



Easterly Government Properties Acquiring Two Mission Critical Government Facilities and Increases Full Year 2024 Guidance

May 8, 2024

~ Easterly increases its 2024 full year Core FFO per share guidance ~

WASHINGTON--(BUSINESS WIRE)--May 8, 2024-- Easterly Government Properties, Inc. (NYSE: DEA) (the "Company" or "Easterly"), a fully integrated real estate investment trust focused primarily on the acquisition, development and management of Class A commercial properties leased to the U.S. Government and its adjacent partners, announced today that it is acquiring a combined 77,260 square foot portfolio of two assets leased to the U.S. Department of Homeland Security (DHS) and both located in Orlando, Florida.

"HSI - Orlando" is a 27,840 square foot facility 100% leased to Homeland Security Investigations (HSI), the principal investigation arm within the DHS, with a 15-year lease that does not expire until March 2036. HSI is the principal investigative arm within the DHS and helps shield the nation from global threats to ensure Americans are safe and secure. The agency maintains operations in 235 cities nationwide and maintains an international presence that spans over 90 offices in more than 50 countries. HSI - Orlando also houses the Central Florida Intelligence Exchange, which is an all crime and all hazards fusion center, supporting nine counties with on-site staffing from multiple federal, state, and local agencies. Easterly acquired HSI - Orlando on May 7, 2024.

"ICE - Orlando" is a 49,420 square foot facility 100% leased to the U.S. Immigration and Customs Enforcement (ICE). The Orlando-based property features a 20-year lease that does not expire until August 2040. As one of the country's premier federal law enforcement agencies, ICE is dedicated to detecting and dismantling transnational criminal networks that target the American people and threaten our industries, organizations, and financial system. The critical operations housed in this facility cover a significant portion of Central Florida. Easterly is currently under contract to acquire ICE - Orlando and expects to close on the property later this month, subject to customary closing conditions.

In connection with the current and pending acquisition, the Company is increasing its guidance for full-year 2024 Core FFO per share on a fully diluted basis to a range of \$1.15 - \$1.17.

This guidance is forward-looking and reflects management's view of current and future market conditions. The Company's actual results may differ materially from this guidance.

	Low	High
Net income (loss) per share – fully diluted basis	\$ 0.22	0.24
Plus: Company's share of real estate depreciation and amortization	\$ 0.92	0.92
FFO per share – fully diluted basis	\$ 1.14	1.16
Plus: Company's share of depreciation of non-real estate assets	\$ 0.01	0.01
Core FFO per share – fully diluted basis	\$ 1.15	1.17

This guidance assumes (i) the closing of VA - Jacksonville through the Company's joint venture (JV) at the Company's pro rata share of approximately \$41 million, (ii) approximately \$50 million in wholly owned acquisitions throughout 2024, and (iii) \$100 - \$110 million of gross development-related investment during 2024.

"We are pleased to increase guidance in connection with these strategic acquisitions and remain laser-focused on advancing our external growth strategy," said Darrell Crate, Easterly's Chief Executive Officer. "With the addition of these assets and our ongoing emphasis on mission critical government real estate, we believe Easterly is well positioned to deliver long term growth for our shareholders."

Pro forma for acquisitions completed subsequent to quarter end, as well as the expected closing of ICE - Orlando, Easterly owns, directly or through the Company's joint venture, 93 properties totaling 9.1 million square feet.

About Easterly Government Properties, Inc.

Easterly Government Properties, Inc. (NYSE: DEA) is based in Washington, D.C., and focuses primarily on the acquisition, development and management of Class A commercial properties that are leased to the U.S. Government. Easterly's experienced management team brings specialized insight into the strategy and needs of mission-critical U.S. Government agencies for properties leased to such agencies either directly or through the U.S. General Services Administration (GSA). For further information on the company and its properties, please visit www.easterlyreit.com.

This press release contains forward-looking statements within the meaning of federal securities laws and regulations. These forward-looking statements are identified by their use of terms and phrases such as "believe," "expect," "intend," "project," "anticipate," "position," and other similar

terms and phrases, including references to assumptions and forecasts of future results. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks include, but are not limited to those risks and uncertainties associated with our business described from time to time in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K filed on February 27, 2024. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this release is as of the date of this release, and we undertake no obligation to update any forward-looking statement to conform the statement to actual results or changes in our expectations.

Non-GAAP Supplemental Financial Measures

Definitions

Funds From Operations (FFO) is defined, in accordance with the Nareit FFO White Paper - 2018 Restatement, as net income (loss), calculated in accordance with GAAP, excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity. FFO includes the Company's share of FFO generated by unconsolidated affiliates. FFO is a widely recognized measure of REIT performance. Although FFO is a non-GAAP financial measure, the Company believes that information regarding FFO is helpful to shareholders and potential investors.

Core Funds from Operations (Core FFO) adjusts FFO to present an alternative measure of the Company's operating performance, which, when applicable, excludes items which it believes are not representative of ongoing operating results, such as liability management related costs (including losses on extinguishment of debt and modification costs), catastrophic event charges, depreciation of non-real estate assets, and the unconsolidated real estate venture's allocated share of these adjustments. In future periods, the Company may also exclude other items from Core FFO that it believes may help investors compare its results. The Company believes Core FFO more accurately reflects the ongoing operational and financial performance of the Company's core business.

Fully diluted basis assumes the exchange of all outstanding common units representing limited partnership interests in the Company's operating partnership, or common units, the full vesting of all shares of restricted stock, and the exchange of all earned and vested LTIP units in the Company's operating partnership for shares of common stock on a one-for-one basis, which is not the same as the meaning of "fully diluted" under GAAP.

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