THE OPPORTUNITY IS HERE.

WASHINGTON REAL ESTATE INVESTMENT TRUST

INVESTOR PRESENTATION
REIT WEEK 2014

Forward Looking Statements

Certain statements in this presentation 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 potential for federal government budget reductions, changes in general and local economic and real estate market conditions, the timing and pricing of lease transactions, the availability and cost of capital, fluctuations in interest rates, tenants’ financial conditions, level of competition, the effect of government regulation, the impact of newly adopted accounting principles, and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2013 Form 10-K and subsequent Quarterly Reports on form 10-Q. We assume no obligations to update or supplement forward-looking statements that become untrue because of subsequent events.

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Company Profile

Washington REIT

Company Snapshot

- Vertically integrated real estate company with functional capability in architecture, construction, development, leasing, property and asset management
- Experienced in owning and operating commercial real estate in the Washington, DC metropolitan area for over 53 years
- Exclusively focused in greater Washington, DC region
- Diversified investment approach focused on Office, Retail and Residential asset classes
  - Current diversified portfolio consists of 54 properties totaling approximately 7.3 million square feet of commercial space and 2,890 residential units, and land held for development. These 54 properties consist of 25 office properties, 16 retail centers and 13 residential properties

Strategic Initiatives

- Completed comprehensive 120-day review of the operations and performance of each asset and identified opportunities and risks associated with those assets. Process culminated into a strategic plan which was approved by the Board of Trustees in January
- Reorganized toward portfolio management model
- Announced key new personnel in 2013 - 2014 marking a transition period for Washington REIT:
  - May 2013: Charles Nason named Chairman of the Board of Trustees
  - October 2013: Paul McDermott named new President and Chief Executive Officer
  - April 2014: Tom Bakke named new Executive Vice President and Chief Operating Officer

Portfolio quality upgrade through 70% - 80% of future acquisitions to be located inside the Capital Beltway with the majority of dispositions coming from assets outside the Capital Beltway

Focused Strategic Direction

Objectives

- Position company for sustainable FAD growth and corresponding increase in dividend
- Close gap to Net Asset Value
- Drive FFO multiple higher through increasing quality cash flow and minimizing risk
- Improve liquidity of stock and size of the company through significant growth in assets

Strategy - Drivers

- Increase concentration of high-quality, urban assets in metro-centric locations
- Redeploy Medical Office sale proceeds to strengthen each of our three core business lines: Office, Retail and Residential
- Upgrade portfolio through core and strategic value-add acquisitions
- Continue to reduce non-core assets through opportunistic dispositions

Clear strategy to improve quality of asset base and drive shareholder value creation

Key Strategic Plan Components

Portfolio Enhancement

Acquisitions:

- Acquire core and value-add assets with strong long-term growth and manageable risk profile
- Increase exposure to high barrier to entry submarkets
- Highly focused acquisition list in targeted areas
  - In Office and Residential, we are focused on urban infill assets with strong access to transportation – particularly in Metro served locations
  - In Retail, we are focused on strong neighborhood centers in exceptional demographic areas in the metropolitan area

Dispositions:

- Strategically execute dispositions by opportunistically maximizing value while prudently managing corporate financial impact

Operational Enhancement

- Execute 3-year operating plan approved by the Board of Trustees
- Improve overall occupancy levels through aggressive leasing initiatives including appointing leading third party leasing teams for each commercial asset
- Mitigate risk through active portfolio management strategy
- Realign resources to position the company for substantial growth
- Organize operations into institutional portfolio management model to drive decision making and focus on on-going return metrics of each asset in the portfolio

Taking action to transform Washington REIT and position the company for long-term growth

Washington, DC – A Compelling and Dynamic Real Estate Market

Top Investment Market

- Consistently ranked in the top five domestic locations to invest in real estate, according to AFIRE rankings
  - 2013 DC - #4 in US
  - 2012 DC - #3 in US
  - 2011 DC - #2 in US

Robust Regional Economy

- #5 largest economy in the nation with 3.1 million payroll jobs
- #1 2012 ACS median household income
- Gross Regional Product is expected to grow 35% from 2012 – 2017

Booming Population and Job Growth

- The Washington, DC region added ~ 950,000 people between 2000 and 2012, an increase of 19.7%
- 326 of the 5,000 fastest growing companies are in the DC metro area, second to only New York City

Lowest Major Metro Unemployment Rate

Washington, DC enjoys the lowest unemployment rate of any other major metropolitan area at 5.0% vs. 6.3% nationally

Highly Educated Population

- The region is home to more than 20 colleges and universities, with a total enrollment of about 213,000 students
- The Washington, DC metro area has the highest percentage of bachelor's or advance degrees at 47%[1] among all other metro areas in the country

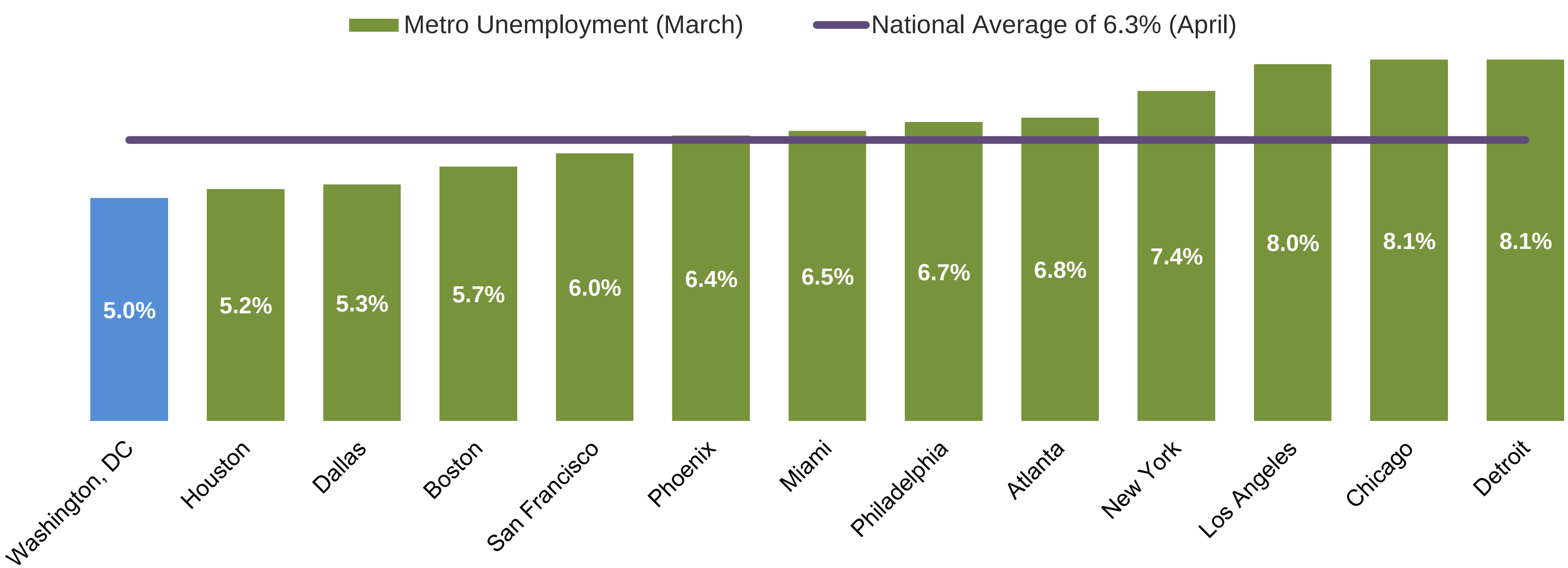
Washington, DC will support Washington REIT's target growth trajectory for the coming years

Source: HFF and Census Bureau

(1) Percentage of population ages 25 and over

Major Metro Unemployment Rate

- Washington, DC boasts the 5th largest economy in the nation with 3.1 million payroll jobs
- Gross Regional Product (GRP) is expected to grow from $425 billion to $572 billion by 2017 – a 35% increase from 2010
    - Washington, DC GRP per capita ranks #1 in Nation
    - Virginia GRP per capita ranks #9 in Nation
    - Maryland GRP per capita ranks #15 in Nation



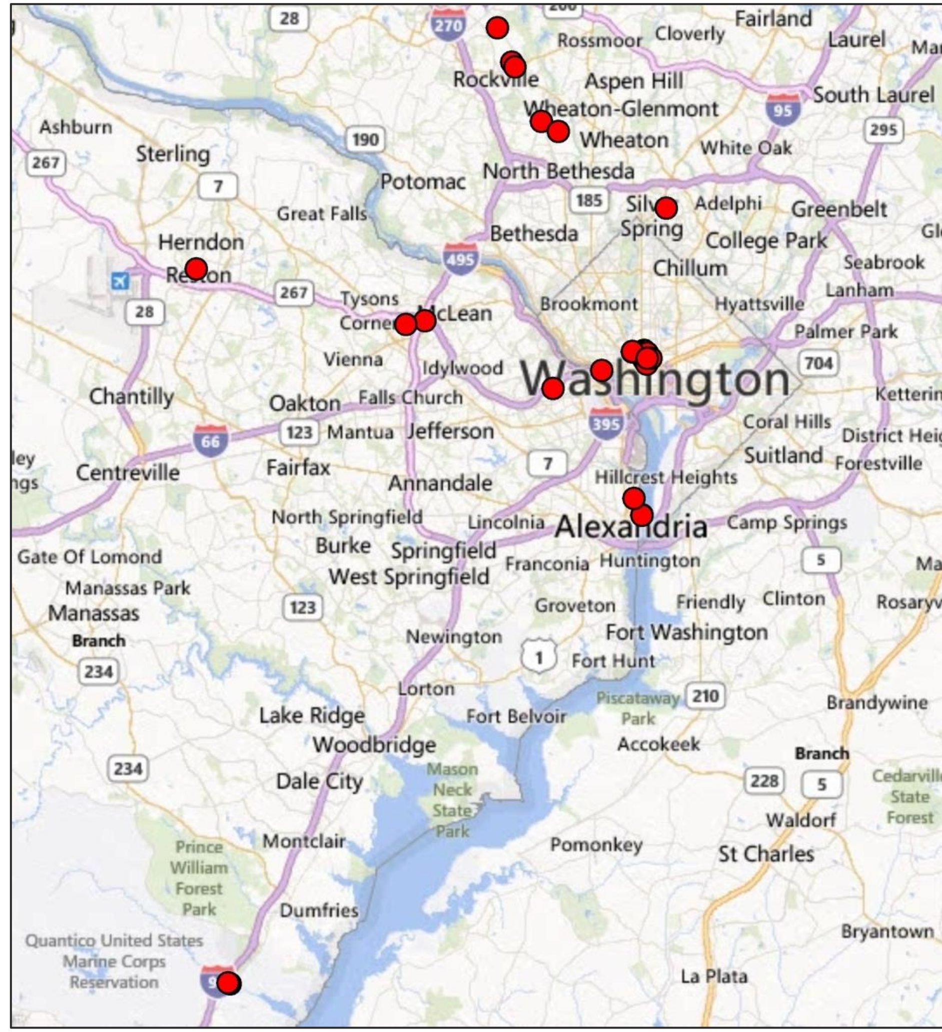
The Washington, DC regional economy is one of the best in the country and is home to one of the most resilient real estate markets

Source: Bureau of Labor Statistics, Delta Associates and HFF

Washington REIT Office Portfolio

Portfolio Facts

- Consists of 25 properties totaling approximately 4.8 million square feet
- NOI by region as of Q1 2014 for DC, Maryland and Virginia was 41%, 19% and 40%, respectfully
- Same-store physical occupancy as of Q1 2014 was 86.9%, a 30 bps increase from the previous quarter
- Washington, DC Office portfolio is performing exceptionally well and is currently 97% leased
- 7900 Westpark Drive, redevelopment project, is anticipated to deliver Q1 2015



Portfolio Strategy

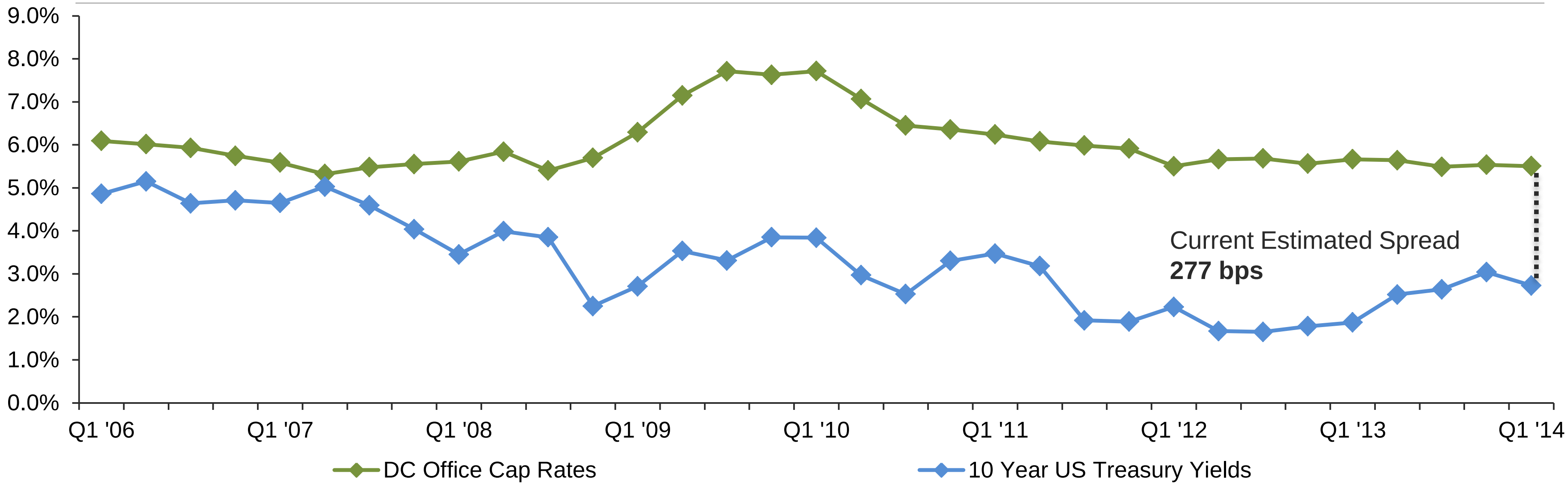
- To acquire assets in urban, infill locations that exhibit long-term growth potential such as downtown Washington, DC and the RB Corridor among others.

Office Market

Key Themes

- Significant investor demand providing ample liquidity for real estate investors
- Robust economy and expected job growth will continue to improve leasing fundamentals
- Lack of material upward movement in interest rates justifies continued cap rate compression for near and intermediate term for Class A urban assets
- Due to lack of new supply downtown market setting up for shift back to landlord's market over next two years

DC Office Cap Rates vs. 10-Year Treasury



Cap rates on well-located, core office properties continue to move lower, increasing NAV

Source: Real Capital Analytics, Bureau of Labor Statistics, HFF

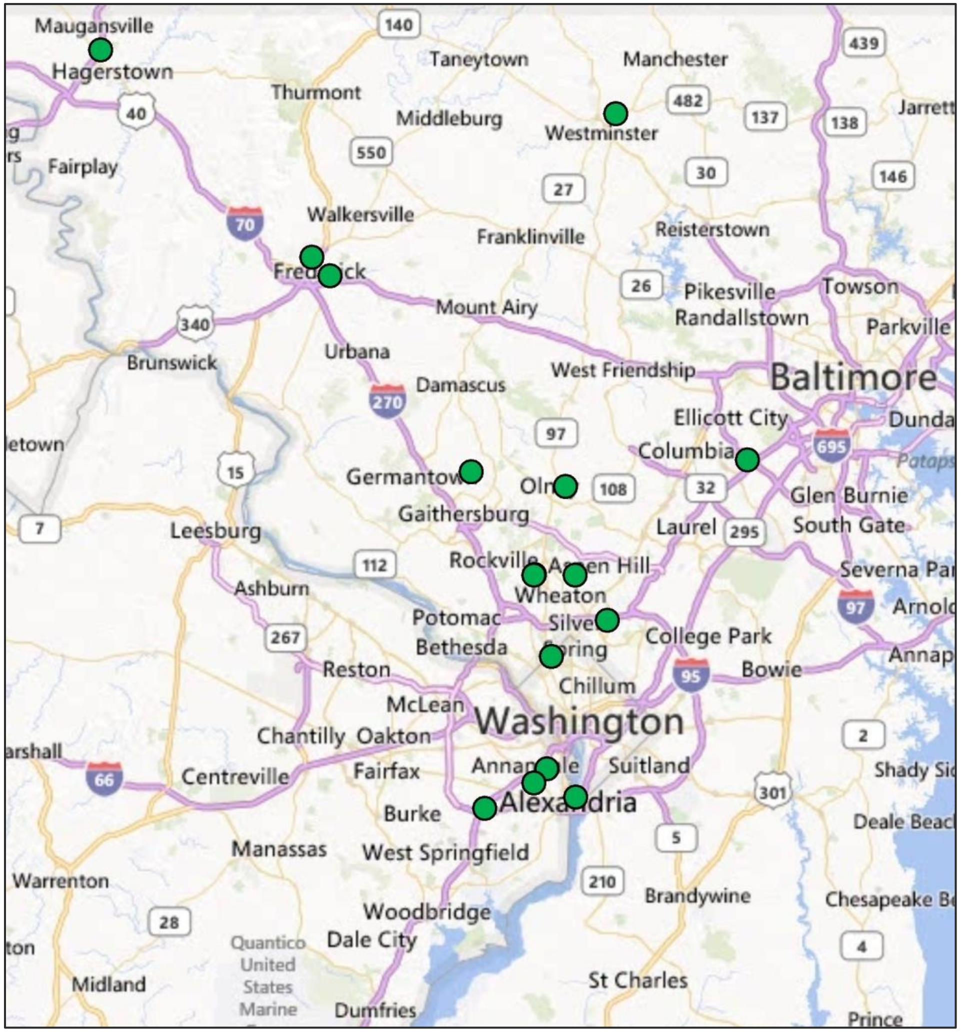
Washington REIT Retail Portfolio

Portfolio Facts

- Consists of 16 properties totaling approximately 2.4 million square feet
- NOI by region as of Q1 2014 for DC, Maryland and Virginia was 3%, 69% and 28%, respectfully
- Same-store physical occupancy as of Q1 2014 was 93.6%, a 230 bps increase from the previous quarter

Portfolio Strategy

- To acquire grocery-anchored assets in areas that exhibit growing populations and strong demographics such as Washington, DC and Fairfax County among others



Retail Market

Key Themes

- As the nation's 5th largest economy, Washington, DC provides stability in the regional retail real estate market
- Highest educated workforce and highest household income drives regional spending
- Steady job growth and persistent low unemployment afford retailers the opportunity to confidently grow operations particularly in underserved regional submarkets
- Expansion is most notable in grocers, national retailers, restaurants and household good stores which have been the catalyst for vacancy rates' steady decline since the recession's peak

Average Household Income

Jurisdiction	2000 (Actual)	2013 (Actual)	% Change from 2000	2018 (Proj.)	% Change from 2013
Washington Metro Area	$80,600	$114,700	42%	$135,200	18%
United States	$56,600	$71,800	27%	$83,700	17%

Retail sector continues to experience superior supply and demand fundamentals coupled with strong demographics

Source: ESRI, Delta Associates

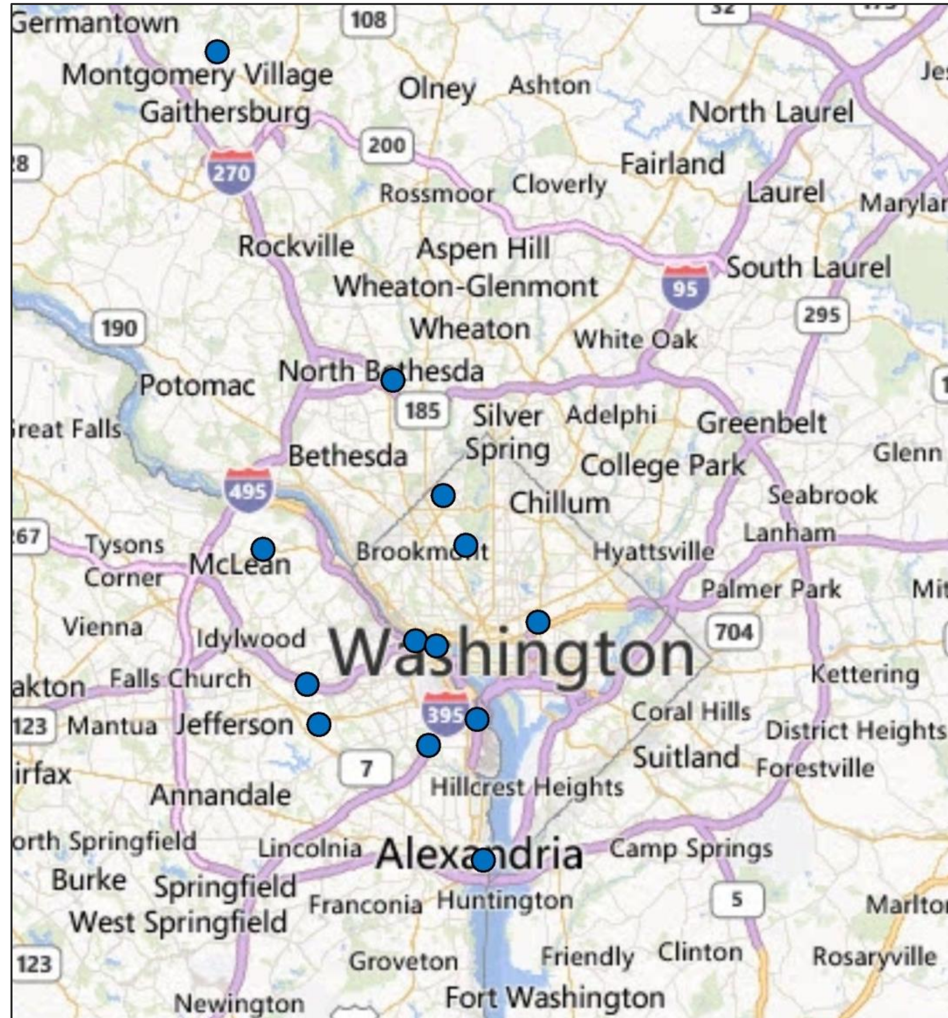
Washington REIT Residential Portfolio

Portfolio Facts

- Consists of 13 properties totaling 2,890 units
- NOI by region as of Q1 2014 for DC, Maryland and Virginia was 23%, 14% and 63%, respectfully
- Same-store physical occupancy as of Q1 2014 was 92.7%, a 10 bps increase from the previous quarter
- The Maxwell, development project, is anticipated to deliver Q4 2014

Portfolio Strategy

- To acquire assets in urban locations, primarily inside the Capital Beltway in supply-constrained markets, with strong access to transportation such as Washington, DC and Arlington County among others

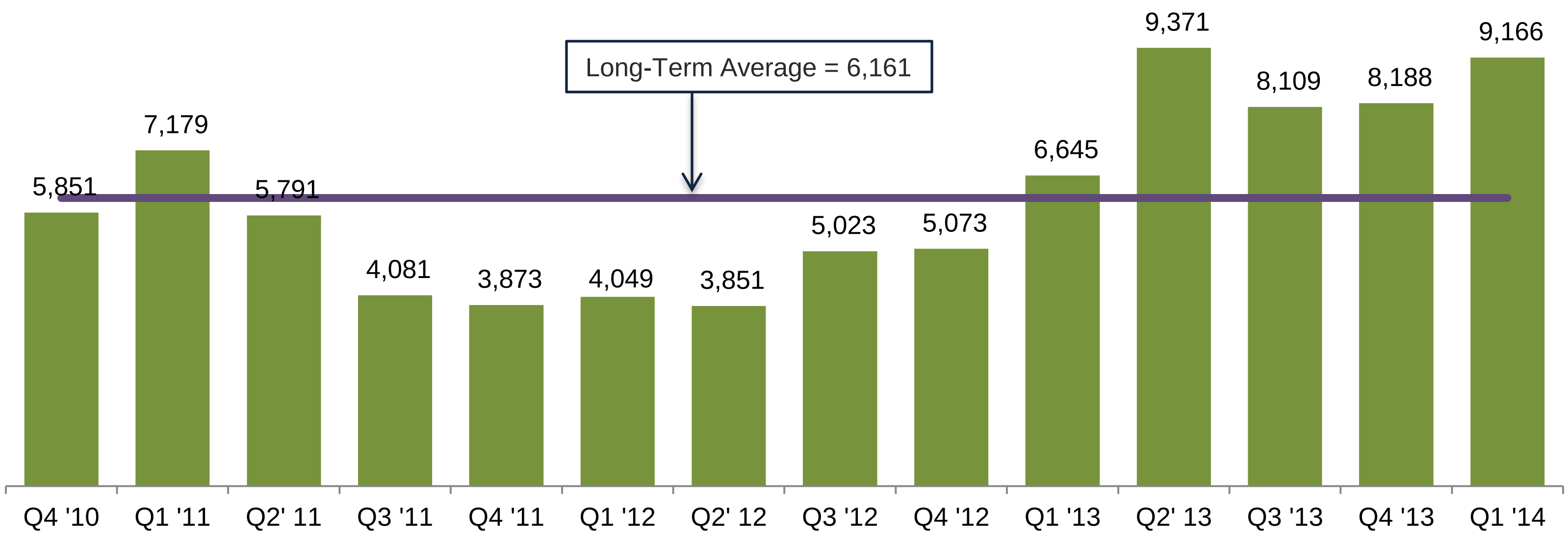


Residential Market

Key Themes

- Steadily growing population with limited expansion of home ownership is driving net absorption above average historical levels
- Walkability to amenities and transit access continue to draw Baby Boomers and Millennials to urban, mixed-use settings
- Absorption pace per project per month for developments in initial lease-up remains steady at 13 units, despite number of projects in initial lease-up increasing three-fold

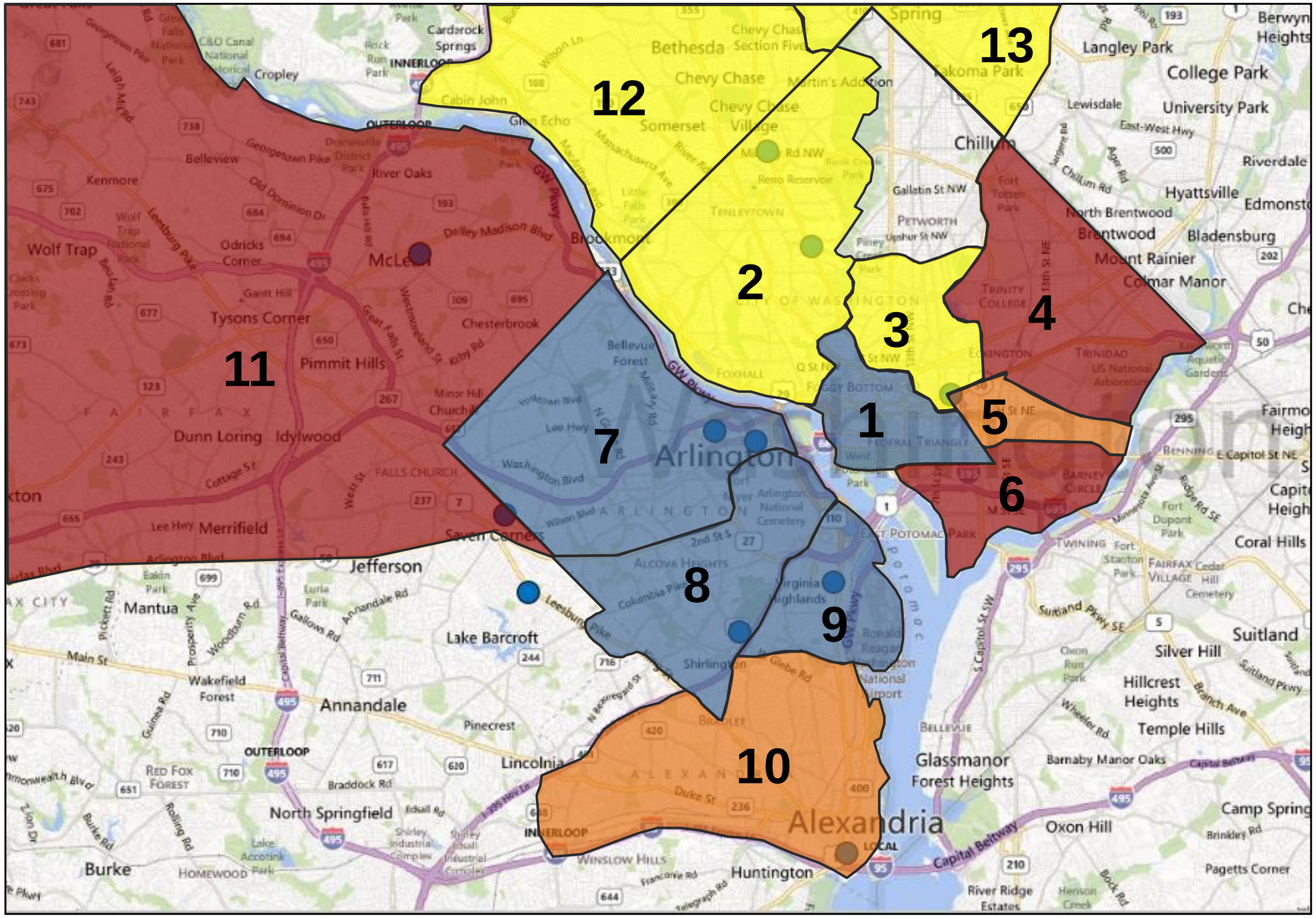
Annual Net Apartment Absorption
Class A Units | Washington Metro



Population growth in urban markets will fuel the region's apartment market and continue absorption trends in urban settings

Source: Delta Associates

Residential – Future Class A High-Rise Supply



Future supply as multiple of existing inventory

> 1.5x | > 1.0x | > 0.5x | < 0.5x

Projected Residential Development Deliveries by Regional Submarkets

Code	Submarket	Units
1	Central	2,300
2	Upper Northwest	1,100
3	Columbia Heights / Shaw	2,500
4	Northeast	1,500
5	NOMA / H Street	4,400
6	Capitol Hill / Riverfront	4,600
7	RB Corridor	3,100
8	S. Arlington	250
9	Crystal City	1,700
10	Alexandria	4,600
11	N. & W. Fairfax	7,900
12	Bethesda	2,100
13	Silver Spring	2,900
	Total	**38,950**

Region [1]	2014	2015	'16 / '17
District of Columbia	5,500 units	3,500 units	7,400 units
Northern Virginia	4,750 units	4,300 units	8,500 units
Suburban Maryland	1,500 units	1,000 units	2,500 units
Total	**11,750 units**	**8,800 units**	**18,400 units**

(1) Estimated future supply is based on submarkets presented on map

Source: Delta Associates – Information based on estimated Class A High-Rise construction deliveries over next 36 months and includes unleased units in projects not yet stabilized and does not account for attrition

Progress Report and Next Steps

Corporate Scorecard

	Initiative	Progress
Corporate Strategic Shift	▪ Simplify the business model ▪ Minimize exposure to non-growth assets	✓ Sold Industrial Portfolio ✓ Sold Medical Office Portfolio
Capital Redeployment	▪ Redeploy portfolio sale proceeds into high-quality, urban assets with strong access to Metro or exceptional demographic areas ▪ Maintain portfolio diversification	✓ Reinvested to date over half of Medical Office proceeds into downtown Washington, DC assets ✓ Asset allocation since 2013 represents 60% Office and 40% Residential
Organizational Resources	▪ Identify organizational needs to support meaningful future growth ▪ Refine organization structure	✓ Hired Tom Bakke as Chief Operating Officer ✓ Implemented institutional portfolio management model ✓ Outsourced commercial leasing
Leasing	▪ Increase same-store economic occupancy ▪ Implement aggressive leasing plan	✓ Same-store economic occupancy has increased from 88.9% to 90.0%, since Q1 2013 ✓ Signed approximately 1.9 million square feet of new and renewal leases over the last five quarters
Development & Redevelopment	▪ Create strategic partnerships ▪ Unlock embedded value in legacy assets	✓ Commenced The Maxwell, a 163 unit Class A Residential asset in joint venture structure ✓ Commenced the redevelopment of 7900 Westpark Drive, a 528,00 square foot office building in Tysons Corner, VA

Solid progress & positive momentum underscore strong execution of asset quality improvement strategy

Financial Scorecard

	Initiative	Progress
Balance Sheet Metrics	▪ Maintain conservative capital structure during portfolio transitions ▪ Create additional balance sheet flexibility using all available avenues ▪ Maintain Ratings	✓ Since 2011, average quarterly debt service coverage ratio = 2.7x ✓ Net Debt / EBITDA = 5.3x ✓ S&P: BBB / Stable & Moody's: Baa2 / Stable
Capital Structure	▪ Committed to conservative capital structure ▪ Opportunistically using existing assets as source of acquisition capital	✓ Maintaining 40% Debt / 60% Equity capital structure ✓ Using existing assets as a source to fund acquisitions
2014 Acquisition Target	▪ Acquire $250 - $350 million in assets	✓ 2014 year-to-date acquisitions: $256.5 million: Acquired Yale West apartments for $73 million Acquired The Army Navy Club Building for $79 million Acquired 1775 Eye Street for $104.5 million
2014 Financial Goals[1]	▪ Core FFO per share $1.56 - $1.64 ▪ Portfolio same-store NOI growth of 1% - 3% ▪ Office same-store NOI growth of 2% - 4% ▪ Retail same-store NOI growth 0% - 1% ▪ Residential same-store NOI growth -3% - 0% ▪ Improve same-store occupancy	▪ Reiterated guidance in Q1 2014

Washington REIT expects to deliver on 2014 acquisition and financial goals

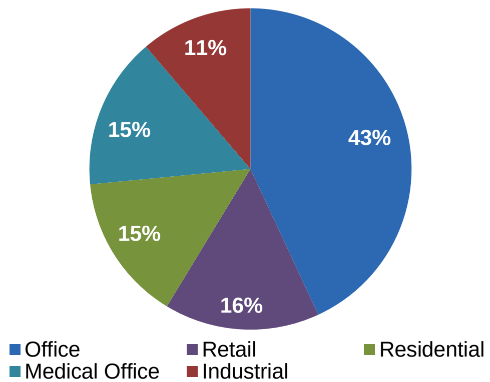
(1) 2014 Financial goals progress is as of March 31, 2014

WASHINGTONREIT

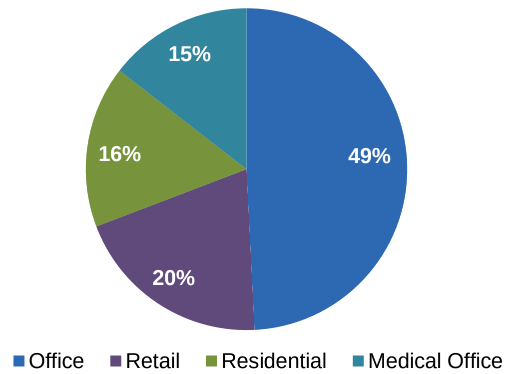
Portfolio Transition

Pre - Industrial Sale (Fourth Quarter 2010)	Pre - Medical Office Sale (Fourth Quarter 2012)	Current Portfolio (First Quarter 2014)

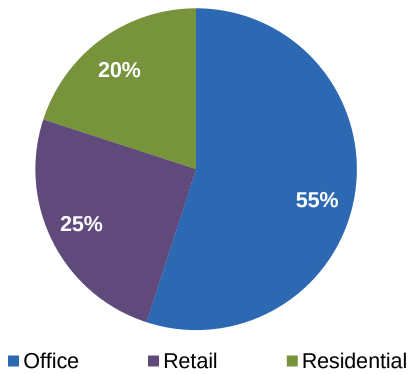
NOI by Sector (Pre - Industrial Sale)



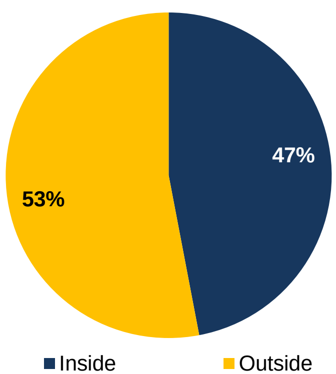
NOI by Sector (Pre - Medical Office Sale)



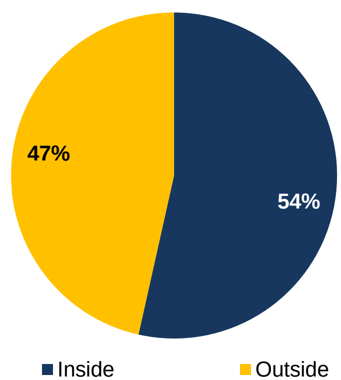
NOI by Sector (Current Portfolio)



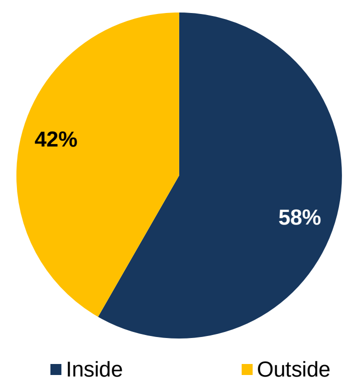
NOI by Beltway (Pre - Industrial Sale)



NOI by Beltway (Pre - Medical Office Sale)



NOI by Beltway (Current Portfolio)



Creating a higher quality, more focused portfolio

Recent Acquisitions

The Paramount was acquired on October 1st, 2013 for $48.2 million

- 135 units
- Current leased percentage: 96%
- Within a few blocks from the Crystal City and Pentagon City Metro Stations (Blue and Yellow Lines)

Yale West was acquired on February 21st, 2014 for $73 million

- 216 Class A units
- Current leased percentage: 92%
- Within two blocks from the Mount Vernon Square – Convention Center Metro Station (Green and Yellow Lines)

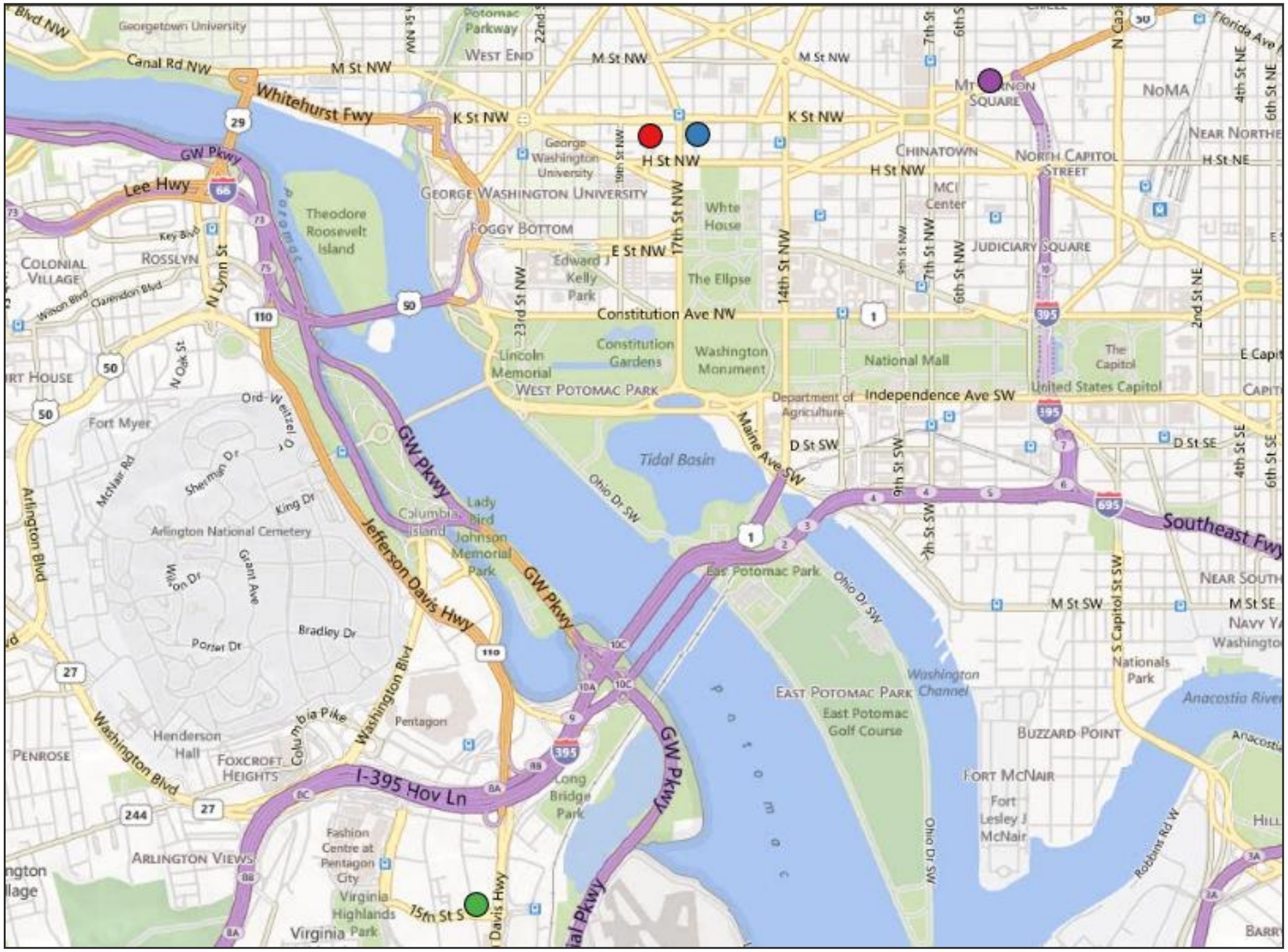
The Army Navy Club Building was acquired off-market on March 26th, 2014 for $79 million

- 108,000 square feet
- Current leased percentage: 100%
- One block from the Farragut West (Blue and Orange Lines) and Farragut North (Red Line) Metro Stations

1775 Eye Street was acquired on May 1st, 2014 for $104.5 million

- 185,000 square feet
- Current leased percentage: 62%
- Directly across from the Farragut West (Blue and Orange Lines) and two blocks from Farragut North (Red Line) Metro Stations

Recent Acquisitions Map



- The Paramount
- Yale West
- The Army Navy Club Building
- 1775 Eye Street

Acquiring higher quality, urban infill assets with strong access to transportation

Development and Redevelopment Pipeline

Development - The Maxwell

- Location: Arlington, VA
- Anticipated Completion: Q4 2014
- 163 units and 2,200 square feet of retail
- Leased percentage: -%
- Anticipated Total Cost: $50 million
- Estimated Stabilized NOI: $3.0 million – $3.5 million
- Well-located residential asset in close proximity to Ballston (Orange Line) Metro Station and Harris Teeter

Redevelopment - 7900 Westpark Drive

- Location: Tysons Corner, VA
- Anticipated Completion: Q1 2015
- 528,000 square feet
- Leased percentage: 73%
- Anticipated Total Cost: $35 million
- Estimated Additional NOI upon Stabilization: $7.5 million – $8.5 million
- Scope of redevelopment consists of re-skinning the Tower Building and interior renovations to the properties lobby and common areas
- 7900 Westpark Drive is located immediately off the Capital Beltway (I-495) and is in close proximity to the new Tysons Corner (Silver Line) Metro Station

Current projects present significant opportunity for future earnings growth upon stabilization

Action Plan

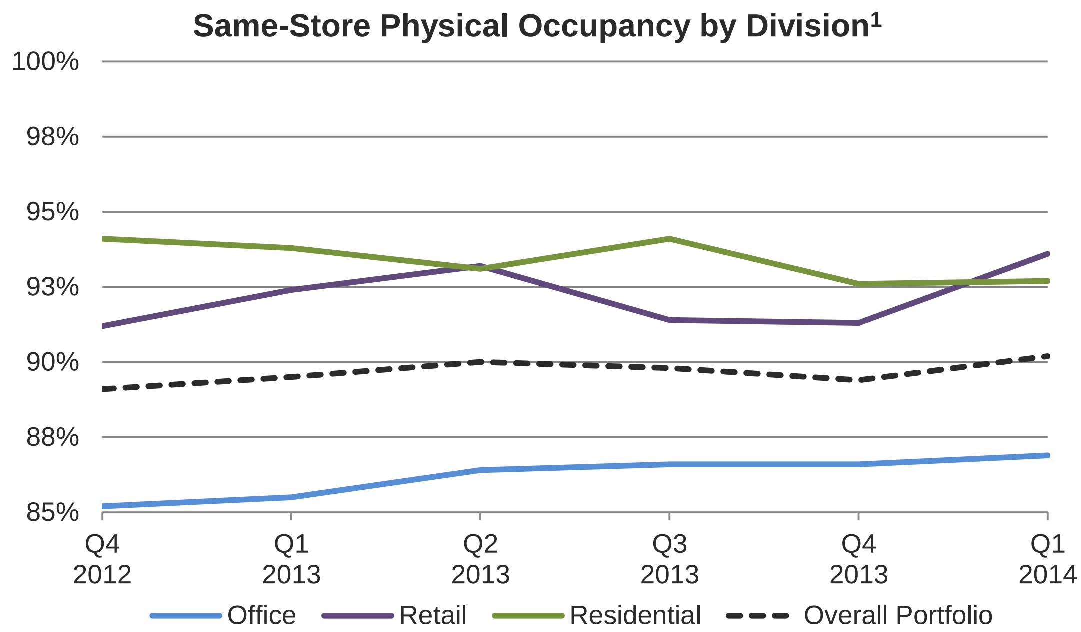
1. Continue to aggressively lease vacancy in all three property types. Same-store NOI gap between current occupancy and 95% occupancy is approximately $8 million or $0.12 per share
   - Third party commercial leasing assignments to broaden prospect lists and increase closure rate
2. Meet or exceed 2014 acquisition targets and build additional volume in 2015 and 2016
   - Year-to-date acquisition volume is $256.5 million, compared to guidance range of $250 - $350 million
3. Maximize value of assets to be sold by leasing vacancy, minimizing capital expenditures, and actively positioning the asset for sale
4. Increase rents, minimize concessions and capital expenditures as portfolio occupancy moves above 90%
5. Execute leasing strategy on The Maxwell and 7900 Westpark Drive
6. Mitigate risk of large tenant exposure by implementing individual asset management plans

Consistently grow Core FFO and Core FAD through aggressive leasing, acquisition, development and redevelopment execution combined with prudent expense management

Additional Company Information

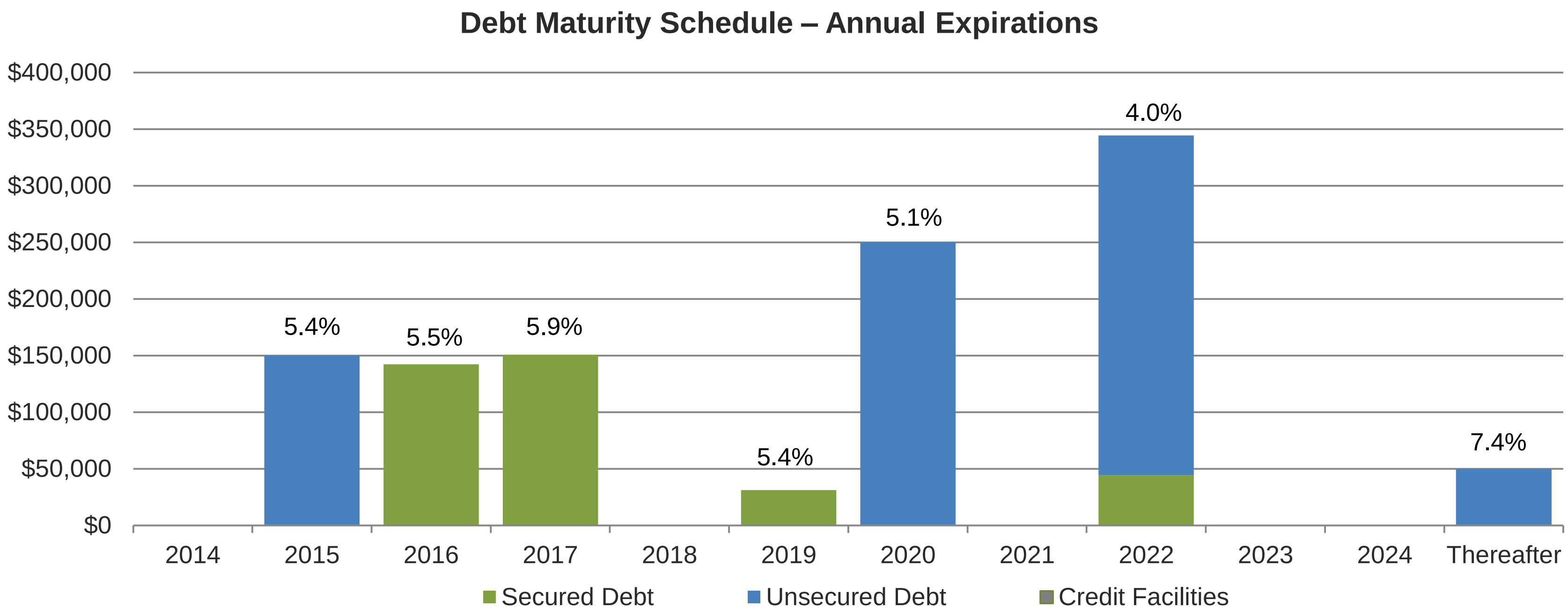
Diversification Strategy

- Property sector diversification minimizes overall volatility in occupancy levels
- First quarter, same-store office occupancy was 86.9%, a increase of 140 basis points over March 31, 2013
    - Same-store leased percentage in office was 92.3%
- First quarter, same-store retail occupancy was 93.6%, a increase of 120 basis points over March 31, 2013
    - Same-store leased percentage in retail was 93.8%
- First quarter, same-store residential occupancy was 92.7%, a decrease of 110 basis points from March 31, 2013



(1) Non same-store properties were:
Acquisitions:
Residential – The Paramount and Yale West
Office – The Army Navy Club Building
Redevelopment:
Office – 7900 Westpark Drive
Held for sale and sold properties:
Medical Office / Office –The Medical Office Portfolio

Balance Sheet



- Paid off $100 million, 5.25% unsecured note in January
- Assumed approximately $101 million in secured debt with the acquisitions of Yale West and The Army Navy Club Building
- Minimal maturity exposure over next several years provides opportunity to effectively manage balance sheet
- Secured debt maturities in 2016 – 2017 present significant opportunity to increase balance sheet flexibility

Top Ten Tenants

Rank	Tenant Name	Progress	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
1	World Bank	(In Discussions)	1	33	3.50%	210,354	6.17%
2	Advisory Board Company	(Expanded)	1	62	3.01%	181,101	3.53%
3	Booz Allen Hamilton, Inc.	(In Discussions)	1	22	3.71%	222,989	2.89%
4	Engility Corporation	(Investigating Options)	1	42	2.33%	140,400	2.76%
5	Patton Boggs LLP	(ABC – Expansion)	1	37	1.84%	110,566	2.51%
6	Sunrise Assisted Living, Inc.	(Renewed)	1	6	1.36%	81,987	1.49%
7	Epstein, Becker & Green, P.C.	(In Discussions)	1	33	0.89%	53,427	1.40%
8	General Services Administration	(In Discussions)	3	56	0.87%	52,282	1.36%
9	ManTech International Corporation	(Consolidating)	2	10	1.14%	68,846	1.35%
10	George Washington University	(In Discussions)	2	29	1.16%	69,775	1.33%
		Total/Weighted Average		**34**	**19.81%**	**1,191,727**	**24.79%**

Lease Expiration Schedule

	Year	Number of Leases	Rentable Square Feet	Percent of Rentable Square Feet	Annualized Rent [1]	Average Rental Rate	Percent of Annualized Rent [1]
Office:	2014	63	357,496	8.81%	$11,972,147	$33.49	7.61%
	2015	98	583,519	14.38%	23,521,068	40.31	14.95%
	2016	98	629,466	15.52%	21,228,629	33.72	13.49%
	2017	69	470,099	11.59%	18,376,267	39.09	11.68%
	2018	70	306,084	7.55%	11,383,285	37.19	7.23%
	2019 and thereafter	201	1,710,004	42.15%	70,907,177	41.47	45.04%
		599	**4,056,668**	**100.00%**	**$157,388,573**	**$38.80**	**100.00%**
	Year	**Number of Leases**	**Rentable Square Feet**	**Percent of Rentable Square Feet**	**Annualized Rent [1]**	**Average Rental Rate**	**Percent of Annualized Rent [1]**
Retail:	2014	35	86,290	3.96%	$1,964,025	$22.76	3.99%
	2015	51	366,670	16.85%	7,312,659	19.94	14.85%
	2016	28	202,462	9.30%	4,297,721	21.23	8.73%
	2017	43	252,837	11.62%	6,749,070	26.69	13.70%
	2018	39	361,473	16.61%	5,276,994	14.60	10.71%
	2019 and thereafter	109	906,909	41.66%	23,649,769	26.08	48.02%
		305	**2,176,641**	**100.00%**	**$49,250,238**	**$22.63**	**100.00%**
	Year	**Number of Leases**	**Rentable Square Feet**	**Percent of Rentable Square Feet**	**Annualized Rent [1]**	**Average Rental Rate**	**Percent of Annualized Rent [1]**
Total:	2014	98	443,786	7.12%	$13,936,172	$31.40	6.74%
	2015	149	950,189	15.24%	30,833,727	32.45	14.92%
	2016	126	831,928	13.35%	25,526,350	30.68	12.35%
	2017	112	722.936	11.60%	25,125,337	34.75	12.16%
	2018	109	667,557	10.71%	16,660,279	24.96	8.06%
	2019 and thereafter	310	2,616,913	41.98%	94,556,946	36.13	45.77%
		904	**6,233,309**	**100.00%**	**$206,638,811**	**$33.15**	**100.00%**

Manageable lease expirations with few identifiable risks that are currently in mitigation planning stages

Appendix

Team Biographies

Paul T. McDermott
President and Chief Executive Officer

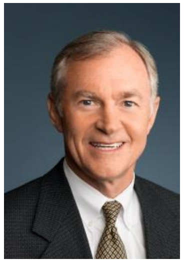
Mr. Paul T. McDermott was elected to the Board of Trustees and named President and Chief Executive Officer of Washington REIT in October 2013. Prior to joining Washington REIT, he was Senior Vice President and Managing Director for Rockefeller Group Investment Management Corp., a wholly owned subsidiary of Mitsubishi Estate Co., Ltd. Prior to joining The Rockefeller Group, he served from 2006 to 2010 as Principal and Chief Transaction Officer at PNC Realty Investors. Between 2002 and 2006, Mr. McDermott held two primary officer roles at Freddie Mac - Chief Credit Officer of the Multifamily Division and Head of Multifamily Structured Finance and Affordable Housing. From 1997 to 2002, he served as Head of the Washington, DC Region for Lend Lease Real Estate Investments.

Mr. McDermott received a Bachelors of Science in Business Administration from Shepherd University and holds a Masters in Business Administration in Finance from the American University.

William T. Camp
Executive Vice President and Chief Financial Officer

Mr. William T. "Bill" Camp joined Washington REIT in November 2008 as Executive Vice President and Chief Financial Officer - Elect and was elected to Executive Vice President and Chief Financial Officer on March 3, 2009. Prior to joining Washington REIT, he was Vice President, Assistant Director of Equities at Wachovia Securities, LLC where he was one of the lead portfolio managers overseeing the investment of approximately $7 billion. Prior to the merger between Wachovia Securities, LLC and A.G. Edwards & Sons, Inc. in October 2007, Mr. Camp served as Assistant Director of Equity and Fixed Income Research at A.G. Edwards from 2004. Previously, Mr. Camp served five years as Vice President, REIT Research Group Leader and seven years as a Senior Public Finance Investment Banker, also with A.G. Edwards.

Mr. Camp has a Bachelors of Science in Mathematics and a Bachelors and Masters of Science in Engineering Mechanics from the University of Wisconsin. He also earned his Masters of Business Administration from Washington University in St. Louis.



Thomas Q. Bakke
Executive Vice President and Chief Operating Officer

Mr. Thomas Q. Bakke was named Executive Vice President and Chief Operating Officer of Washington REIT in April 2014. Prior to joining Washington REIT, he was Senior Managing Director at Cushman & Wakefield where he was the Market Leader for Northern Virginia. From February 2007 to January 2012, Mr. Bakke held the position of Market Managing Director for Boston at Equity Office Properties, a national commercial real estate owner and a subsidiary of The Blackstone Group. Over his 20 plus years at Equity Office Properties, Mr. Bakke held a variety of other senior positions with the company and its predecessors including Senior Vice President, National Leasing and Senior Vice President, Field Operations. Prior to joining Equity Office Properties in 1991, Mr. Bakke held positions with The Staubach Company and Coldwell Banker Commercial Real Estate Services (predecessor of CBRE). Mr. Bakke served in the U.S. Naval Reserve for 14 years and was a former F-14 aviator, attaining more than 1000 flight hours with direct involvement in such world crisis situations as the Iranian hostage rescue effort and the Iran-Iraq war.

Mr. Bakke is a graduate of the United States Naval Academy and has a MBA in Finance, attending MIT's Sloan School of Management and Golden Gate University.

Team Biographies

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

Ms. Laura M. Franklin joined Washington REIT in August 1993 as Assistant Vice President, Finance. In 1995, she was named Vice President, Chief Accounting Officer and Corporate Secretary of Washington REIT. Ms. Franklin was named Senior Vice President, Accounting, Administration and Corporate Secretary in May 2002 and was promoted to Executive Vice President in June 2007. Prior to joining Washington REIT, she was employed by The Reznick Group, specializing in audit and tax services for real estate clients. Ms. Franklin formerly served on the NAREIT Best Financial Practices Council and was a director of KEEN USA and KEEN Greater DC, a non-profit organization that provides recreational opportunities for children and young adults with mental and physical disabilities.

Ms. Franklin received a BS in Accounting from the University of Maryland and is a CPA.

Thomas C. Morey
Senior Vice President and General Counsel

Mr. Thomas C. Morey joined Washington REIT in October 2008 as Senior Vice President and General Counsel. Prior to joining Washington REIT, he served in a business role as Chief Operating Officer of Medical Funding Services, Inc., a provider of financial and administrative services to healthcare companies, from February 2006 to September 2008. Previously, Mr. Morey was a corporate partner with Hogan & Hartson LLP, a multi-national law firm (now known as Hogan Lovells), where he focused on capital market transactions, mergers and acquisitions, strategic investments and general business matters for national and regional office, retail, residential, lodging and other REITs. From 1997 to 1998, Mr. Morey was a corporate attorney with Jones Day in Dallas, Texas. Mr. Morey is a member of the Board of Directors of the Maryland Chamber of Commerce and also serves on the Executive Committee of the Maryland Chamber of Commerce.

He received an AB in Economics from Princeton University and a JD from Duke University School of Law

Thomas L. Regnell
Senior Vice President and Managing Director, Office Division

Mr. Thomas L. Regnell joined Washington REIT in January 1995 as Vice President, Acquisitions. Mr. Regnell was named Managing Director, Acquisitions in 2001 and was promoted to Senior Vice President, Acquisitions in October 2007. From 1992 through 1994, Mr. Regnell served as an Investment (Acquisitions) Officer with Federal Realty Investment Trust. Previously, Mr. Regnell was a Vice President with Spaulding & Slye Company, a real estate development, brokerage and management company. Mr. Regnell is a member of the Urban Land Institute (ULI), the International Council of Shopping Centers (ICSC), the National Association of Industrial and Office Parks (NAIOP) and serves as a director and executive committee member of the Northern Virginia NAIOP. He also is an Advisory Board Member for the Center for Real Estate Development, Kenan-Flagler Business School, University of North Carolina-Chapel Hill.

Mr. Regnell received a BA from George Washington University and a MBA from the University of North Carolina-Chapel Hill.

Team Biographies

Paul S. Weinschenk, LEED AP
Managing Director and Vice President, Head of Retail

Mr. Weinschenk joined Washington REIT in February 2013 as Managing Director and Vice President, Head of Retail Division. Prior to joining Washington REIT, he was Vice President, Retail at The Peterson Companies. During his 16 years there, he oversaw development of several of its most significant projects in the Washington metro region, including Fairfax Corner, Virginia Gateway, Frederick Crossing, and East Market at Fair Lakes, in total containing more than 1.9 million square feet of leasable area. Mr. Weinschenk's work at Peterson also included anchor sales and leasing responsibilities for the shopping centers he developed, and he completed transactions in excess of 1.4 million square feet. Before the Peterson Cos., Mr. Weinschenk worked for Apple South, Inc. acquiring real estate for the company in a five-state area and for the Chase Manhattan Bank, N.A. in its Owned Real Estate Department. Mr. Weinschenk's professional career began as an architect working on a variety of projects for Dewberry. Mr. Weinschenk is an active member of the International Council of Shopping Centers (ICSC), currently serving as State Director for Maryland, Northern Virginia and the District of Columbia.

Mr. Weinschenk holds a Masters in Business Administration from the Kenan-Flager Business School at the University of North Carolina and a Bachelor of Science in architecture from the University of Virginia.

Edward J. Murn, IV
Managing Director, Head of Residential Division

Mr. Murn joined Washington REIT in April 2013 as Managing Director, Head of Residential Division. Prior to joining Washington REIT, he was Director of Development at The Tower Companies, where he was responsible for metro DC area projects including The Blairs, White Flint Mall, and Tower Oaks. His previous experience was as Vice President of Multifamily Development and Team Leader at Kettler, Inc.; as Director of Acquisitions & Development, Northeast Investment Group at Archstone-Smith Trust (now Archstone); and as Director of Capital Markets at Charles E. Smith Residential Realty, Inc. Mr. Murn began his professional career as a banker with Citizens Bank of Maryland and First Horizon Construction Lending. Mr. Murn is an active member of the Urban Land Institute and Johns Hopkins Real Estate Forum.

Mr. Murn holds a Master of Science in Real Estate from Johns Hopkins University, a Master of Business Administration from Loyola College, and a Bachelor of Science in Business Administration from the University of Richmond.

Core FFO and Core FAD per share Reconciliation

Year	Fully Diluted Weighted Average Adjusted For All Stock Splits	Net Income	Net Income Per Share	Depreciation and Other FFO Adjustments	Core FFO	Core FFO Per Share	FAD Adjustments	Core FAD	Core FAD Per Share
2013	66,580	$37,346	$0.55	$82,341	$119,687	$1.79	($34,514)	$85,173	$1.27
2012	66,376	23,708	0.35	102,724	126,432	1.90	(26,430)	100,002	1.50
2011	65,982	104,884	1.58	24,283	129,167	1.95	(22,129)	107,038	1.61
2010	62,264	37,426	0.60	84,477	121,903	1.96	(21,830)	100,073	1.60
2009	56,968	40,745	0.71	81,026	117,223	2.06	(19,047)	98,176	1.72
2008	49,217	27,082	0.55	71,606	104,271	2.12	(29,435)	74,836	1.52
2007	46,115	46,115	1.34	69,775	106,581	2.31	(31,109)	75,472	1.62

In thousands, except per share data

Non-GAAP Financial Measures and Definitions

Funds From Operations ("FFO") - is defined by The National Association of Real Estate Investment Trusts, Inc. ("NAREIT") in an April, 2002 White Paper as net income (computed in accordance with generally accepted accounting principles ("GAAP")) excluding gains (or losses) associated with sales of property and impairment of depreciable real estate, 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.

Core Funds From Operations ("Core FFO") - is calculated by adjusting 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, (2) costs related to the acquisition of properties, (3) severance expense related to corporate reorganization and related to the CEO's retirement and (4) property impairments not already excluded from FFO, as appropriate. 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.

Net Operating Income ("NOI") - defined as real estate rental revenue less real estate expenses, is a non-GAAP measure. 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, general and administrative expenses, acquisition costs and real estate impairment. 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.

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, (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 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.

Non-GAAP Financial Measures and Definitions

Core Funds Available for Distribution (“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, (2) costs related to the acquisition of properties, (3)non-share-based severance expense related to corporate reorganization and related to the CEO's retirement and (4) property impairments not already excluded from FAD, as appropriate. 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 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.

The Medical Office Portfolio - consists of every medical property, as well as undeveloped land, 4661 Kenmore Ave, and two office properties, Woodholme Center and 6565 Arlington Boulevard. We entered into four separate purchase and sale agreements. Transaction I of the Medical Office Portfolio sale and purchase agreement consists of medical office properties (2440 M Street, 15001 Shady Grove Road, 15505 Shady Grove Road, 19500 at Riverside Park formerly Lansdowne Medical Office Building, 9707 Medical Center Drive, CentreMed I and II, 8301 Arlington Boulevard, Sterling Medical Office Building, Shady Grove Medical Village II, Alexandria Professional Center, Ashburn Farm Office Park I, Ashburn Farm Office Park II, Ashburn Farm Office Park III and Woodholme Medical Office Building) and two office properties (6565 Arlington Boulevard and Woodholme Center). Transaction II of the Medical Office Portfolio purchase and sale agreement consist of undeveloped land (4661 Kenmore Ave). Transaction III of the Medical Office Portfolio purchase and sale agreement consists of medical office properties (Woodburn Medical Park I and Woodburn Medical Park II,). Transaction IV of the Medical Office Portfolio purchase and sale agreement consist of a medical office property (Prosperity Medical Center I and II, and Prosperity Medical Center III).

Same-Store Portfolio Properties - include all stabilized properties that were owned for the entirety of the current and prior reporting periods, and exclude properties under redevelopment or development and properties purchased or sold at any time during the periods being compared. We define redevelopment properties as those for which we expect to spend significant development and construction costs on existing or acquired buildings pursuant to a formal plan which has a current impact on operating results, occupancy and the ability to lease space with the intended result of a higher economic return on the property. Redevelopment and development properties are included in the same-store pool upon completion of the redevelopment or development, and the earlier of achieving 90% occupancy or two years after completion.