

**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):  
November 2, 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 2.02 Results of Operations and Financial Condition.**

On November 2, 2021, we issued a press release announcing our results of operations for the third quarter ended September 30, 2021. A copy of this press release as well as a copy of our supplemental information package are available on our website and are attached hereto as Exhibits 99.1 and 99.2 and incorporated herein by reference. The information in this Item 2.02 as well as the attached Exhibits 99.1 and 99.2 are being furnished and shall not be deemed “filed” for any purpose, including for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act regardless of any general incorporation language in such filing.

We will host a webcast and conference call at 11:00a.m. Eastern Time November 2, 2021, to review our third quarter 2021 performance, discuss recent events and conduct a question-and-answer session. The number to call is 1-877-705-6003 (domestic) and 1-201-493-6725 (international). A live webcast will be available in the Investor Relations section of our website. A replay of the conference call will be available through November 16, 2021, by dialing 1-844-512-2921 (domestic) and 1-412-317-6671 (international) and entering the passcode 13724086. Please note that the full text of the press release and supplemental information package are available through our website at [ir.easterlyreit.com](http://ir.easterlyreit.com). The information contained on our website is not incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press Release dated November 2, 2021.</a>
99.2	<a href="#">Easterly Government Properties, Inc. Supplemental Information Package for the quarter ended September 30, 2021.</a>
104	Cover Page Interactive Data File (embedded within the inline XBRL document.)

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**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: November 2, 2021



## EASTERLY GOVERNMENT PROPERTIES REPORTS THIRD QUARTER 2021 RESULTS

WASHINGTON, D.C. – November 2, 2021 – Easterly Government Properties, Inc. (NYSE: DEA) (the “Company” or “Easterly”), a fully integrated real estate investment trust (“REIT”) focused primarily on the acquisition, development and management of Class A commercial properties leased to the U.S. Government, today announced its results of operations for the quarter ended September 30, 2021.

### Highlights for the Quarter Ended September 30, 2021:

- Net income of \$9.0 million, or \$0.09 per share on a fully diluted basis
- FFO of \$31.0 million, or \$0.33 per share on a fully diluted basis
- FFO, as Adjusted of \$29.2 million, or \$0.31 per share on a fully diluted basis
- CAD of \$26.1 million
- Announced an increased quarterly cash dividend of \$0.265 per share
- Completed an underwritten public offering of an aggregate of 6,300,000 shares of the Company’s common stock (the “Underwritten Equity Offering”) offered solely on a forward basis in connection with forward sale agreements entered into with certain financial institutions, acting as forward purchasers. Upon settlement of the forward sale agreements, the offering is expected to result in approximately \$136.3 million of net proceeds to the Company, assuming the forward sale agreements are physically settled in full
- Announced an expanded and amended senior unsecured credit facility (the “Amended Credit Facility”), consisting of a \$450.0 million revolving senior unsecured credit facility (the “Revolver”) and a \$200.0 million delayed-draw senior unsecured term loan facility (the “Term Loan”) for a total credit facility size of \$650.0 million. The Amended Credit Facility features a sustainability-linked pricing component whereby the spread will decrease by 0.01% if Easterly achieves certain sustainability targets
- Acquired a 61,384 leased square foot multi-tenanted facility in Cleveland, Ohio (“Various GSA - Cleveland”). This 100% leased facility was substantially renovated in 2016 and 2021 and is leased to several key agencies, including U.S. Immigration and Customs Enforcement (ICE), the National Weather Service (NWS), and a private nonprofit health care organization known as VNA Health Group (VNA)
- Completed the strategic disposition of a 105,641 leased square foot privately leased warehouse facility located in Midland, Georgia
- Issued 2,114,408 shares of the Company’s common stock through the Company’s ATM Programs launched in 2019 (the “2019 ATM Programs”) at a net weighted average price of \$23.65 per share, raising net proceeds to the Company of approximately \$50.0 million. All shares issued in the quarter ended September 30, 2021 were issued in settlement of certain forward sales transactions entered into in prior quarters
- Expects to receive, as of the date of this release, net proceeds of approximately \$177.7 million from the sale of 8,185,289 shares of the Company’s common stock that have not yet been settled pursuant to the Underwritten Equity Offering and under the Company’s \$300.0 million ATM Program launched in December 2019 (the “December 2019 ATM Program”), assuming these forward sales transactions are physically settled in full using a net weighted average initial forward sales price of \$21.71 per share

"In the third quarter, Easterly further enhanced the quality of the portfolio while also extending the Company's weighted average debt maturity and de-levering the balance sheet," said William C. Trimble, III, Easterly's Chief Executive Officer. "With increased capacity and strong visibility of our identified pipeline for years to come, Easterly is well positioned to seize future growth opportunities for the benefit of our shareholders."

#### **Financial Results for the Nine Months Ended September 30, 2021:**

Net income of \$26.2 million, or \$0.28 per share on a fully diluted basis

FFO of \$92.4 million, or \$0.98 per share on a fully diluted basis

FFO, as Adjusted of \$86.7 million, or \$0.92 per share on a fully diluted basis

CAD of \$73.8 million

#### **Portfolio Operations**

As of September 30, 2021, the Company wholly owned 83 operating properties in the United States encompassing approximately 7.5 million leased square feet, including 82 operating properties that were leased primarily to U.S. Government tenant agencies and one operating property that is entirely leased to a private tenant. In addition, the Company wholly owned one property under re-development that the Company expects will encompass approximately 0.2 million rentable square feet upon completion. The re-development project, located in Atlanta, Georgia, is currently in design and, once complete, a 20-year lease with the GSA is expected to commence for the beneficial use of the U.S. Food and Drug Administration (FDA). As of September 30, 2021, the portfolio had a weighted average age of 13.8 years, based upon the date properties were built or renovated-to-suit and had a weighted average remaining lease term of 8.9 years.

#### **Acquisitions and Dispositions**

On July 22, 2021, the Company acquired a 61,384 leased square foot multi-tenanted facility in Cleveland, Ohio. Various GSA – Cleveland, a three-story renovated-to-suit facility for the U.S. Department of Homeland Security, was substantially renovated in 2016 and 2021 and is leased to several key agencies within the U.S. Government. ICE occupies 66% of the building under a first generation 15-year lease that does not expire until August 2031. The NWS occupies 15% of the building under an initial 20-year term that does not expire until September 2040. Finally, the VNA, a nonprofit health care organization, occupies 19% of the building under an initial 10-year lease that does not expire until December 2028. In addition, the VNA has two five-year renewal options that, if exercised, would extend the lease term until December 2038. In total, and assuming the VNA exercises its renewal options, the facility is 100% occupied with a weighted average lease expiration of June 2034.

On September 28, 2021, the Company completed the strategic disposition of a 105,641 leased square foot privately leased warehouse facility located in Midland, Georgia.

#### **Balance Sheet and Capital Markets Activity**

As of September 30, 2021, the Company had total indebtedness of approximately \$1.0 billion comprised of \$112.5 million outstanding on its revolving credit facility, \$100.0 million outstanding on its 2016 term loan facility, \$150.0 million outstanding on its 2018 term loan facility, \$450.0 million of senior unsecured notes, and \$201.2 million of mortgage debt (excluding unamortized premiums and discounts and deferred financing fees). At September 30, 2021, Easterly's outstanding debt had a weighted average maturity of 6.5 years and a weighted average interest rate of 3.5%. As of September 30, 2021, Easterly's Net Debt to total enterprise value was 33.2% and its Adjusted Net Debt to annualized quarterly pro forma EBITDA ratio was 6.1x.



On July 23, 2021, the Company entered into an Amended Credit Facility, which increased the total borrowing capacity of the Company's credit facility by \$50.0 million, for a total credit facility size of \$650.0 million. The Amended Credit Facility consists of two components: (i) a \$450.0 million Revolver, and (ii) a \$200.0 million Term Loan, up to \$50.0 million of which will be available on a delayed draw basis for up to 364 days after the closing date.

The Revolver includes an accordion feature that provides the Company with additional capacity, subject to the satisfaction of customary terms and conditions, of up to \$250.0 million. The Revolver will initially mature in July 2025, four years from the closing date, with two six-month as-of-right extension options available, which, if exercised, would extend the maturity to July 2026. The Term Loan has a five year term and will mature in July 2026. The Term Loan is prepayable without penalty for the entire term of the loan. Borrowings under the Revolver will bear interest at a rate of LIBOR plus a spread of 1.20% to 1.80%, depending on the Company's leverage ratio. The Term Loan will bear interest at a rate of LIBOR plus a spread of 1.20% to 1.70%, depending on the Company's leverage ratio. Given the Company's current leverage ratio, the initial spread to LIBOR is set at 1.25% for the Revolver and 1.20% for the Term Loan. The Amended Credit Facility also features a sustainability-linked pricing component whereby the spread will decrease by 0.01% if Easterly achieves certain sustainability targets.

On August 16, 2021, the Company completed an underwritten public offering of an aggregate of 6,300,000 shares of the Company's common stock offered solely on a forward basis in connection with forward sale agreements entered into with certain financial institutions, acting as forward purchasers. The Company expects to physically settle the forward sale agreements and receive proceeds, subject to certain adjustments, upon one or more such physical settlements within approximately one year from the date of the closing of the offering. The Company did not initially receive any proceeds from the sale of shares by the forward purchasers. Upon settlement of the forward sale agreements, the offering is expected to result in approximately \$136.3 million of net proceeds to the Company, assuming the forward sale agreements are physically settled in full.

During the quarter ended September 30, 2021, the Company issued 2,114,408 shares of the Company's common stock through its 2019 ATM Programs at a net weighted average price of \$23.65 per share, raising net proceeds to the Company of approximately \$50.0 million. All shares issued in the quarter ended September 30, 2021 were issued in settlement of certain forward sales transactions entered into in prior quarters.

As of the date of this release, the Company expects to receive net proceeds of approximately \$177.7 million from the sale of 8,185,289 shares of the Company's common stock that have not yet been settled pursuant to the Underwritten Equity Offering and under the Company's December 2019 ATM Program, assuming these forward sales transactions are physically settled in full using a net weighted average initial forward sales price of \$21.71 per share

#### **Dividend**

On October 28, 2021, the Board of Directors of Easterly approved a cash dividend for the third quarter of 2021 in the amount of \$0.265 per common share. The dividend will be payable November 24, 2021 to shareholders of record on November 12, 2021.

#### **Subsequent Events**

On October 13, 2021, the Company announced the formation of a joint venture (the "JV"), which will serve as the investment vehicle for the acquisition of an anticipated 1,214,165 leased square foot portfolio of 10 properties (the "VA Portfolio") for an aggregate contractual purchase price of approximately \$635.6 million. The VA Portfolio is 100% leased to the Department of Veterans Affairs (VA) with a weighted average lease term of 19.6 years. Easterly's JV partner will retain a 47.0% stake in the JV, subject to adjustment as set



forth in the applicable JV documentation. Easterly will retain a 53.0% stake in the JV. Easterly will also receive asset management fees from the JV partner and be responsible for the day-to-day management of the properties.

The 100% build-to-suit VA Portfolio is entirely comprised of state-of-the-art, Class A Green Globe® Certified facilities, either recently delivered or under construction. On October 13, 2021, the JV closed on the acquisition of two of the 10 properties in the VA Portfolio, which are currently operating. Further, and subject to the completion of customary closing conditions, the JV expects to close on the acquisition of the remaining eight properties on a rolling basis by the end of 2023, in connection with construction completion and lease commencement dates. Once delivered, these facilities will be the newest VA medical care centers in six of the 18 Veterans Integrated Services Networks (VISNs), which six VISNs offer critical healthcare services for approximately 7.2 million veterans, or approximately one third of the entire U.S. veteran population.

On October 14, 2021, Easterly Government Properties LP, the Company's operating partnership, issued and sold an aggregate of \$250.0 million (upsized from \$200.0 million) fixed rate, senior unsecured notes (the "Notes") pursuant to the previously announced note purchase agreement. The Notes were issued and sold in the following two tranches:

- \$50.0 million 2.62% Series A Senior Notes due October 14, 2028
- \$200.0 million 2.89% Series B Senior Notes due October 14, 2030

The weighted average maturity of the Notes is 8.6 years, and the weighted average interest rate is 2.84%.

On October 14, 2021, the Company acquired a 489,316 leased square foot facility primarily leased to the United States Citizenship and Immigration Services (USCIS) located in the metropolitan region of Kansas City, Missouri ("USCIS - Kansas City"). USCIS - Kansas City, a single-story facility that was substantially renovated-to-suit in 1999, is leased primarily to USCIS along with smaller private sector tenants. With the majority of the building leased to USCIS through 2042 and serving as the agency's National Benefits Center (NBC), the total weighted average lease expiration date for the facility is February 2036. Should all in-place tenant renewal options be exercised, the weighted average lease expiration date for the facility could be as late as January 2045.

On November 1, 2021, the Company acquired an 80,000 leased square foot VA Outpatient Clinic located in the Midwest United States. This state-of-the-art, build-to-suit outpatient clinic was completed in 2021 and recently achieved a Two Green Globes® certification. This facility is leased to the VA for an initial, non-cancelable lease term of 20 years that does not expire until May 2041. The facility provides a wide range of medical and ancillary services including, but not limited to primary care, mental health, audiology, optometry, dermatology, radiology, and prosthetics.

Year to date, Easterly has acquired, either directly or through the JV, 10 properties for a total pro rata contractual purchase price of approximately \$321.3 million, exceeding its increased \$300 million acquisition volume target for the year. As of the date of this release, Easterly owns, directly or through the JV, 87 properties totaling approximately 8.3 million square feet.

## Guidance

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.

### Outlook for the 12 Months Ending December 31, 2021

The Company is maintaining its guidance for 2021 FFO per share on a fully diluted basis, as increased by the Company on June 30, 2021, in a range of \$1.30 - \$1.32.

	Low	High
Net income (loss) per share – fully diluted basis	\$ 0.30	0.32
Plus: real estate depreciation and amortization	\$ 1.00	1.00
FFO per share – fully diluted basis	\$ 1.30	1.32

This guidance reflects an increase in its 2021 targeted acquisition volume to \$350.0 million, from \$300.0 million previously (including acquisitions through the JV at the Company's pro rata share of the contractual purchase price), and up to \$25.0 million of gross development-related investment during 2021.

### Outlook for the 12 Months Ending December 31, 2022

The Company is introducing its guidance for 2022 FFO per share on a fully diluted basis in a range of \$1.34 - \$1.36.

	Low	High
Net income (loss) per share – fully diluted basis	\$ 0.27	0.29
Plus: real estate depreciation and amortization	\$ 1.07	1.07
FFO per share – fully diluted basis	\$ 1.34	1.36

This guidance assumes \$200.0 – \$300.0 million of acquisitions (including acquisitions through the JV at the Company's pro rata share of the contractual purchase price) and up to \$25.0 million of gross development-related investment during 2022.

## Non-GAAP Supplemental Financial Measures

This section contains definitions of certain non-GAAP financial measures and other terms that the Company uses in this press release 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 annual report on Form 10-K and quarterly report on Form 10-Q, as well as other documents filed with or furnished to the Securities and Exchange Commission from time to time.

**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, 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, is not indicative of operating income or cash provided by operating activities as determined under GAAP and may be presented on a pro forma basis. 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.

**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 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 the Company's operating performance, which, when applicable, excludes the impact of acquisition costs, straight-line rent, amortization of above-/below-market leases, amortization of deferred revenue (which results from landlord assets funded by tenants), non-cash interest expense, non-cash compensation, depreciation of non-real estate assets and other non-cash items. By excluding these income and expense items 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. Certain prior year amounts have been updated to conform to the current year FFO, as Adjusted definition.

**Net Debt and Adjusted Net Debt.** Net Debt represents consolidated debt (reported in accordance with GAAP) adjusted to exclude unamortized premiums and discounts and deferred financing fees, less cash and cash equivalents. By excluding these items, the result provides an estimate of the contractual amount of borrowed capital to be repaid, net of cash available to repay it. The Company believes this calculation constitutes a beneficial supplemental non-GAAP financial disclosure to investors in understanding its financial condition. Adjusted Net Debt is Net Debt reduced by 1) for each project under construction or in design, the lesser of i) outstanding lump-sum reimbursement amounts and ii) the cost to date, 2) 40% times the amount by which the cost to date exceeds total lump-sum reimbursement amounts for each project under construction or in design and 3) outstanding lump-sum reimbursement amounts for projects previously completed. These adjustments are made to 1) remove the estimated portion of each project under construction, in design or previously completed that has been financed with debt which may be repaid with outstanding cost reimbursement payments from the US Government and 2) remove the estimated portion of each project under construction or in design, in excess of total lump-sum reimbursements, that has been financed with debt but has not yet produced earnings. See page 20 of the Company's Q3 2021 Supplemental Information Package for further information. The Company's method of calculating Net Debt and Adjusted Net Debt may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.

#### **Other Definitions**

**Fully diluted basis** assumes the exchange of all outstanding common units representing limited partnership interests in the Company's operating partnership, 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.

#### **Conference Call Information**

The Company will host a webcast and conference call at 11:00am Eastern time on November 2, 2021 to review the third quarter 2021 performance, discuss recent events and conduct a question-and-answer session. The number to call is 1-877-705-6003 (domestic) and 1-201-493-6725 (international). A live webcast will be



available in the Investor Relations section of the Company's website. A replay of the conference call will be available through November 16, 2021 by dialing 844-512-2921 (domestic) and 1-412-317-6671 (international) and entering the passcode 13724086. Please note that the full text of the press release and supplemental information package are available through the Company's website at [ir.easterlyreit.com](http://ir.easterlyreit.com).

**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](http://www.easterlyreit.com).

**Contact:**

Easterly Government Properties, Inc.  
Lindsay S. Winterhalter  
Vice President, Investor Relations & Operations  
202-596-3947  
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**Forward Looking Statements**

*We make statements in this press release 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 and include our guidance with respect to Net income (loss) and FFO per share on a fully diluted basis. 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 press release 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; the risk of decreased rental rates or increased vacancy rates; loss of key personnel; the continuing adverse impact of the novel coronavirus (COVID-19) on the U.S., regional and global economies and on our financial condition and results of operations; 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 our joint venture activities; 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, 2020, filed with the Securities and Exchange Commission (SEC) on February 24, 2021, in the "Risk Factors" section of our Form 10-Q for the quarter ended September 30, 2021, to be filed with the SEC on or about November 2, 2021, and under the heading "Risk Factors" in our other public filings. In addition, our anticipated 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.*

## Balance Sheet

(Unaudited, in thousands, except share amounts)

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
<b>Assets</b>		
Real estate properties, net	\$ 2,287,208	\$ 2,208,661
Cash and cash equivalents	16,068	8,465
Restricted cash	7,680	6,204
Tenant accounts receivable	52,789	45,077
Intangible assets, net	157,906	163,387
Prepaid expenses and other assets	34,319	25,746
<b>Total assets</b>	<u>\$ 2,555,970</u>	<u>\$ 2,457,540</u>
<b>Liabilities</b>		
Revolving credit facility	112,500	79,250
Term loan facilities, net	248,479	248,966
Notes payable, net	447,215	447,171
Mortgage notes payable, net	200,021	202,871
Intangible liabilities, net	20,686	25,406
Deferred revenue	89,077	92,576
Interest rate swaps	8,506	12,781
Accounts payable, accrued expenses and other liabilities	58,776	48,549
<b>Total liabilities</b>	<u>1,185,260</u>	<u>1,157,570</u>
<b>Equity</b>		
Common stock, par value \$0.01, 200,000,000 shares authorized, 86,116,538 and 82,106,256 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively.	861	821
Additional paid-in capital	1,521,446	1,424,787
Retained earnings	55,134	31,965
Cumulative dividends	(357,069)	(291,652)
Accumulated other comprehensive loss	(7,526)	(11,351)
Total stockholders' equity	<u>1,212,846</u>	<u>1,154,570</u>
Non-controlling interest in Operating Partnership	157,864	145,400
<b>Total equity</b>	<u>1,370,710</u>	<u>1,299,970</u>
<b>Total liabilities and equity</b>	<u>\$ 2,555,970</u>	<u>\$ 2,457,540</u>

## Income Statement

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

	Three Months Ended		Nine Months Ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
<b>Revenues</b>				
Rental income	\$ 67,439	\$ 59,843	\$ 197,713	\$ 175,976
Tenant reimbursements	1,527	682	3,746	2,269
Other income	642	606	1,764	1,630
<b>Total revenues</b>	<u>69,608</u>	<u>61,131</u>	<u>203,223</u>	<u>179,875</u>
<b>Expenses</b>				
Property operating	15,188	12,313	41,578	34,486
Real estate taxes	7,626	6,803	22,465	19,982
Depreciation and amortization	22,765	23,522	67,615	70,732
Acquisition costs	518	467	1,488	1,673
Corporate general and administrative	5,893	4,577	17,469	15,565
<b>Total expenses</b>	<u>51,990</u>	<u>47,682</u>	<u>150,615</u>	<u>142,438</u>
<b>Other expense</b>				
Interest expense, net	(9,353)	(8,628)	(27,739)	(26,535)
Gain on the sale of operating property	777	-	1,307	-
<b>Net income</b>	<u>9,042</u>	<u>4,821</u>	<u>26,176</u>	<u>10,902</u>
Non-controlling interest in Operating Partnership	(1,065)	(557)	(3,007)	(1,275)
<b>Net income available to Easterly Government Properties, Inc.</b>	<u>\$ 7,977</u>	<u>\$ 4,264</u>	<u>\$ 23,169</u>	<u>\$ 9,627</u>
<b>Net income available to Easterly Government Properties, Inc. per share:</b>				
Basic	<u>\$ 0.09</u>	<u>\$ 0.05</u>	<u>\$ 0.27</u>	<u>\$ 0.12</u>
Diluted	<u>\$ 0.09</u>	<u>\$ 0.05</u>	<u>\$ 0.27</u>	<u>\$ 0.12</u>
<b>Weighted-average common shares outstanding:</b>				
Basic	83,961,693	80,334,976	83,306,654	77,144,791
Diluted	84,472,257	80,928,844	83,774,752	77,745,370
Net income, per share - fully diluted basis	<u>\$ 0.09</u>	<u>\$ 0.05</u>	<u>\$ 0.28</u>	<u>\$ 0.12</u>
Weighted average common shares outstanding - fully diluted basis	95,275,184	90,843,542	94,205,897	87,460,854

### EBITDA, FFO and CAD

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

	Three Months Ended		Nine Months Ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
<b>Net income</b>	\$ 9,042	\$ 4,821	\$ 26,176	\$ 10,902
Depreciation and amortization	22,765	23,522	67,615	70,732
Interest expense	9,353	8,628	27,739	26,535
Tax expense	86	39	397	305
Gain on the sale of operating property	(777)	-	(1,307)	-
<b>EBITDA</b>	<u>\$ 40,469</u>	<u>\$ 37,010</u>	<u>\$ 120,620</u>	<u>\$ 108,474</u>
Pro forma adjustments <sup>(1)</sup>	(35)	-	-	-
<b>Pro forma EBITDA</b>	<u>\$ 40,434</u>			
<b>Net income</b>	\$ 9,042	\$ 4,821	\$ 26,176	\$ 10,902
Depreciation of real estate assets	22,741	23,522	67,561	70,732
Gain on the sale of operating property	(777)	-	(1,307)	-
<b>FFO</b>	<u>\$ 31,006</u>	<u>\$ 28,343</u>	<u>\$ 92,430</u>	<u>\$ 81,634</u>
<b>Adjustments to FFO:</b>				
Acquisition costs	518	467	1,488	1,673
Straight-line rent and other non-cash adjustments	(1,580)	(777)	(4,317)	(2,106)
Amortization of above-/below-market leases	(1,058)	(1,451)	(3,569)	(4,499)
Amortization of deferred revenue	(1,398)	(744)	(4,217)	(2,138)
Non-cash interest expense	380	360	1,107	1,078
Non-cash compensation	1,333	1,035	3,700	3,056
Depreciation of non-real estate assets	24	-	54	-
<b>FFO, as Adjusted</b>	<u>\$ 29,225</u>	<u>\$ 27,233</u>	<u>\$ 86,676</u>	<u>\$ 78,698</u>
FFO, per share - fully diluted basis	<u>\$ 0.33</u>	<u>\$ 0.31</u>	<u>\$ 0.98</u>	<u>\$ 0.93</u>
FFO, as Adjusted, per share - fully diluted basis	<u>\$ 0.31</u>	<u>\$ 0.30</u>	<u>\$ 0.92</u>	<u>\$ 0.90</u>
<b>FFO, as Adjusted</b>	\$ 29,225	\$ 27,233	\$ 86,676	\$ 78,698
Acquisition costs	(518)	(467)	(1,488)	(1,673)
Principal amortization	(1,062)	(887)	(2,948)	(2,635)
Maintenance capital expenditures	(1,293)	(2,361)	(6,305)	(4,884)
Contractual tenant improvements	(241)	(550)	(2,168)	(1,308)
<b>Cash Available for Distribution (CAD)</b>	<u>\$ 26,111</u>	<u>\$ 22,968</u>	<u>\$ 73,767</u>	<u>\$ 68,198</u>
Weighted average common shares outstanding - fully diluted basis	95,275,184	90,843,542	94,205,897	87,460,854

<sup>1</sup> Pro forma assuming a full quarter of operations from one property acquired and one property disposed of in the third quarter of 2021.

**Net Debt and Adjusted Net Debt**  
(Unaudited, in thousands)

	<b>September 30, 2021</b>
<b>Total Debt<sup>(1)</sup></b>	<b>\$ 1,013,743</b>
Less: cash and cash equivalents	(16,068)
<b>Net Debt</b>	<b>\$ 997,675</b>
Less: adjustment for development projects <sup>(2)</sup>	(11,773)
<b>Adjusted Net Debt</b>	<b>\$ 985,902</b>

<sup>1</sup> Excludes unamortized premiums / discounts and deferred financing fees.

<sup>2</sup> See definition of Adjusted Net Debt on Page 6.



# Supplemental Information Package

## Third Quarter 2021





**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; the risk of decreased rental rates or increased vacancy rates; loss of key personnel; the continuing adverse impact of the novel coronavirus (COVID-19) on the U.S., regional and global economies and the financial condition and results of operations of the Company; 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 our joint venture activities; 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, 2020, filed with the Securities and Exchange Commission, or the SEC, on February 24, 2021, in the “Risk Factors” section of our Form 10-Q for the quarter ended September 30, 2021, to be filed with the SEC on or about November 2, 2021 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 September 30, 2021 that will be released in our Form 10-Q to be filed with the SEC on or about November 2, 2021.

*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 net 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.

**Cash fixed charge coverage ratio** is calculated as EBITDA divided by the sum of principal amortization and interest expense, excluding amortization of premiums / discounts and deferred financing fees, for the most recent quarter.

**Cash interest coverage ratio** is calculated as EBITDA divided by interest expense, excluding amortization of premiums / discounts and deferred financing fees, for the most recent quarter.

**EBITDA** is calculated as the sum of net income (loss) before interest expense, 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, is not indicative of operating income or cash provided by operating activities as determined under GAAP and may be presented on a pro forma basis. 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, 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 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, amortization of above-/below-market leases, amortization of deferred revenue (which results from landlord assets funded by tenants), non-cash interest expense, non-cash compensation, depreciation of non-real estate assets and other non-cash items. By excluding these income and expense items 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. Certain prior year amounts have been updated to conform to the current year FFO, as Adjusted definition.

**Net Operating Income (NOI) and Cash NOI.** NOI is calculated as net income adjusted to exclude depreciation and amortization, acquisition costs, corporate general and administrative costs, interest expense and gains or losses from sales of property. Cash NOI excludes from NOI straight-line rent, amortization of above-/below-market leases, and amortization of deferred revenue (which results from landlord assets funded by tenants). 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. Certain prior year amounts have been updated to conform to the current year Cash NOI definition.

**Net Debt and Adjusted Net Debt.** Net Debt represents consolidated debt (reported in accordance with GAAP) adjusted to exclude unamortized premiums and discounts and deferred financing fees, less cash and cash equivalents. By excluding these items, the result provides an estimate of the contractual amount of borrowed capital to be repaid, net of cash available to repay it. The Company believes this calculation constitutes a beneficial supplemental non-GAAP financial disclosure to investors in understanding its financial condition. Adjusted Net Debt is Net Debt reduced by 1) for each project under construction or in design, the lesser of i) outstanding lump-sum reimbursement amounts and ii) the cost to date, 2) 40% times the amount by which the cost to date exceeds total lump-sum reimbursement amounts for each project under construction or in design and 3) outstanding lump-sum reimbursement amounts for projects previously completed. These adjustments are made to 1) remove the estimated portion of each project under construction, in design or previously completed that has been financed with debt which may be repaid with outstanding cost reimbursement payments from the US Government and 2) remove the estimated portion of each project under construction or in design, in excess of total lump-sum reimbursements, that has been financed with debt but has not yet produced earnings. See page 20 for further information. The Company's method of calculating Net Debt and Adjusted Net Debt may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.

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Overview	
<a href="#">Corporate Information and Analyst Coverage</a>	<a href="#">6</a>
<a href="#">Executive Summary</a>	<a href="#">7</a>
Corporate Financials	
<a href="#">Balance Sheets</a>	<a href="#">8</a>
<a href="#">Income Statements</a>	<a href="#">9</a>
<a href="#">Net Operating Income</a>	<a href="#">10</a>
<a href="#">EBITDA, FFO and CAD</a>	<a href="#">11</a>
Debt	
<a href="#">Debt Schedules</a>	<a href="#">12</a>
<a href="#">Debt Maturities</a>	<a href="#">13</a>
Properties	
<a href="#">Leased Operating Property Overview</a>	<a href="#">14</a>
<a href="#">Tenants</a>	<a href="#">17</a>
<a href="#">Lease Expirations</a>	<a href="#">19</a>
<a href="#">Summary of Re/Development Projects</a>	<a href="#">20</a>

## Corporate Information

### Corporate Headquarters

2001 K Street NW  
Suite 775 North  
Washington, DC 20006  
202-595-9500

### Stock Exchange Listing

New York Stock Exchange

### Ticker

DEA

### Information Requests

Please contact [ir@easterlyreit.com](mailto:ir@easterlyreit.com)  
or 202-596-3947 to request an  
Investor Relations package

### Investor Relations

Lindsay Winterhalter,  
VP, Investor Relations  
& Operations

### Executive Team

William Trimble III, CEO

Michael Ibe, Vice-Chairman and EVP  
Mark Bauer, EVP  
Andrew Pulliam, EVP

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

### Board of Directors

William Binnie, Lead Independent  
Director  
Darrell Crate  
Cynthia Fisher  
Scott Freeman

Emil Henry Jr.  
Michael Ibe  
Tara Innes  
William Trimble III

## Equity Research Coverage

### Citigroup

Michael Bilerman / Emmanuel Korchman  
212-816-1383 / 212-816-1382

### Raymond James & Associates

Bill Crow / Paul Puryear  
727-567-2594 / 727-567-2253

### RBC Capital Markets

Michael Carroll  
440-715-2649

### Jefferies

Jonathan Petersen / Peter Abramowitz  
212-284-1705 / 212-336-7241

### Truist Securities

Michael R. Lewis  
212-319-5659

### Compass Point Research & Trading, LLC

Merrill Ross  
202-534-1392

### BMO Capital Markets

John P. Kim  
212-885-4115

*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 and per share amounts)



Outstanding Classes of Stock and Partnership Units - Fully Diluted Basis	At September 30, 2021	<u>Earnings</u>	Three months ended September 30, 2021	Three months ended September 30, 2020
Common shares	86,030,532	Net income available to Easterly Government Properties, Inc.	\$ 7,977	\$ 4,264
Unvested restricted shares	86,006	Net income available to Easterly Government Properties, Inc.		
Common partnership and vested LTIP units	<u>11,208,917</u>	per share:		
<b>Total - fully diluted basis</b>	<b><u>97,325,455</u></b>	Basic	\$ 0.09	\$ 0.05
		Diluted	\$ 0.09	\$ 0.05
<b>Market Capitalization</b>	<b>At September 30, 2021</b>	Net income	\$ 9,042	\$ 4,821
Price of Common Shares	\$ 20.66	Net income, per share - fully diluted basis	\$ 0.09	\$ 0.05
<b>Total equity market capitalization - fully diluted basis</b>	<b>\$ 2,010,744</b>	Funds From Operations (FFO)	\$ 31,006	\$ 28,343
Net Debt	<u>997,675</u>	FFO, per share - fully diluted basis	\$ 0.33	\$ 0.31
<b>Total enterprise value</b>	<b>\$ 3,008,419</b>	FFO, as Adjusted	\$ 29,225	\$ 27,233
		FFO, as Adjusted, per share - fully diluted basis	\$ 0.31	\$ 0.30
<b>Ratios</b>	<b>At September 30, 2021</b>	Cash Available for Distribution (CAD)	\$ 26,111	\$ 22,968
Net debt to total enterprise value	33.2%			
Net debt to annualized quarterly EBITDA	6.2x	<b>Liquidity</b>		<b>At September 30, 2021</b>
Adjusted Net Debt to annualized quarterly pro forma EBITDA	6.1x	Cash and cash equivalents	\$	16,068
Cash interest coverage ratio	4.5x	Available under \$450 million senior unsecured revolving credit facility <sup>(1)</sup>	\$	337,500
Cash fixed charge coverage ratio	4.0x			

<sup>(1)</sup>Revolving 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 revolving credit facility size of not more than \$700 million.

# Balance Sheets

(Unaudited, in thousands, except share amounts)



	<u>September 30, 2021</u>	<u>December 31, 2020</u>
<b>Assets</b>		
Real estate properties, net	\$ 2,287,208	\$ 2,208,661
Cash and cash equivalents	16,068	8,465
Restricted cash	7,680	6,204
Tenant accounts receivable	52,789	45,077
Intangible assets, net	157,906	163,387
Prepaid expenses and other assets	34,319	25,746
<b>Total assets</b>	<u>\$ 2,555,970</u>	<u>\$ 2,457,540</u>
<b>Liabilities</b>		
Revolving credit facility	112,500	79,250
Term loan facilities, net	248,479	248,966
Notes payable, net	447,215	447,171
Mortgage notes payable, net	200,021	202,871
Intangible liabilities, net	20,686	25,406
Deferred revenue	89,077	92,576
Interest rate swaps	8,506	12,781
Accounts payable, accrued expenses and other liabilities	58,776	48,549
<b>Total liabilities</b>	<u>1,185,260</u>	<u>1,157,570</u>
<b>Equity</b>		
Common stock, par value \$0.01, 200,000,000 shares authorized, 86,116,538 and 82,106,256 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively.	861	821
Additional paid-in capital	1,521,446	1,424,787
Retained earnings	55,134	31,965
Cumulative dividends	(357,069)	(291,652)
Accumulated other comprehensive loss	(7,526)	(11,351)
Total stockholders' equity	<u>1,212,846</u>	<u>1,154,570</u>
Non-controlling interest in Operating Partnership	157,864	145,400
<b>Total equity</b>	<u>1,370,710</u>	<u>1,299,970</u>
<b>Total liabilities and equity</b>	<u>\$ 2,555,970</u>	<u>\$ 2,457,540</u>

# Income Statements

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



	Three Months Ended		Nine Months Ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
<b>Revenues</b>				
Rental income	\$ 67,439	\$ 59,843	\$ 197,713	\$ 175,976
Tenant reimbursements	1,527	682	3,746	2,269
Other income	642	606	1,764	1,630
<b>Total revenues</b>	<b>69,608</b>	<b>61,131</b>	<b>203,223</b>	<b>179,875</b>
<b>Expenses</b>				
Property operating	15,188	12,313	41,578	34,486
Real estate taxes	7,626	6,803	22,465	19,982
Depreciation and amortization	22,765	23,522	67,615	70,732
Acquisition costs	518	467	1,488	1,673
Corporate general and administrative	5,893	4,577	17,469	15,565
<b>Total expenses</b>	<b>51,990</b>	<b>47,682</b>	<b>150,615</b>	<b>142,438</b>
<b>Other expense</b>				
Interest expense, net	(9,353)	(8,628)	(27,739)	(26,535)
Gain on the sale of operating property	777	-	1,307	-
<b>Net income</b>	<b>9,042</b>	<b>4,821</b>	<b>26,176</b>	<b>10,902</b>
Non-controlling interest in Operating Partnership	(1,065)	(557)	(3,007)	(1,275)
<b>Net income available to Easterly Government Properties, Inc.</b>	<b>\$ 7,977</b>	<b>\$ 4,264</b>	<b>\$ 23,169</b>	<b>\$ 9,627</b>
<b>Net income available to Easterly Government Properties, Inc. per share:</b>				
Basic	\$ 0.09	\$ 0.05	\$ 0.27	\$ 0.12
Diluted	\$ 0.09	\$ 0.05	\$ 0.27	\$ 0.12
<b>Weighted-average common shares outstanding:</b>				
Basic	83,961,693	80,334,976	83,306,654	77,144,791
Diluted	84,472,257	80,928,844	83,774,752	77,745,370
Net income, per share - fully diluted basis	\$ 0.09	\$ 0.05	\$ 0.28	\$ 0.12
Weighted average common shares outstanding - fully diluted basis	95,275,184	90,843,542	94,205,897	87,460,854



# Net Operating Income

(Unaudited, in thousands)



	Three Months Ended		Nine Months Ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
<b>Net income</b>	\$ 9,042	\$ 4,821	\$ 26,176	\$ 10,902
Depreciation and amortization	22,765	23,522	67,615	70,732
Acquisition costs	518	467	1,488	1,673
Corporate general and administrative	5,893	4,577	17,469	15,565
Interest expense	9,353	8,628	27,739	26,535
Gain on the sale of operating property	(777)	-	(1,307)	-
<b>Net Operating Income</b>	<u>46,794</u>	<u>42,015</u>	<u>139,180</u>	<u>125,407</u>
<b>Adjustments to Net Operating Income:</b>				
Straight-line rent and other non-cash adjustments	(1,608)	(761)	(4,407)	(2,065)
Amortization of above-/below-market leases	(1,058)	(1,451)	(3,569)	(4,499)
Amortization of deferred revenue	(1,398)	(744)	(4,217)	(2,138)
<b>Cash Net Operating Income</b>	<u>\$ 42,730</u>	<u>\$ 39,059</u>	<u>\$ 126,987</u>	<u>\$ 116,705</u>

# EBITDA, FFO and CAD

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



	Three Months Ended		Nine Months Ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
<b>Net income</b>	\$ 9,042	\$ 4,821	\$ 26,176	\$ 10,902
Depreciation and amortization	22,765	23,522	67,615	70,732
Interest expense	9,353	8,628	27,739	26,535
Tax expense	86	39	397	305
Gain on the sale of operating property	(777)	-	(1,307)	-
<b>EBITDA</b>	<u>\$ 40,469</u>	<u>\$ 37,010</u>	<u>\$ 120,620</u>	<u>\$ 108,474</u>
Pro forma adjustments <sup>(1)</sup>	(35)			
<b>Pro forma EBITDA</b>	<u>\$ 40,434</u>			
<b>Net income</b>	\$ 9,042	\$ 4,821	\$ 26,176	\$ 10,902
Depreciation of real estate assets	22,741	23,522	67,561	70,732
Gain on the sale of operating property	(777)	-	(1,307)	-
<b>FFO</b>	<u>\$ 31,006</u>	<u>\$ 28,343</u>	<u>\$ 92,430</u>	<u>\$ 81,634</u>
<b>Adjustments to FFO:</b>				
Acquisition costs	518	467	1,488	1,673
Straight-line rent and other non-cash adjustments	(1,580)	(777)	(4,317)	(2,106)
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Amortization of deferred revenue	(1,398)	(744)	(4,217)	(2,138)
Non-cash interest expense	380	360	1,107	1,078
Non-cash compensation	1,333	1,035	3,700	3,056
Depreciation of non-real estate assets	24	-	54	-
<b>FFO, as Adjusted</b>	<u>\$ 29,225</u>	<u>\$ 27,233</u>	<u>\$ 86,676</u>	<u>\$ 78,698</u>
FFO, per share - fully diluted basis	\$ 0.33	\$ 0.31	\$ 0.98	\$ 0.93
FFO, as Adjusted, per share - fully diluted basis	<u>\$ 0.31</u>	<u>\$ 0.30</u>	<u>\$ 0.92</u>	<u>\$ 0.90</u>
<b>FFO, as Adjusted</b>	\$ 29,225	\$ 27,233	\$ 86,676	\$ 78,698
Acquisition costs	(518)	(467)	(1,488)	(1,673)
Principal amortization	(1,062)	(887)	(2,948)	(2,635)
Maintenance capital expenditures	(1,293)	(2,361)	(6,305)	(4,884)
Contractual tenant improvements	(241)	(550)	(2,168)	(1,308)
<b>Cash Available for Distribution (CAD)</b>	<u>\$ 26,111</u>	<u>\$ 22,968</u>	<u>\$ 73,767</u>	<u>\$ 68,198</u>
Weighted average common shares outstanding - fully diluted basis	95,275,184	90,843,542	94,205,897	87,460,854

<sup>(1)</sup>Pro forma assuming a full quarter of operations from the one property acquired and one property disposed of in the third quarter of 2021.

Debt Instrument	Maturity Date	September 30, 2021 Interest Rate	September 30, 2021 Balance <sup>(1)</sup>	September 30, 2021 Percent of Total Indebtedness
<b>Unsecured debt</b>				
Revolving Credit facility	23-Jul-25 <sup>(2)</sup>	LIBOR + 125bps	\$ 112,500	11.0%
2016 Term Loan facility	29-Mar-24	2.67% <sup>(3)</sup>	100,000	9.9%
2018 Term Loan facility	23-Jul-26	3.91% <sup>(4)</sup>	150,000	14.8%
2017 Series A Senior Notes	25-May-27	4.05%	95,000	9.4%
2017 Series B Senior Notes	25-May-29	4.15%	50,000	4.9%
2017 Series C Senior Notes	25-May-32	4.30%	30,000	3.0%
2019 Series A Senior Notes	12-Sep-29	3.73%	85,000	8.4%
2019 Series B Senior Notes	12-Sep-31	3.83%	100,000	9.9%
2019 Series C Senior Notes	12-Sep-34	3.98%	90,000	8.9%
<b>Total unsecured debt</b>	<b>6.7 years</b> (wtd-avg maturity)	<b>3.43%</b> (wtd-avg rate)	<b>\$ 812,500</b>	<b>80.2%</b>
<b>Secured mortgage debt</b>				
DEA - Pleasanton	18-Oct-23	LIBOR + 150bps	\$ 15,700	1.5%
VA - Golden	1-Apr-24	5.00%	8,878	0.9%
MEPCOM - Jacksonville	14-Oct-25	4.41%	7,059	0.7%
USFS II - Albuquerque	14-Jul-26	4.46%	15,543	1.5%
ICE - Charleston	15-Jan-27	4.21%	15,161	1.5%
VA - Loma Linda	6-Jul-27	3.59%	127,500	12.6%
CBP - Savannah	10-Jul-33	3.40%	11,402	1.1%
<b>Total secured mortgage debt</b>	<b>5.5 years</b> (wtd-avg maturity)	<b>3.63%</b> (wtd-avg rate)	<b>\$ 201,243</b>	<b>19.8%</b>

Debt Statistics	September 30, 2021	September 30, 2021
Variable rate debt - unhedged	\$ 128,200	% Variable rate debt - unhedged 12.6%
Fixed rate debt	885,543	% Fixed rate debt 87.4%
<b>Total Debt<sup>(1)</sup></b>	<b>\$ 1,013,743</b>	
Less: cash and cash equivalents	(16,068)	Weighted average maturity 6.5 years
<b>Net Debt</b>	<b>\$ 997,675</b>	Weighted average interest rate 3.5%
Less: adjustment for development projects <sup>(5)</sup>	(11,773)	
<b>Adjusted Net Debt</b>	<b>\$ 985,902</b>	

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

<sup>(2)</sup>Revolving credit facility has two six-month as-of-right extension options, subject to certain conditions and the payment of an extension fee.

<sup>(3)</sup>Calculated based on two interest rate swaps with an aggregate notional value of \$100.0 million, which effectively fix the interest rate at 2.67% annually based on the Company's current leverage ratio.

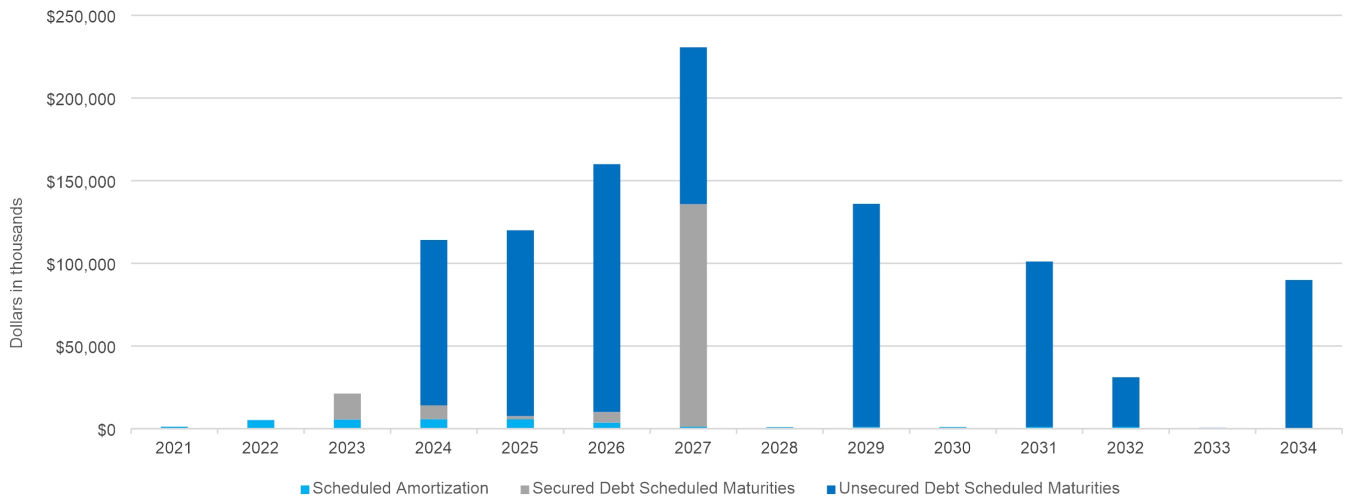
<sup>(4)</sup>Calculated based on four interest rate swaps with an aggregate notional value of \$150.0 million, which effectively fix the interest rate at 3.91% annually based on the Company's current leverage ratio. The four interest rate swaps mature on June 19, 2023, which is not coterminous with the maturity date of 2018 term loan facility.

<sup>(5)</sup>See definition of Adjusted Net Debt on Page 4.

# 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				
2021	\$ 1,284	\$ -	\$ -	\$ -	1,284	0.1%	-
2022	5,297	-	-	-	5,297	0.5%	-
2023	5,586	15,700	-	-	21,286	2.1%	1.59%
2024	5,731	8,395	100,000	-	114,126	11.3%	2.86%
2025	5,633	1,917	112,500	-	120,050	11.8%	1.52%
2026	3,686	6,368	150,000	-	160,054	15.8%	3.96%
2027	1,093	134,640	95,000	-	230,733	22.8%	3.81%
2028	983	-	-	-	983	0.1%	-
2029	1,016	-	135,000	-	136,016	13.4%	3.89%
2030	1,049	-	-	-	1,049	0.1%	-
2031	1,081	-	100,000	-	101,081	10.0%	3.83%
2032	1,116	-	30,000	-	31,116	3.1%	4.30%
2033	668	-	-	-	668	0.1%	-
2034	-	-	90,000	-	90,000	8.8%	3.98%
<b>Total</b>	<b>\$ 34,223</b>	<b>\$ 167,020</b>	<b>\$ 812,500</b>	<b>\$ -</b>	<b>\$ 1,013,743</b>	<b>100.0%</b>	



# Leased Operating Property Overview

(As of September 30, 2021, unaudited)



Property Name	Location	Property Type	Tenant Lease Expiration Year	Year Built / Renovated	Leased Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income	Annualized Lease Income per Leased Square Foot
<b>U.S. Government Leased Properties</b>								
VA - Loma Linda	Loma Linda, CA	Outpatient Clinic	2036	2016	327,614	\$ 16,412,702	6.2%	\$ 50.10
JSC - Suffolk	Suffolk, VA	Office	2028 <sup>(1)</sup>	1993 / 2004	403,737	8,214,348	3.1%	20.35
Various GSA - Buffalo	Buffalo, NY	Office	2021 - 2036	2004	270,809	8,042,038	3.0%	29.70
IRS - Fresno	Fresno, CA	Office	2033	2003	180,481	6,967,344	2.7%	38.60
FBI - Salt Lake	Salt Lake City, UT	Office	2032	2012	169,542	6,754,537	2.6%	39.84
Various GSA - Chicago	Des Plaines, IL	Office	2023	1971 / 1999	202,185	6,720,376	2.6%	33.24
Various GSA - Portland	Portland, OR	Office	2022 - 2028 <sup>(2)</sup>	2002	211,156	6,538,366	2.5%	30.96
PTO - Arlington	Arlington, VA	Office	2035	2009	190,546	6,177,283	2.4%	32.42
VA - San Jose	San Jose, CA	Outpatient Clinic	2038	2018	90,085	5,856,687	2.3%	65.01
EPA - Lenexa	Lenexa, KS	Office	2027 <sup>(1)</sup>	2007 / 2012	169,585	5,541,749	2.1%	32.68
FBI - San Antonio	San Antonio, TX	Office	2025	2007	148,584	5,215,515	2.0%	35.10
FDA - Alameda	Alameda, CA	Laboratory	2039	2019	69,624	4,664,712	1.8%	67.00
FEMA - Tracy	Tracy, CA	Warehouse	2038	2018	210,373	4,611,427	1.8%	21.92
FBI - Omaha	Omaha, NE	Office	2024	2009	112,196	4,458,634	1.7%	39.74
TREAS - Parkersburg	Parkersburg, WV	Office	2041	2004 / 2006	182,500	4,250,040	1.6%	23.29
EPA - Kansas City	Kansas City, KS	Laboratory	2023	2003	71,979	4,226,457	1.6%	58.72
FBI / DEA - El Paso	El Paso, TX	Office/Warehouse	2028	1998 - 2005	203,269	4,102,400	1.6%	20.18
VA - South Bend	Mishakawa, IN	Outpatient Clinic	2032	2017	86,363	4,034,394	1.6%	46.71
ICE - Charleston	North Charleston, SC	Office	2022 / 2027	1994 / 2012	86,733	3,948,509	1.5%	45.52
FDA - Lenexa	Lenexa, KS	Laboratory	2040	2020	59,690	3,904,552	1.5%	65.41
USCIS - Lincoln	Lincoln, NE	Office	2025	2005	137,671	3,813,570	1.5%	27.70
VA - Mobile	Mobile, AL	Outpatient Clinic	2033	2018	79,212	3,801,080	1.5%	47.99
DOI - Billings	Billings, MT	Office/Warehouse	2033	2013	149,110	3,774,591	1.5%	25.31
FBI - Birmingham	Birmingham, AL	Office	2022	2005	96,278	3,705,569	1.4%	38.49
FBI - New Orleans	New Orleans, LA	Office	2029 <sup>(3)</sup>	1999 / 2006	137,679	3,678,345	1.4%	26.72
FBI - Pittsburgh	Pittsburgh, PA	Office	2027	2001	100,054	3,672,014	1.4%	36.70
DOT - Lakewood	Lakewood, CO	Office	2024	2004	122,225	3,540,410	1.4%	28.97
FBI - Knoxville	Knoxville, TN	Office	2025	2010	99,130	3,506,460	1.4%	35.37
VA - Chico	Chico, CA	Outpatient Clinic	2034	2019	51,647	3,277,010	1.3%	63.45
USFS II - Albuquerque	Albuquerque, NM	Office	2026 <sup>(1)</sup>	2011	98,720	3,143,422	1.2%	31.84
FDA - College Park	College Park, MD	Laboratory	2029	2004	80,677	3,060,351	1.2%	37.93
FBI - Richmond	Richmond, VA	Office	2041	2001	96,607	3,057,054	1.2%	31.64
USCIS - Tustin	Tustin, CA	Office	2034	1979 / 2019	66,818	3,038,090	1.2%	45.47
OSHA - Sandy	Sandy, UT	Laboratory	2024 <sup>(4)</sup>	2003	75,000	3,010,443	1.2%	40.14
USFS I - Albuquerque	Albuquerque, NM	Office	2026	2006	92,455	3,003,143	1.2%	32.48
FBI - Albany	Albany, NY	Office	2036	1998	69,476	2,874,579	1.1%	41.38
VA - Orange	Orange, CT	Outpatient Clinic	2034	2019	56,330	2,811,585	1.1%	49.91
DEA - Upper Marlboro	Upper Marlboro, MD	Laboratory	2037	2002	50,978	2,773,915	1.1%	54.41

# Leased Operating Property Overview (Cont.)

(As of September 30, 2021, unaudited)



Property Name	Location	Property Type	Tenant Lease Expiration Year	Year Built / Renovated	Leased Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income	Annualized Lease Income per Leased Square Foot
<b>U.S. Government Leased Properties (Cont.)</b>								
ICE - Albuquerque	Albuquerque, NM	Office	2027	2011	71,100	2,752,678	1.1%	38.72
JUD - Del Rio	Del Rio, TX	Courthouse/Office	2024	1992 / 2004	89,880	2,726,978	1.1%	30.34
DEA - Vista	Vista, CA	Laboratory	2035	2002	54,119	2,690,635	1.0%	49.72
DEA - Pleasanton	Pleasanton, CA	Laboratory	2035	2015	42,480	2,688,502	1.0%	63.29
JUD - El Centro	El Centro, CA	Courthouse/Office	2034	2004	43,345	2,659,873	1.0%	61.37
FBI - Mobile	Mobile, AL	Office	2029 <sup>(1)</sup>	2001	76,112	2,638,190	1.0%	34.66
SSA - Charleston	Charleston, WV	Office	2024 <sup>(1)</sup>	1959 / 2000	110,000	2,606,498	1.0%	23.70
DEA - Sterling	Sterling, VA	Laboratory	2036	2001	49,692	2,575,432	1.0%	51.83
USAO - Louisville	Louisville, KY	Office	2031	2011	60,000	2,451,797	0.9%	40.86
TREAS - Birmingham	Birmingham, AL	Office	2029	2014	83,676	2,448,654	0.9%	29.26
DEA - Dallas Lab	Dallas, TX	Laboratory	2021	2001	49,723	2,415,077	0.9%	48.57
DHA - Aurora	Aurora, CO	Office	2034	1998 / 2018	101,285	2,340,113	0.9%	23.10
JUD - Charleston	Charleston, SC	Courthouse/Office	2040	1999	52,339	2,333,282	0.9%	44.58
FBI - Little Rock	Little Rock, AR	Office	2021	2001	102,377	2,314,757	0.9%	22.61
Various GSA - Cleveland	Brooklyn Heights, OH	Office	2028 - 2040 <sup>(5)</sup>	1981 / 2021	61,384	2,232,202	0.9%	36.36
DEA - Dallas	Dallas, TX	Office	2041	2001	71,827	2,224,141	0.9%	30.97
MEPCOM - Jacksonville	Jacksonville, FL	Office	2025	2010	30,000	2,204,839	0.8%	73.49
CBP - Savannah	Savannah, GA	Laboratory	2033	2013	35,000	2,191,933	0.8%	62.63
DOE - Lakewood	Lakewood, CO	Office	2029	1999	115,650	2,093,583	0.8%	18.10
NWS - Kansas City	Kansas City, MO	Office	2033 <sup>(1)</sup>	1998 / 2020	94,378	2,088,585	0.8%	22.13
JUD - Jackson	Jackson, TN	Courthouse/Office	2023 <sup>(1)</sup>	1998	73,397	2,072,436	0.8%	28.24
DEA - Santa Ana	Santa Ana, CA	Office	2024	2004	39,905	1,901,162	0.7%	47.64
NPS - Omaha	Omaha, NE	Office	2024	2004	62,772	1,790,405	0.7%	28.52
ICE - Otay	San Diego, CA	Office	2022 - 2027	2001	49,457	1,788,962	0.7%	36.17
VA - Golden	Golden, CO	Office/Warehouse	2026	1996 / 2011	56,753	1,742,022	0.7%	30.69
CBP - Sunburst	Sunburst, MT	Office	2028	2008	33,000	1,619,940	0.6%	49.09
USCG - Martinsburg	Martinsburg, WV	Office	2027	2007	59,547	1,613,158	0.6%	27.09
DEA - Birmingham	Birmingham, AL	Office	2021	2005	35,616	1,590,100	0.6%	44.65
JUD - Aberdeen	Aberdeen, MS	Courthouse/Office	2025	2005	46,979	1,505,573	0.6%	32.05
GSA - Clarksburg	Clarksburg, WV	Office	2024 <sup>(1)</sup>	1999	63,750	1,472,868	0.6%	23.10
DEA - North Highlands	Sacramento, CA	Office	2033	2002	37,975	1,464,798	0.6%	38.57
USAO - Springfield	Springfield, IL	Office	2038	2002	43,600	1,408,624	0.5%	32.31
VA - Charleston	North Charleston, SC	Warehouse	2040	2020	97,718	1,383,687	0.5%	14.16
DEA - Albany	Albany, NY	Office	2025	2004	31,976	1,360,800	0.5%	42.56
DEA - Riverside	Riverside, CA	Office	2032	1997	34,354	1,254,917	0.5%	36.53
SSA - Dallas	Dallas, TX	Office	2035	2005	27,200	1,036,871	0.4%	38.12

# Leased Operating Property Overview (Cont.)

(As of September 30, 2021, unaudited)



Property Name	Location	Property Type	Tenant Lease Expiration Year	Year Built / Renovated	Leased Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income	Annualized Lease Income per Leased Square Foot
<b>U.S. Government Leased Properties (Cont.)</b>								
HRSA - Baton Rouge	Baton Rouge, LA	Office	2040	1981 / 2020	27,569	850,262	0.3%	30.84
VA - Baton Rouge	Baton Rouge, LA	Outpatient Clinic	2024	2004	30,000	804,186	0.3%	26.81
ICE - Pittsburgh	Pittsburgh, PA	Office	2023 / 2032 <sup>(6)</sup>	2004	25,245	803,823	0.3%	31.84
JUD - South Bend	South Bend, IN	Courthouse/Office	2027	1996 / 2011	30,119	792,569	0.3%	26.31
ICE - Louisville	Louisville, KY	Office	2021	2011	17,420	713,911	0.3%	40.98
DEA - San Diego	San Diego, CA	Warehouse	2032	1999	16,100	543,355	0.2%	33.75
SSA - San Diego	San Diego, CA	Office	2032	2003	10,059	424,038	0.2%	42.16
DEA - Bakersfield	Bakersfield, CA	Office	2038	2000	9,800	389,559	0.2%	39.75
<b>Subtotal</b>					<b>7,461,796</b>	<b>\$ 259,189,476</b>	<b>99.8%</b>	<b>\$ 34.74</b>
<b>Privately Leased Properties</b>								
501 East Hunter Street - Lummus Corporation	Lubbock, TX	Warehouse/Distribution	2028 <sup>(4)</sup>	2013	70,078	410,157	0.2%	5.85
<b>Subtotal</b>					<b>70,078</b>	<b>\$ 410,157</b>	<b>0.2%</b>	<b>\$ 5.85</b>
<b>Total / Weighted Average</b>					<b>7,531,874</b>	<b>\$ 259,599,633</b>	<b>100.0%</b>	<b>\$ 34.47</b>

<sup>(1)</sup>Lease contains one five-year renewal option.

<sup>(2)</sup>37,811 square feet leased to the U.S. Army Corps of Engineers ("ACOE") will expire on February 19, 2025 and contains two five-year renewal options. 21,646 square feet leased to the Federal Bureau of Investigation ("FBI") will expire on December 31, 2024 and contains two five-year renewal options. 10,299 square feet leased to three private tenants will expire between 2022-2025 and all contain one five-year renewal option. 4,846 square feet leased to the Department of Energy ("DOE") will expire on April 14, 2023 and contains two five-year renewal options.

<sup>(3)</sup>Lease contains one ten-year renewal option.

<sup>(4)</sup>Lease contains two five-year renewal options.

<sup>(5)</sup>11,402 square feet leased to the VNA Health Group ("VNA") will expire on December 31, 2028 and contains two five-year renewal options.

<sup>(6)</sup>21,391 square feet leased to the U.S. Immigration and Customs Enforcement ("ICE") will expire on February 28, 2022 and contains one three-year renewal option.

# Tenants

(As of September 30, 2021, unaudited)

Tenant	Weighted Average Remaining Lease Term <sup>(1)</sup>	Leased Square Feet	Percentage of Leased Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income
<b>U.S. Government</b>					
Federal Bureau of Investigation ("FBI")	6.9	1,363,306	18.2%	\$ 45,187,427	17.3%
Department of Veteran Affairs ("VA")	13.6	986,966	13.1%	43,070,468	16.5%
Drug Enforcement Administration ("DEA")	10.3	603,323	8.0%	25,541,342	9.8%
Judiciary of the U.S. ("JUD")	6.7	336,059	4.5%	12,090,711	4.7%
Food and Drug Administration ("FDA")	14.4	209,991	2.8%	11,629,615	4.5%
U.S. Immigration and Customs Enforcement ("ICE")	5.5	245,770	3.3%	9,968,226	3.8%
Environmental Protection Agency ("EPA")	4.7	241,564	3.2%	9,768,206	3.8%
Internal Revenue Service ("IRS")	11.7	233,387	3.1%	8,721,660	3.4%
U.S. Joint Staff Command ("JSC")	6.7	403,737	5.4%	8,214,348	3.2%
U.S. Citizenship and Immigration Services ("USCIS")	6.8	204,489	2.7%	6,851,660	2.6%
Bureau of the Fiscal Service ("BFS")	15.9	266,176	3.5%	6,698,694	2.6%
Federal Aviation Administration ("FAA")	2.1	194,540	2.6%	6,457,886	2.5%
Patent and Trademark Office ("PTO")	13.3	190,546	2.5%	6,177,283	2.4%
U.S. Forest Service ("USFS")	4.7	191,175	2.5%	6,146,565	2.4%
Social Security Administration ("SSA")	5.0	189,276	2.5%	5,038,162	1.9%
Federal Emergency Management Agency ("FEMA")	17.0	210,373	2.8%	4,611,427	1.8%
U.S. Attorney Office ("USAO")	12.3	110,008	1.5%	4,008,460	1.5%
Customs and Border Protection ("CBP")	9.5	68,000	0.9%	3,811,873	1.5%
Department of Transportation ("DOT")	2.9	129,659	1.7%	3,791,810	1.5%
Occupational Safety and Health Administration ("OSHA")	2.3	75,000	1.0%	3,010,443	1.2%
Defense Health Agency ("DHA")	12.6	101,285	1.3%	2,340,113	0.9%
Department of Energy ("DOE")	7.8	120,496	1.6%	2,213,403	0.9%
Military Entrance Processing Command ("MEPCOM")	4.0	30,000	0.4%	2,204,839	0.8%
U.S. Department of Agriculture ("USDA")	5.8	69,440	0.9%	2,150,831	0.8%
National Weather Service ("NWS")	12.2	94,378	1.3%	2,088,585	0.8%
Bureau of Indian Affairs ("BIA")	10.8	78,184	1.0%	2,039,206	0.8%
National Park Service ("NPS")	2.7	62,772	0.8%	1,790,405	0.7%
Bureau of Reclamation ("BOR")	11.6	69,518	0.9%	1,759,788	0.7%
General Services Administration - Other	4.0	54,803	0.7%	1,695,312	0.7%



**Tenants (Cont.)**  
(As of September 30, 2021, unaudited)

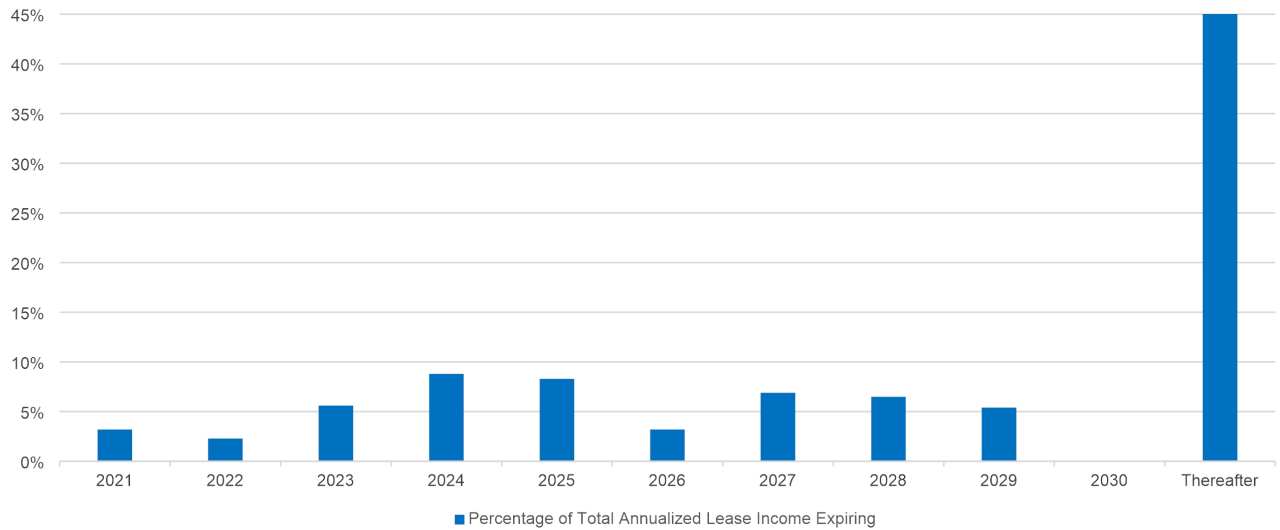
Tenant	Weighted Average Remaining Lease Term <sup>(1)</sup>	Leased Square Feet	Percentage of Leased Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income
<b>U.S. Government (Cont.)</b>					
U.S. Coast Guard ("USCG")	6.2	59,547	0.8%	1,613,158	0.6%
Small Business Administration ("SBA")	0.5	42,835	0.6%	1,362,332	0.5%
National Oceanic and Atmospheric Administration ("NOAA")	6.3	33,403	0.4%	1,227,746	0.5%
U.S. Army Corps of Engineers ("ACOE")	3.4	39,320	0.5%	1,098,843	0.4%
Health Resources and Services Administration ("HRSA")	18.8	27,569	0.4%	850,262	0.3%
Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF")	3.8	21,342	0.3%	798,979	0.3%
Office of the Field Solicitor ("OFC")	11.6	4,526	0.1%	114,572	0.0%
Office of the Special Trustee for American Indians ("OST")	11.6	3,359	0.0%	85,030	0.0%
U.S. Marshals Service ("USMS")	5.3	1,054	0.0%	48,500	0.0%
Department of Labor ("DOL")	2.3	1,004	0.0%	23,193	0.0%
U.S. Probation Office ("USPO")	2.3	452	0.0%	10,450	0.0%
<b>Subtotal</b>	<b>9.0</b>	<b>7,368,632</b>	<b>97.8%</b>	<b>\$ 256,311,813</b>	<b>98.6%</b>
<b>Private Tenants</b>					
Other Private Tenants	4.2	49,912	0.7%	\$ 1,456,420	0.6%
Providence Health & Services	3.9	21,643	0.3%	725,322	0.3%
We Are Sharing Hope SC	0.4	21,609	0.3%	695,921	0.3%
Lummus Corporation	6.8	70,078	0.9%	410,157	0.2%
<b>Subtotal</b>	<b>4.8</b>	<b>163,242</b>	<b>2.2%</b>	<b>\$ 3,287,820</b>	<b>1.4%</b>
<b>Total / Weighted Average</b>	<b>8.9</b>	<b>7,531,874</b>	<b>100.0%</b>	<b>\$ 259,599,633</b>	<b>100.0%</b>

<sup>(1)</sup>Weighted based on leased square feet.

# Lease Expirations

(As of September 30, 2021, unaudited)

Year of Lease Expiration	Number of Leases Expiring	Leased Square Footage Expiring	Percentage of Total Leased Square Footage Expiring	Annualized Lease Income Expiring	Percentage of Total Annualized Lease Income Expiring	Annualized Lease Income per Leased Square Foot Expiring
2021	5	242,718	3.2%	\$ 8,274,814	3.2%	\$ 34.09
2022	5	160,772	2.1%	5,944,406	2.3%	36.97
2023	11	395,208	5.2%	14,536,364	5.6%	36.78
2024	10	727,374	9.7%	22,955,119	8.8%	31.56
2025	14	619,541	8.2%	21,459,657	8.3%	34.64
2026	5	263,740	3.5%	8,349,558	3.2%	31.66
2027	7	502,963	6.7%	17,876,156	6.9%	35.54
2028	9	794,405	10.5%	16,881,043	6.5%	21.25
2029	5	493,794	6.6%	13,919,123	5.4%	28.19
2030	-	-	0.0%	-	0.0%	-
Thereafter	42	3,331,359	44.3%	129,403,393	49.8%	38.84
<b>Total / Weighted Average</b>	<b>113</b>	<b>7,531,874</b>	<b>100.0%</b>	<b>\$ 259,599,633</b>	<b>100.0%</b>	<b>\$ 34.47</b>



# Summary of Re/Development Projects

(As of September 30, 2021, unaudited, in thousands, except square feet)



Projects Under Construction <sup>(1)</sup>									
Property Name	Location	Property Type	Total Leased Square Feet	Lease Term	Anticipated Total Cost	Cost to Date	Total Lump-Sum Reimbursement	Anticipated Completion Date	Anticipated Lease Commencement
N/A	-	-	-	-	\$ -	\$ -	\$ -	-	-

Projects in Design <sup>(2)</sup>							
Property Name	Location	Property Type	Total Estimated Leased Square Feet	Lease Term	Cost to Date	Anticipated Completion Date	Anticipated Lease Commencement
FDA - Atlanta	Atlanta, GA	Laboratory	162,000	20-Year	\$ 29,433	4Q 2023	4Q 2023
<b>Total</b>			<b>162,000</b>		<b>\$ 29,433</b>		

Projects Previously Completed with Outstanding Lump-Sum Reimbursements							
Property Name	Location	Property Type	Total Leased Square Feet	Lease Term	Outstanding Lump-Sum Reimbursement <sup>(3)</sup>	Completion Date	Lease Commencement
N/A	-	-	-	-	\$ -	-	-

<sup>(1)</sup>Includes properties under construction for which design is complete.

<sup>(2)</sup>Includes projects in the design phase for which project scope is not fully determined.

<sup>(3)</sup>Includes reimbursement of lump-sum tenant improvement costs and development fees.