



Supplemental Information Package

First Quarter 2018

Forward-looking Statement

We make statements in this Supplemental Information Package that are considered “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which are usually identified by the use of words such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “may,” “plans,” “projects,” “seeks,” “should,” “will,” and variations of such words or similar expressions. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and are including this statement in this Supplemental Information Package for purposes of complying with those safe harbor provisions. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation: risks associated with our dependence on the U.S. Government and its agencies for substantially all of our revenues; risks associated with ownership and development of real estate; decreased rental rates or increased vacancy rates; loss of key personnel; general volatility of the capital and credit markets and the market price of our common stock; the risk we may lose one or more major tenants; difficulties in completing and successfully integrating acquisitions; failure of acquisitions or development projects to occur at anticipated levels or to yield anticipated results; risks associated with actual or threatened terrorist attacks; intense competition in the real estate market that may limit our ability to attract or retain tenants or re-lease space; insufficient amounts of insurance or exposure to events that are either uninsured or underinsured; uncertainties and risks related to adverse weather conditions, natural disasters and climate change; exposure to liability relating to environmental and health and safety matters; limited ability to dispose of assets because of the relative illiquidity of real estate investments and the nature of our assets; exposure to litigation or other claims; risks associated with breaches of our data security; risks associated with our indebtedness; and other risks and uncertainties detailed in the “Risk Factors” section of our Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on March 1, 2018 and the factors included under the heading “Risk Factors” in our other public filings. In addition, our qualification as a real estate investment trust involves the application of highly technical and complex provisions of the Internal Revenue Code of 1986, or the Code, and depends on our ability to meet the various requirements imposed by the Code through actual operating results, distribution levels and diversity of stock ownership. We assume no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Ratings

Ratings are not recommendations to buy, sell or hold the Company’s securities.

The following discussion related to the consolidated financial statements of the Company should be read in conjunction with the financial statements for the quarter ended March 31, 2018 that will be released on Form 10-Q to be filed on or about May 8, 2018.

Supplemental Definitions

This section contains definitions of certain non-GAAP financial measures and other terms that the Company uses in this Supplemental Information Package and, where applicable, the reasons why management believes these non-GAAP financial measures provide useful information to investors about the Company's financial condition and results of operations and the other purposes for which management uses the measures. These measures should not be considered in isolation or as a substitute for measures of performance in accordance with GAAP. Additional detail can be found in the Company's most recent quarterly report on Form 10-Q and the Company's most recent annual report on Form 10-K, as well as other documents filed with or furnished to the SEC from time to time.

Annualized lease income is defined as the annualized contractual base rent for the last month in a specified period, plus the annualized straight-line rent adjustments for the last month in such period and the annualized expense reimbursements earned by us for the last month in such period.

Cash Available for Distribution (CAD) is a non-GAAP financial measure that is not intended to represent cash flow for the period and is not indicative of cash flow provided by operating activities as determined under GAAP. CAD is calculated in accordance with the current NAREIT definition as FFO minus normalized recurring real estate-related expenditures and other non-cash items and nonrecurring expenditures. CAD is presented solely as a supplemental disclosure because the Company believes it provides useful information regarding the Company's ability to fund its dividends. Because all companies do not calculate CAD the same way, the presentation of CAD may not be comparable to similarly titled measures of other companies.

EBITDA is calculated as the sum of net income (loss) before interest expense, income taxes, depreciation and amortization. EBITDA is not intended to represent cash flow for the period, is not presented as an alternative to operating income as an indicator of operating performance, should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP and is not indicative of operating income or cash provided by operating activities as determined under GAAP. EBITDA is presented solely as a supplemental disclosure with respect to liquidity because the Company believes it provides useful information regarding the Company's ability to service or incur debt. Because all companies do not calculate EBITDA the same way, the presentation of EBITDA may not be comparable to similarly titled measures of other companies.

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.

Funds From Operations (FFO) is defined by NAREIT as net income (loss), calculated in accordance with GAAP, excluding gains or losses from sales of property and impairment losses on depreciable real estate, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. 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.

Funds From Operations, as Adjusted (FFO, as Adjusted) adjusts FFO to present an alternative measure of our operating performance, which, when applicable, excludes the impact of acquisition costs, straight-line rent, above-/below-market leases, non-cash interest expense and non-cash compensation. By excluding income and expense items such as straight-line rent, above-/below-market leases, non-cash interest expense, non-cash compensation and other non-cash items including amortization of lease inducements from FFO, as Adjusted, the Company believes it provides useful information as these items have no cash impact. In addition, by excluding acquisition related costs the Company believes FFO, as Adjusted provides useful information that is comparable across periods and more accurately reflects the operating performance of the Company's properties.

Supplemental Definitions

Net Operating Income (NOI) is calculated as net income plus depreciation and amortization, acquisition costs, corporate general and administrative costs and interest expense. Cash NOI excludes from NOI straight-line rent and amortization of above-/below market leases and lease inducements. NOI and Cash NOI presented by the Company may not be comparable to NOI and Cash NOI reported by other REITs that define NOI and Cash NOI differently. The Company believes that NOI and Cash NOI provide investors with useful measures of the operating performance of our properties. NOI and Cash NOI should not be considered an alternative to net income as an indication of our performance or to cash flows as a measure of the Company's liquidity or its ability to make distributions.

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Corporate Information and Analyst Coverage



Corporate Information

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Stock Exchange Listing

New York Stock Exchange

Ticker

DEA

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Michael Ibe, Vice-Chairman and EVP
Alison Bernard, CAO

Darrell Crate, Chairman
Meghan Baivier, CFO & COO
Ronald Kendall, EVP

Board of Directors

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Darrell Crate
Cynthia Fisher
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Any opinions, estimates, forecasts or predictions regarding Easterly Government Properties, Inc.'s performance made by these analysts are theirs alone and do not represent opinions, estimates, forecasts or predictions of Easterly Government Properties, Inc. or its management. Easterly Government Properties, Inc. does not by its reference above or distribution imply its endorsement of or concurrence with such opinions, estimates, forecasts or predictions.

Executive Summary

(In thousands, except share amounts)



	Three months ended March 31, 2018	Earnings	Three months ended March 31, 2018	Three months ended March 31, 2017 ⁽³⁾
Price of Common Shares				
High closing price during period	\$ 21.28	Net income available to Easterly Government Properties, Inc.	\$ 1,519	\$ 1,237
Low closing price during period	\$ 19.04	Net income available to Easterly Government Properties, Inc.		
End of period closing price	\$ 20.40	per share:		
		Basic	\$ 0.03	\$ 0.03
		Diluted	\$ 0.03	\$ 0.03
Outstanding Classes of Stock and Partnership Units - Fully Diluted Basis				
	At March 31, 2018	Net income	\$ 1,815	\$ 1,541
Common shares	45,440,794	Net income, per share - fully diluted basis	\$ 0.03	\$ 0.03
Unvested restricted shares	17,912			
Common partnership and vested LTIP units	9,307,730	Funds From Operations ("FFO")	\$ 16,449	\$ 14,410
Total - fully diluted basis	54,766,436	FFO, per share - fully diluted basis	\$ 0.31	\$ 0.31
		Funds From Operations, as Adjusted	\$ 13,728	\$ 13,644
		FFO, as Adjusted, per share - fully diluted basis	\$ 0.26	\$ 0.30
Market Capitalization				
	At March 31, 2018	Cash Available for Distribution	\$ 11,897	\$ 12,142
Total equity market capitalization - fully diluted basis	\$ 1,117,235			
Consolidated debt ⁽¹⁾	577,892			
Cash and cash equivalents	(9,591)			
Total enterprise value	\$ 1,685,536			
Liquidity				
				At March 31, 2018
		Cash and cash equivalents	\$	9,591
Ratios				
	At March 31, 2018	Unsecured revolving credit facility		
Net debt to total enterprise value	33.7%	Total current facility size ⁽²⁾	\$	400,000
Net debt to annualized quarterly EBITDA	6.4x	Less: outstanding balance		(98,750)
Cash interest coverage ratio	4.1x	Available under unsecured revolving credit facility	\$	301,250
Cash fixed charge coverage ratio	3.6x			

⁽¹⁾Excludes unamortized premiums / discounts and deferred financing fees.

⁽²⁾Credit facility has an accordion feature that provides additional capacity, subject to the satisfaction of customary terms and conditions, of up to \$250 million, for a total facility size of not more than \$650 million.

⁽³⁾ In the fourth quarter of 2017, the Company revised the prior period depreciation and amortization expense amount. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, for a detailed discussion of the revision.

Balance Sheets

(Unaudited, in thousands, except share amounts)



	<u>March 31, 2018</u>	<u>December 31, 2017</u>
Assets		
Real estate properties, net	\$ 1,232,211	\$ 1,230,162
Cash and cash equivalents	9,591	12,682
Restricted cash	4,389	3,519
Deposits on acquisitions	1,050	750
Rents receivable	13,565	12,751
Accounts receivable	9,911	9,347
Deferred financing, net	733	945
Intangible assets, net	136,651	143,063
Interest rate swaps	5,890	4,031
Prepaid expenses and other assets	10,710	8,088
Total assets	<u>\$ 1,424,701</u>	<u>\$ 1,425,338</u>
Liabilities		
Revolving credit facility	98,750	99,750
Term loan facility, net	99,236	99,202
Notes payable, net	173,702	173,692
Mortgage notes payable, net	202,495	203,250
Intangible liabilities, net	36,093	38,569
Accounts payable and accrued liabilities	19,733	19,786
Total liabilities	<u>630,009</u>	<u>634,249</u>
Equity		
Common stock, par value \$0.01, 200,000,000 shares authorized, 45,458,706 and 44,787,040 shares issued and outstanding at March 31, 2018 and December 31, 2017, respectively.	455	448
Additional paid-in capital	741,089	740,546
Retained earnings	8,646	7,127
Cumulative dividends	(95,447)	(83,718)
Accumulated other comprehensive income	4,889	3,403
Total stockholders' equity	<u>659,632</u>	<u>667,806</u>
Non-controlling interest in Operating Partnership	135,060	123,283
Total equity	<u>794,692</u>	<u>791,089</u>
Total liabilities and equity	<u>\$ 1,424,701</u>	<u>\$ 1,425,338</u>

Income Statements

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



	Three Months Ended	
	March 31, 2018	March 31, 2017 ⁽¹⁾
Revenues		
Rental income	\$ 32,289	\$ 26,020
Tenant reimbursements	3,483	3,628
Other income	202	239
Total revenues	<u>35,974</u>	<u>29,887</u>
Operating expenses		
Property operating	6,560	6,349
Real estate taxes	3,700	2,735
Depreciation and amortization	14,634	12,869
Acquisition costs	224	532
Corporate general and administrative	3,459	3,444
Total expenses	<u>28,577</u>	<u>25,929</u>
Operating income	<u>7,397</u>	<u>3,958</u>
Other expenses		
Interest expense, net	(5,582)	(2,417)
Net income	<u>1,815</u>	<u>1,541</u>
Non-controlling interest in Operating Partnership	(296)	(304)
Net income available to Easterly Government Properties, Inc.	<u>\$ 1,519</u>	<u>\$ 1,237</u>
Net income available to Easterly Government Properties, Inc. per share:		
Basic	<u>\$ 0.03</u>	<u>\$ 0.03</u>
Diluted	<u>\$ 0.03</u>	<u>\$ 0.03</u>
Weighted-average common shares outstanding:		
Basic	45,008,062	36,891,595
Diluted	46,018,040	39,143,887
Net income, per share - fully diluted basis	<u>\$ 0.03</u>	<u>\$ 0.03</u>
Weighted average common shares outstanding - fully diluted basis	53,813,881	45,947,709

⁽¹⁾In the fourth quarter of 2017, the Company revised the prior period depreciation and amortization expense amount. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, for a detailed discussion of the revision.

Net Operating Income

(Unaudited, in thousands)



	Three Months Ended	
	March 31, 2018	March 31, 2017 ⁽¹⁾
Net income	\$ 1,815	\$ 1,541
Depreciation and amortization	14,634	12,869
Acquisition costs	224	532
Corporate general and administrative	3,459	3,444
Interest expense	5,582	2,417
Net Operating Income	<u>25,714</u>	<u>20,803</u>
Adjustments to Net Operating Income:		
Straight-line rent and other non-cash adjustments	(1,792)	(140)
Above-/below-market leases	(2,279)	(2,112)
Cash Net Operating Income	<u>\$ 21,643</u>	<u>\$ 18,551</u>

⁽¹⁾In the fourth quarter of 2017, the Company revised the prior period depreciation and amortization expense amount. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, for a detailed discussion of the revision.

EBITDA, FFO and CAD

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



	Three Months Ended	
	March 31, 2018	March 31, 2017 ⁽¹⁾
Net income	\$ 1,815	\$ 1,541
Depreciation and amortization	14,634	12,869
Interest expense	5,582	2,417
EBITDA	<u>\$ 22,031</u>	<u>\$ 16,827</u>
Net income	\$ 1,815	\$ 1,541
Depreciation and amortization	14,634	12,869
Funds From Operations (FFO)	<u>\$ 16,449</u>	<u>\$ 14,410</u>
Adjustments to FFO:		
Acquisition costs	224	532
Straight-line rent and other non-cash adjustments	(1,794)	(143)
Above-/below-market leases	(2,279)	(2,112)
Non-cash interest expense	264	230
Non-cash compensation	864	727
Funds From Operations, as Adjusted	<u>\$ 13,728</u>	<u>\$ 13,644</u>
FFO, per share - fully diluted basis	<u>\$ 0.31</u>	<u>\$ 0.31</u>
FFO, as Adjusted, per share - fully diluted basis	<u>\$ 0.26</u>	<u>\$ 0.30</u>
Funds From Operations, as Adjusted	\$ 13,728	\$ 13,644
Acquisition costs	(224)	(532)
Principal amortization	(763)	(732)
Maintenance capital expenditures	(466)	(185)
Contractual tenant improvements	(95)	(13)
Leasing related expenditures	(283)	(40)
Cash Available for Distribution (CAD)	<u>\$ 11,897</u>	<u>\$ 12,142</u>
Weighted average common shares outstanding - fully diluted basis	53,813,881	45,947,709

⁽¹⁾In the fourth quarter of 2017, the Company revised the prior period depreciation and amortization expense amount. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, for a detailed discussion of the revision.

Debt Schedules

(Unaudited, in thousands)



Debt Instrument	Maturity Date	Stated Rate ⁽¹⁾	March 31, 2018 Balance ⁽²⁾	March 31, 2018 Percent of Total Indebtedness
Unsecured debt				
Unsecured revolving credit facility ⁽³⁾	11-Feb-19 ⁽⁴⁾	LIBOR + 150bps	\$ 98,750	17.1%
Unsecured term loan facility	29-Sep-23	3.17% ⁽⁵⁾	100,000	17.3%
Notes payable - series A	25-May-27	4.05%	95,000	16.4%
Notes payable - series B	25-May-29	4.15%	50,000	8.7%
Notes payable - series C	25-May-32	4.30%	30,000	5.2%
Total unsecured debt	6.7 years (wtd-avg maturity)	3.66% (wtd-avg rate)	\$ 373,750	64.7%
Secured mortgage debt				
VA - Loma Linda	6-Jul-27	3.59%	\$ 127,500	22.1%
ICE - Charleston	15-Jan-27	4.21%	19,517	3.4%
USFS II - Albuquerque	14-Jul-26	4.46%	16,816	2.9%
DEA - Pleasanton	18-Oct-23	LIBOR + 150bps	15,700	2.7%
CBP - Savannah	10-Jul-33	3.40%	14,035	2.4%
MEPCOM - Jacksonville	14-Oct-25	4.41%	10,574	1.8%
Total secured mortgage debt	9.2 years (wtd-avg maturity)	3.72% (wtd-avg rate)	\$ 204,142	35.3%
Debt Statistics				
			March 31, 2018	
Variable rate debt - unhedged	\$		114,450	
Fixed rate debt			463,442	
Total debt⁽²⁾	\$		577,892	
% Variable rate debt - unhedged				19.8%
% Fixed rate debt				80.2%
Weighted average maturity			7.6 years	
Weighted average interest rate			3.7%	

⁽¹⁾Average stated rates represent the weighted average interest rate at March 31, 2018.

⁽²⁾Excludes unamortized premiums / discounts and deferred financing fees.

⁽³⁾Credit facility has available capacity of \$301.2 million as of March 31, 2018.

⁽⁴⁾Credit facility has two six-month as-of-right extension options, subject to certain conditions and the payment of an extension fee.

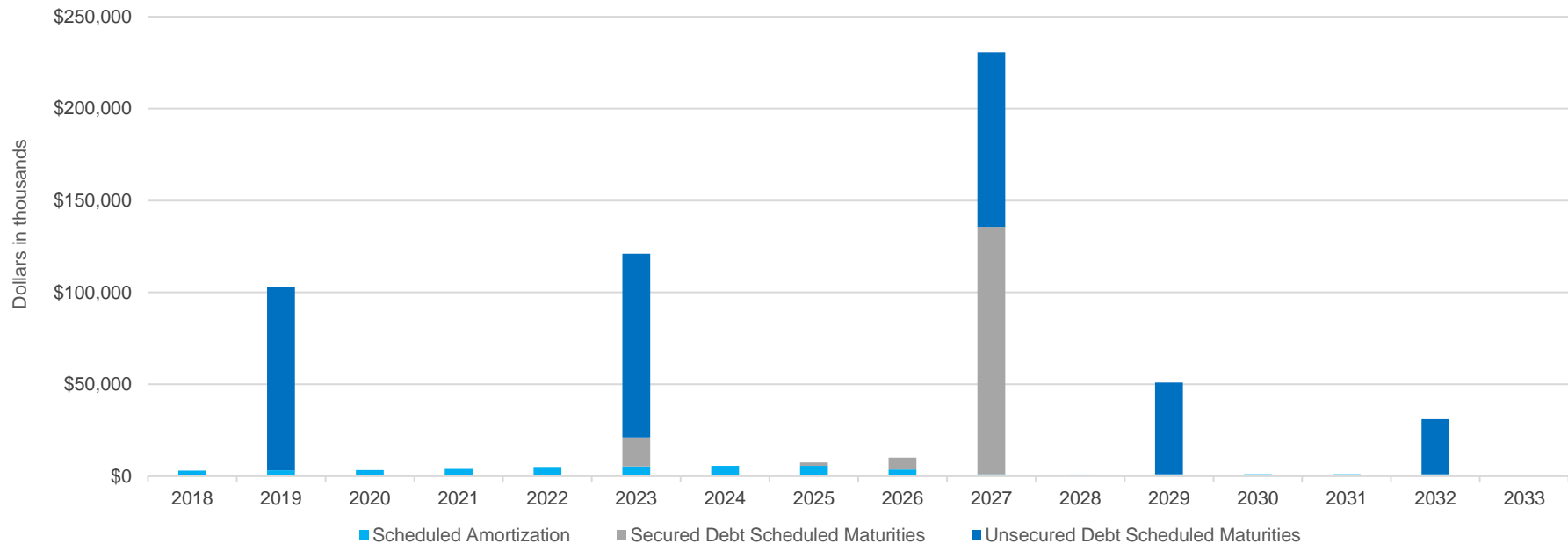
⁽⁵⁾The stated rate is calculated based on two interest rate swaps with an effective date of March 29, 2017 with an aggregate notional value of \$100.0 million, which effectively fix the interest rate at 3.17% annually based on the Company's current leverage ratio.

Debt Maturities

(Unaudited, in thousands)



Year	Secured Debt		Unsecured Debt		Total	Percentage of Debt Maturing	Weighted Average Interest Rate of Scheduled Maturities
	Scheduled Amortization	Scheduled Maturities	Scheduled Maturities				
2018	\$ 2,337	\$ -	\$ -	\$ -	2,337	0.4%	-
2019	3,229	-	98,750	-	101,979	17.6%	3.33%
2020	3,395	-	-	-	3,395	0.6%	-
2021	4,054	-	-	-	4,054	0.7%	-
2022	5,109	-	-	-	5,109	0.9%	-
2023	5,388	15,700	100,000	-	121,088	21.0%	3.17%
2024	5,679	-	-	-	5,679	1.0%	-
2025	5,633	1,917	-	-	7,550	1.3%	4.41%
2026	3,686	6,368	-	-	10,054	1.7%	4.46%
2027	1,093	134,640	95,000	-	230,733	39.9%	3.82%
2028	983	-	-	-	983	0.2%	-
2029	1,016	-	50,000	-	51,016	8.8%	4.15%
2030	1,049	-	-	-	1,049	0.2%	-
2031	1,082	-	-	-	1,082	0.2%	-
2032	1,116	-	30,000	-	31,116	5.4%	4.30%
2033	668	-	-	-	668	0.1%	-
Total	\$ 45,517	\$ 158,625	\$ 373,750	\$ -	577,892	100.0%	



Operating Property Overview

(As of March 31, 2018, unaudited)



Property Name	Location	Property Type	Tenant Lease Expiration Year	Year Built / Renovated	Rentable Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income	Annualized Lease Income per Leased Square Foot
U.S. Government Leased Properties								
VA - Loma Linda	Loma Linda, CA	Outpatient Clinic	2036	2016	327,614	\$ 16,015,434	12.2%	\$ 48.89
IRS - Fresno	Fresno, CA	Office	2018	2003	180,481	7,578,831	5.8%	41.99
FBI - Salt Lake	Salt Lake City, UT	Office	2032	2012	169,542	6,746,595	5.1%	39.79
PTO - Arlington	Arlington, VA	Office	2019 / 2020	2009	189,871	6,519,811	5.0%	34.34
FBI - San Antonio	San Antonio, TX	Office	2021	2007	148,584	5,132,896	3.9%	34.55
FBI - Omaha	Omaha, NE	Office	2024	2009	112,196	4,437,584	3.4%	39.55
EPA - Kansas City	Kansas City, KS	Laboratory	2023	2003	71,979	4,171,384	3.2%	57.95
VA - South Bend	Mishakawa, IN	Outpatient Clinic	2032	2017	86,363	3,985,799	3.0%	46.15
ICE - Charleston	North Charleston, SC	Office	2021 / 2027	1994 / 2012	86,733	3,772,210	2.9%	43.49
DOT - Lakewood	Lakewood, CO	Office	2024	2004	122,225	3,382,692	2.7%	27.68
USCIS - Lincoln	Lincoln, NE	Office	2020	2005	137,671	3,298,565	2.5%	23.96
FBI - Birmingham	Birmingham, AL	Office	2020	2005	96,278	3,285,723	2.5%	34.13
AOC - El Centro	El Centro, CA	Courthouse/Office	2019	2004	46,813	3,099,437	2.4%	66.21
OSHA - Sandy	Sandy, UT	Laboratory	2024	2003	75,000	2,979,790	2.3%	39.73
USFS II - Albuquerque	Albuquerque, NM	Office	2026	2011	98,720	2,856,835	2.2%	28.94
ICE - Albuquerque	Albuquerque, NM	Office	2027	2011	71,100	2,804,426	2.1%	39.44
DEA - Vista	Vista, CA	Laboratory	2020	2002	54,119	2,777,302	2.1%	51.32
DEA - Pleasanton	Pleasanton, CA	Laboratory	2035	2015	42,480	2,770,028	2.1%	65.21
FBI - Richmond	Richmond, VA	Office	2021	2001	96,607	2,737,803	2.1%	28.34
USFS I - Albuquerque	Albuquerque, NM	Office	2021	2006	92,455	2,737,373	2.1%	29.61
AOC - Del Rio	Del Rio, TX	Courthouse/Office	2024	1992 / 2004	89,880	2,667,861	2.0%	29.68
DEA - Dallas Lab	Dallas, TX	Laboratory	2021	2001	49,723	2,414,114	1.8%	48.55
FBI - Little Rock	Little Rock, AR	Office	2021	2001	101,977	2,206,381	1.7%	21.64
MEPCOM - Jacksonville	Jacksonville, FL	Office	2025	2010	30,000	2,183,870	1.7%	72.80
CBP - Savannah	Savannah, GA	Laboratory	2033	2013	35,000	2,118,784	1.6%	60.54
FBI - Albany	Albany, NY	Office	2018	1998	98,184	2,098,811	1.6%	21.38
DEA - Santa Ana	Santa Ana, CA	Office	2024	2004	39,905	2,078,323	1.6%	52.08
DOE - Lakewood	Lakewood, CO	Office	2029	1999	115,650	2,068,524	1.6%	17.89
DEA - Dallas	Dallas, TX	Office	2021	2001	71,827	1,830,279	1.4%	25.48
NPS - Omaha	Omaha, NE	Office	2024	2004	62,772	1,751,754	1.3%	27.91

Operating Property Overview (Cont.)

(As of March 31, 2018, unaudited)



Property Name	Location	Property Type	Tenant Lease Expiration Year	Year Built / Renovated	Rentable Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income	Annualized Lease Income per Leased Square Foot
U.S. Government Leased Properties (Cont.)								
ICE - Otay	San Diego, CA	Office	2022 / 2026	2001	52,881	1,735,240	1.3%	35.09
DEA - North Highlands	Sacramento, CA	Office	2018	2002	37,975	1,721,698	1.3%	45.34
CBP - Chula Vista	Chula Vista, CA	Office	2018	1998	59,397	1,710,248	1.3%	28.79
CBP - Sunburst	Sunburst, MT	Office	2028	2008	33,000	1,597,758	1.2%	48.42
USCG - Martinsburg	Martinsburg, WV	Office	2027	2007	59,547	1,582,249	1.2%	26.57
DEA - Birmingham	Birmingham, AL	Office	2020	2005	35,616	1,533,079	1.2%	43.04
DEA - Otay	San Diego, CA	Office	2018	1997	32,560	1,482,682	1.1%	45.54
AOC - Aberdeen	Aberdeen, MS	Courthouse/Office	2025	2005	46,979	1,465,665	1.1%	31.20
DEA - Albany	Albany, NY	Office	2025	2004	31,976	1,422,021	1.1%	44.47
DEA - Riverside	Riverside, CA	Office	2032	1997	34,354	1,235,147	0.9%	35.95
AOC - South Bend	South Bend, IN	Courthouse/Office	2027	1996 / 2011	30,119	823,889	0.6%	27.35
DEA - San Diego	San Diego, CA	Warehouse	2032	1999	16,100	530,404	0.4%	32.94
SSA - Mission Viejo	Mission Viejo, CA	Office	2020	2005	11,590	467,296	0.4%	40.32
SSA - San Diego	San Diego, CA	Office	2032	2003	10,856	327,423	0.2%	32.55
Subtotal					3,494,699	\$ 130,144,018	99.2%	\$ 37.29
Privately Leased Properties								
5998 Osceola Court - United Technologies	Midland, GA	Warehouse/Manufacturing	2023	2014	105,641	544,405	0.4%	5.15
501 East Hunter Street - Lummus Corporation	Lubbock, TX	Warehouse/Distribution	2028	2013	70,078	527,804	0.4%	7.53
Subtotal					175,719	\$ 1,072,209	0.8%	\$ 6.10
Total / Weighted Average					3,670,418	\$ 131,216,227	100.0%	\$ 35.79

Tenants

(As of March 31, 2018, unaudited)



Tenant	Number of Properties	Number of Leases	Weighted Average Remaining Lease Term ⁽¹⁾	Leased Square Feet	Percentage of Leased Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income
U.S. Government							
Federal Bureau of Investigation ("FBI")	7	7	5.5	823,368	22.6%	\$ 26,645,793	20.3%
Department of Veteran Affairs ("VA")	2	2	17.4	413,977	11.3%	20,001,233	15.2%
Drug Enforcement Administration ("DEA")	11	11	6.0	441,340	12.0%	19,566,920	14.9%
Administrative Office of the U.S. Courts ("AOC")	4	4	5.6	213,791	5.8%	8,056,852	6.1%
Internal Revenue Service ("IRS")	1	1	0.7	180,481	4.9%	7,578,831	5.8%
Immigration and Customs Enforcement ("ICE")	3	3	7.6	172,270	4.7%	7,206,384	5.5%
Patent and Trademark Office ("PTO")	1	2	1.1	189,871	5.2%	6,519,811	5.0%
U.S. Forest Service ("USFS")	2	2	5.8	191,175	5.2%	5,594,208	4.3%
Customs and Border Protection ("CBP")	3	3	7.0	127,397	3.5%	5,426,790	4.1%
Environmental Protection Agency ("EPA")	1	1	5.0	71,979	2.0%	4,171,384	3.2%
Department of Transportation ("DOT")	1	2	6.1	129,659	3.5%	3,628,580	2.8%
U.S. Citizenship and Immigration Services ("USCIS")	1	1	2.4	137,671	3.8%	3,298,565	2.5%
Occupational Safety and Health Administration ("OSHA")	1	1	5.8	75,000	2.0%	2,979,790	2.3%
Military Entrance Processing Command ("MEPCOM")	1	1	7.5	30,000	0.8%	2,183,870	1.7%
Department of Energy ("DOE")	1	1	11.6	115,650	3.2%	2,068,524	1.6%
National Park Service ("NPS")	1	1	6.2	62,772	1.7%	1,751,754	1.3%
U.S. Coast Guard ("USCG")	1	1	9.7	59,547	1.6%	1,582,249	1.2%
Social Security Administration ("SSA")	2	2	8.3	21,649	0.6%	794,719	0.6%
Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF") ⁽²⁾	0	0	2.7	8,680	0.2%	373,628	0.3%
U.S. Department of Agriculture ("USDA")	0	1	7.8	1,538	0.0%	54,999	0.0%
U.S. Marshals Service ("USMS") ⁽³⁾	0	0	8.8	1,054	0.0%	47,002	0.0%
Subtotal	44	47	6.9	3,468,869	94.6%	\$ 129,531,886	98.7%
Private Tenants							
We Are Sharing Hope SC ⁽⁴⁾	0	1	3.5	21,609	0.6%	\$ 612,132	0.5%
United Technologies (Pratt & Whitney)	1	1	5.8	105,641	2.9%	544,405	0.4%
Lummus Corporation	1	1	10.3	70,078	1.9%	527,804	0.4%
Subtotal	2	3	7.1	197,328	5.4%	\$ 1,684,341	1.3%
Total / Weighted Average	46	50	6.9	3,666,197	100.0%	\$ 131,216,227	100.0%

⁽¹⁾Weighted based on leased square feet.

⁽²⁾ATF occupies the first floor of the DEA - Birmingham building in a joint lease with the DEA.

⁽³⁾USMS occupies a portion of the ICE - Charleston building in a joint lease with ICE and the DEA.

⁽⁴⁾LifePoint, Inc. changed its legal name to We Are Sharing Hope SC in the first quarter of 2017.

Lease Expirations

(As of March 31, 2018, unaudited)



Year of Lease Expiration	Number of Leases Expiring	Square Footage Expiring	Percentage of Total Square Footage Expiring	Annualized Lease Income Expiring	Percentage of Total Annualized Lease Income Expiring	Annualized Lease Income per Leased Square Foot Expiring
2018	6	408,597	11.1%	\$ 14,592,270	11.1%	\$ 35.71
2019	2	215,281	5.9%	8,849,543	6.7%	41.11
2020	7	356,677	9.7%	12,131,670	9.2%	34.01
2021	7	582,782	15.9%	17,670,978	13.5%	30.32
2022	2	47,919	1.3%	1,680,241	1.3%	35.06
2023	2	177,620	4.8%	4,715,789	3.6%	26.55
2024	6	501,978	13.7%	17,298,004	13.2%	34.46
2025	3	108,955	3.0%	5,071,556	3.9%	46.55
2026	2	100,258	2.7%	2,911,834	2.2%	29.04
2027	6	225,890	6.2%	8,370,642	6.4%	37.06
Thereafter	7	940,240	25.7%	37,923,700	28.9%	40.33
Total / Weighted Average	50	3,666,197	100.0%	\$ 131,216,227	100.0%	\$ 35.79

Summary of Re/Development Projects

(As of March 31, 2018, unaudited, costs in thousands)



Projects Under Construction⁽¹⁾

Property Name	Location	Property Type	Total Rentable Square Feet	Percentage Leased	Lease Term	Anticipated Total Cost	Cost to Date	Anticipated Completion Date	Anticipated Lease Commencement
FEMA - Tracy	Tracy, CA	Warehouse/Office	210,373	100%	20-Year	\$ 44,643	\$ 24,461	3Q 2018	3Q 2018
Total			210,373			\$ 44,643	\$ 24,461		

Projects in Design⁽²⁾

Property Name	Location	Property Type	Total Estimated Rentable Square Feet	Percentage Leased	Lease Term	Anticipated Completion Date	Anticipated Lease Commencement
FDA - Alameda	Alameda, CA	Laboratory	69,624	100%	20-Year	4Q 2019	4Q 2019
FDA - Lenexa	Lenexa, KS	Laboratory	53,120	100%	20-Year	2Q 2020	2Q 2020
Total			122,744				

⁽¹⁾Includes properties under construction for which design is complete.

⁽²⁾Includes properties in the design phase for which project scope is not fully determined.