

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 or 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported):
May 11, 2021**

Easterly Government Properties, Inc.

(Exact name of Registrant as Specified in Its Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-36834
(Commission
File Number)

47-2047728
(IRS Employer
Identification No.)

**2001 K Street NW, Suite 775 North,
Washington, D.C.**
(Address of Principal Executive Offices)

20006
(Zip Code)

Registrant's Telephone Number, Including Area Code: (202) 595-9500

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	DEA	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On May 11, 2021, Easterly Government Properties, Inc. (the “Company”), and its operating partnership, Easterly Government Properties LP (the “Operating Partnership”), entered into a note purchase agreement (the “Purchase Agreement”), with the purchasers named therein, providing for the future issuance by the Operating Partnership of an aggregate of up to \$250 million of fixed rate, senior unsecured notes (the “Notes”). The Notes are expected to be issued on or around October 14, 2021, subject to customary closing conditions. The following table sets forth the principal amount, interest rate and maturity date of the Notes by series (dollars in thousands):

Series	Principal Amount	Interest Rate	Maturity Date
Series A	\$ 50,000	2.62%	October 14, 2028
Series B	\$ 150,000	2.89%	October 14, 2030

Pursuant to the Purchase Agreement, the Operating Partnership may, at its sole discretion, increase the principal amount of the Series B Notes from \$150 million to up to \$200 million, provided that the Operating Partnership gives notice to the purchasers no later than September 30, 2021.

Interest on the Notes will be payable semiannually. Pursuant to the Purchase Agreement, the Operating Partnership will be permitted to prepay at any time all, or from time to time any part of, the Notes, in the amount not less than 5% of the aggregate principal amount of the Notes then outstanding at (i) 100% of the principal amount so prepaid, together with accrued interest, and (ii) a make-whole amount that is calculated by discounting the value of the remaining scheduled interest payments that would otherwise be payable through the scheduled maturity date of the applicable Notes on the principal amount being prepaid. The Operating Partnership will have the right to make tender offers and may be required to make other prepayment offers under the terms set forth in the Purchase Agreement.

The Company and certain subsidiaries of the Operating Partnership (the “Subsidiary Guarantors”) will guarantee the obligations under the Notes.

Subject to the terms of the Purchase Agreement and the Notes, upon certain events of default, including, but not limited to, (i) a default in the payment of any principal, “make-whole” amount or interest under the Notes, and (ii) a default in the payment of certain other indebtedness of the Operating Partnership or of the Company or of the Subsidiary Guarantors, the principal and accrued and unpaid interest and the make-whole amount on the outstanding Notes will become due and payable at the option of the holders.

The Purchase Agreement and Notes also contains various covenants (including, among others, financial covenants with respect to consolidated net worth, fixed charges and consolidated leverage and covenants relating to liens) and if the Operating Partnership or the Company breaches any of these covenants, the principal and accrued and unpaid interest and the make-whole amount on the outstanding Notes will become due and payable at the option of the holders.

Net proceeds from the private placement of the Notes are intended to be used to repay borrowings outstanding under the Company’s senior unsecured revolving credit facility, to fund potential acquisition opportunities, for general corporate purposes, or a combination of the foregoing. The Notes have not been and will not be registered under the Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. The Notes are to be issued and sold by the Operating Partnership in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act.

Item 7.01 Regulation FD Disclosure.

On May 12, 2021, the Company issued a press release announcing the future issuance by the Operating Partnership of the Notes. A copy of that press release is furnished as Exhibit 99.1 to this Current Report. The information in this Item 7.01 of this Current Report, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall such information be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated May 12, 2021.
104	Cover Page Interactive Data File (embedded within the inline XBRL document.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EASTERLY GOVERNMENT PROPERTIES, INC.

By: /s/ William C. Trimble, III
Name: William C. Trimble, III
Title: Chief Executive Officer and President

Date: May 12, 2021



EASTERLY GOVERNMENT PROPERTIES TO ISSUE UP TO \$250 MILLION IN SENIOR UNSECURED NOTES

WASHINGTON, D.C. – May 12, 2021 – 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 U.S. Government agencies, announced today that it has entered into a note purchase agreement to issue up to \$250 million principal amount of fixed rate senior unsecured notes (the “Notes”). The Notes will be issued and sold by Easterly Government Properties LP, the Company’s operating partnership, pursuant to a Note Purchase Agreement dated May 11, 2021, in the following two tranches:

- \$50 million 2.62% (7-year Treasury + 140 basis point spread) Senior Notes, Series A, due October 14, 2028
- \$150 million 2.89% (ICUR9 + 145 basis point spread) Senior Notes, Series B, due October 14, 2030

The weighted average maturity of the Notes is 8.5 years, and the weighted average interest rate is 2.82%. The Notes are expected to be issued on October 14, 2021, subject to customary closing conditions.

The Company’s operating partnership has the option to increase the Series B tranche of the Notes up to a principal amount of \$200 million.

“The strength of the Company’s stable cash flows backed by the full faith and credit of the United States Government was once again demonstrated in the private placement market,” said Meghan G. Baivier, Easterly’s Chief Financial Officer. “Through this transaction, we were able to extend our debt maturities and provide additional dry powder for future acquisitions at a cost of debt that reflects the superior credit quality of our underlying U.S. Government tenant.”

The Notes have not been and will not be registered under the Securities Act of 1933 or the securities laws of any state or other jurisdiction and may not be offered or sold in the United States or any other jurisdiction absent registration or an exemption from the registration requirements of the Securities Act of 1933 and the applicable securities laws of any state or other jurisdiction.

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 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 24, 2021. 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.

Contact:

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