



Equity Commonwealth Supplemental Operating and Financial Information

Second Quarter 2024



Corporate Headquarters

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Forward-Looking Statements

Some of the statements contained in this presentation constitute forward-looking statements within the meaning of the federal securities laws including, but not limited to, statements pertaining to our capital resources, portfolio performance, lease expirations schedules, results of operations or anticipated market conditions, including statements regarding the overall impact of COVID-19 and other external factors on the foregoing. Any forward-looking statements contained in this presentation are intended to be made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. 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. You can identify forward-looking statements by the use of forward-looking terminology, including but not limited to, “may,” “will,” “should,” “could,” “would,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Any forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances that may cause our actual results to differ significantly from those expressed in any forward-looking statement. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause our future results to differ materially from any forward-looking statements, see the section entitled “Risk Factors” in our most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q.

Regulation FD Disclosures

We use any of the following to comply with our disclosure obligations under Regulation FD: press releases, SEC filings, public conference calls, or our website. We routinely post important information on our website at www.eqcre.com, including information that may be deemed to be material. We encourage investors and others interested in the company to monitor these distribution channels for material disclosures.

COMPANY PROFILE AND INVESTOR INFORMATION

Equity Commonwealth (NYSE: EQC) is a Chicago based, internally managed and self-advised real estate investment trust (REIT) with commercial office properties in the United States.

Same Property Statistics

No. of Properties	Sq. Feet	% Leased	% Commenced
4	1,520,944	71.4%	70.7%

NYSE Trading Symbols

Common Stock: EQC

Preferred Stock Series D: EQCpD

Board of Trustees

David Helfand (Chair)	Peter Linneman (Lead Independent Trustee)	James A. Star
Ellen-Blair Chube	Mary Jane Robertson	
Martin L. Edelman	Gerald A. Spector	

Senior Management

David A. Helfand President and Chief Executive Officer	David S. Weinberg Executive Vice President and Chief Operating Officer
William H. Griffiths Executive Vice President, Chief Financial Officer and Treasurer	Orrin S. Shifrin Executive Vice President, General Counsel and Secretary

Equity Research Coverage ⁽¹⁾

Citigroup	Nicholas Joseph	(212) 816-1909	nicholas.joseph@citi.com
Green Street Advisors	Daniel Ismail	(949) 640-8780	dismail@greenstreetadvisors.com

Certain terms are defined in the definitions section of this document. All financial data included herein is unaudited.

(1) Any opinions, estimates or forecasts regarding EQC's performance made by these analysts do not represent opinions, forecasts or predictions of EQC or its management. EQC does not by its reference to the analysts above imply its endorsement of or concurrence with any information, conclusions or recommendations provided by any of these analysts.

KEY FINANCIAL DATA

(Unaudited, amounts in thousands, except per share data)

	As of and for the Three Months Ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
OPERATING INFORMATION					
Ending property count	4	4	4	4	4
Ending square footage	1,521	1,521	1,521	1,521	1,521
Percent leased	71.4 %	75.4 %	81.2 %	80.8 %	82.0 %
Percent commenced	70.7 %	74.6 %	80.0 %	79.9 %	78.2 %
Net income attributable to EQC common shareholders	\$ 22,153	\$ 23,408	\$ 24,552	\$ 24,149	\$ 13,787
Adjusted EBITDAre ⁽¹⁾	28,802	29,845	30,770	30,698	27,103
SAME PROPERTY OPERATING INFORMATION					
Ending square footage	1,521	1,521	1,521	1,521	1,521
Percent leased	71.4 %	75.4 %	81.2 %	80.8 %	82.0 %
Percent commenced	70.7 %	74.6 %	80.0 %	79.9 %	78.2 %
Same Property NOI ⁽¹⁾	\$ 7,391	\$ 8,672	\$ 8,611	\$ 8,485	\$ 7,644
Same Property Cash Basis NOI ⁽¹⁾	7,063	7,833	7,443	8,205	7,884
Same Property NOI margin	52.4 %	57.1 %	56.9 %	55.8 %	52.4 %
Same Property Cash Basis NOI margin	51.3 %	54.6 %	53.3 %	55.0 %	53.2 %
SHARES OUTSTANDING AND PER SHARE DATA					
Shares Outstanding at End of Period					
Common shares outstanding	107,328	107,223	106,847	106,712	109,730
Dilutive restricted share units (RSUs), Operating Partnership Units, and LTIP Units ⁽²⁾	1,618	1,358	1,467	1,779	1,891
Preferred shares outstanding ⁽³⁾	4,915	4,915	4,915	4,915	4,915
Weighted Average Shares Outstanding - GAAP					
Basic ⁽⁴⁾	107,416	107,216	106,905	108,931	109,839
Diluted ⁽⁴⁾	108,751	108,224	108,015	110,217	111,237
BALANCE SHEET					
Total assets	\$2,463,741	\$2,439,686	\$2,425,041	\$2,393,786	\$2,421,843
Total liabilities	25,954	26,358	34,928	31,550	30,016
MARKET CAPITALIZATION					
Market value of preferred shares	\$ 122,438	\$ 122,880	\$ 123,519	\$ 122,929	\$ 124,846
Market value of diluted common shares	2,113,552	2,050,009	2,079,629	1,992,980	2,261,441
Total market capitalization	\$2,235,990	\$2,172,889	\$2,203,148	\$2,115,909	\$2,386,287

(1) Non-GAAP financial measures are defined and reconciled to the most directly comparable GAAP measure herein.

(2) Restricted share units (RSUs) and LTIP Units are equity awards that contain both service and market-based vesting components. Refer to the schedule of Common & Potential Common Shares for information regarding RSUs and LTIP Units and their impact on weighted average shares outstanding.

(3) As of June 30, 2024, we had 4,915 series D preferred shares outstanding that were convertible into 4,032 common shares. The series D preferred shares are anti-dilutive for GAAP EPS for all periods presented. Refer to the schedule of Common & Potential Common Shares for information regarding the series D preferred shares and their impact on diluted weighted average shares outstanding for EPS, FFO per share and Normalized FFO per share.

(4) Refer to the schedule of Common & Potential Common Shares for information regarding the components of our weighted average common shares outstanding.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited, amounts in thousands, except share data)

	June 30, 2024	December 31, 2023
ASSETS		
Real estate properties:		
Land	\$ 44,060	\$ 44,060
Buildings and improvements	374,095	367,827
	418,155	411,887
Accumulated depreciation	(183,867)	(180,535)
	234,288	231,352
Cash and cash equivalents	2,195,823	2,160,535
Rents receivable	17,257	15,737
Other assets, net	16,373	17,417
Total assets	\$ 2,463,741	\$ 2,425,041
LIABILITIES AND EQUITY		
Accounts payable, accrued expenses and other	\$ 19,585	\$ 27,298
Rent collected in advance	2,706	1,990
Distributions payable	3,663	5,640
Total liabilities	\$ 25,954	\$ 34,928
Shareholders' equity:		
Preferred shares of beneficial interest, \$0.01 par value: 50,000,000 shares authorized;		
Series D preferred shares; 6.50% cumulative convertible; 4,915,196 shares issued and outstanding, aggregate liquidation preference of \$122,880	\$ 119,263	\$ 119,263
Common shares of beneficial interest, \$0.01 par value: 350,000,000 shares authorized; 107,327,691 and 106,847,438 shares issued and outstanding, respectively	1,073	1,068
Additional paid in capital	3,939,583	3,935,873
Cumulative net income	3,976,534	3,926,979
Cumulative common distributions	(4,864,499)	(4,864,440)
Cumulative preferred distributions	(737,670)	(733,676)
Total shareholders' equity	2,434,284	2,385,067
Noncontrolling interest	3,503	5,046
Total equity	\$ 2,437,787	\$ 2,390,113
Total liabilities and equity	\$ 2,463,741	\$ 2,425,041

ADDITIONAL BALANCE SHEET INFORMATION

(Unaudited, amounts in thousands)

	June 30, 2024	December 31, 2023
Additional Balance Sheet Information		
Straight-line rents receivable	\$ 15,477	\$ 14,995
Accounts receivable	1,780	742
Rents receivable	<u>\$ 17,257</u>	<u>\$ 15,737</u>
Capitalized lease incentives, net	\$ 1,361	\$ 1,193
Deferred leasing costs, net	9,842	10,816
Other	5,170	5,408
Other assets, net	<u>\$ 16,373</u>	<u>\$ 17,417</u>
Accounts payable	\$ 1,891	\$ 2,824
Accrued taxes	5,255	9,527
Accrued capital expenditures	2,108	2,881
Accrued leasing costs	118	206
Security deposits	2,311	2,356
Other accrued liabilities	7,902	9,504
Accounts payable, accrued expenses and other	<u>\$ 19,585</u>	<u>\$ 27,298</u>

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited, amounts in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Revenues:				
Rental revenue	\$ 12,816	\$ 13,358	\$ 26,709	\$ 27,584
Other revenue ⁽¹⁾	1,293	1,232	2,590	2,582
Total revenues	\$ 14,109	\$ 14,590	\$ 29,299	\$ 30,166
Expenses:				
Operating expenses	\$ 6,721	\$ 6,942	\$ 13,255	\$ 14,198
Depreciation and amortization	4,182	4,514	8,539	8,824
General and administrative	8,356	13,854	16,679	22,409
Total expenses	\$ 19,259	\$ 25,310	\$ 38,473	\$ 45,431
Interest and other income, net	29,770	27,352	59,282	55,728
Income before income taxes	24,620	16,632	50,108	40,463
Income tax expense	(434)	(796)	(464)	(1,876)
Net income	\$ 24,186	\$ 15,836	\$ 49,644	\$ 38,587
Net income attributable to noncontrolling interest	(36)	(52)	(89)	(118)
Net income attributable to Equity Commonwealth	\$ 24,150	\$ 15,784	\$ 49,555	\$ 38,469
Preferred distributions	(1,997)	(1,997)	(3,994)	(3,994)
Net income attributable to Equity Commonwealth common shareholders	\$ 22,153	\$ 13,787	\$ 45,561	\$ 34,475
Weighted average common shares outstanding — basic ⁽²⁾	<u>107,416</u>	<u>109,839</u>	<u>107,316</u>	<u>109,779</u>
Weighted average common shares outstanding — diluted ⁽²⁾	<u>108,751</u>	<u>111,237</u>	<u>108,487</u>	<u>111,269</u>
Earnings per common share attributable to Equity Commonwealth common shareholders:				
Basic	<u>\$ 0.21</u>	<u>\$ 0.13</u>	<u>\$ 0.42</u>	<u>\$ 0.31</u>
Diluted	<u>\$ 0.20</u>	<u>\$ 0.12</u>	<u>\$ 0.42</u>	<u>\$ 0.31</u>

(1) Other revenue is primarily comprised of parking revenue that does not represent a component of a lease.

(2) Refer to the schedule of Common & Potential Common Shares for information regarding the components of our weighted average common shares outstanding.

CALCULATION OF SAME PROPERTY NET OPERATING INCOME (NOI) AND SAME PROPERTY CASH BASIS NOI

(Unaudited, amounts in thousands)

	For the Three Months Ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
Calculation of Same Property NOI and Same Property Cash Basis NOI:					
Rental revenue	\$ 12,816	\$ 13,893	\$ 13,824	\$ 13,928	\$ 13,358
Other revenue ⁽¹⁾	1,293	1,297	1,322	1,284	1,232
Operating expenses	(6,721)	(6,534)	(6,542)	(6,722)	(6,942)
NOI	\$ 7,388	\$ 8,656	\$ 8,604	\$ 8,490	\$ 7,648
Straight-line rent adjustments	(259)	(223)	(538)	(107)	273
Lease termination fees	(69)	(616)	(630)	(173)	(33)
Cash Basis NOI	\$ 7,060	\$ 7,817	\$ 7,436	\$ 8,210	\$ 7,888
Cash Basis NOI from non-same properties ⁽²⁾	3	16	7	(5)	(4)
Same Property Cash Basis NOI	\$ 7,063	\$ 7,833	\$ 7,443	\$ 8,205	\$ 7,884
Non-cash rental income and lease termination fees from same properties	328	839	1,168	280	(240)
Same Property NOI	\$ 7,391	\$ 8,672	\$ 8,611	\$ 8,485	\$ 7,644

Reconciliation of Same Property NOI to GAAP Net Income:

Same Property NOI	\$ 7,391	\$ 8,672	\$ 8,611	\$ 8,485	\$ 7,644
Non-cash rental income and lease termination fees from same properties	(328)	(839)	(1,168)	(280)	240
Same Property Cash Basis NOI	\$ 7,063	\$ 7,833	\$ 7,443	\$ 8,205	\$ 7,884
Cash Basis NOI from non-same properties ⁽²⁾	(3)	(16)	(7)	5	4
Cash Basis NOI	\$ 7,060	\$ 7,817	\$ 7,436	\$ 8,210	\$ 7,888
Straight-line rent adjustments	259	223	538	107	(273)
Lease termination fees	69	616	630	173	33
NOI	\$ 7,388	\$ 8,656	\$ 8,604	\$ 8,490	\$ 7,648
Depreciation and amortization	(4,182)	(4,357)	(4,184)	(4,436)	(4,514)
General and administrative	(8,356)	(8,323)	(7,504)	(7,061)	(13,854)
Interest and other income, net	29,770	29,512	29,670	29,269	27,352
Income before income taxes	\$ 24,620	\$ 25,488	\$ 26,586	\$ 26,262	\$ 16,632
Income tax (expense) benefit	(434)	(30)	40	(30)	(796)
Net income	\$ 24,186	\$ 25,458	\$ 26,626	\$ 26,232	\$ 15,836

(1) Other revenue is primarily comprised of parking revenue that does not represent a component of a lease.

(2) Cash Basis NOI from non-same properties for all periods presented includes the operations of disposed properties.

CALCULATION OF SAME PROPERTY NET OPERATING INCOME (NOI) AND SAME PROPERTY CASH BASIS NOI

(Unaudited, amounts in thousands)

	For the Six Months Ended June 30,	
	2024	2023
Calculation of Same Property NOI and Same Property Cash Basis NOI:		
Rental revenue	\$ 26,709	\$ 27,584
Other revenue ⁽¹⁾	2,590	2,582
Operating expenses	(13,255)	(14,198)
NOI	\$ 16,044	\$ 15,968
Straight-line rent adjustments	(482)	552
Lease termination fees	(685)	(210)
Cash Basis NOI	\$ 14,877	\$ 16,310
Cash Basis NOI from non-same properties ⁽²⁾	19	(8)
Same Property Cash Basis NOI	\$ 14,896	\$ 16,302
Non-cash rental income and lease termination fees from same properties	1,167	(342)
Same Property NOI	\$ 16,063	\$ 15,960

Reconciliation of Same Property NOI to GAAP Net Income:

Same Property NOI	\$ 16,063	\$ 15,960
Non-cash rental income and lease termination fees from same properties	(1,167)	342
Same Property Cash Basis NOI	\$ 14,896	\$ 16,302
Cash Basis NOI from non-same properties ⁽²⁾	(19)	8
Cash Basis NOI	\$ 14,877	\$ 16,310
Straight-line rent adjustments	482	(552)
Lease termination fees	685	210
NOI	\$ 16,044	\$ 15,968
Depreciation and amortization	(8,539)	(8,824)
General and administrative	(16,679)	(22,409)
Interest and other income, net	59,282	55,728
Income before income taxes	\$ 50,108	\$ 40,463
Income tax expense	(464)	(1,876)
Net income	\$ 49,644	\$ 38,587

(1) Other revenue is primarily comprised of parking revenue that does not represent a component of a lease.

(2) Cash Basis NOI from non-same properties for all periods presented includes the operations of disposed properties.

SAME PROPERTY RESULTS OF OPERATIONS

(Unaudited, dollars and square feet in thousands)

	As of and for the Three Months Ended June 30,			As of and for the Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Properties	4	4		4	4	
Square Feet	1,521	1,521		1,521	1,521	
% Leased	71.4 %	82.0 %	(10.6)%	71.4 %	82.0 %	(10.6)%
% Commenced	70.7 %	78.2 %	(7.5)%	70.7 %	78.2 %	(7.5)%
Rental revenue	\$ 12,488	\$ 13,598	(8.2)%	\$ 25,542	\$ 27,926	(8.5)%
Other revenue ⁽¹⁾	1,293	1,228	5.3 %	2,590	2,571	0.7 %
Straight-line rent adjustment	259	(273)		482	(552)	
Lease termination fees	69	33		685	210	
Total revenue	14,109	14,586	(3.3)%	29,299	30,155	(2.8)%
Operating expenses	(6,718)	(6,942)	(3.2)%	(13,236)	(14,195)	(6.8)%
NOI	\$ 7,391	\$ 7,644	(3.3)%	\$ 16,063	\$ 15,960	0.6 %
<i>NOI Margin</i>	52.4 %	52.4 %		54.8 %	52.9 %	
Straight-line rent adjustment	\$ (259)	\$ 273		\$ (482)	\$ 552	
Lease termination fees	(69)	(33)		(685)	(210)	
Cash Basis NOI	\$ 7,063	\$ 7,884	(10.4)%	\$ 14,896	\$ 16,302	(8.6)%
<i>Cash Basis NOI Margin</i>	51.3 %	53.2 %		53.0 %	53.5 %	

(1) Other revenue is primarily comprised of parking revenue that does not represent a component of a lease.

CALCULATION OF EBITDA, EBITDAre, AND ADJUSTED EBITDAre

(Unaudited, amounts in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	\$ 24,186	\$ 15,836	\$ 49,644	\$ 38,587
Income tax expense	434	796	464	1,876
Depreciation and amortization	4,182	4,514	8,539	8,824
EBITDA and EBITDAre	\$ 28,802	\$ 21,146	\$ 58,647	\$ 49,287
Adjustments to EBITDAre:				
Former chairman accelerated compensation expense	—	5,957	—	5,957
Adjusted EBITDAre	\$ 28,802	\$ 27,103	\$ 58,647	\$ 55,244

CALCULATION OF FUNDS FROM OPERATIONS (FFO) AND NORMALIZED FFO

(Unaudited, amounts in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Calculation of FFO				
Net income	\$ 24,186	\$ 15,836	\$ 49,644	\$ 38,587
Real estate depreciation and amortization	4,169	4,503	8,515	8,802
FFO attributable to Equity Commonwealth	28,355	20,339	58,159	47,389
Preferred distributions	(1,997)	(1,997)	(3,994)	(3,994)
FFO attributable to EQC common shareholders and unitholders	\$ 26,358	\$ 18,342	\$ 54,165	\$ 43,395
Calculation of Normalized FFO				
FFO attributable to EQC common shareholders and unitholders	\$ 26,358	\$ 18,342	\$ 54,165	\$ 43,395
Straight-line rent adjustments	(259)	273	(482)	552
Former chairman accelerated compensation expense	—	5,957	—	5,957
Normalized FFO attributable to EQC common shareholders and unitholders	\$ 26,099	\$ 24,572	\$ 53,683	\$ 49,904
Weighted average common shares and units outstanding -- basic ⁽¹⁾	107,578	110,196	107,509	110,120
Weighted average common shares and units outstanding -- diluted ⁽¹⁾	108,913	111,594	108,680	111,610
FFO attributable to EQC common shareholders and unitholders per share and unit -- basic	\$ 0.25	\$ 0.17	\$ 0.50	\$ 0.39
FFO attributable to EQC common shareholders and unitholders per share and unit -- diluted	\$ 0.24	\$ 0.16	\$ 0.50	\$ 0.39
Normalized FFO attributable to EQC common shareholders and unitholders per share and unit -- basic	\$ 0.24	\$ 0.22	\$ 0.50	\$ 0.45
Normalized FFO attributable to EQC common shareholders and unitholders per share and unit -- diluted	\$ 0.24	\$ 0.22	\$ 0.49	\$ 0.45

- (1) Our calculations of FFO and Normalized FFO attributable to EQC common shareholders and unitholders per share and unit - basic for the three months ended June 30, 2024 and 2023 include 162 and 357 LTIP/Operating Partnership Units, respectively, that are excluded from the calculation of basic earnings per common share attributable to EQC common shareholders (only). Our calculations of FFO and Normalized FFO attributable to EQC common shareholders and unitholders per share and unit - basic for the six months ended June 30, 2024 and 2023 include 193 and 341 LTIP/Operating Partnership Units, respectively, that are excluded from the calculation of basic earnings per common share attributable to EQC common shareholders (only). Refer to the schedule of Common & Potential Common Shares for information regarding the components of our weighted average common shares and units outstanding.

PROPERTY DETAIL

As of June 30, 2024

(Unaudited, sorted by annualized rental revenue, dollars in thousands)

Same Property Portfolio⁽¹⁾

Property	City, State	Type	No. of Buildings	Square Feet	% Leased	% Commenced	Annualized Rental Revenue	Undepreciated Book Value	Net Book Value	Year Acquired
1 1225 Seventeenth Street <i>(17th Street Plaza)</i>	Denver, CO	Office	1	708,937	86.2 %	84.8 %	\$ 28,256	\$ 179,262	\$ 111,598	2009
2 Bridgepoint Square	Austin, TX	Office	5	440,007	53.7 %	53.7 %	9,458	105,322	47,119	1997
3 206 East 9th Street <i>(Capitol Tower)⁽²⁾</i>	Austin, TX	Office	1	175,510	69.4 %	69.4 %	7,399	56,635	41,660	2012
4 1250 H Street, NW	Washington, D.C.	Office	1	196,490	59.1 %	59.1 %	6,972	76,936	33,911	1998
Total Same Properties			8	1,520,944	71.4 %	70.7 %	\$ 52,085	\$ 418,155	\$ 234,288	

(1) Refer to the definitions section of this document for a description of our same property portfolio.

(2) In the March 31, 2024 Property Detail, we reported 206 East 9th Street ARR as \$8,201. The correct ARR for 206 East 9th Street as of March 31, 2024 was \$7,368.

LEASING SUMMARY

(Unaudited, dollars and square feet in thousands, except per square foot data)

	As of and for the Three Months Ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
Properties	4	4	4	4	4
Total square feet	1,521	1,521	1,521	1,521	1,521
Percentage leased	71.4 %	75.4 %	81.2 %	80.8 %	82.0 %
Percentage commenced	70.7 %	74.6 %	80.0 %	79.9 %	78.2 %
Total Leases					
Square feet	24	18	32	54	68
Lease term (years)	4.2	4.1	3.0	6.4	4.9
Starting cash rent	\$ 48.11	\$ 49.71	\$ 50.88	\$ 48.17	\$ 48.34
Percent change in cash rent ⁽¹⁾	0.7 %	(2.8)%	7.9 %	(1.8)%	(0.7)%
Percent change in GAAP rent ⁽¹⁾	6.8 %	(0.5)%	26.4 %	6.0 %	15.3 %
Total TI & LC per square foot ⁽²⁾	\$ 21.17	\$ 58.93	\$ 16.97	\$ 40.57	\$ 43.44
Total TI & LC per sq. ft. per year of lease term ⁽²⁾	\$ 4.99	\$ 14.39	\$ 5.75	\$ 6.38	\$ 8.92
Renewal Leases					
Square feet	20	15	27	39	54
Lease term (years)	4.0	4.0	2.6	7.0	4.7
Starting cash rent	\$ 47.94	\$ 49.54	\$ 52.04	\$ 49.47	\$ 49.63
Percent change in cash rent ⁽¹⁾	1.2 %	0.6 %	7.9 %	(1.7)%	(0.7)%
Percent change in GAAP rent ⁽¹⁾	7.5 %	3.2 %	26.4 %	8.8 %	15.3 %
Total TI & LC per square foot ⁽²⁾	\$ 18.29	\$ 64.35	\$ 9.46	\$ 41.02	\$ 25.17
Total TI & LC per sq. ft. per year of lease term ⁽²⁾	\$ 4.58	\$ 15.95	\$ 3.70	\$ 5.84	\$ 5.40
New Leases					
Square feet	4	3	5	15	14
Lease term (years)	5.6	4.4	5.2	4.6	5.7
Starting cash rent	\$ 49.00	\$ 50.50	\$ 44.44	\$ 44.73	\$ 43.34
Percent change in cash rent ⁽¹⁾	(1.4)%	(17.6)%	—	(2.2)%	—
Percent change in GAAP rent ⁽¹⁾	4.0 %	(17.0)%	—	(1.3)%	—
Total TI & LC per square foot ⁽²⁾	\$ 36.67	\$ 34.43	\$ 58.68	\$ 39.38	\$ 114.17
Total TI & LC per sq. ft. per year of lease term ⁽²⁾	\$ 6.55	\$ 7.88	\$ 11.36	\$ 8.50	\$ 20.15

The above leasing summary is based on leases executed during the periods indicated and excludes leasing activity for assets during the quarter in which the asset was sold or classified as held for sale. Our same property leasing activity is identical to the information above for all periods presented. Refer to the definitions section of this document for a description of our same property portfolio.

- (1) Percent change in GAAP and cash rents is a comparison of current rent, including estimated tenant expense reimbursements, if any, to the rent, including actual/projected tenant expense reimbursements, if any, last received for the same space on a GAAP and cash basis, respectively. Cash rent during the reporting period is calculated before deducting any initial period free rent. Leasing in suites vacant longer than two years was excluded from the calculation.
- (2) Includes tenant improvements (TI) and leasing commissions (LC).

CAPITAL SUMMARY
EXPENDITURES & SAME PROPERTY LEASING COMMITMENTS

(Unaudited, dollars and square feet in thousands)

CAPITAL SUMMARY EXPENDITURES	Three Months Ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
Tenant improvements	\$ 1,815	\$ 5,752	\$ 645	\$ 224	\$ 1,351
Leasing costs	151	174	150	646	673
Building improvements ⁽¹⁾	730	1,855	1,495	1,438	533
Total capital expenditures	\$ 2,696	\$ 7,781	\$ 2,290	\$ 2,308	\$ 2,557

Average square feet during period	1,521	1,521	1,521	1,521	1,514
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Building improvements per average total sq. ft. during period	\$ 0.48	\$ 1.22	\$ 0.98	\$ 0.95	\$ 0.35
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CAPITAL SUMMARY SAME PROPERTY LEASING COMMITMENTS	Three Months Ended June 30, 2024		
	New Leases	Renewal Leases	Total
Square feet leased during the period	4	20	24
Total TI & LC ⁽²⁾	\$ 147	\$ 366	\$ 513
Total TI & LC per square foot ⁽²⁾	\$ 36.67	\$ 18.29	\$ 21.17
Weighted average lease term by square foot (years)	5.6	4.0	4.2
Total TI & LC per square foot per year of lease term ⁽²⁾	\$ 6.55	\$ 4.58	\$ 4.99

(1) Tenant-funded capital expenditures are excluded.

(2) Includes tenant improvements (TI) and leasing commissions (LC).

TENANTS REPRESENTING 2.5% OR MORE OF ANNUALIZED RENTAL REVENUE

As of June 30, 2024

(Unaudited, square feet in thousands)

Tenant	Square Feet ⁽¹⁾	% of Total Sq. Ft. ⁽¹⁾	% of Annualized Rental Revenue	Weighted Average Remaining Lease Term
1 Salesforce.com, Inc.	66	6.1 %	6.0 %	1.4
2 KPMG, LLP	66	6.1 %	5.4 %	4.9
3 Crowdstrike, Inc.	48	4.4 %	5.4 %	5.7
4 CBRE, Inc.	41	3.8 %	4.2 %	3.8
5 Jones Lang LaSalle Americas, Inc.	42	3.9 %	3.7 %	6.0
6 RSM US LLP	32	2.9 %	3.7 %	7.9
7 SonarSource US, Inc.	28	2.6 %	3.2 %	3.2
8 Alden Torch Financial, LLC	35	3.2 %	3.1 %	2.7
9 Ballard Spahr LLP	30	2.8 %	2.7 %	1.2
10 Simply Good Foods USA, Inc	29	2.7 %	2.7 %	3.4
11 Wunderman Thompson, LLC	24	2.2 %	2.7 %	3.1
12 Shiseido Americas Corporation	21	1.9 %	2.6 %	5.3
13 Comcast Cable Communications	30	2.8 %	2.5 %	2.5
Total	492	45.4 %	47.9 %	3.9

(1) Square footage as of June 30, 2024 includes space subject to leases that have commenced for revenue recognition purposes in accordance with GAAP, space being fitted out for occupancy pursuant to existing leases, and space which is leased but is not occupied or is being offered for sublease by tenants.

SAME PROPERTY LEASE EXPIRATION SCHEDULE

As of June 30, 2024

(Unaudited, dollars and sq. ft. in thousands)

Year	Number of Tenants Expiring	Leased Sq. Ft. Expiring ⁽¹⁾	% of Leased Sq. Ft. Expiring	Cumulative % of Leased Sq. Ft. Expiring	Annualized Rental Revenue Expiring ⁽²⁾	% of Annualized Rental Revenue Expiring	Cumulative % of Annualized Rental Revenue Expiring
2024	6	47	4.3 %	4.3 %	\$ 2,241	4.3 %	4.3 %
2025	8	129	11.9 %	16.2 %	6,146	11.8 %	16.1 %
2026	11	69	6.4 %	22.6 %	3,090	5.9 %	22.0 %
2027	18	231	21.3 %	43.9 %	11,196	21.5 %	43.5 %
2028	11	123	11.3 %	55.2 %	5,848	11.2 %	54.7 %
2029	10	149	13.7 %	68.9 %	6,857	13.2 %	67.9 %
2030	12	170	15.8 %	84.7 %	8,025	15.4 %	83.3 %
2031	4	58	5.3 %	90.0 %	2,671	5.1 %	88.4 %
2032	1	32	2.9 %	92.9 %	1,942	3.7 %	92.1 %
2033	3	23	2.1 %	95.0 %	1,174	2.3 %	94.4 %
Thereafter	4	54	5.0 %	100.0 %	2,895	5.6 %	100.0 %
Total	88	1,085	100.0 %		\$ 52,085	100.0 %	
Weighted average remaining lease term (in years)		<u>4.2</u>			<u>4.3</u>		

(1) Leased square footage as of June 30, 2024 includes space subject to leases that have commenced for revenue recognition purposes in accordance with GAAP, space being fitted out for occupancy pursuant to existing leases, and space which is leased but is not occupied or is being offered for sublease by tenants. The year expiring corresponds to the latest-expiring signed lease for a given suite. Thus, backfilled suites expire in the year stipulated by the new lease.

(2) Excludes the Annualized Rental Revenue of space that is leased but not commenced.

COMMON & POTENTIAL COMMON SHARES

(Unaudited, share amounts in thousands)

Weighted Average Share Calculation - GAAP EPS	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Weighted average common shares outstanding - basic ⁽¹⁾	107,416	109,839	107,316	109,779
Weighted average dilutive RSUs and market-based LTIP Units ⁽²⁾	1,335	1,398	1,171	1,490
Weighted average common shares outstanding - diluted ⁽¹⁾	108,751	111,237	108,487	111,269

Weighted Average Share and Unit Calculation - FFO and Normalized FFO per share and unit	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Weighted average EQC common shares outstanding ⁽¹⁾	107,416	109,839	107,316	109,779
Weighted average Operating Partnership Units outstanding ⁽³⁾	57	235	88	231
Weighted average time-based LTIP Units ⁽²⁾⁽³⁾	105	122	105	110
Weighted average common shares and units outstanding - basic ⁽¹⁾	107,578	110,196	107,509	110,120
Weighted average dilutive RSUs and market-based LTIP Units ⁽²⁾	1,335	1,398	1,171	1,490
Weighted average common shares and units outstanding - diluted ⁽¹⁾	108,913	111,594	108,680	111,610

Rollforward of Share Count to June 30, 2024	Series D Preferred Shares ⁽⁴⁾	EQC Common Shares ⁽⁵⁾
Outstanding on December 31, 2023	4,915	106,847
Operating Partnership Unit redemption	—	78
Share-based compensation grants and vesting, net ⁽⁶⁾	—	403
Outstanding on June 30, 2024	4,915	107,328
Common shares issuable from RSUs, Operating Partnership Units, and LTIP Units as measured on June 30, 2024 ⁽²⁾		1,618
Potential common shares as measured on June 30, 2024 ⁽⁷⁾		108,946

- (1) Weighted average common shares outstanding for the three months ended June 30, 2024 and 2023 includes 128 and 131 unvested, earned RSUs, respectively. Weighted average common shares outstanding for the six months ended June 30, 2024 and 2023 includes 129 and 122 unvested, earned RSUs, respectively.
- (2) We have granted RSUs and LTIP Units to certain trustees, employees and eligible consultants. RSUs and market-based LTIP Units contain service and market-based vesting components. Time-based LTIP Units contain service-based vesting components. Each LTIP Unit will convert automatically into an OP Unit on a one-for-one basis when the LTIP Unit becomes vested and its capital account is equalized with the per-unit capital account of the OP Units.
- (3) Our calculations of FFO and Normalized FFO attributable to EQC common shareholders and unitholders per share and unit - basic include time-based LTIP Units and OP Units that are excluded from the calculation of basic earnings per common share attributable to EQC common shareholders (only).
- (4) As of June 30, 2024, we had 4,915 series D preferred shares that were convertible into 4,032 common shares. The series D preferred shares are anti-dilutive for GAAP EPS for all periods presented. The series D preferred shares are anti-dilutive for all periods presented with respect to FFO and Normalized FFO per common share and unit.
- (5) EQC common shares include unvested restricted shares.
- (6) This amount is net of forfeitures and shares surrendered to satisfy statutory tax withholding obligations.
- (7) Potential common shares as measured on June 30, 2024 include unvested earned RSUs. The 4,915 series D preferred shares outstanding that were convertible into 4,032 common shares as of June 30, 2024 are excluded.

DEFINITIONS

Annualized Rental Revenue

Annualized Rental Revenue is annualized contractual rents from our tenants pursuant to leases which have commenced as of June 30, 2024, plus estimated recurring expense reimbursements; excludes lease value amortization, straight-line rent adjustments, abated (free) rent periods and parking revenue. We calculate annualized rental revenue by aggregating the recurring billings outlined above for the most recent month during the quarter reported, adding abated rent, and multiplying the sum by 12 to provide an estimation of near-term potentially-recurring revenues. The annualized rental revenue of disposed properties, if any, is presented for the quarter-ended preceding each disposition.

Annualized rental revenue is a forward-looking non-GAAP measure. Annualized rental revenue cannot be reconciled to a comparable GAAP measure without unreasonable efforts, primarily due to the fact that it is calculated from the billings of tenants in the most recent month at the most recent rental rates during the quarter reported, whereas historical GAAP measures include billings from a potentially different group of tenants over multiple months at potentially different rental rates.

Building Improvements

Building improvements are expenditures to replace obsolete building components or extend the useful life of existing assets. Tenant-funded capital expenditures are excluded.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), EBITDAre and Adjusted EBITDAre

We calculate EBITDA as net income (loss) excluding interest expense, income tax expense and depreciation and amortization.

We calculate EBITDAre in accordance with standards established by the National Association of Real Estate Investment Trusts (Nareit). Nareit defines EBITDAre as net income (loss), calculated in accordance with GAAP, plus interest expense, plus income tax expense, plus depreciation and amortization, plus (minus) losses and gains on the disposition of depreciated property, plus impairment write-downs of depreciated property and investments in unconsolidated joint ventures, plus adjustments to reflect the entity's share of EBITDAre of unconsolidated joint ventures. Our calculation of Adjusted EBITDAre differs from our calculations of EBITDA and EBITDAre because we exclude certain items that we view as nonrecurring or impacting comparability from period to period. EBITDA, EBITDAre and Adjusted EBITDAre are supplemental non-GAAP financial measures.

We consider EBITDA, EBITDAre and Adjusted EBITDAre to be appropriate measures of our operating performance, along with net income (loss), net income (loss) attributable to EQC common shareholders, and cash flow from operating activities. We believe that EBITDA, EBITDAre and Adjusted EBITDAre provide useful information to investors because by excluding the effects of certain historical amounts, such as interest, depreciation and amortization expense, EBITDA, EBITDAre and Adjusted EBITDAre may facilitate a comparison of current operating performance with our past operating performance. EBITDA, EBITDAre and Adjusted EBITDAre do not represent cash generated by operating activities in accordance with GAAP and should not be considered alternatives to net income (loss), net income (loss) attributable to EQC common shareholders or cash flow from operating activities, determined in accordance with GAAP, or as indicators of our financial performance or liquidity, nor are these measures necessarily indicative of sufficient cash flow to fund all of our needs. These measures should be considered in conjunction with net income (loss), net income (loss) attributable to EQC common shareholders and cash flow from operating activities as presented in our condensed consolidated statements of operations and condensed consolidated statements of cash flows. Other REITs and real estate companies may calculate EBITDA, EBITDAre and Adjusted EBITDAre differently than we do.

Funds from Operations (FFO) and Normalized FFO

We compute FFO in accordance with standards established by Nareit. Nareit defines FFO as net income (loss), calculated in accordance with GAAP, excluding real estate depreciation and amortization, gains (or losses) from sales of depreciable property, impairment of depreciable real estate and our portion of these items related to equity investees and noncontrolling interests. Our calculation of Normalized FFO differs from Nareit's definition of FFO because we exclude certain items that we view as nonrecurring or impacting comparability from period to period. FFO and Normalized FFO are supplemental non-GAAP financial measures. We consider FFO and Normalized FFO to be appropriate measures of operating performance for a REIT, along with net income (loss), net income (loss) attributable to EQC common shareholders and cash flow from operating activities.

We believe that FFO and Normalized FFO provide useful information to investors because by excluding the effects of certain historical amounts, such as depreciation expense, FFO and Normalized FFO may facilitate a comparison of our operating performance between periods and with other REITs. FFO and Normalized FFO do not represent cash generated by operating activities in accordance with GAAP and should not be considered as alternatives to net income (loss), net income (loss) attributable to EQC common shareholders or cash flow from operating activities, determined in accordance with GAAP, or as indicators of our financial performance or liquidity, nor are these measures necessarily indicative of sufficient cash flow to fund all of our needs. These measures should be considered in conjunction with net income (loss), net income (loss) attributable to EQC common shareholders and cash flow from operating activities as presented in our condensed consolidated statements of operations and condensed consolidated statements of cash flows. Other REITs and real estate companies may calculate FFO and Normalized FFO differently than we do.

Leasing Costs

Leasing costs include leasing commissions (LCs) and related legal expenses.

DEFINITIONS

LTIP Units

LTIP Units are a class of beneficial interests in EQC Operating Trust (the Operating Trust) that may be issued to employees, officers or trustees of the Operating Trust, EQC, or their subsidiaries.

Net Operating Income (NOI), Same Property NOI, Cash Basis NOI and Same Property Cash Basis NOI

NOI is income from our real estate including lease termination fees received from tenants less our property operating expenses. NOI excludes amortization of capitalized tenant improvement costs and leasing commissions and corporate level expenses. Cash Basis NOI is NOI excluding the effects of straight-line rent adjustments, lease value amortization and lease termination fees. The quarter-to-date same property versions of these measures include the results of properties continuously owned from April 1, 2023 through June 30, 2024. The year-to-date same property versions of these measures include the results of properties continuously owned from January 1, 2023 through June 30, 2024. Properties classified as held for sale within our condensed consolidated balance sheets are excluded from the same property versions of these measures.

We consider these supplemental non-GAAP financial measures to be appropriate supplemental measures to net income (loss) because they may help to understand the operations of our properties. We use these measures internally to evaluate property level performance, and we believe that they provide useful information to investors regarding our results of operations because they reflect only those income and expense items that are incurred at the property level and may facilitate comparisons of our operating performance between periods and with other REITs. Cash Basis NOI is among the factors considered with respect to acquisition, disposition and financing decisions. These measures do not represent cash generated by operating activities in accordance with GAAP and should not be considered as an alternative to net income (loss), net income (loss) attributable to Equity Commonwealth common shareholders or cash flow from operating activities, determined in accordance with GAAP, or as indicators of our financial performance or liquidity, nor are these measures necessarily indicative of sufficient cash flow to fund all of our needs. These measures should be considered in conjunction with net income (loss), net income (loss) attributable to EQC common shareholders and cash flow from operating activities as presented in our condensed consolidated statements of operations and condensed consolidated statements of cash flows. Other REITs and real estate companies may calculate these measures differently than we do.

Net Book Value

Net book value represents the carrying value of real estate properties after depreciation and amortization, purchase price allocations and impairment write-downs, if any.

NOI Margin

NOI Margin is NOI (or the same property or cash basis derivations of NOI defined above) divided by the total revenues used to calculate NOI (or its derivation).

Operating Partnership Units

Operating Partnership Units are beneficial interests in the Operating Trust.

Other Revenue

Other revenue is primarily comprised of parking revenue that does not represent a component of a lease.

Percentage Commenced

Percentage commenced is the percentage of space subject to leases that have commenced for revenue recognition purposes in accordance with GAAP, which includes the space of tenants in a free rent period.

Percentage Leased

Percentage leased is the percentage of space subject to signed leases.

Rental Revenue

Rental revenue is primarily comprised of minimum lease payments from tenants, including tenant reimbursements. In addition, rental revenue includes lease termination fees and straight-line rent adjustments.

Same Properties

Our quarter-to-date same property portfolio is comprised of those properties continuously owned from April 1, 2023 through June 30, 2024. Our year-to-date same property portfolio is comprised of those properties continuously owned from January 1, 2023 through June 30, 2024. Properties classified as held for sale within our condensed consolidated balance sheets are excluded.

Tenant Improvements

Tenant improvements are capital expenditures to improve tenant spaces.

DEFINITIONS

Total Market Capitalization

Total market capitalization is the market value of preferred shares plus the market value of diluted common shares. The market value of preferred shares is the product of the number of Series D preferred shares outstanding at the end of the period and the closing share price of the Series D preferred shares (EQCpD) at the end of the period. The market value of diluted common shares is the product of the number of diluted common shares outstanding at the end of the period and the closing share price of the common shares (EQC) at the end of the period.

Undepreciated Book Value

Undepreciated book value represents the carrying value of real estate properties after purchase price allocations, and impairment write-downs, if any.