STIFEL

Washington REIT
WRE - NYSE
Hold
Office REITS

Company Update

Maryland Athletes Win Twenty Olympic Medals While WRE Happy to Exit Maryland Office Market. NDR Recap. Hold.

- As the summer draws to a close, we accompanied Washington REIT on an NDR; reviewing their core portfolio and -- now that they have an attractive cost of capital -- growth opportunities.
- We note that while Maryland athletes won 20 Olympic medals, the WRE management noted that there is zero correlation between Maryland athletic prowess and Suburban MD office market dynamics. Hence, exiting their suburban MD office assets for \$240mm and a very high \$200/SF was Olympic gold for WRE.
- Key take-aways included: 1) proforma the suburban office asset sales the portfolio NOI will be comprised of 46% office, 30% apartment and 24% retail, 2) deleveraging is occurring with net debt/EBITDA falling from 6.6x at 4Q15 to an expected 6.1x-6.3x by YE16, 3) strong job growth in the DC MSA is sustaining demand for apartments and retail sales, 4) the affordability gap between Class A and Class B apartments appears to be increasing, improving WRE's ability to raise rents in its Class B apartments, despite all the recent new supply delivered in the DC MSA, and 5) the appeal of METRO accessible office properties is apparent as net office absorption in Northern Virginia between 1/1/15 and 6/30/16 in assets within 1/2 mile of METRO stations is positive 1.8mm SF. For those assets further away, net absorption was negative 1.3mm SF for the same period. Sixteen of WRE's proforma eighteen office properties are within half a mile of a METRO.
- One of the few REITs we cover that has an internal research team and focuses on only one market, we are always interested in the WRE perspective on the multiple asset classes and the ability to create value primarily through acquisition and redevelopment in the Washington, D.C. MSA.
- Based on recent transactions and forward expectations, it appears that WRE is much more interested in spending capital on inside the Beltway Virginia-centric apartment development and redevelopment than 'office capex hogs'.
- Per our 2Q16 Office Fundamentals wire here: Houston Free Fall. San Francisco and Boston Solid, Los Angeles Hype Not in Numbers. 2Q16 Office Fundamentals Update. we are not at all surprised. Although there are some rays of sunshine in the greater Washington, D.C. office market, landlords are still expected to provide turnkey office space.
- Additionally, please see our Washington, D.C. update wire (here). The greater D.C. office market is recognized as one of the most expensive markets in the country for re-leasing office space.

<u>Changes</u>	Previous	Current
Rating	_	Hold
Target Price	_	NA
FY16E FFO	_	\$1.77
FY17E FFO	\$1.80	\$1.81
FY16E FAD	_	1.28
FY17E FAD	_	1.30
	Rating Target Price FY16E FFO FY17E FFO FY16E FAD	Rating — Target Price — FY16E FFO — FY17E FFO \$1.80 FY16E FAD —

Price (08/26/16):	\$32.06
52-Week Range:	\$35 – \$24
Market Cap.(mm):	2,367.3
Shr.O/S-Diluted (mm):	73.8
Enterprise Val. (mm):	\$3,692.1
Avg Daily Vol (3 Mo):	441,522
LT Debt/Total Cap.:	34.7%
Dividend(\$ / %)	\$1.20 / 3.7%
S&P Index	2,161.94
Prices are intraday.	

FFO	2015A	2016E	2017E
Q1	\$0.38	\$0.42A	\$0.43
Q2	0.42	0.46A	0.46
Q3	0.45	0.44	0.45
Q4	0.46	0.45	0.47
FY Dec	\$1.71A	\$1.77	\$1.81
P/FFO	18.7x	18.1x	17.7x

FAD	2015A	2016E	2017E
Q1	0.32	0.38A	0.30
Q2	0.28	0.30A	0.34
Q3	0.33	0.27	0.32
Q4	0.30	0.33	0.34
FY Dec	1.23A	1.28	1.30
P/FAD	26.1x	25.0x	24.7x

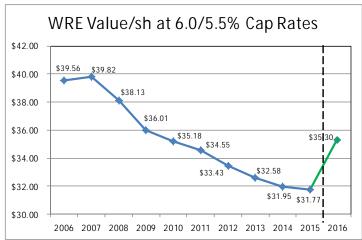
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All relevant disclosures and certifications appear on pages 5 - 7 of this report.

- We estimate WRE currently trades at 5.9%/4.7%/4.2% implied cap rates for NOI/cash flow/CF less G&A. This equates to (9.0%)/3.0% discount/premium to our NAV estimate of \$35/\$31/sh using our just reduced NAV cap rate range of 5.5%-6.0%.
- We adjusted our NAV cap rate range as a result of the cumulative efforts to reposition the office portfolio while reducing its overall percentage of NOI. Once the suburban office asset sales are completed in 3Q16, WRE's NOI will be composed of 46% office, 30% apartments and 24% retail. We believe this is an improvement from the 4Q15 composition of 55% office, 20% apartments and 25% retail.
- In addition to adjusting our NAV cap rate range, we are also adjusting our NAV static cap rate analysis to reflect the portfolio's improving quality.



Sources: Company data and Stifel estimates

- This adjustment creates a one-time pop to NAV. Where the value goes hereafter will once again depend upon management's ability to create value in a still challenging Washington, D.C. environment. WRE's improved cost of capital, should help in this respect.
- It appears as if all REITs (all sectors) that are generating reasonable (5%+) FFO/FAD growth, can grow the dividend and own institutional quality assets are trading sub 5.3%. As WRE clearly owns institutional quality assets, share price appreciation appears likely if the portfolio starts generating earnings and dividend growth.
- We think the post suburban office portfolio sale TEV for office space of \$455/SF is fair relative to our recently updated \$592/\$433/SF estimates for gross/adjusted replacement cost.
- Other positive aspects include 1) improved balance sheet, 2) improved portfolio, 3) while the Washington, D.C. economic recovery lagged the U.S. 2011-2015, it is now exceeding the U.S., 4) Washington, D.C. leads the nation in millennial as a percentage of the population, and 5) WRE has internal redevelopment opportunities for both office and apartment assets.
- Negatives include 1) there is not a shortage of talented developers in the Washington, D.C. MSA, 2) land is available near a large number of METRO stops, 3) significant apartment supply, 4) surprising continued office development in select markets.
- We are adjusting our 2016 FFO/FAD/sh estimates to \$1.77/\$1.28 from \$1.77/\$1.32 and our 2017 FFO/FAD/sh estimates to \$1.81/\$1.30 from \$1.80/\$1.29. This equates to normalized FFO/FAD 2015-2017 growth of 2.9%/2.8%.

Company Description

Washington Real Estate Investment Trust is an equity REIT that has been engaged in acquiring and managing

properties since 1960. The Trust owns a diversified portfolio of 51 properties consisting of 16 retail centers, 21 office properties, and 14 multi-family properties, all in the Washington, D.C. metro area.

Washington REIT Quarterly Earnings Model (in thousands, except per share data)

	_											
Assumptions:	_	2015 A	1Q16 A	2Q16 A	3Q16 E	4Q16 E	2016 E	1Q17 E	2Q17 E	3Q17 E	4Q17 E	2017
Acquisitions during period (1) Rate of return on new acquisitions	\$	167,000 5.3%	5.0%	\$ 244,750 5.5%	\$ - 5.5%	\$ - 6.0%	\$ 244,750 5.5%	6.0%	\$ 50,000 6.0%	\$ 50,000 6.0%	\$ 50,000 6.0%	\$ 150
Dispositions during period (1)	\$	(122,700)	\$ -	\$ (111,500)			\$ (300,000)		\$ (30,000)			
Rate of return on dispositions		5.8%	6.0%	7.8%	7.8%	7.0%	7.1%	7.0%	7.0%	7.0%	7.0%	, w (sc
(Re)Development put in service during the quarter (1)	\$	19,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$
Rate of return on development (annually)		6.3%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	
Revenue growth - existing properties (quarterly)		6.3%	(2.5%)	2.9%	0.7%	0.3%	1.5%	0.5%	0.5%	0.5%	0.5%	
NOI growth on acquired properties (quarterly)		4.0%	1.0%	1.0%	1.0%	1.0%	4.0%	1.0%	1.0%	1.0%	1.0%	
Average interest rate on average debt outstanding (annually)	١.	4.8%	4.5%	4.3%	4.45%	4.25%	4.4%	4.2%	4.2%	4.2%	4.2%	
Additional common equity issued during quarter	\$	-	\$ -	\$ 146,266	\$ -	\$ -	\$ 146,266	\$ -	\$ -	\$ -	\$ -	\$
Additional common shares issued during quarter Projected FFO/stock price multiple		16.1	17.3	5,319 18.5	18.5	18.5	5,319 18.5	18.5	18.5	18.5	18.5	
Ending common stock price		\$25.53	\$29.07	\$33.98	\$32.21	\$32.50	\$32.50	\$31.80	\$32.90			\$
NOI from existing properties: (2)	+	Ψ2J.JJ	Ψ23.01	ψ00.00	Ψ32.21	ψ32.30	ψ32.30	ψ51.00	ψ32.30	ψ00.00	ψ33. 1 0	, ,
Existing property rental income		\$306.427	\$77.137	\$79.405	\$79.960	\$80.234	\$316.736	\$80.595	\$80.957	\$81.322	\$81.688	\$324
Less operating expenses, real estate taxes & land sale costs		(112,234)	(28,734)	(27,482)	(29,026)	(28,082)	(113,323)	(29,417)	(27,526)	(29,276)	(28,182)	(114
NOI from existing properties (2)	_	194,193	48,403	51,923	50.935	52.152	203.413	51.178	53.432	52.046	53.505	210
NOI from acquired property - cumulative (2)			-	,,,	(636)	(2,425)	(3,061)	(2,979)	(2,897)	(2,700)	(2,500)	(11
NOI from development put in service - cumulative (2)			-	-	-	-		-	-	-	-	
Total NOI (2)		194,193	48,403	51,923	50,298	49,727	200,351	48,198	50,535	49,346	51,005	199
Other income and expenses:		-										
Management, development & leasing fee income (3)		-										
Interest and other income	1	709	39	83	83	83	288	83	83	83	83	1
Asset Acquisition expenses	1	(2,056)	(154)	(1,024)	-	-	(1,178)	-	-	-	-	1
General and administrative expenses	1	(20,257)	(5,511)	(4,968)	(4,778)	(4,475)	(19,733)	(5,302)	(4,801)	(4,688)	(4,845)	(19
Other - Severence Costs	1_	-										1
Stifel EBITDA		172,589	42,777	46,014	45,603	45,334	179,729	42,979	45,817	44,741	46,242	179
Stifel EBITDA/share		\$2.53	\$0.62	\$0.64	\$0.62	\$0.61	\$2.50	\$0.58	\$0.62	\$0.61	\$0.63	
Reconciliation of EBITDA to funds from operations (FFO):												
Less: Interest expense		(59,546)	(14,360)	(13,820)	(13,356)	(11,766)	(53,303)	(11,407)	(11,501)	(11,697)	(11,886)	(46
Less: Real estate impairment		(5,909)	-	676	-	-	676	-	-	-	-	
Add: Non-real estate depreciation and amortization		-	-	-	-	-	-	-	-	-	-	
Less: Minority interest - net of FFO adjustments		108	-	-	-	-	-	-	-	-	-	
Add: Real estate depr. & amort. of Held for Sale/ Unconsol		-	-	-	-	-	-	-	-	-	-	
Add: Income from Discontinued Ops			-	-	-	-	-	-	-	-	-	
Less: Gains from sale of depreciable real estate Other expenses (Loss on Ext. of Debt)		1,454 (119)	-	-	-	-	-	-	-	-	-	
Add: Other non-recurring (revenues) & expenses		(119)						_				
Funds from operations (FFO - NAREIT-Defined)	s	108,577	\$ 28,417	\$ 32,870	\$ 32.247	\$ 33,568	\$ 127,102	\$ 31,572	\$ 34,316	\$ 33.044	\$ 34,357	\$ 133
Company Adjustments	1	8.021	629	458	y 32,241	9 33,300	1.087	9 31,372	ψ 34,310 -	ψ 55,044	9 34,337	9 150
Funds from operations (Core FFO)	s	116,598	\$ 29,046	\$ 33,328	\$ 32,247	\$ 33,568	\$ 128,189	\$ 31,572	\$ 34,316	\$ 33,044	\$ 34,357	\$ 133
Add: Noncash financing charges/gain on exting. of debt	1		-	-	*,	*,	,	*,	*,	*,	•,	
Add: SFAS 141 Non-cash interest expense		150	42	44	42	42	170	42	42	42	42	
Add: Non-cash interest exp. (APB 14)		-		-		-	-	-	-	-		
Add: Deferred compensation												
		-	-	-	-	-	-	-	-	-		
Add: Non-real estate depreciation & amortization		3,979	- 950	- 876	900	- 900	3,626	900	900	- 900	- 900	3
		3,979 2,232	950 260	- 876 (27)		900 (373)	3,626 (166)	900 (361)		900 49	- 900 51	3
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TI/LC		2,232 (26,065)	260 (2,558)	(27) (10,989)	(26) (12,139)	(373) (8,963)	(166) (34,649)	(361) (8,809)	(101) (8,909)	49 (9,009)	51 (9,109)	(35
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TVLC Less: Base Building Capital Costs		2,232 (26,065) (6,048)	260 (2,558) (908)	(27) (10,989) (1,237)	(26) (12,139) (1,194)	(373)	(166) (34,649) (4,495)	(361) (8,809) (1,156)	(101) (8,909) (1,163)	(9,009) (1,169)	51 (9,109) (1,176)	(35
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Tard Generation TVLC Less: Base Building Capital Costs Funds available for distribution (FAD)	\$	2,232 (26,065) (6,048) 84,135	260 (2,558) (908) \$ 26,203	(10,989) (1,237) \$ 21,537	(26) (12,139) (1,194) \$ 19,830	(373) (8,963) (1,156) \$ 24,018	(166) (34,649) (4,495) \$ 91,588	(361) (8,809) (1,156) \$ 22,188	(101) (8,909) (1,163) \$ 25,085	(9,009) (1,169) \$ 23,857	(9,109) (1,176) \$ 25,065	(35 (4 \$ 96
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TVLC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dii (NAREIT defined)	\$	2,232 (26,065) (6,048) 84,135 1.59	260 (2,558) (908) \$ 26,203 \$ 0.41	(27) (10,989) (1,237) \$ 21,537 \$ 0.46	(26) (12,139) (1,194) \$ 19,830 \$ 0.44	(373) (8,963) (1,156) \$ 24,018 \$ 0.45	(166) (34,649) (4,495) \$ 91,588 \$ 1.76	(361) (8,809) (1,156) \$ 22,188 \$ 0.43	(101) (8,909) (1,163) \$ 25,085 \$ 0.46	(9,009) (1,169) \$ 23,857 \$ 0.45	\$ 25,065 \$ 0.47	(35) (4) \$ 96
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TI/LC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv- dil (NAREIT defined) Core FFO/sh - (WRE Defined)	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.46	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.44	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.43	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.46	\$ (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45	\$1 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.47	(35 (4 \$ 96 \$
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Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TVLC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dii (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.46	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.44	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.43	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.46	\$ (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45	\$1 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.47	(35 (4 \$ 96 \$
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Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TVLC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv-dii (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted avg, shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method)	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42 \$ 0.38 \$ 0.30	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.33 \$ 0.30	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77 \$ 1.28 \$ 1.20	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.43 \$ 0.30 \$ 0.30	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45 \$ 0.32 \$ 0.30	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30	\$ 96 \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Grad Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted avage shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42 \$ 0.38 \$ 0.30	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190	\$ 96 \$ \$ \$ \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TVLC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted average common shares and OP units: Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg, shares and units outstanding - diluted	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42 \$ 0.38 \$ 0.30	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.46 \$ 0.30 \$ 71,719	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.44 \$ 0.27 \$ 0.30	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.33 \$ 0.30	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77 \$ 1.28 \$ 1.20	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.43 \$ 0.30 \$ 0.30	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.46 \$ 0.34 \$ 0.30	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45 \$ 0.32 \$ 0.30	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30	\$ 96 \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Cand Generation TVLC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv-dil (NAREIT defined) Core FFOsh- (WRE Defined) FAD per share equivalent Dividends per share Weighted avrage common shares and OP units: Weighted avrage common shares and OP units: Weighted avg. shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42 \$ 0.38 \$ 0.30 	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193 	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193 	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 - - 73,844	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190	(35) (4) \$ 96 \$ \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Grad Generation TUC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted average common shares and OP units: Convertible Notes Weighted average common shares and OP units: Weighted average common shares and OP units: Weighted average common shares and OP units: Weighted average common shares and units outstanding - diluted Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 - 68,311	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42 \$ 0.38 \$ 0.30	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 \$ 71,719 193 - 71,912	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 - 73,844	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 - 73,844	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.20 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193 - 73,844	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 - - 73,844	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45 \$ 0.32 \$ 0.30	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 - 73,844	(38 96 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: 2nd Generation TVLC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted avg. shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 - 68,311	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42 \$ 0.38 \$ 0.30 	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193 - 71,912 1,278,571 1,264,813	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 - 73,844	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 - 73,844	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190 - 72,022	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193 - 73,844 1,077,418	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 - - 73,844	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 - 73,844 1,104,840 1,113,367	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 - 73,844 1,122,630 1,131,884	(35) (4) \$ 96) \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Grad Generation TUC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted average common shares and OP units: Convertible Notes Weighted average common shares and OP units: Weighted average common shares and OP units: Weighted average common shares and OP units: Weighted average common shares and units outstanding - diluted Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 - 68,311	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.38 \$ 0.30 \$ 68,301 187 - 68,488 \$ 1,279,281 1,292,328	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 \$ 71,719 193 - 71,912	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 - 73,844 1,200,563 1,136,313 (128,500)	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.20 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193 - 73,844	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 - - 73,844	(9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 - 73,844	(35
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Zhd Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted average common shares and OP units: Convertible Notes Weighted avg. shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding Additional debt issued (retired) during quarter FAD-Dividend	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 - - 68,311 1,244,109 1,266,233 68,999 2,045	260 (2,558) (908) (908) \$ 26,203 \$ 0.41 \$ 0.38 \$ 0.30 \$ 68,301 187 - 68,488 \$ 1,279,281 1,292,328 - 5,466	(17) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193 	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 -73,844 1,200,563 1,136,313 (128,500) (2,210)	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193 - 73,844 1,077,418 1,076,313 (2,210)	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 73,844 1,086,313 1,096,313 20,000 2,946	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 - 73,844 1,104,840 1,113,367 17,054	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 - 73,844 1,122,630 1,131,894 18,527 2,946	(35 (4
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Cand Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv-dil (NAREIT defined) Core FFOSh- (WRE Defined) FAD per share equivalent Dividends per share Weighted avage shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Additional debt issued (retired) during quarter FAD-Dividend Ending debt outstanding	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1,20 68,177 134 - - 68,311	260 (2,558) (908)	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193 - 71,912 1,278,571 1,264,813	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 - 73,844 1,200,563 1,136,313 (128,500)	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 	(166) (34,649) (4,495) \$ 91,588 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193 - 73,844 1,077,418	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 73,844 1,086,313 1,096,313 20,000	(9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 	(35
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Gard Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted avg. shares and units outstanding - basic Corverted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding Ending debt outstanding Additional debt issued (retired) during quarter FAD-Dividend Ending common shares/OP units-/dilutive outstanding	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 68,311 1,244,109 1,266,233 68,999 2,045 68,191 68,358	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.30 \$ 0	(27) (10,989) (1,227) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193 71,912 1,278,571 1,264,813 (18,482) 73,651 73,844	(26) (12.139) (1.194) \$ 19.830 \$ 0.44 \$ 0.27 \$ 0.30 74.378 187 	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.30 74,378 193 73,844 1,107,418 1,078,523 (67,790) 2,210 73,651 73,861	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 \$ 74,378 193 - 73,844 1,077,418 1,076,313 (2,210) - 73,651 73,844	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 - - 73,844 1,086,313 1,096,313 20,000 2,946 73,651 73,844	49 (9.009) (1.168) \$ 23,857 \$ 0.45 \$ 0.45 \$ 0.32 \$ 0.30 \$ 74,378 193	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 	(38 (44 (44 (58 (58 (58 (58 (58 (58 (58 (58 (58 (58
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Cand Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv-dil (NAREIT defined) Core FFOSh- (WRE Defined) FAD per share equivalent Dividends per share Weighted avage shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Additional debt issued (retired) during quarter FAD-Dividend Ending debt outstanding	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 68,177 134 68,311 1,244,109 1,266,233 68,999 2,045 68,191	260 (2,558) (908) \$ 26,203 \$ 0.41 \$ 0.42 \$ 0.38 \$ 0.30 68,301 187 - 68,488 1,279,281 1,292,328 68,326 68,326	(27) (10,989) (1,237) \$ 21,537 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193 - 71,912 1,278,571 1,264,813 (18,482) 73,651	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 - - 73,844 1,200,563 1,136,313 (128,500) (2,210) 73,651	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 - - 73,844 1,107,418 1,078,523 (57,790) 2,210 73,651	(166) (34,649) (4,495) \$ 91,588 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 74,378 193 - 73,844 1,077,418 1,077,418 1,076,313 (2,210) 73,651	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45 \$ 0.32 \$ 0.30 \$ 74,378 193 \$	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 - 73,844 1,122,630 1,131,894 18,527 2,946 73,651	(35
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Zhd Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivient Dividends per share Weighted average common shares and OP units: Weighted average common shares and OP units: Weighted average common shares and OP units: Weighted average common shares and into outstanding - basic Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding Additional debt issued (retired) during quarter FAD-Dividend Ending common shares/OP units - for dividend Ending common shares/OP units - for dividend Ending common shares/OP units/diutive outstanding Equity market capitalization	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 . 68,311 1,244,109 1,266,233 68,939 2,045 68,191 68,358 1,745,180	260 (2.558) (908)	(27) (10,98) (1,237) \$ 21,537 \$ 21,537 \$ 0.46 \$ 0.46 \$ 0.30 \$ 0.30 \$ 71,719 193 71,912 1,276,571 1,264,813 (18,482) 73,651 73,844 2,509,219	(26) (12.139) (1.194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 	(373) (8,963) (1,156) (1,156) (1,156) (1,156) (1,157)	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 74,378 193 	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 	(35
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Taraight-line rents Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv-dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted avage common shares and OP units: Weighted avag. shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding Ending debt outstanding Ending debt outstanding Ending common shares/OP units - for dividend Ending common shares/OP units - for dividend Ending common shares/OP units - for dividend Ending common shares/OP units/dilutive outstanding Equity market capitalization	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 - 68,311 1,244,109 1,266,233 68,999 2,045 68,191 68,358 1,745,180 3,011,413	260 (2,558) (908) \$ (25,58) \$ (25,	(27) (10,989) (1,237) \$ 21,537 \$ 0.464 \$ 0.46 \$ 0.30 71,719 129,571 129,571 1,264,813 (18,482) - 73,844 2,509,219 3,774,932	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 - - 73,844 1,20,563 1,136,313 (128,500) (2,210) 73,651 73,844 2,378,515 3,514,828	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.33 \$ 0.30 73,844 1,107,418 1,078,523 (67,790) 2,210 73,844 1,373,384 1,374,38	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 74,378 193 - 73,844 1,077,418 1,077,418 1,077,418 1,076,313 (2,210) - 73,651 73,844 2,348,239 3,424,552	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 - - 73,844 1,086,313 20,000 2,946 73,651 73,851 73,844 2,429,488	(9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 73,844 1,104,840 1,113,367 17,054 1,473 73,651 73,844 2,436,852 3,550,219	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 - - 73,844 1,122,630 1,131,894 18,527 2,946 73,651 73,844 2,466,390 3,598,284	(33 (42 \$ 96 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Zhd Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted average common shares and OP units: Convertible Notes Weighted avg. shares and units outstanding - basic Converted warrants, options, pref., debs. (treasury method) Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding Ending debt outstanding Ending common shares/OP units - for dividend Ending mommon shares/OP units - for dividend Ending mommon shares/OP units - for dividend Ending mommon shares/OP units - for dividend Ending market capitalization Debt/total market capitalization	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134 - 68,311 1,244,109 1,266,233 68,999 2,045 68,191 68,358 1,745,180 3,011,413	260 (2,558) (908) \$ (25,58) \$ (25,	(27) (10,989) (1,237) \$ 21,537 \$ 0.464 \$ 0.46 \$ 0.30 71,719 129,571 129,571 1,264,813 (18,482) - 73,844 2,509,219 3,774,932	(26) (12,139) (1,194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 - - 73,844 1,20,563 1,136,313 (128,500) (2,210) 73,651 73,844 2,378,515 3,514,828	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.33 \$ 0.30 73,844 1,107,418 1,078,523 (67,790) 2,210 73,844 1,373,384 1,374,38	(166) (34,649) (4,495) \$ 91,588 \$ 1.76 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 74,378 193 - 73,844 1,077,418 1,077,418 1,077,418 1,076,313 (2,210) - 73,651 73,844 2,348,239 3,424,552	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 - - 73,844 1,086,313 20,000 2,946 73,651 73,851 73,851 73,851 73,851 73,851 73,851 73,851 73,851 73,851 73,851	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 - - 73,844 1,104,840 1,113,367 17,054 1,473 73,651 73,844 2,436,852 3,550,219 31.4%	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 - - 73,844 1,122,630 1,131,894 18,527 2,946 73,651 73,851 73,851 73,851 73,851 73,851 73,851 73,851	(33 (42 \$ 96 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Zhd Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv - dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equivalent Dividends per share Weighted average common shares and OP units: Weighted average common shares and units outstanding - basic Convertible Notes Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding Additional debt issued (retired) during quarter FAD-Dividend Ending common shares/OP units - for dividend Ending common shares/OP units/dilutive outstanding Equity market capitalization Total market capitalization Debt/total market cap Ratios: Net Debt/EBITDA Interest coverage	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1.20 68,177 134	260 (2.558) (908)	(27) (10,98) (1,237) \$ 21,537 \$ 0.46 \$ 0.46 \$ 0.30 \$ 0.30 71,719 193 71,912 1,278,571 1,264,813 (18,482) 73,651 73,844 2,509,219 3,774,032 33,5%	(26) (12.139) (1.194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 	(373) (8,963) (1,156)	(166) (34,649) § 91,588 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 74,378 193 	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 	(33 (42 \$ 96 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
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Add: Non-real estate depreciation & amortization Less: Straight-line rents Less: Zhd Generation TULC Less: Base Building Capital Costs Funds available for distribution (FAD) FFO per share equiv- dil (NAREIT defined) Core FFO/sh - (WRE Defined) FAD per share equiv- dil (NAREIT defined) Dividends per share Weighted average common shares and OP units: Weighted average common shares and OP units: Convertible Nates Weighted avg. shares and units outstanding - basic Convertible Nates Weighted avg. shares and units outstanding - diluted Capitalization Analysis Average debt outstanding Ending debt outstanding Ending debt outstanding Ending debt outstanding Ending common shares/OP units - for dividend Ending ammon shares/OP units - for dividend Ending ammon shares/OP units - for dividend Ending ammon shares/OP units - for dividend Ending ammarket capitalization Debt/botal market capitalization Debt/Detal market capitalization Net Debt/EBITDA Interest coverage Fixed charges coverage Dividend yield (div/stock price)	\$	2,232 (26,065) (6,048) 84,135 1.59 1.71 1.23 1,20 68,177 134 -68,311 1,244,109 1,266,233 68,999 2,045 68,191 68,358 1,745,180 3,011,413 42,0% 2,94 68,194 68,358 1,745,180 2,94 68,194 68,358 1,745,180 2,94 2,94 4,78 4,78	260 (2.558) (908)	(27) (10,98) (1,237) \$ 21,537 \$ 21,537 \$ 0.46 \$ 0.46 \$ 0.30 \$ 0.30 \$ 71,719 193 71,912 1,276,571 1,264,813 (18,482) 73,651 73,844 2,599,219 3,774,032 33.5%	(26) (12.139) (1.194) \$ 19,830 \$ 0.44 \$ 0.27 \$ 0.30 74,378 187 73,844 1,200,563 1,136,313 (128,500) (2,210) 73,651 73,844 2,378,515 3,514,828 32,3% 6.1x 3,4 3,4 3,7%	(373) (8,963) (1,156) \$ 24,018 \$ 0.45 \$ 0.45 \$ 0.33 \$ 0.30 74,378 193 	(166) (34,649) § 91,588 \$ 1.77 \$ 1.28 \$ 1.20 72,194 190 	(361) (8,809) (1,156) \$ 22,188 \$ 0.43 \$ 0.30 \$ 0.30 74,378 193 	(101) (8,909) (1,163) \$ 25,085 \$ 0.46 \$ 0.34 \$ 0.30 74,378 190 	49 (9,009) (1,169) \$ 23,857 \$ 0.45 \$ 0.32 \$ 0.30 74,378 193 73,844 1,104,840 1,113,367 17,054 2,436,852 3,550,219 31,4% 6,1x 3,8 3,8 3,6%	51 (9,109) (1,176) \$ 25,065 \$ 0.47 \$ 0.34 \$ 0.30 74,378 190 	(36 (46 (46 (46 (46 (46 (46 (46 (46 (46 (4
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10.7%

2.8%

FAU payout ratio - oiluted (divir Au per sharle)

97.5%

(1) Assumes midperiod acquisition or development revenue convention.

(2) Net operating income (NOI) is defined as rental revenue plus tenant reimbut

5.3%

(3) Adjusted EIDTDA equals EBITDA deaps reportly sale gains and straight line rents.

Sources: Company data and Stifel estimates.

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