Easterly Government Properties Inc.

Supplemental Information Package

Second Quarter 2015

Disclaimers

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 and include our guidance with respect to FFO. 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 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; failure of acquisitions or development projects 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, 2014 filed with the Securities and Exchange Commission. 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.

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 June 30, 2015 that will be released on Form 10-Q to be filed on or about August 6, 2015.

Supplemental Definitions

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 with respect to liquidity 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 restricted stock units, and the exchange of all earned and outstanding 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. Fully diluted basis does not include outstanding LTIP units in the Company's operating partnership that are subject to performance criteria that have not yet been met.

Funds From Operations (FFO) is defined under the White Paper approved by the Board of Governors of NAREIT, as amended, as net (loss) income (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring, sales of properties and real estate related impairment charges, 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.

Net Operating Income (NOI) is calculated as total property revenues (rental income, tenant reimbursements and other income) less property operating expenses and real estate taxes from the properties owned by the Company. Cash NOI excludes from NOI straight-line rent and amortization of above-/below-market leases. NOI presented by the Company may not be comparable to NOI reported by other REITs that define NOI differently. 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.

Pro forma three months ended June 30, 2015 removes from the Company's financial results for the three month period ended June 30, 2015 the impact of one-time, non-recurring expenses related to its initial public offering, including legal and accounting fees and new entity formation costs.

Pro forma six months ended June 30, 2015 (1) removes from the Company's financial results for the period from February 11, 2015 (the date of the closing of the Company's initial public offering) to June 30, 2015 the impact of one-time, non-recurring expenses related to its initial public offering, including legal and accounting fees and new entity formation costs and (2) reflects a full quarter of operations for the period from January 1, 2015 to March 31, 2015 on a pro forma basis based on the financial results of the 49 days of operations between February 11, 2015 and March 31, 2015.

Table of Contents

Corporate Information and Analyst Coverage

Corporate Information

Corporate Headquarters
2101 L Street NW
Suite 750
Washington, DC 20037
202-595-9500

Stock Exchange Listing
New York Stock Exchange

Ticker
DEA

Information Requests
Please contact ir@easterlyreit.com or 202-971-9867 to request an Investor Relations package

Investor Relations
Evelyn Infurna
ICR, Inc.

Executive Team
William Trimble III, CEO
Darrell Crate, Chairman
Alison Bernard, CFO
Meghan Baivier, COO
Michael Ibe, EVP
F. Joseph Moravec, EVP
Ronald Kendall, SVP

Board of Directors
William Binnie
Darrell Crate
Cynthia Fisher
Emil Henry Jr.
Michael Ibe
James Mead
William Trimble III

Note: Definitions for commonly used terms in this Supplemental Information Package are on page 3.

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

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

Executive Summary

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

Price of Common Shares		Three months ended June 30, 2015
High closing price during period	$	16.43
Low closing price during period	$	15.43
End of period closing price	$	15.92

Outstanding Classes of Stock and Partnership Units - Fully Diluted Basis	At June 30, 2015
Common shares	24,141,712
Unvested restricted shares	26,667
Common partnership units outstanding	15,530,939
Total - fully diluted basis	39,699,318

Market Capitalization		At June 30, 2015
Total equity market capitalization - fully diluted basis	**$**	**632,013**
Consolidated debt (excluding unamortized premiums & discounts)		102,197
Cash and cash equivalents		(3,409)
Total enterprise value	**$**	**730,801**

Ratios	At June 30, 2015
Net debt to total enterprise value	13.5%
Net debt to total equity market capitalization	15.6%
Net debt to annualized pro forma quarterly EBITDA	2.1x
Cash interest coverage ratio	10.1x
Cash fixed charge coverage ratio	6.7x

Earnings		Pro forma three months ended June 30, 2015		Pro forma six months ended June 30, 2015
Net income available to Easterly Government Properties, Inc.	$	618		
Net income available to Easterly Government Properties, Inc. per share:				
Basic	$	0.03		
Diluted	$	0.02		
Net income	$	1,015	$	2,471
Net income, per share - fully diluted basis	$	0.03	$	0.06
Funds From Operations	$	10,166	$	20,623
Funds From Operation, per share - fully diluted basis	$	0.26	$	0.52
Cash Available for Distribution	$	8,760	$	17,526
Cash Available for Distribution, per share - fully diluted basis	$	0.22	$	0.44

Liquidity		At June 30, 2015
Cash and cash equivalents	$	3,409
Unsecured revolving credit facility		
Total current facility size	**$**	**400,000**
Less: outstanding balance		(33,417)
Available under unsecured revolving credit facility	**$**	**366,583**

Second Quarter 2015 Results

EASTERLY GOVERNMENT PROPERTIES REPORTS SECOND QUARTER 2015 RESULTS

~ Pro Forma FFO of $0.26 per Share on a Fully Diluted Basis ~

WASHINGTON, D.C. – August 6, 2015 – 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 U.S. Government agencies, today announced its results of operations for the quarter ended June 30, 2015 which reflects its first full quarter of operations.

Highlights for the Quarter Ended June 30, 2015:

- Acquisition of the 46,979-square foot Thad Cochran U.S. Bankruptcy Courthouse in Aberdeen, Mississippi, at a purchase price of $14.1 million
- Pro Forma Funds From Operations of $10.2 million, or $0.26 per share on a fully diluted basis
- Pro Forma Cash Available for Distribution of $8.8 million, or $0.22 per share on a fully diluted basis
- Portfolio occupancy continued at 100%
- Introduction of Pro Forma Funds From Operations guidance, based on a pro forma 12 months ending December 31, 2015, of $1.01 to $1.05 per share on a fully diluted basis

“We continue to grow as a company and are enthused by our second quarter results,” said William C. Trimble III, President and Chief Executive Officer. “Our growth is evident by the two acquisitions we have completed since our initial public offering, which enhanced our weighted average lease term to 7.6 years. We have substantial unsecured debt capacity, a strong management team, and we are eager to continue growing our portfolio.”

Financial Results for the Quarter Ended June 30, 2015

Pro Forma Funds from Operations (FFO) was $10.2 million, or $0.26 per share on a fully diluted basis for the three months ended June 30, 2015.

Pro Forma Cash Available for Distribution (CAD) was $8.8 million, or $0.22 per share on a fully diluted basis for the three months ended June 30, 2015.

Pro Forma Net income was $1.0 million, or $0.03 per share on a fully diluted basis for the three months ended June 30, 2015.

The Company’s pro forma financial results for the quarter ended June 30, 2015 removes the impact of one-time, non-recurring expenses related to its initial public offering, including legal and accounting fees and new entity formation costs.

Financial Results for the Six Months Ended June 30, 2015

Pro Forma Funds From Operations (FFO) was $20.6 million, or $0.52 per share on a fully diluted basis for the six months ended June 30, 2015.

Pro Forma Cash Available for Distribution (CAD) was $17.5 million or $0.44 per share on a fully diluted basis for the six months ended June 30, 2015.

Pro Forma Net income was $2.5 million or $0.06 per share on a fully diluted basis for the six months ended June 30, 2015.

The Company’s pro forma financial results for the six months ended June 30, 2015 (1) removes, for the period from February 11, 2015 (the date of the closing of the Company’s initial public offering) to June

30, 2015, the impact of one-time, non-recurring expenses related to its initial public offering, including legal and accounting fees and new entity formation costs and (2) reflects a full quarter of operations for the period from January 1, 2015 to March 31, 2015 on a pro forma basis based on the financial results of the 49 days of operations between February 11, 2015 and March 31, 2015.

Darrell Crate, Chairman of the Board commented, “We are pleased with both our portfolio performance and our pipeline of acquisition opportunities. Easterly offers a differentiated growth story to investors seeking an attractive risk-adjusted total return with greater than 96% of rents backed by the full faith and credit of the U.S. Government.”

Portfolio Operations

As of June 30, 2015, the Company wholly owned 31 properties in the United States, encompassing approximately 2.2 million square feet in the aggregate, including 28 properties that were leased primarily to U.S. Government tenant agencies and three properties that were entirely leased to private tenants. The portfolio has a weighted average age of 10.9 years, is 100% occupied, and had a weighted average lease term of 7.6 years at June 30, 2015. With just seven percent of the leases, by annualized lease income, rolling through the end of 2017, Easterly expects to continue to provide a highly visible and stable cash-flow stream.

Acquisitions

As previously announced, Easterly acquired the Thad Cochran U.S. Bankruptcy Courthouse in Aberdeen, Mississippi, on June 18, 2015 for $14.1 million, its second acquisition since its IPO. This acquisition is demonstrative of Easterly’s core strategy of investing in mission critical properties occupied by essential functions of the U.S. Government. The 46,979-square foot building is a modern building in terms of court functionality and security, expressed in the stately form of a Greco-Roman classical design. Built in 2005 based on the exacting standards of the U.S. Courts Design Guide, the Company believes it is fully compliant with the Judiciary’s needs in terms of security, space sizes and function, and circulation patterns for the public and judicial officers. The property is leased to the GSA with 10 years remaining on an initial 20-year lease.

Since the completion of the Company’s IPO on February 11, 2015 the Company has acquired two properties for an aggregate purchase price of $34.3 million.

Balance Sheet

Easterly believes that its strong balance sheet and borrowing ability under its unsecured revolving credit facility provides ample capacity to pursue and fund its growth plan. As of June 30, 2015, the Company had total indebtedness of $102.2 million comprised of $33.4 million on its unsecured revolving credit facility and $68.8 million of mortgage debt (excluding unamortized premiums and discounts). At June 30, 2015, Easterly had a net debt to total enterprise value of 13.5% and a net debt to annualized pro forma quarterly EBITDA ratio of 2.1x. Easterly’s outstanding debt has a weighted average maturity of 9.7 years and a weighted average interest rate of 3.3%. The Company has roughly $366.6 million of remaining capacity on its $400 million revolver, before consideration for the facility’s $250 million accordion feature.

Dividend

On August 4, 2015 the Board of Directors of Easterly approved a cash dividend for the second quarter of 2015 in the amount of $0.21 per common share. The dividend will be payable September 3, 2015 to shareholders of record on August 18, 2015.

Outlook for 2015

Based on management's expectations, the Company is introducing its financial guidance based on a pro forma 12 months ending December 31, 2015 as follows:

Pro Forma Outlook for the 12 Months Ending December 31, 2015

	Low	High
Pro Forma Net income (loss), per share – fully diluted basis	$0.09	$0.13
Plus: real estate depreciation and amortization	$0.92	$0.92
Pro Forma FFO, per share – fully diluted basis	$1.01	$1.05

The Company’s pro forma outlook for the 12 months ending December 31, 2015 (1) removes, for the period from February 11, 2015 (the date of the closing of the Company’s initial public offering) to December 31, 2015, the impact of one-time, non-recurring expenses related to its initial public offering, including legal and accounting fees and new entity formation costs and (2) reflects a full quarter of operations for the period from January 1, 2015 to March 31, 2015 on a pro forma basis based on the financial results of the 49 days of operations between February 11, 2015 and March 31, 2015.

This guidance, for the pro forma 12 months ending December 31, 2015, is consistent with the following outlook for the period February 11, 2015 to December 31, 2015. The Company commenced its operations on February 11, 2015 upon completion of its initial public offering.

Outlook for the Period February 11, 2015 to December 31, 2015

	Low	High
Net income (loss), per share – fully diluted basis	$0.07	$0.11
Plus: real estate depreciation and amortization	$0.82	$0.82
FFO, per share – fully diluted basis	$0.89	$0.93

The guidance provided does not contemplate dispositions, future acquisitions or additional capital markets activities but does reflect the impact of completed acquisitions as of June 30, 2015. This guidance is forward-looking and reflect management's view of current and future market conditions. The Company's actual results may differ materially from this guidance.

Non-GAAP Supplemental Financial Measures

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 with respect to liquidity 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.

Funds From Operations (FFO) is defined under the White Paper approved by the Board of Governors of NAREIT, as amended, as net (loss) income (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring, sales of properties and real estate related impairment charges, 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.

Other Definitions

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 restricted stock units, and the exchange of all earned and outstanding 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. Fully diluted basis does not include outstanding LTIP units in the Company's operating partnership that are subject to performance criteria that have not yet been met.

Conference Call Information

The Company will host a webcast and conference call at 10:00 a.m. Eastern Daylight Time on August 6, 2015 to review the second quarter 2015 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 August 20, 2015 by dialing 1-877-870-5176 (domestic) and 1-858-384-5517 (international) and entering the passcode 13611650. 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.

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 primarily through the U.S. General Services Administration (GSA). For further information on the company and its properties, please visit www.easterlyreit.com.

Contact:

Easterly Government Properties, Inc.
Alison M. Bernard
Chief Financial Officer
202-971-9867
ir@easterlyreit.com

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 FFO. 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 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; 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; failure of acquisitions or development projects 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, 2014 filed with the Securities and Exchange Commission. 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)

		June 30, 2015
Assets		
Real estate properties, net	$	657,957
Cash and cash equivalents		3,409
Restricted cash		1,529
Rents receivable		6,139
Accounts receivable		2,764
Deferred financing, net		3,068
Intangible assets, net		107,254
Prepaid expenses and other assets		1,107
Total assets	$	783,227
Liabilities		
Revolving credit facility		33,417
Mortgage notes payable		69,369
Intangible liabilities, net		41,015
Accounts payable and accrued liabilities		4,967
Total liabilities		148,768
Equity		
Common stock, par value $0.01, 200,000,000 shares authorized, 24,168,379 shares issued and outstanding		241
Additional paid-in capital		391,922
Retained (deficit)		(2,297)
Cumulative dividends		(2,659)
Total stockholders' equity		387,207
Non-controlling interest in operating partnership		247,252
Total equity		634,459
Total liabilities and equity	$	783,227

Income Statement

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

	Three months ended June 30, 2015	Less: one time charges related to IPO	Pro forma three months ended June 30, 2015	Pro forma six months ended June 30, 2015
Revenues				
Rental income	$ 17,626	$ -	$ 17,626	$ 34,716
Tenant reimbursements	1,572	-	1,572	2,998
Other income	58	-	58	78
Total revenues	19,256	-	19,256	37,792
Operating Expenses				
Property operating	3,558	45	3,513	6,691
Real estate taxes	1,755	-	1,755	3,517
Depreciation and amortization	9,151	-	9,151	18,152
Acquisition costs	195	(125)	320	418
Formation expenses	72	72	-	-
Corporate general and administrative	2,239	58	2,181	3,935
Total expenses	16,970	50	16,920	32,713
Operating income (loss)	2,286	(50)	2,336	5,079
Other (expenses)				
Interest expense, net	(1,321)	-	(1,321)	(2,608)
Net income (loss)	965	(50)	1,015	2,471
Non-controlling interest in operating partnership	(377)	20	(397)	(967)
Net income (loss) available to Easterly Government Properties, Inc.	$ 588	$ (30)	$ 618	$ 1,504
Net income (loss) available to Easterly Government Properties, Inc. per share:				
Basic	$ 0.02	$ (0.00)	$ 0.03	
Diluted	$ 0.02	$ (0.00)	$ 0.02	
Weighted-average common shares outstanding:				
Basic	24,141,712	24,141,712	24,141,712	
Diluted	25,435,010	25,435,010	25,435,010	
Net income, per share - fully diluted basis			$ 0.03	$ 0.06
Weighted average common shares outstanding - fully diluted basis			39,699,318	39,699,318

Net Operating Income

(Unaudited, in thousands)

	Pro forma three months ended June 30, 2015	Pro forma six months ended June 30, 2015
Revenue		
Rental income	$ 17,626	$ 34,716
Tenant reimbursements	1,572	2,998
Other income	58	78
Total revenues	$ 19,256	$ 37,792
Operating Expenses		
Property operating	3,513	6,691
Real estate taxes	1,755	3,517
Total expenses	5,268	10,208
Net Operating Income	13,988	27,584
Adjustments to Net Operating Income:		
Straight-line rent	(65)	(131)
Above-/below-market leases	(1,300)	(2,541)
Cash Net Operating Income	$ 12,623	$ 24,912

EBITDA, FFO and CAD

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

	Three months ended June 30, 2015	Less: one time charges related to IPO	Pro forma three months ended June 30, 2015	Pro forma six months ended June 30, 2015
Net income (loss)	$ 965	$ (50)	$ 1,015	$ 2,471
Depreciation and amortization	9,151	-	9,151	18,152
Interest expense	1,321	-	1,321	2,608
EBITDA	11,437	(50)	11,487	23,231
Net income (loss)	$ 965	$ (50)	$ 1,015	$ 2,471
Depreciation and amortization	9,151	-	9,151	18,152
Funds From Operations (FFO)	$ 10,116	$ (50)	$ 10,166	$ 20,623
Adjustments to FFO:				
Acquisition costs	195	(125)	320	418
Formation expenses	72	72	-	-
Straight-line rent	(65)	-	(65)	(131)
Above-/below-market leases	(1,300)	-	(1,300)	(2,541)
Non-cash interest expense	187	-	187	377
Non-cash compensation	457	-	457	558
Funds From Operations, as Adjusted	$ 9,662	$ (103)	$ 9,765	$ 19,304
FFO, per share - fully diluted basis			$ 0.26	$ 0.52
FFO, as Adjusted, per share - fully diluted basis			$ 0.25	$ 0.49
Funds From Operations, as Adjusted	$ 9,662	$ (103)	$ 9,765	$ 19,304
Acquisition costs	(195)	125	(320)	(418)
Principal amortization	(586)	-	(586)	(1,200)
Maintenance capital expenditures	(65)	-	(65)	(126)
Contractual tenant improvements	(34)	-	(34)	(34)
Cash Available for Distribution (CAD)	$ 8,782	$ 22	$ 8,760	$ 17,526
CAD, per share - fully diluted basis			$ 0.22	$ 0.44
Weighted average common shares outstanding - fully diluted basis			39,699,318	39,699,318

Debt Schedules

(Unaudited, in thousands)

Debt Instrument	Maturity Date	Stated Rate		June 30, 2015 Balance	June 30, 2015 Percent of Total Indebtedness
Unsecured revolving credit facility					
Unsecured revolving credit facility[(1)]	11-Feb-19	LIBOR + 1.40%	$	33,417	32.7%
Total unsecured revolving credit facility	**3.6 years (wtd-avg maturity)**		**$**	**33,417**	**32.7%**
Secured mortgage debt					
ICE - Charleston	15-Jan-27	4.21%	$	22,511	22.0%
USFS II - Albuquerque	14-Jul-26	4.46%	$	17,500	17.1%
CBP - Savannah	10-Jul-33	3.40%	$	15,908	15.6%
MEPCOM - Jacksonville	14-Oct-25	4.41%	$	12,861	12.6%
Total secured mortgage debt	**12.7 years (wtd-avg maturity)**	**4.12% (wtd-avg rate)**	**$**	**68,780**	**67.3%**

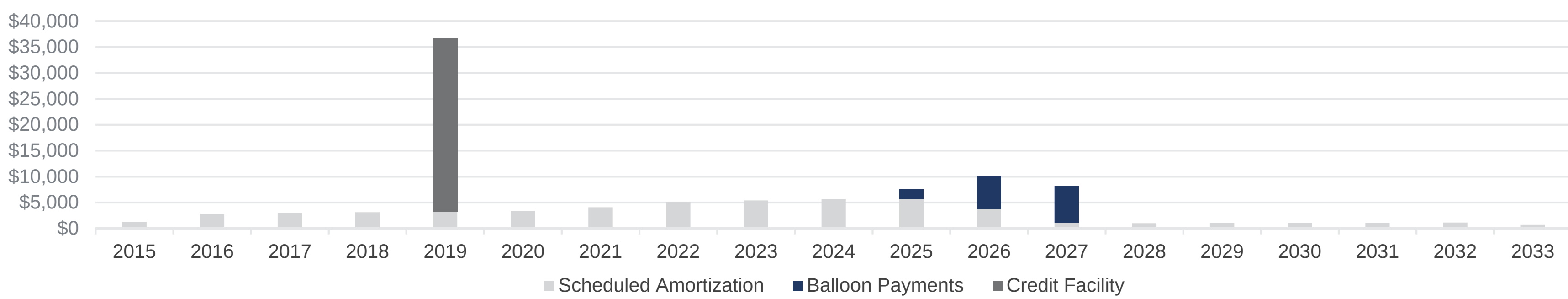
Debt Statistics		June 30, 2015
Variable rate debt - unhedged	$	33,417
Fixed rate debt	$	68,780
Total debt (excluding unamortized premiums & discounts)	**$**	**102,197**
% Variable rate debt - unhedged		32.7%
% Fixed rate debt		67.3%
Weighted average maturity		9.7 years
Weighted average interest rate		3.3%

[(1)]Credit facility has available capacity of $366,583.

Debt Maturities

(Unaudited, in thousands)

	Secured Debt		Unsecured Debt			
Year	Scheduled Amortization	Balloon Payments	Credit Facility	Total	Percent of Debt Maturing	Weighted Average Interest Rate of Maturing Debt
2015	$ 1,242	$ -	$ -	$ 1,242	1.2%	4.1%
2016	2,857	-	-	2,857	2.8%	4.1%
2017	2,977	-	-	2,977	2.9%	4.1%
2018	3,100	-	-	3,100	3.0%	4.1%
2019	3,229	-	33,417	36,646	35.8%	1.8%
2020	3,395	-	-	3,395	3.3%	4.1%
2021	4,054	-	-	4,054	4.0%	4.2%
2022	5,109	-	-	5,109	5.0%	4.2%
2023	5,388	-	-	5,388	5.3%	4.2%
2024	5,679	-	-	5,679	5.6%	4.2%
2025	5,633	1,917	-	7,550	7.4%	4.3%
2026	3,686	6,368	-	10,054	9.7%	4.3%
2027	1,093	7,140	-	8,233	8.1%	4.1%
2028	983	-	-	983	1.0%	3.4%
2029	1,016	-	-	1,016	1.0%	3.4%
2030	1,049	-	-	1,049	1.0%	3.4%
2031	1,081	-	-	1,081	1.1%	3.4%
2032	1,116	-	-	1,116	1.1%	3.4%
2033	668	-	-	668	0.7%	3.4%
Total	**$ 53,355**	**$ 15,425**	**$ 33,417**	**$ 102,197**	**100.0%**	



Property Overview

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								
IRS - Fresno	Fresno, CA	Office	2018	2003	180,481	$7,299,318	10.2%	$40.44
PTO - Arlington	Arlington, VA	Office	2019 / 2020	2009	189,871	6,501,704	9.0%	34.24
FBI - San Antonio	San Antonio, TX	Office	2021	2007	148,584	4,914,920	6.8%	33.08
FBI - Omaha	Omaha, NE	Office	2024	2009	112,196	4,620,820	6.4%	41.19
ICE - Charleston	North Charleston, SC	Office	2019 / 2027	1994 / 2012	86,733	3,529,464	4.9%	40.69
DOT - Lakewood	Lakewood, CO	Office	2024	2004	122,225	3,347,481	4.7%	27.39
AOC - El Centro	El Centro, CA	Courthouse/Office	2019	2004	46,813	3,037,113	4.2%	64.88
DEA - Vista	Vista, CA	Laboratory	2020	2002	54,119	2,752,689	3.8%	50.86
USFS II - Albuquerque	Albuquerque, NM	Office	2026	2011	98,720	2,683,241	3.7%	27.18
USFS I - Albuquerque	Albuquerque, NM	Office	2021	2006	92,455	2,585,443	3.6%	27.96
AOC - Del Rio	Del Rio, TX	Courthouse/Office	2024	1992 / 2004	89,880	2,550,224	3.5%	28.37
MEPCOM - Jacksonville	Jacksonville, FL	Office	2025	2010	30,000	2,146,411	3.0%	71.55
FBI - Little Rock	Little Rock, AR	Office	2021	2001	101,977	2,135,642	3.0%	20.94
CBP - Savannah	Savannah, GA	Laboratory	2033	2013	35,000	2,108,803	2.9%	60.25
DEA - Santa Ana	Santa Ana, CA	Office	2024	2004	39,905	2,094,234	2.9%	52.48
DOE - Lakewood	Lakewood, CO	Office	2029	1999	115,650	2,058,570	2.9%	17.80
CBP - Chula Vista	Chula Vista, CA	Office	2018	1998	59,397	1,773,525	2.5%	29.86
DEA - Dallas	Dallas, TX	Office	2021	2001	71,827	1,771,449	2.5%	24.66
DEA - North Highlands	Sacramento, CA	Office	2017	2002	37,975	1,709,542	2.4%	45.02
USCG - Martinsburg	Martinsburg, WV	Office	2027	2007	59,547	1,569,666	2.2%	26.36
CBP - Sunburst	Sunburst, MT	Office	2028	2008	33,000	1,568,287	2.2%	47.52
AOC - Aberdeen	Aberdeen, MS	Courthouse/Office	2025	2005	46,979	1,454,521	2.0%	30.96
DEA - Albany	Albany, NY	Office	2025	2004	31,976	1,353,477	1.9%	42.33
DEA - Riverside	Riverside, CA	Office	2017	1997	34,354	1,272,856	1.8%	37.05
DEA - Otay	San Diego, CA	Office	2017	1997	32,560	1,263,872	1.8%	38.82
SSA - Mission Viejo	Mission Viejo, CA	Office	2020	2005	11,590	529,257	0.7%	45.66
SSA - San Diego	San Diego, CA	Office	2015	2003	11,743	441,041	0.6%	37.56
DEA - San Diego	San Diego, CA	Warehouse	2016	1999	16,100	394,239	0.5%	24.49
Subtotal					**1,991,657**	**$69,467,809**	**96.6%**	**$34.88**
Privately Leased Properties								
2650 SW 145th Avenue - Parbel of Florida	Miramar, FL	Warehouse/Distribution	2022	2007	81,721	1,473,430	2.0%	18.03
5998 Osceola Court - United Technologies	Midland, GA	Manufacturing/Warehouse	2023	2014	105,641	545,004	0.8%	5.16
501 East Hunter Street - Lummus Corporation	Lubbock, TX	Warehouse/Distribution	2028	2013	70,078	400,380	0.6%	5.71
Subtotal					**257,440**	**$2,418,814**	**3.4%**	**$9.40**
Total / Weighted Average					**2,249,097**	**$71,886,623**	**100.0%**	**$31.96**

Tenants

Tenant	Number of Properties	Number of Leases	Weighted Average Remaining Lease Term	Leased Square Feet	Percentage of Leased Square Feet	Annualized Lease Income	Percentage of Total Annualized Lease Income
U.S. Government							
Drug Enforcement Agency	8	8	5.1	313,003	13.9%	$12,386,716	17.2%
Federal Bureau of Investigation	3	3	7.1	362,757	16.3%	11,671,382	16.2%
Internal Revenue Service	1	1	3.4	180,481	8.0%	7,299,318	10.2%
Administrative Office of the United States Courts	3	3	7.9	183,672	8.2%	7,041,858	9.8%
U.S. Patent and Trademark Office	1	2	3.8	189,871	8.4%	6,501,704	9.0%
Bureau of Customs and Border Protection	3	3	9.7	127,397	5.7%	5,450,615	7.6%
U.S. Forest Service	2	2	8.6	191,175	8.5%	5,268,684	7.3%
Department of Transportation	1	1	9.0	122,225	5.4%	3,347,481	4.7%
U.S. Immigration and Customs Enforcement	1	1	10.8	70,937	3.2%	3,299,901	4.6%
U.S. Military Entrance Processing Command	1	1	10.3	30,000	1.3%	2,146,411	3.0%
Department of Energy	1	1	14.4	115,650	5.1%	2,058,570	2.9%
U.S. Coast Guard	1	1	12.5	59,547	2.6%	1,569,666	2.2%
Social Security Administration	2	2	2.9	23,333	1.0%	970,298	1.3%
Subtotal	**28**	**29**	**7.3**	**1,970,048**	**87.6%**	**$69,012,604**	**96.0%**
Private Tenants							
Parbel of Florida	1	1	7.4	81,721	3.6%	$1,473,430	2.0%
United Technologies / P&W	1	1	8.5	105,641	4.7%	$545,004	0.8%
LifePoint, Inc.	0	1	4.3	21,609	1.0%	$455,205	0.6%
Lummus Corporation	1	1	13.1	70,078	3.1%	$400,380	0.6%
Subtotal	**3**	**4**	**9.0**	**279,049**	**12.4%**	**$2,874,019**	**4.0%**
Total / Weighted Average	**31**	**33**	**7.6**	**2,249,097**	**100.0%**	**$71,886,623**	**100.0%**

Lease Expirations

Year of Lease Expiration	Number of Leases Expiring	Square Footage of Leases Expiring	Percent of Portfolio Square Footage of Leases Expiring	Annualized Lease Income	Percentage of Total Annualized Lease Income	Annualized Lease Income per Leased Square Foot
Available	0	N/A	N/A	N/A	N/A	N/A
Signed leases not commenced	0	N/A	N/A	N/A	N/A	N/A
2015	1	11,743	0.5%	441,041	0.6%	37.56
2016	1	16,100	0.7%	394,239	0.6%	24.49
2017	3	104,889	4.7%	4,246,270	5.9%	40.48
2018	2	239,878	10.7%	9,072,843	12.6%	37.82
2019	3	236,890	10.5%	9,228,702	12.8%	38.96
2020	3	87,112	3.9%	4,047,266	5.6%	46.46
2021	4	414,843	18.4%	11,407,454	15.9%	27.50
2022	1	81,721	3.6%	1,473,430	2.1%	18.03
2023	1	105,641	4.7%	545,004	0.8%	5.16
2024	4	364,206	16.2%	12,612,759	17.5%	34.63
2025	3	108,955	4.9%	4,954,409	6.9%	45.47
Thereafter	7	477,119	21.2%	13,463,206	18.7%	28.22
Total / Weighted Average	**33**	**2,249,097**	**100.0%**	**$71,886,623**	**100.0%**	**$31.96**