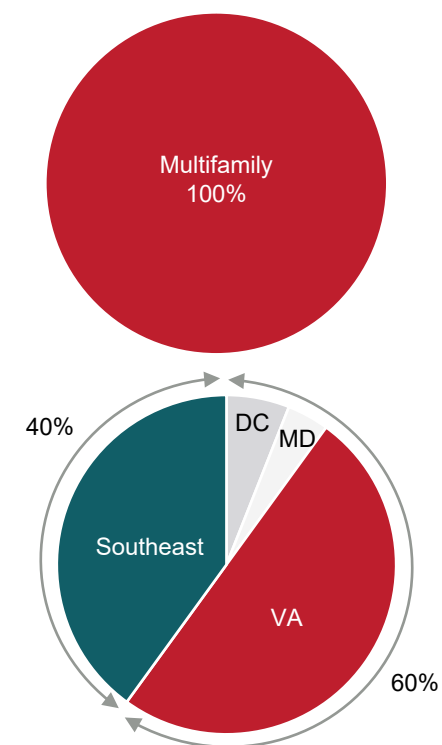


ANTICIPATED PORTFOLIO MIX

Transaction Capital Fully Deployed²



ASPIRATIONAL PORTFOLIO FUTURE STATE



Note: Refer to slide 2 for certain disclosures regarding Forward-Looking Statements and Strategic Transactions.

Note: Portfolio composition based on portfolio square feet by asset class and geography.

¹ Pro forma portfolio square feet for the sale of office portfolio and assumed retail dispositions.

² Pro forma portfolio square feet for the sale of office portfolio, assumed retail dispositions and reinvestment of \$450 million of proceeds into future multifamily acquisitions. Assumes 2.9 million square feet are purchased in future multifamily acquisitions and distributed between North Carolina, South Carolina and Georgia.



TRANSFORMATION UPDATE

OFFICE

- ✓ Closed on the sale of the office portfolio, excluding Watergate 600, for gross proceeds of \$766 million on July 26, 2021
- ✓ Watergate 600 was retained and has a weighted average lease term of over 8 years

For additional details on our strategic transformation, see the Transformation Presentation, which is available on the Investor Relations page of our website.

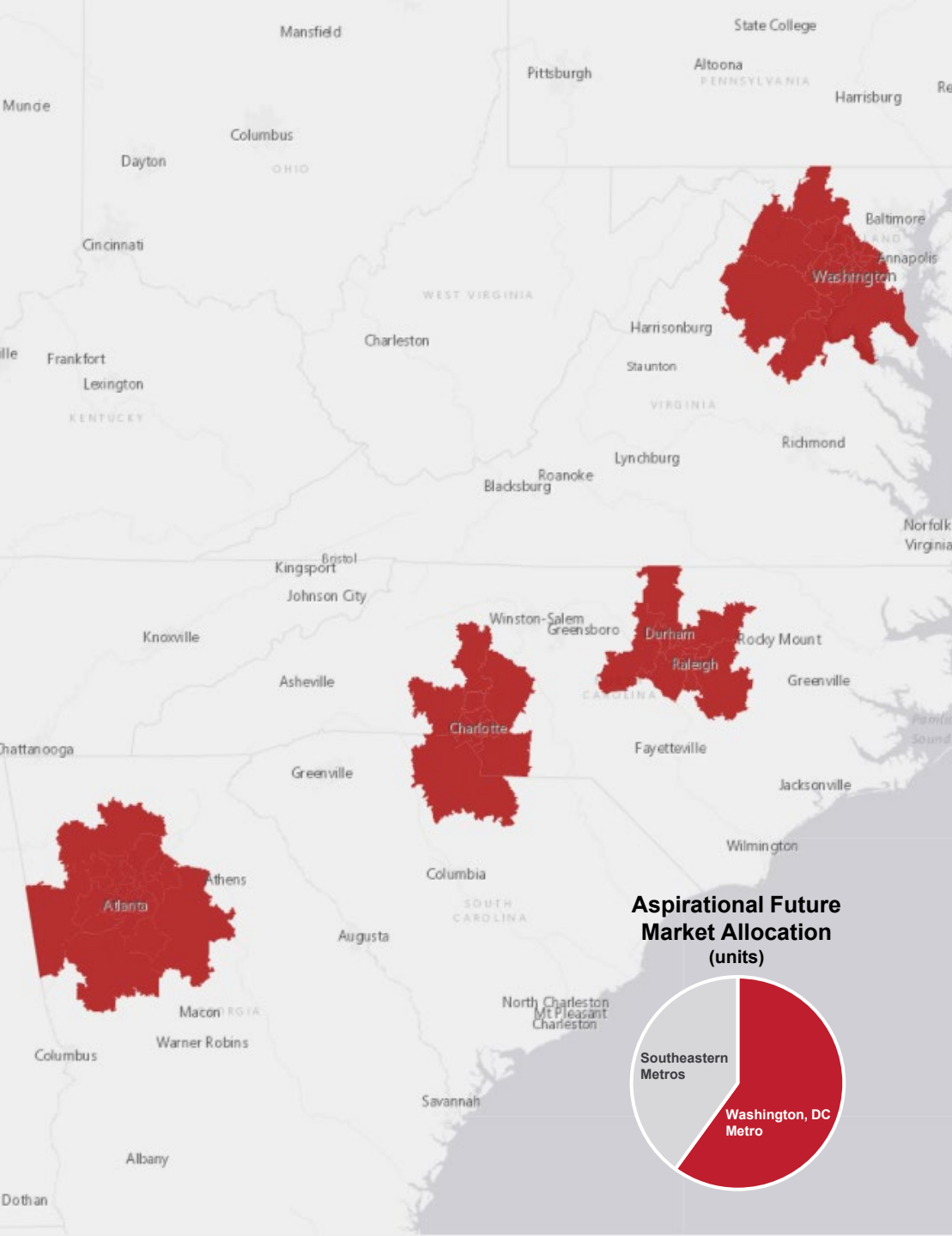


TRANSFORMATION UPDATE

RETAIL

- ✓ Signed a binding agreement to sell the retail portfolio to a single buyer for gross proceeds of \$168.3 million
 - Expected to close in Q3 2021 at a mid 7's cash cap rate

For additional details on our strategic transformation, see the Transformation Presentation, which is available on the Investor Relations page of our website.



TRANSFORMATION UPDATE

SOUTHEAST EXPANSION

Accelerates transformation of WashREIT into a multifamily REIT, adding meaningful geographic diversity with a lower risk profile

- ✓ Initial asset under contract in suburban Atlanta
- ✓ In the process of acquiring additional assets that fit our differentiated strategies in submarkets of Atlanta, Raleigh/Durham, and/or Charlotte
- ✓ Over the balance of the year, we expect to acquire \$450 million of multifamily assets in the targeted Southeastern markets
- ✓ Our expectation is that we will average initial first year cap rates in the low to mid 4's and we hope to exceed that in some submarkets

For additional details on our research-led investment strategies, see the Transformation Presentation, which is available on the Investor Relations page of our website.



TRANSFORMATION UPDATE

DEBT AND LIQUIDITY

- ✓ Will redeem \$300 million of senior unsecured notes due 2022 on or about August 26th
- ✓ Expect to repay \$150 million of amounts outstanding on the \$250 million unsecured term loan maturing in 2023 shortly after the closing of the retail portfolio sale
- ✓ Targeting to de-lever to a mid to high 5x Net Debt / EBITDA range, assuming the repayment of \$428 million of net debt and the redeployment of cash into future multifamily investments
- ✓ Current available liquidity is approximately \$1.35 billion (prior to the debt repayments discussed above), consisting of the Company's \$700 million revolving credit facility and cash on hand

TRANSFORMATION UPDATE

SOURCES AND USES

01 Office Portfolio Sale

- Gross proceeds of \$766 million
- Closed in July 2021

02 Assumed Retail Dispositions

- Retail dispositions estimated to generate gross proceeds of approximately \$168 million
- Assumed to be completed in Q3 2021

03 Multifamily Acquisitions

- Proceeds fund active acquisition pipeline in identified Southeastern markets
- Expected to redeploy cash proceeds through 2H 2021

04 Targeted Leverage³ Reduction

- Targeting to de-lever to a mid to high 5x Net Debt / EBITDA range, assuming the repayment of \$428 million of net debt and the redeployment of cash into future multifamily investments at an initial cap rate in the low 4% range and averaging in the high 4% range for the first three years

PLANNED SOURCES	(\$M)
Proceeds from sale of office portfolio	\$ 766
Estimated proceeds from assumed retail dispositions	168
Total Sources	\$ 934

PLANNED USES	(\$M)
Cash for potential multifamily investments	\$ 450
Debt repayments, net ¹	428
Transaction costs ²	56
Total Uses	\$ 934

Note: Refer to slide 2 for certain disclosures regarding Forward-Looking Statements and Strategic Transactions.

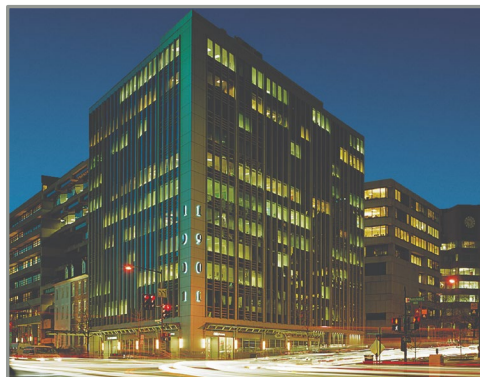
¹ Includes impact from incremental draw of \$22 million on revolving credit facility to repay a portion of the planned \$450 million aggregate debt repayments.

² Consists of closing costs associated with the sale of the office portfolio, assumed retail dispositions, estimated debt repayment costs, and reinvestment of proceeds into future multifamily acquisitions.

³ Targeted net leverage (i.e., Net Debt / Adjusted EBITDA) may differ materially from this illustrative presentation. Please see slide 45 of this presentation for a discussion of the underlying assumptions related to this illustrative net leverage presentation and the forward-looking statements disclaimer on slide 2 of this presentation for a discussion of the risks that could cause actual results to differ materially from any potential, expected or assumed results.

TRANSFORMATION UPDATE

Expected Strategic Actions Timeline



June 2021

- ✓ Announced agreement to sell office portfolio to Brookfield for \$766 million in gross proceeds
- ✓ Announced LOI to dispose of 8 retail assets in Q3 2021 for approximately \$168 million in potential gross proceeds



Q3 2021

- ✓ Closed on office portfolio sale on July 26th
- ✓ Executed a PSA for retail portfolio sale
- ✓ Complete assumed retail disposition process
- ✓ First multifamily acquisition under PSA, additional assets in underwriting
- ✓ Continue sourcing expansion opportunities and deploying capital towards multifamily acquisitions in the Southeast
- ✓ Redeem the 2022 \$300 million notes and repay \$150 million of debt under existing unsecured term loan



Q4 2021

- ✓ Continue sourcing expansion opportunities and deploying capital towards multifamily acquisitions in the Southeast
- ✓ Continue lease up of Trove, which is over 76% occupied and expected to fully stabilize around year end 2021

A photograph of a modern outdoor patio at night. In the center is a square, dark metal fire pit with a bright fire burning inside. To the left of the fire pit is a light-colored sectional sofa with several pillows. Further left is a white, U-shaped bar with a glass top, holding two glasses of red wine. To the right of the fire pit are two blue armchairs with a gold-colored metal frame. The patio is made of wooden decking. In the background, there are large glass doors leading into a house, and a dark blue awning is visible above them. A small, white, cylindrical outdoor light is mounted on the wall to the left. A large red arrow graphic points from the left towards the right, partially obscuring the middle of the image.

BUSINESS UPDATE

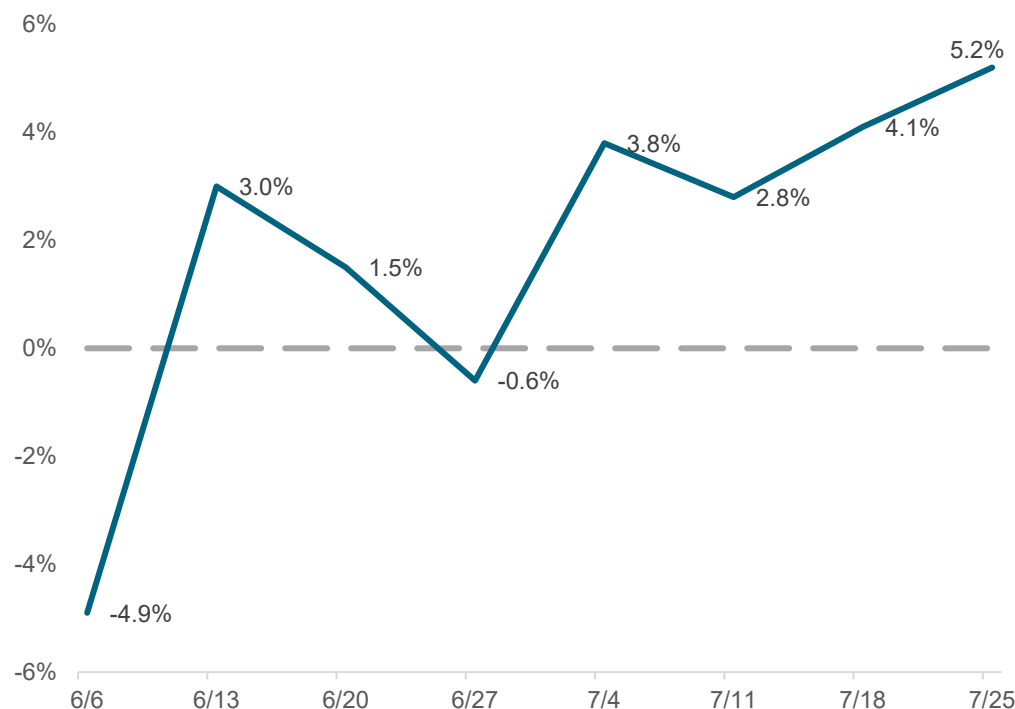
MULTIFAMILY INFLECTION

Fundamentals have started to rapidly improve; we are seeing an inflection in lease rates along with strong occupancy and significant declines in concessions across the entire portfolio

Inflection: Gross Rate Growth on New Lease

Executions

by Application Date



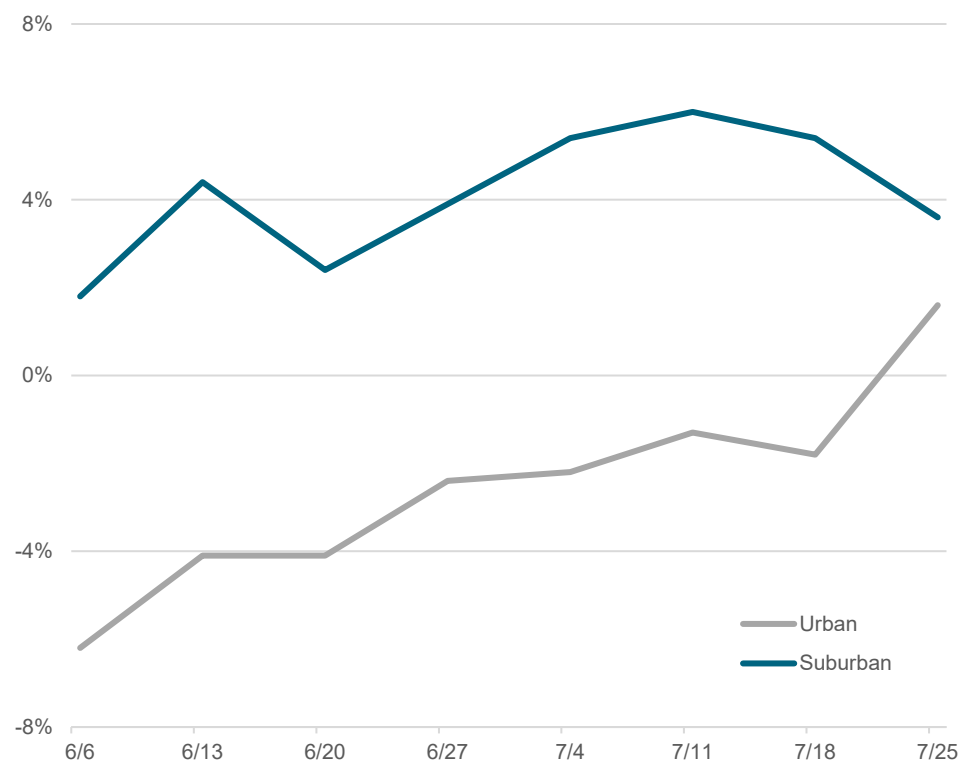
- New lease rates improved significantly during June and thus far in July, with weekly rate growth on new lease executions improving by over 10% over the last seven weeks on a gross basis. New lease executions with August and September move-in dates indicate continued improvement.
- Average concession for new move-in scheduled in July and August declined 70% compared to the second quarter average
- New lease rate growth turned positive on an effective basis for the first time since March 2020
- Renewal lease rate growth is currently tracking above 3%, on average, with suburban renewal lease rate growth tracking above 5% on an effective basis thus far in July
- Same-store occupancy increased 60 basis points from June 30th to 95.8%, allowing for continued growth in lease rates and reductions in concessions
- Application volumes remain robust; urban net application volume increased 40% year-to-date and 35% during the second quarter compared to the prior year period
- Collected 99% of cash rent from multifamily residents during the second quarter, continuing the strong collection performance throughout the pandemic
- Trove is currently over 76% occupied is expected to stabilize near year end

MULTIFAMILY FUNDAMENTALS

Increased occupancy year-over-year, declining concessions, and improving effective lease rate growth support our improving outlook as we have reached an inflection

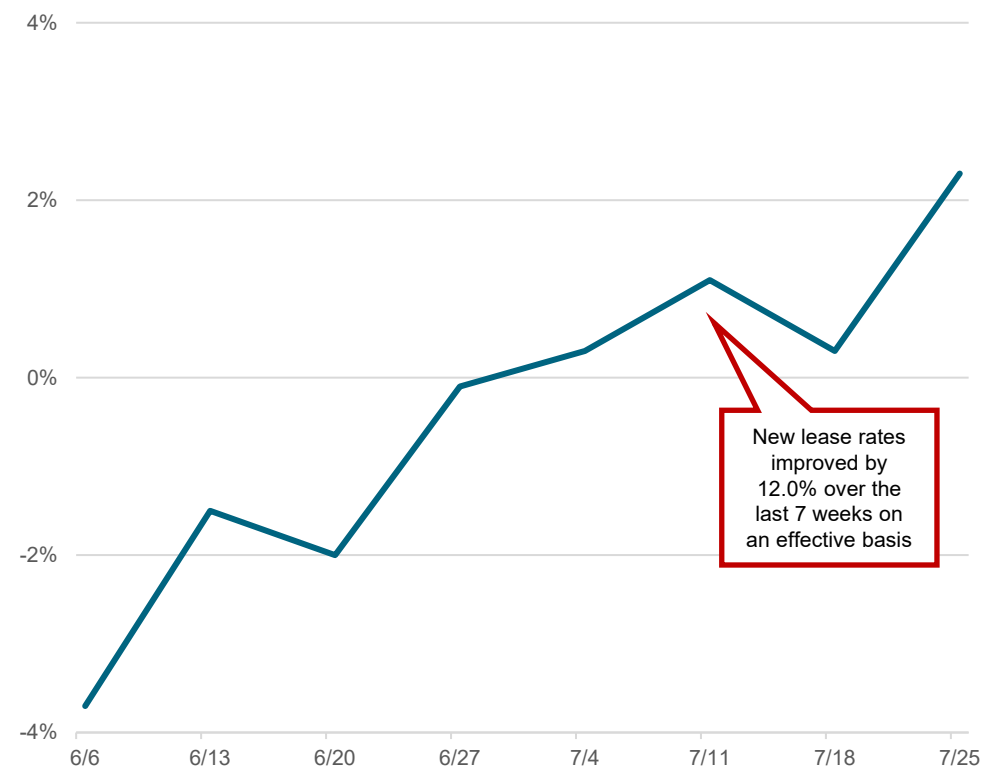
Effective Blended Lease Rate Growth

by Move-in Date



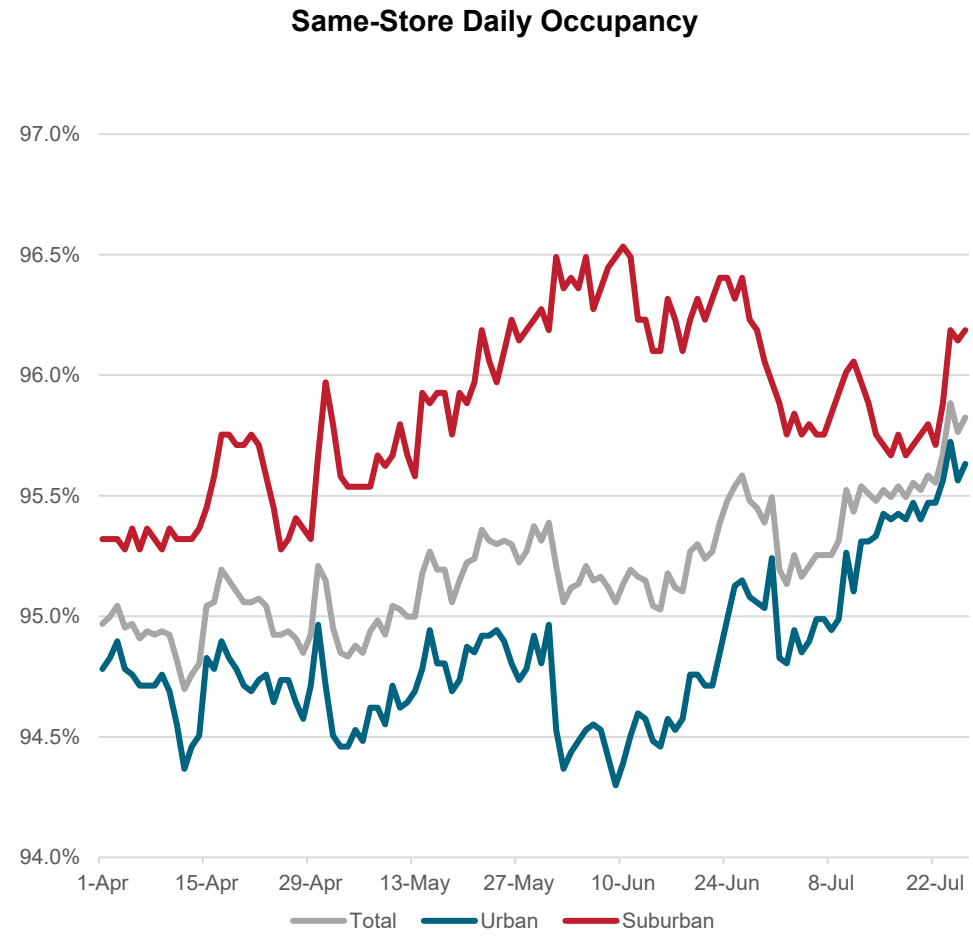
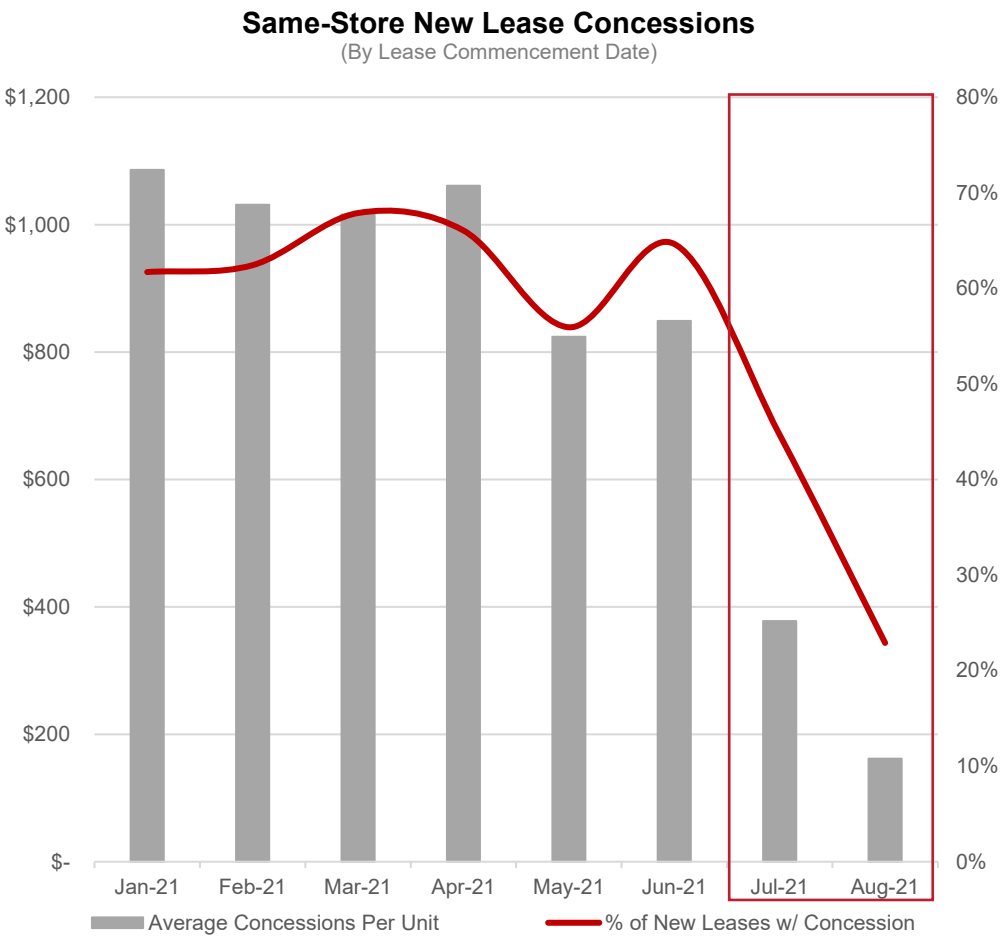
Effective Blended Lease Rate Growth (Total)

by Move-in Date



MULTIFAMILY FUNDAMENTALS

Leasing concessions have begun to rapidly decline; Average concession for new move-in scheduled in July and August declined 70% compared to the second quarter average



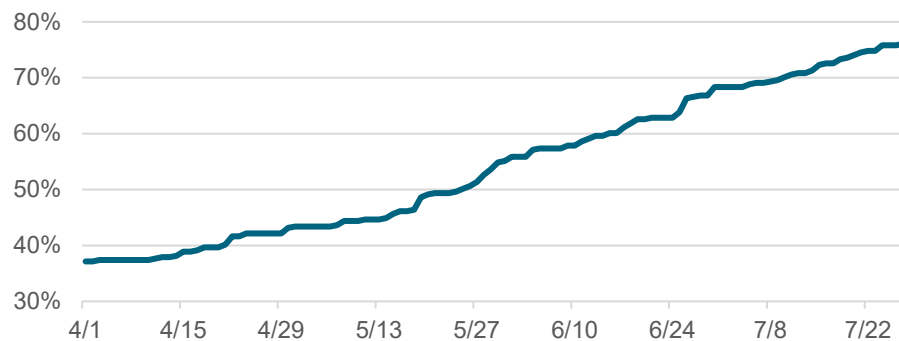
TROVE UPDATE

Trove delivered its final phase in Q4 2020 and reached breakeven occupancy in December. Trove is now on track to reach stabilization by year-end 2021, as opposed to prior expectation of May 2022. The number of signed leases per month remains above the long-term regional average.

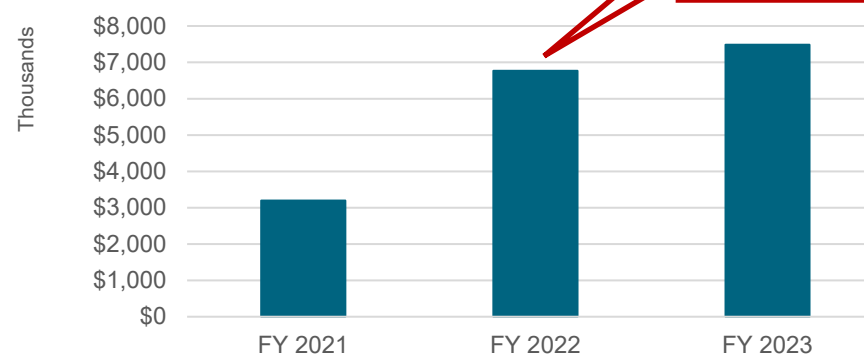


- Class A product for the value seeking renter
- 401 units; 81% leased
- Rooftop pool with views overlooking a golf course and DC monuments
- Proximate to some of the largest employers in the region
- 6-minute drive to Pentagon City and Amazon HQ2
- Targeting LEED Silver

Occupancy Surging



NOI Outlook



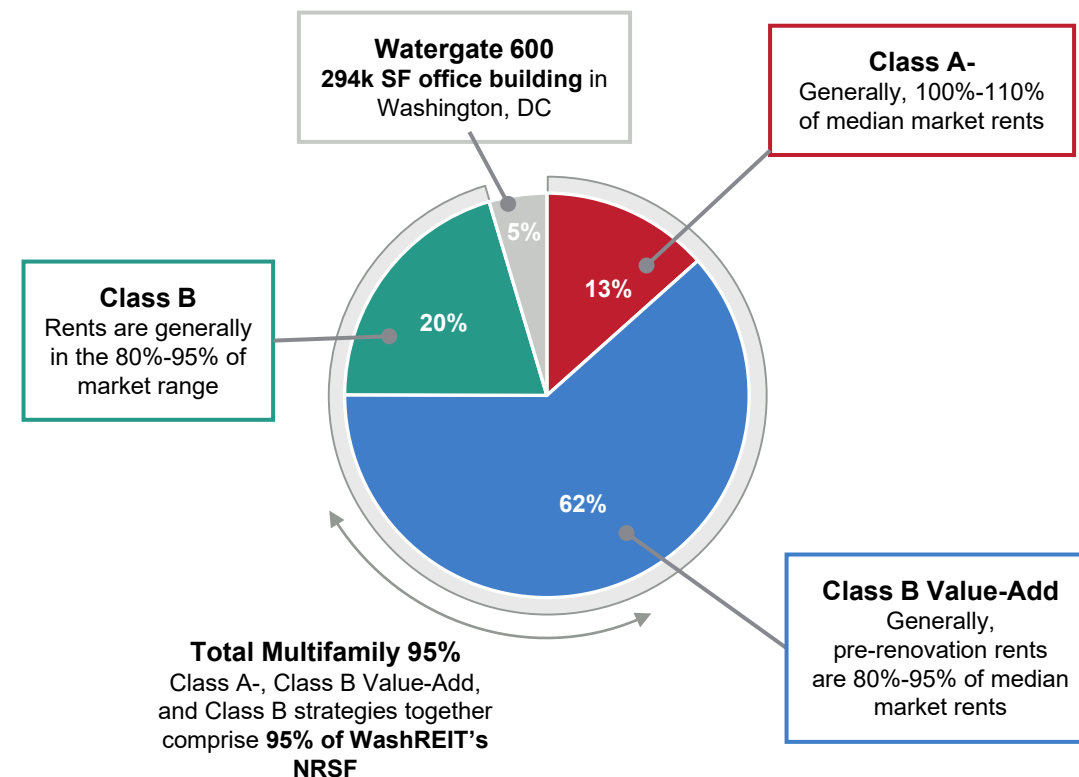


MULTIFAMILY PORTFOLIO

MULTIFAMILY PORTFOLIO COMPOSITION¹

As of June 31, 2021					
Properties	Location	Class	Units	NRSF (000s)	% Occupied ²
Clayborne	Alexandria, VA	A-	74	60	93.2%
Riverside Apartments	Alexandria, VA	B Value-Add	1,222	1,001	94.6%
Assembly Alexandria	Alexandria, VA	B Value-Add	532	437	95.7%
Cascade at Landmark	Alexandria, VA	B Value-Add	277	273	94.9%
Park Adams	Arlington, VA	B	200	173	95.5%
Bennett Park	Arlington, VA	A-	224	215	95.5%
The Maxwell	Arlington, VA	A-	163	116	98.2%
The Paramount	Arlington, VA	B	135	141	95.6%
The Wellington	Arlington, VA	B Value-Add	711	600	94.0%
Roosevelt Towers	Falls Church, VA	B	191	170	96.9%
The Ashby at McLean	McLean, VA	B	256	274	95.7%
Assembly Dulles	Herndon, VA	B Value-Add	328	361	95.4%
Assembly Herndon	Herndon, VA	B Value-Add	283	221	96.1%
Assembly Manassas	Manassas, VA	B Value-Add	408	390	96.1%
Assembly Leesburg	Leesburg, VA	B	134	124	97.0%
Bethesda Hill Apartments	Bethesda, MD	B	195	225	96.9%
Assembly Germantown	Germantown, MD	B Value-Add	218	211	95.0%
Assembly Watkins Mill	Gaithersburg, MD	B	210	193	96.7%
3801 Connecticut Avenue	Washington, DC	B Value-Add	307	178	94.8%
Kenmore Apartments	Washington, DC	B Value-Add	374	268	92.2%
Yale West	Washington, DC	A-	216	173	94.9%
Total // Stabilized Multifamily Properties			6,658	5,804	95.2%
Trove	Arlington, VA	A-	401	293	76.1% ³
Watergate 600	Washington, DC	–	–	295	88.8%

Strategy Diversification Percentage of NRSF



Note: Refer to slide 2 for certain disclosures regarding Forward-Looking Statements and Strategic Transactions.

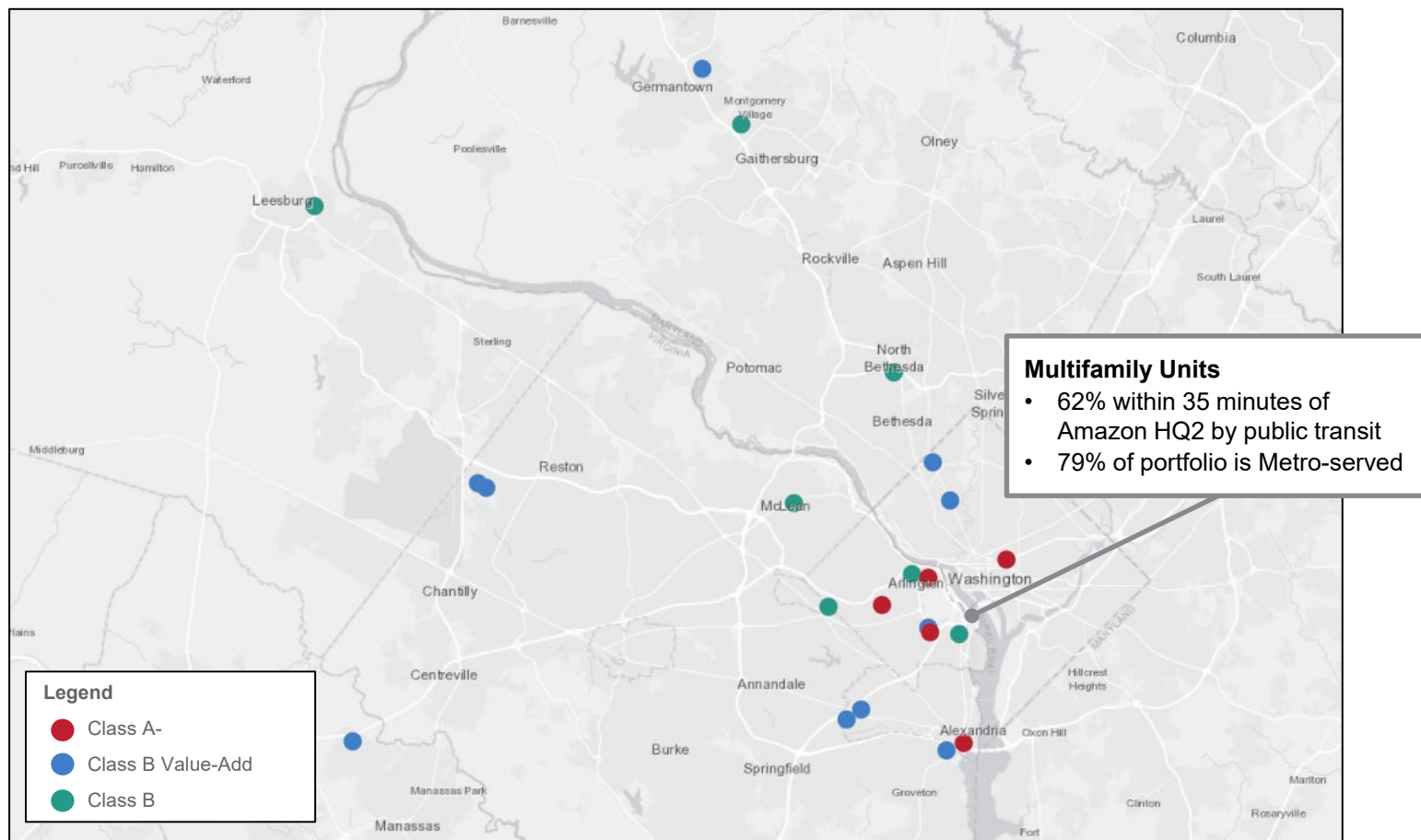
¹ Pro forma for the sale of the office portfolio and assumed retail dispositions.

² For multifamily buildings, ending occupancy based on units. For Watergate 600, ending occupancy based on square feet that includes temporary lease agreements.

³ Trove occupancy as of July 26, 2021.

MULTIFAMILY UNIT DISTRIBUTION

~80% of our multifamily units are currently located in Northern Virginia and over 30% are located in the suburbs



95.2%
Occupancy¹

99%
Q2 2021 Rent
Collections²

33% / 67%
Suburban vs. Urban

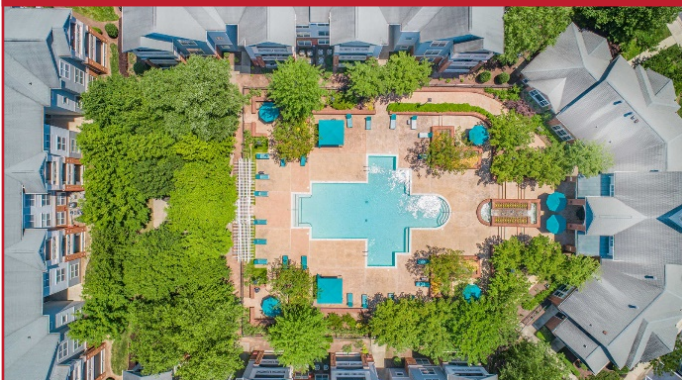
~\$111k
3 Mi. Avg. HHI

Source: ESRI.
Amounts and percentages as of June 30, 2021
¹Excludes Trove
²Collections as of July 15, 2021

Portfolio Strategies

We target submarkets with attributes we believe are most likely to drive rent growth, tailoring our specific investment strategy to best create value.

CLASS A-



Vintage: 2000's

Rent Growth Drivers: Operational Improvements, Unit Upgrades, Prop-Tech, Submarket Rent Growth, Future Renovations

Price Point: 100%-110% of market median rent



*Targeted Go-Forward
Capital Allocation*

CLASS B VALUE-ADD



Vintage: 1980's, 1990's, 2000's

Rent Growth Drivers: Operational Improvements, Full Renovations, Submarket Rent Growth

Price Point: 80%-95% of market median, pre-renovation rent



*Targeted Go-Forward
Capital Allocation*

CLASS B



Vintage: 1980's, 1990's, 2000's

Rent Growth Drivers: Operational Improvements, Submarket Rent Growth, Future Renovations

Price Point: 80%-95% of market median rent



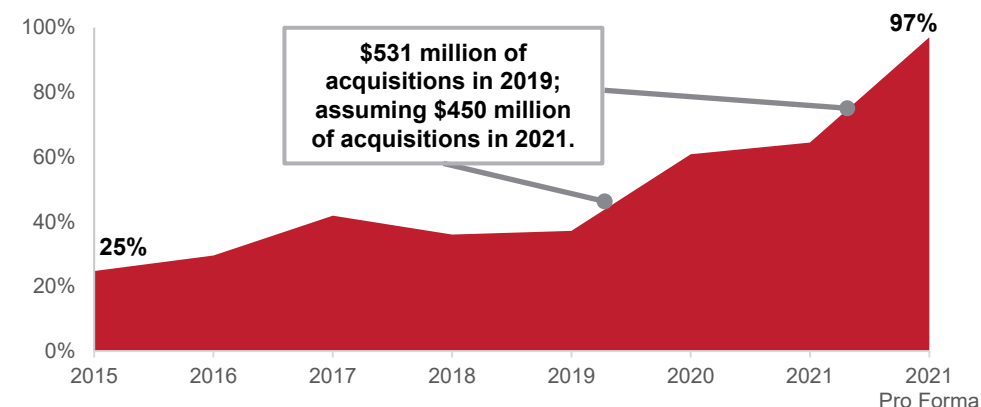
*Targeted Go-Forward
Capital Allocation*

EXECUTION TRACK RECORD TO CONTINUE

MULTIFAMILY EXECUTION

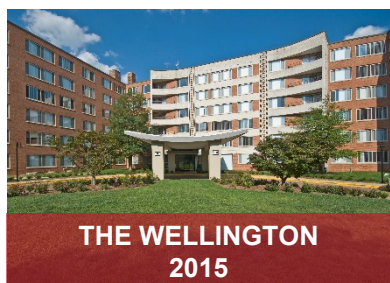
- + Grew multifamily share of square footage from 25% to 97% since 2015¹.
- + Achieved average annual multifamily same-store NOI growth of 2.6% over the past five years. For the four years pre-COVID-19, multifamily same-store NOI growth averaged 3.5% per year.
- + Completed more than 1,800 renovations of varying scopes since 2015, at average cash-on-cash returns of 10% to 20%.
- + In 2020, leveraged a covered land site to deliver Trove, a 401-unit, Class A project 1.5 miles from Amazon HQ2, at a >30% total basis discount to current value.
- + Our research-led suburban multifamily portfolio acquisition added value to our portfolio and has outperformed our expectations during the pandemic.

MULTIFAMILY SHARE OF SF AT Q1



\$1.6 Billion of Value-Oriented Multifamily Investments since 2015²

Since 2013, assuming we complete these transactions, we will have completed **~\$5.1 billion** of strategic portfolio transactions to increase our exposure to value-oriented multifamily investments while reducing concentrations of non-core retail and office assets



Note: Refer to slide 2 for certain disclosures regarding Forward-Looking Statements and Strategic Transactions.

¹ Pro forma for the sale of the office portfolio, assumed retail dispositions, and reinvestment of proceeds into future multifamily acquisitions. Assumes 2.9 million square feet are purchased in future multifamily acquisitions.

² Pro forma for reinvestment of \$450 million of proceeds into future multifamily acquisitions.

A person wearing a helmet and a backpack is riding a bicycle on a paved path. The scene is set during sunset, with a warm orange glow. A red arrow-shaped overlay points to the right, containing the text 'ENVIRONMENTAL SOCIAL GOVERNANCE' in white capital letters. The path is bordered by green grass and a young tree on the left. In the background, there are some buildings and a car on a road.

ENVIRONMENTAL SOCIAL GOVERNANCE

DELIVERING ON ESG PRIORITIES



INTEGRATING CLIMATE RISK

Climate risk assessments are fully integrated into our acquisition process, from deal identification to underwriting, due diligence, and investment committee. We evaluate the physical risks impacting property operations and expenses and the transition risks impacting the investment strategy. And we maintain climate risk transparency through our commitment to Task Force on Climate-related Financial Disclosures (TCFD).



BRIDGING THE HOUSING AFFORDABILITY GAP

WashREIT's focus on providing quality, affordable housing to the underserved middle-income market meets a pressing social need and maintains existing communities, while providing consistent and solid returns to our investors.



IMPACT IMPROVEMENT OPPORTUNITIES

Operating high-performing buildings will continue to be our focus, and we will raise the bar of any acquisitions to meet WashREIT standards for sustainability. We prioritize energy and water efficiency, resident health and wellness, sustainable purchasing, and resource conservation. We will seek to close the gap between existing operations and our standards as part of our onboarding process, similar to the approach taken in pursuing BREEAM certification for the Assembly portfolio.

“The problem is there’s no moderate-income housing for people to move up from lower-cost housing, or to move down from an expensive apartment if their circumstances change. REITs can provide investment into that middle level of housing,”

Christopher Ptomey
Executive Director
Terwilliger Center for Housing
Urban Land Institute



APPENDIX

FINANCIALS FROM Q2 2021 SUPPLEMENT

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

WASH★REIT®

	Six Months Ended		Three Months Ended				
	6/30/2021	6/30/2020	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020
Funds from operations (FFO) ⁽¹⁾							
Net loss	\$ (8,139)	\$ (3,687)	\$ (6,992)	\$ (1,147)	\$ (11,037)	\$ (956)	\$ (5,406)
Real estate depreciation and amortization	34,290	34,619	17,303	16,987	17,653	18,064	17,372
Loss on sale of depreciable real estate	—	7,539	—	—	7,470	—	7,539
Discontinued operations:							
Real estate depreciation and amortization	22,904	24,700	10,248	12,656	12,588	12,406	12,227
NAREIT funds from operations (FFO)	49,055	63,171	20,559	28,496	26,674	29,514	31,732
(Gain) loss on extinguishment of debt	—	(262)	—	—	296	—	206
Loss on interest rate derivatives	5,760	—	5,760	—	560	—	—
Severance expense	173	—	—	173	—	—	—
Transformation costs	3,780	—	3,780	—	—	—	—
Core FFO ⁽¹⁾	\$ 58,768	\$ 62,909	\$ 30,099	\$ 28,669	\$ 27,530	\$ 29,514	\$ 31,938
Allocation to participating securities ⁽²⁾	(276)	(302)	(137)	(139)	(92)	(151)	(151)
NAREIT FFO per share - basic	\$ 0.58	\$ 0.77	\$ 0.24	\$ 0.34	\$ 0.32	\$ 0.36	\$ 0.38
NAREIT FFO per share - fully diluted	\$ 0.58	\$ 0.76	\$ 0.24	\$ 0.34	\$ 0.32	\$ 0.36	\$ 0.38
Core FFO per share - fully diluted	\$ 0.69	\$ 0.76	\$ 0.35	\$ 0.34	\$ 0.33	\$ 0.36	\$ 0.39
Common dividend per share	\$ 0.60	\$ 0.60	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
Average shares - basic	84,437	82,120	84,461	84,413	82,962	82,186	82,153
Average shares - fully diluted (for NAREIT FFO and Core FFO)	84,507	82,305	84,519	84,495	83,093	82,357	82,323

⁽¹⁾ See "Definitions" for the definitions of NAREIT FFO and Core FFO.

⁽²⁾ Adjustments to the numerators for FFO and Core FFO per share calculations when applying the two-class method for calculating EPS.

FINANCIALS FROM Q2 2021 SUPPLEMENT

Funds Available for Distribution
(In thousands, except per share data)
(Unaudited)

WASH★REIT®

	Six Months Ended		Three Months Ended				
	6/30/2021	6/30/2020	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020
Funds available for distribution (FAD) ⁽¹⁾							
NAREIT FFO	\$ 49,055	\$ 63,171	\$ 20,559	\$ 28,496	\$ 26,674	\$ 29,514	\$ 31,732
Non-cash (gain) loss on extinguishment of debt	—	(1,177)	—	—	296	—	204
Tenant improvements and incentives, net of reimbursements	(573)	(2,949)	(1,112)	539	(6,250)	(4,013)	(1,877)
External and internal leasing commissions capitalized	(2,406)	(1,326)	(1,868)	(538)	(1,445)	(1,081)	(797)
Recurring capital improvements	(2,023)	(1,812)	(1,156)	(867)	(2,164)	(1,068)	(824)
Straight-line rent, net	(1,173)	(1,318)	(625)	(548)	82	(522)	(655)
Non-cash fair value interest expense	—	(59)	—	—	—	—	—
Non-real estate depreciation and amortization of debt costs	2,694	1,852	1,350	1,344	987	956	910
Amortization of lease intangibles, net	572	1,001	195	377	477	464	544
Amortization and expensing of restricted share and unit compensation ⁽²⁾	3,827	3,422	2,163	1,664	1,972	2,479	1,644
FAD	49,973	60,805	19,506	30,467	20,629	26,729	30,881
Cash loss on extinguishment of debt	—	915	—	—	—	—	2
Loss on interest rate derivatives	5,760	—	5,760	—	560	—	—
Non-share-based severance expense	103	—	—	103	—	—	—
Transformation costs ⁽³⁾	3,703	—	3,703	—	—	—	—
Core FAD ⁽¹⁾	\$ 59,539	\$ 61,720	\$ 28,969	\$ 30,570	\$ 21,189	\$ 26,729	\$ 30,883

⁽¹⁾ See "Definitions" for the definitions of FAD and Core FAD.

SAME-STORE PORTFOLIO FROM Q2 2021 SUPPLEMENT

Same-Store Portfolio Net Operating Income (NOI) Growth 2021 vs. 2020

WASH★REIT®

	Six Months Ended June 30,			Three Months Ended June 30,		
	2021	2020	% Change	2021	2020	% Change
Cash Basis:						
Multifamily	\$ 42,403	\$ 44,862	(5.5)%	\$ 21,612	\$ 22,051	(2.0)%
Other ⁽²⁾	5,257	4,992	5.3 %	2,573	2,618	(1.7)%
Overall Same-Store Portfolio ⁽¹⁾	\$ 47,660	\$ 49,854	(4.4)%	\$ 24,185	\$ 24,669	(2.0)%
GAAP Basis:						
Multifamily	\$ 42,393	\$ 44,856	(5.5)%	\$ 21,607	\$ 22,046	(2.0)%
Other ⁽²⁾	6,195	6,206	(0.2)%	3,037	3,184	(4.6)%
Overall Same-Store Portfolio ⁽¹⁾	\$ 48,588	\$ 51,062	(4.8)%	\$ 24,644	\$ 25,230	(2.3)%

⁽¹⁾ Non same-store properties were:

Development:

Multifamily - Trove

Sold properties:

Office - John Marshall II, Monument II and 1227 25th Street

Discontinued operations:

Office - 1901 Pennsylvania Avenue, 515 King Street, 1220 19th Street, 1600 Wilson Boulevard, Silverline Center, Courthouse Square, 2000 M Street, 1140 Connecticut Avenue, Army Navy Club, 1775 Eye Street, Fairgate at Ballston and Arlington Tower

Retail - Takoma Park, Westminster, Concord Centre, Chevy Chase Metro Plaza, 800 S. Washington Street, Randolph Shopping Center, Montrose Shopping Center and Spring Valley Village.

⁽²⁾ Represents Watergate 600

FINANCIALS FROM Q2 2021 SUPPLEMENT

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

WASH★REIT®

	Three Months Ended June 30, 2021		
	Multifamily	Corporate and Other ⁽¹⁾	Total
Real estate rental revenue			
Same-store portfolio	\$ 35,532	\$ 4,435	\$ 39,967
Non same-store ⁽¹⁾	1,330	—	1,330
Total	36,862	4,435	41,297
Real estate expenses			
Same-store portfolio	13,925	1,398	15,323
Non same-store ⁽¹⁾	907	—	907
Total	14,832	1,398	16,230
Net Operating Income (NOI)			
Same-store portfolio	21,607	3,037	24,644
Non same-store ⁽¹⁾	423	—	423
Total	\$ 22,030	\$ 3,037	\$ 25,067
Same-store portfolio NOI (from above)	\$ 21,607	\$ 3,037	\$ 24,644
Straight-line revenue, net for same-store properties	3	(293)	(290)
Amortization of acquired lease assets (liabilities) for same-store properties	2	(192)	(190)
Amortization of lease intangibles for same-store properties	—	21	21
Same-store portfolio cash NOI	\$ 21,612	\$ 2,573	\$ 24,185
Reconciliation of NOI to net income			
Total NOI	\$ 22,030	\$ 3,037	\$ 25,067
Depreciation and amortization	(15,302)	(2,001)	(17,303)
General and administrative expenses	—	(6,325)	(6,325)
Transformation costs	—	(3,780)	(3,780)
Interest expense	—	(10,158)	(10,158)
Other income	—	1,522	1,522
Loss on interest rate derivatives	—	(5,760)	(5,760)
Income (loss) from continuing operations	6,728	(23,465)	(16,737)
Discontinued operations:			
Income from operations of properties classified as discontinued operations ⁽¹⁾	—	9,745	9,745
Net income (loss)	\$ 6,728	\$ (13,720)	\$ (6,992)

¹⁾ For a list of non same-store, discontinued operations and other properties, see "Same-Store Portfolio Net Operating Income (NOI) Growth 2021 vs 2020"

DEFINITIONS

Adjusted EBITDA (a non-GAAP measure) is earnings before interest expense, taxes, depreciation, amortization, gain/loss on sale of real estate, casualty gain/loss, real estate impairment, gain/loss on extinguishment of debt, gain/loss on interest rate derivatives, severance expense, acquisition expenses and gain from non-disposal activities and transformation costs.

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

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

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

Debt service coverage ratio is computed by dividing earnings attributable to the controlling interest before interest expense, taxes, depreciation, amortization, real estate impairment, gain on sale of real estate, gain/loss on extinguishment of debt, severance expense, relocation expense, acquisition and structuring expenses and gain/loss from non-disposal activities by interest expense (including interest expense from discontinued operations) and principal amortization.

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

Earnings to fixed charges ratio is computed by dividing earnings attributable to the controlling interest by fixed charges. For this purpose, earnings consist of income from continuing operations (or net income if there are no discontinued operations) plus fixed charges, less capitalized interest. Fixed charges consist of interest expense (excluding interest expense from discontinued operations), including amortized costs of debt issuance, plus interest costs capitalized.

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

NAREIT Funds from operations ("NAREIT FFO") is defined by 2018 National Association of Real Estate Investment Trusts, Inc. ("NAREIT") FFO White Paper Restatement, as net income (computed in accordance with generally accepted accounting principles ("GAAP")) excluding gains (or losses) associated with the sale of property, impairment of depreciable real estate and real estate depreciation and amortization. We consider NAREIT FFO to be a standard supplemental measure for equity real estate investment trusts ("REITs") because it facilitates an understanding of the operating performance of our properties without giving effect to real estate depreciation and amortization, which historically assumes that the value of real estate assets diminishes predictably over time. Since real estate values have instead historically risen or fallen with market conditions, we believe that NAREIT FFO more accurately provides investors an indication of our ability to incur and service debt, make capital expenditures and fund other needs. Our FFO may not be comparable to FFO reported by other real estate investment trusts. These other REITs may not define the term in accordance with the current NAREIT definition or may interpret the current NAREIT definition differently. NAREIT FFO is a non-GAAP measure.

Core Funds From Operations ("Core FFO") is calculated by adjusting NAREIT FFO for the following items (which we believe are not indicative of the performance of Washington REIT's operating portfolio and affect the comparative measurement of Washington REIT's operating performance over time): (1) gains or losses on extinguishment of debt and gains or losses on interest rate derivatives, (2) expenses related to acquisition and structuring activities, (3) executive transition costs, severance expenses and other expenses related to corporate restructuring and executive retirements or resignations, (4) property impairments, casualty gains and losses, and gains or losses on sale not already excluded from NAREIT FFO, as appropriate, (5) relocation expense and (6) transformation costs. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FFO serves as a useful, supplementary measure of Washington REIT's ability to incur and service debt, and distribute dividends to its shareholders. Core FFO is a non-GAAP and non-standardized measure, and may be calculated differently by other REITs.

Funds Available for Distribution ("FAD") is calculated by subtracting from NAREIT FFO (1) recurring expenditures, tenant improvements and leasing costs that are capitalized and amortized and are necessary to maintain our properties and revenue stream (excluding items contemplated prior to acquisition or associated with development / redevelopment of a property) and (2) straight line rents, then adding (3) non-real estate depreciation and amortization, (4) non-cash fair value interest expense and (5) amortization of restricted share compensation, then adding or subtracting the (6) amortization of lease intangibles, (7) real estate impairment and (8) non-cash gain/loss on extinguishment of debt, as appropriate. FAD is included herein because we consider it to be a performance measure of a REIT's ability to incur and service debt and to distribute dividends to its shareholders. FAD is a non-GAAP and non-standardized measure and may be calculated differently by other REITs.

Core Funds Available for Distribution ("Core FAD") is calculated by adjusting FAD for the following items (which we believe are not indicative of the performance of Washington REIT's operating portfolio and affect the comparative measurement of Washington REIT's operating performance over time): (1) gains or losses on extinguishment of debt and gains or losses on interest rate derivatives, (2) costs related to the acquisition of properties, (3) non-share-based executive transition costs, severance expenses and other expenses related to corporate restructuring and executive retirements or resignations, (4) property impairments, casualty gains and losses, and gains or losses on sale not already excluded from FAD, as appropriate, (5) relocation expense and (6) transformation costs. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FAD serves as a useful, supplementary performance measure of Washington REIT's ability to incur and service debt, and distribute dividends to its shareholders. Core FAD is a non-GAAP and non-standardized measure, and may be calculated differently by other REITs.

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

Recurring capital expenditures represent non-accretive building improvements and leasing costs required to maintain current revenues. Recurring capital expenditures do not include acquisition capital that was taken into consideration when underwriting the purchase of a building or which are incurred to bring a building up to "operating standard."

Rent increases on renewals and rollovers are calculated as the difference, weighted by square feet, of the net ABR due the first month after a term commencement date and the net ABR due the last month prior to the termination date of the former tenant's term. Beginning in Q4 2018, in cases where the space has been remeasured in accordance with criteria set by the Building Owners and Managers Association ("BOMA"), the square feet former tenant's space is adjusted to be equivalent to the square feet of the new/renewing tenant's space.

Retention represents the percentage of leases renewed that were set to expire in the period presented.

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

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

Transformation costs includes costs related to the strategic transformation, including consulting, advisory and termination benefits.

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

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*Rooftop pool overlooking the Air Force Memorial
Trove, Arlington, Virginia*