WASHINGTON REAL ESTATE INVESTMENT TRUST
Form PRE 14A
March 22, 2011
Table of Contents

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

x	Preliminary Proxy Statement	¨	**Confidential, For Use of the Commission Only**
¨	Definitive Proxy Statement		**(as permitted by Rule 14a-6(e)(2))**
¨	Definitive Additional Materials		
¨	Soliciting Material Under Rule 14a-12		

Washington Real Estate Investment Trust

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1. Title of each class of securities to which transaction applies:

2. Aggregate number of securities to which transaction applies:

3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4. Proposed maximum aggregate value of transaction:

5. Total fee paid:

¨ Fee paid previously with preliminary materials:

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

1. Amount previously paid:

2. Form, Schedule or Registration Statement No.:

3. Filing Party:

4. Date Filed:

Table of Contents

April ·, 2011

Dear Shareholder,

You are cordially invited to attend the Annual Meeting of Shareholders of Washington Real Estate Investment Trust to be held on Tuesday, May 17, 2011. The formal Notice of the meeting and a Proxy Statement describing the proposals to be considered and voted upon are enclosed.

The Board of Trustees has nominated three individuals for election as trustees at the meeting and recommends that shareholders vote in favor of their election. In addition to the election of the trustees, we are recommending your ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2011. We are also recommending your approval of four separate voting proposals for the amendment of our declaration of trust to (i) change the current 70% supermajority vote requirement to amend or repeal certain sections of the current declaration of trust to a majority of the votes entitled to be cast, (ii) change the vote requirement to elect trustees to a majority of the votes cast with a mandatory resignation policy, (iii) update and modernize certain governance and other provisions of our declaration of trust, and (iv) authorize 10 million preferred shares for possible future issuance by WRIT. With respect to executive compensation matters, we are recommending your approval of our executive compensation program in a non-binding advisory vote. As well, we are recommending that you approve holding such an executive compensation advisory vote on an annual basis.

Regardless of the number of shares you own, your vote is important. Please read the Proxy Statement, then complete, sign and return your Proxy Card in the enclosed envelope. You may also vote via telephone or the Internet. Just follow the instructions on the enclosed card.

Best Regards,

/s/ John P. McDaniel
John P. McDaniel
Chairman of the Board

Important Notice Regarding the Availability of Proxy Materials for

the Annual Meeting of Shareholders to be Held on May 17, 2011

This Proxy Statement and our 2010 Annual Report to Shareholders

are available at http://www.writ.com/proxy.

6110 Executive Boulevard, Suite 800, Rockville, Maryland 20852

Telephone 301-984-9400 *Facsimile* 301-984-9610 *Website* www.writ.com

Table of Contents

WASHINGTON REAL ESTATE INVESTMENT TRUST

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

April ·, 2011

Notice is hereby given that the Annual Meeting of Shareholders of Washington Real Estate Investment Trust, a Maryland real estate investment trust (WRIT, we or us), will be held at the **Bethesda North Marriott Hotel & Conference Center, 5701 Marinelli Road, North Bethesda, Maryland** (Northwest corner of Rockville Pike and Marinelli Rd., across the street from the White Flint Metro Stop) on Tuesday, May 17, 2011 at 11:00 a.m., for the following purposes:

1. To elect three trustees to serve until the annual meeting of shareholders in 2014 and until their successors are duly elected and qualify;
2. To consider and vote upon ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2011;
3. To consider and vote upon amendments to our declaration of trust to change the current 70% supermajority vote requirement to amend or repeal certain sections of the current declaration of trust to a majority of the votes entitled to be cast;
4. To consider and vote upon amendments to our declaration of trust to change the vote requirement to elect trustees to a majority of the votes cast and to implement a mandatory resignation policy;
5. To consider and vote upon amendments to our declaration of trust to update and modernize certain governance and other provisions of our declaration of trust;
6. To consider and vote upon amendments to our declaration of trust to authorize 10 million preferred shares for possible future issuance by WRIT;
7. To consider and vote on an advisory basis upon the compensation of the named executive officers as disclosed in this Proxy Statement pursuant to Item 402 of Regulation S-K;
8. To consider and vote on an advisory basis upon whether the shareholder advisory vote to approve the compensation of the named executive officers should occur every one, two or three years; and
9. To transact such other business as may properly come before the meeting.

The trustees have fixed the close of business on March 14, 2011 as the record date for determining holders of shares entitled to notice of and to vote at the Annual Meeting.

Our Annual Report, Proxy Statement and a Proxy Card are enclosed with this Notice.

You are requested, whether or not you plan to be present at the Annual Meeting, to sign and promptly return the Proxy Card in the enclosed business reply envelope. Alternatively, you may authorize a proxy to vote by telephone or the Internet, if you prefer. To do so, you should follow the instructions on the enclosed Proxy Card.

By order of the Board of Trustees:

/s/ Laura M. Franklin
Laura M. Franklin
Corporate Secretary

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

WASHINGTON REAL ESTATE INVESTMENT TRUST

6110 Executive Boulevard, Suite 800

Rockville, Maryland 20852

PROXY STATEMENT

General

This Proxy Statement is furnished by the Board of Trustees (the Board) of Washington Real Estate Investment Trust, a Maryland real estate investment trust (WRIT, we or us), in connection with its solicitation of proxies for exercise at the Annual Meeting of Shareholders on May 17, 2011, and at any and all postponements or adjournments thereof. Mailing of this Proxy Statement, the form of Proxy Card and our Annual Report will commence on or about April ·, 2011 to shareholders of record as of the close of business on March 14, 2011.

Voting Matters

All properly executed proxies will be voted in accordance with the instructions contained therein. If no instructions are specified, proxies will be voted FOR the election of the trustee nominees listed on the Proxy Card, FOR the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2011, FOR the approval of each of the amendments to our declaration of trust (as described under Proposals 3, 4, 5 and 6), FOR approval of our executive compensation program and FOR approval of holding an advisory vote on our executive compensation program on an annual basis. All proxies will be voted in the discretion of the proxy holders on any other matter to come before the meeting, unless otherwise instructed on the Proxy Card. For the reasons set forth in the discussion of each of the proposals, the proposals may not be presented in the specific order that they are set forth in the Notice of the Annual Meeting.

Abstentions and broker non-votes, if any, are counted for purposes of determining the presence or absence of a quorum for the transaction of business at the Annual Meeting. A broker non-vote occurs when a broker holding shares for a beneficial owner returns a properly executed Proxy, but does not cast a vote with respect to a particular proposal because the broker does not have discretionary voting power with respect to that matter and has not received voting instructions from the beneficial owner. The treatment of abstentions and broker non-votes and the vote required to approve each proposal are set forth under each proposal below under the caption Voting Matters. You may revoke your proxy at any time prior to its exercise at the Annual Meeting by submitting, to the Corporate Secretary, a duly executed Proxy Card bearing a later date or by attending the Annual Meeting and voting in person or signing a written revocation of the Proxy Card.

If you hold your shares in street name (that is, through a broker or other nominee), you should instruct your broker or nominee how to vote your shares by following the directions provided by your broker or nominee.

Our voting securities consist of common shares of beneficial interest, $0.01 par value per share (common shares), of which 65,906,417 common shares were issued and outstanding at the close of business on March 14, 2011. WRIT has no other class of voting security. Each common share outstanding on March 14, 2011 will be entitled to one vote. The presence in person or by proxy of shareholders entitled to cast a majority of all the votes entitled to be cast at the Annual Meeting on any matter will constitute a quorum at the Annual Meeting. Shareholders do not have cumulative voting rights.

BOARD OF TRUSTEES AND MANAGEMENT

Board and Committee Matters

General

The Board consists of nine trustees divided into three classes of three trustees each. The terms of the current trustees continue until the Annual Meetings to be held in 2011, 2012 and 2013, and until their successors are duly

Table of Contents

elected and qualify. At each Annual Meeting, trustees are elected for a term of three years and until their successors are duly elected and qualify. WRIT s Bylaws provide that no person shall be nominated for election as a trustee after his or her 72nd birthday, except under circumstances set forth in the Bylaws.

The Board held seven meetings in 2010. During 2010, each incumbent trustee attended at least 75% of the total number of meetings of the Board and committees on which he or she served during 2010. WRIT s non-management trustees meet without management at regularly scheduled executive sessions that are presided over by Mr. McDaniel in his capacity as Chairman. In 2010, the Board met in executive session without the Chief Executive Officer four times.

The Board has determined that all trustees, with the exception of Mr. McKenzie, are independent as that term is defined in the applicable listing standards of the New York Stock Exchange.

The Board provides a process for shareholders and other interested parties to send communications to the entire Board or to any of the trustees. Shareholders and interested parties may send these written communications c/o Corporate Secretary, Washington Real Estate Investment Trust, 6110 Executive Boulevard, Suite 800, Rockville, Maryland 20852. All communications will be compiled by the Corporate Secretary and submitted to the Board or the trustees on a periodic basis.

All members of the Board attended the Annual Meeting in 2010. The Board does not have a formal written policy requiring trustees to attend the Annual Meeting, although trustees have traditionally attended.

Corporate Governance/Nominating Committee

The *Corporate Governance/Nominating Committee* held five meetings in 2010. The Corporate Governance/Nominating Committee members are Chairwoman White and Messrs. Derrick, Nason and Russell. All members of the Corporate Governance/Nominating Committee are independent, as that term is defined in the applicable listing standards of the New York Stock Exchange. The Corporate Governance/Nominating Committee performs the duties described in the Corporate Governance/Nominating Committee Charter adopted by the Board. The Corporate Governance/Nominating Committee Charter is available on our website, www.writ.com, and upon written request. Among other things, the Corporate Governance/Nominating Committee develops and recommends Corporate Governance Guidelines for Board approval and recommends nominees for election to the Board as outlined in the Corporate Governance/Nominating Committee Charter.

Trustee Selection Process

The Corporate Governance/Nominating Committee s process for the recommendation of trustee candidates, as it exists from time to time, is described in our Corporate Governance Guidelines. Set forth below is a summary of the process that the Corporate Governance/Nominating Committee currently utilizes for the consideration of trustee candidates. The Corporate Governance/Nominating Committee may, in the future, modify or deviate from this process in connection with the selection of a particular trustee candidate.

The Corporate Governance/Nominating Committee develops and maintains a list of potential candidates for Board membership on an ongoing basis. Corporate Governance/Nominating Committee members and other Board members may recommend potential candidates for inclusion on such list. In addition, the Corporate Governance/Nominating Committee, in its discretion, may seek potential candidates from organizations, such as the National Association of Corporate Directors, that maintain databases of potential candidates. As well, shareholders may put forward potential candidates for the Corporate Governance/Nominating Committee s consideration by submitting candidates to the attention of the Corporate Governance/Nominating Committee at our executive offices in Rockville, Maryland. The Corporate Governance/Nominating Committee screens all potential candidates in the same manner regardless of the source of the recommendation.

The Corporate Governance/Nominating Committee annually reviews the attributes, skill sets and other qualifications for potential candidates (see current attributes, skill sets and other qualifications below) and may modify them from time to time based upon the Corporate Governance/Nominating Committee s assessment of the needs of the Board and the skill sets required to meet those needs.

When the Corporate Governance/Nominating Committee is required to recommend a candidate for nomination for election to the Board at an annual or special meeting of shareholders, or otherwise expects a vacancy on the Board to occur, it commences a candidate selection process by reviewing all potential candidates against the current attributes, skill sets and other qualifications to determine whether a candidate is suitable for Board membership. This review may also include an examination of publicly available information and consideration of the New York Stock Exchange independence requirement, the number of boards on which the candidate serves, the possibility of interlocks, other requirements or prohibitions imposed by applicable laws, regulations or WRIT policies and practices, and any actual or potential conflicts of interest.

The Corporate Governance/Nominating Committee then determines whether to remove any candidate from consideration as a result of the foregoing review. Thereafter, the Corporate Governance/Nominating Committee determines a proposed interview list from among the remaining candidates and recommends such interview list to the Board prior to direct discussion with any candidate.

Following the Board s approval of the interview list, the Chairman of the Corporate Governance/Nominating Committee or, at his or her discretion, other trustees contact and interview the potential candidates on such list. After the completion of candidate interviews, the Corporate Governance/Nominating Committee determines a priority ranking of the potential candidates on the interview list and recommends such priority ranking to the Board.

Following the Board s approval of the priority ranking, the Chairman of the Corporate Governance/Nominating Committee or, at his or her discretion, other trustees contact the potential candidates based on their order in the priority ranking. When a potential candidate indicates his or her willingness to accept nomination to the Board, the recommendation process is substantially complete. Subject to a final review of eligibility under WRIT policies and applicable laws and regulations using information supplied directly by the candidate, the Board then nominates the candidate.

The Corporate Governance/Nominating Committee s minimum qualifications and specific qualities and skills required for trustees, as they exist from time to time, are also set forth in our Corporate Governance Guidelines. Our Corporate Governance Guidelines currently provide that each trustee candidate, at a minimum, should possess the following attributes: integrity, business judgment, credibility, collegiality, professional achievement, constructiveness and public awareness. Our Corporate Governance Guidelines also provide that, as a group, the independent trustees should possess the following skill sets and characteristics: financial acumen equivalent to the level of a public company chief financial officer or senior executive of a capital market, investment or financial services firm; operational or strategic acumen germane to the real estate industry or another industry with similar characteristics; corporate governance acumen, gained through service as a senior officer or director of a publicly-owned corporation or comparable academic or other experience; and diversity in terms of both the gender and ethnicity of the individuals involved and their various experiences and areas of expertise.

Policy Regarding Diversity

The Board maintains a policy with regard to consideration of diversity in identifying trustee nominees. In October 2009, the Board revised our Corporate Governance Guidelines to add diversity as one of the four primary skill sets and characteristics that the independent trustees should possess as a group. As a result, consistent with this policy, the Corporate Governance/Nominating Committee specifically considers diversity as a factor in the selection of trustee nominees. As noted above, the Board defines diversity in our Corporate Governance Guidelines in terms of both the gender and ethnicity of the individuals involved and their various experiences and areas of expertise.

The Board and the Corporate Governance/Nominating Committee both assess the policy to be effective insofar as it was actively incorporated into ongoing discussions of the Corporate Governance/Nominating Committee with respect to future Board membership.

Compensation Committee

The *Compensation Committee* met eight times in 2010. Compensation Committee members are Chairman Derrick, Messrs. Civera and Russell and Ms. White. All members of the Compensation Committee are independent, as that term is defined in the applicable listing standards of the New York Stock Exchange. The Compensation Committee is responsible for making decisions and recommendations to the Board with respect to executive compensation. The Compensation Committee Charter is available on our website, www.writ.com, and upon written request.

Audit Committee

The *Audit Committee* met nine times in 2010. The Audit Committee members are Chairman Nason and Messrs. Byrnes, Civera and Golden. All members of the Audit Committee are independent as that term is defined in the applicable listing standards of the New York Stock Exchange. The Board has determined that each member of the Audit Committee qualifies as an audit committee financial expert, as that term is defined in the rules of the Securities and Exchange Commission (SEC). The Audit Committee assists the Board in oversight of financial reporting, but the existence of the Audit Committee does not alter the responsibilities of WRIT s management and the independent accountant with respect to the accounting and control functions and financial statement presentation. For a more detailed description of the Audit Committee s duties and responsibilities, please refer to the Audit Committee Report on page 39 of this Proxy Statement. The Audit Committee Charter is available on our website, www.writ.com, and upon written request.

Board Leadership Structure

The Board has concluded that WRIT should maintain a Board leadership structure in which either the Chairman or a lead trustee is independent under the rules of the New York Stock Exchange. As a result, the Board adopted a Corporate Governance Guideline setting forth this policy on Board leadership. The Corporate Governance Guideline, which was originally adopted by the Board on October 22, 2009, and later updated on February 18, 2010 and May 18, 2010, is set forth below:

The Board annually elects one of its trustees as Chairman of the Board. The current Chairman of the Board is independent under the rules of the NYSE.

In the future, the Chairman of the Board may or may not be an individual who is independent under the rules of the NYSE (and may or may not be the same individual as the Chief Executive Officer). At any time that the Chairman of the Board is not an individual who is independent under the rules of the New York Stock Exchange, the Board will appoint a Lead Independent Trustee elected by the independent trustees. The Lead Independent Trustee has authority to:

preside at all meetings of the Board at which the Chairman of the Board is not present, including executive sessions of the independent trustees;

serve as a liaison between the Chairman of the Board and the independent trustees;

approve information sent to the Board;

approve meeting agendas for the Board;

approve meeting schedules to assure that there is sufficient time for discussion of all agenda items;

call meetings of the independent trustees; and

if requested by major shareholders, consult and directly communicate with such shareholders.

Table of Contents

In 2010, the Board elected Mr. McDaniel as Chairman. Mr. McDaniel is an independent trustee under the listing standards of the New York Stock Exchange and previously served as the lead independent trustee under the Corporate Governance Guideline above.

The Board believes the leadership structure described in its Corporate Governance Guideline set forth above is appropriate because it ensures that the Board will have significant independent leadership regardless of whether, in the future, the Chairman is independent under the rules of the New York Stock Exchange.

Board Role in Risk Oversight

The Board has adopted a policy delineating the roles of the Board and its various committees in an ongoing risk oversight program for WRIT. As an initial matter, the Board considers actual risk monitoring and management to be a function appropriately delegated to WRIT management, with the Board and its committees functioning in only an oversight role. In this oversight role, the Board s policy provides that:

- the Board will coordinate all risk oversight activities of the Board and its committees, including appropriate coordination with WRIT s business strategy
- the Audit Committee will oversee financial reporting risk, risk relating to information technology systems and risk relating to REIT non-compliance
- the Compensation Committee will oversee financial risk, financial reporting risk and operational risk, in each case arising from WRIT s compensation plans
- the Corporate Governance/Nominating Committee will oversee executive succession risk and board function risk
- the Investment Committee (which is currently comprised of all of WRIT s trustees) will oversee risks related to WRIT s acquisitions, dispositions and developments
- the Finance Committee (which is currently comprised of Chairman Golden and Messrs. Byrnes, Civera and Russell) will assist the Board in overseeing financial risk
- the Board will oversee all other risks applicable to WRIT, including operational, catastrophic and financial risks that may be relevant to WRIT s business

Under its policy, the Board also involves the Audit Committee in its risk oversight functions as required by applicable New York Stock Exchange rules.

Trustee Compensation

General

For 2010, our non-employee trustees (other than our Chairman) received an annual retainer of $35,000 (prorated, in the case of Mr. Byrnes, for his partial year service on the Board commencing in May 2010) plus $1,500 per committee meeting. Our Chairman received an annual retainer of $110,000, with no additional compensation for committee meetings attended. Our Chairman does not sit on any of our committees, but routinely attends committee meetings in the course of exercising his duties as Chairman.

In addition, on December 14, 2010, each of the non-employee trustees (including our Chairman) received an annual $55,000 common share grant (prorated, in the case of Mr. Byrnes, for his partial year service on the Board commencing in May 2010), with the number of common shares determined by the closing price of the common shares on the date of grant. These common shares vested immediately but are restricted in transfer so long as the trustee serves on the Board. Our Committee Chairs also received additional retainers as follows: Audit Committee, $10,000; Corporate Governance/Nominating Committee, $6,000; and Compensation Committee, $6,000. Audit Committee members were also paid an additional retainer of $3,750.

WRIT has approved a non-qualified deferred compensation plan for non-employee trustees. The plan allows any non-employee trustee to defer a percentage of his or her cash compensation. Compensation deferred will be credited with interest at our cost of funds, which is determined by the Board on an annual basis. Upon the

Table of Contents

expiration of a trustee s term, the compensation plus interest can be paid in either a lump sum or in installments at the discretion of the trustee. Upon a trustee s death, the trustee s beneficiary will receive a lump sum pay out. The plan is unfunded and payments are to be made from general assets of WRIT.

Our former Chairman, Edmund B. Cronin, Jr., served as Chairman from January 1 through May 18, 2010 (the date on which Mr. McDaniel became Chairman). During this period, Mr. Cronin received a monthly retainer of $12,500 for service as Chairman.

Trustee Compensation Table

The following table summarizes the compensation paid by WRIT to non-employee trustees for the fiscal year ended December 31, 2010.

(a) Name	(b) Fees Earned or Paid in Cash ($)	(c) Stock Awards (1) ($)	(f) Change in Pension Value and Deferred Compensation Earnings (2) ($)	(j) Total ($)
William G. Byrnes	33,104	34,380		67,484
Edmund B. Cronin, Jr. (3)	62,500			62,500
Edward S. Civera	67,250	55,002		122,252
John M. Derrick, Jr.	57,500	55,002		112,502
Terence C. Golden	61,005	55,002	129	116,136
John P. McDaniel	95,768	55,002	13,571	164,341
Charles T. Nason	64,500	55,002	10,298	129,800
Thomas Edgie Russell, III	65,063	55,002		120,065
Wendelin A. White	53,504	55,002	706	109,212

(1) Aggregate options held by each non-employee trustee at December 31, 2010 are as follows: Mr. Cronin, 0; Mr. Byrnes, 0: Mr. Civera, 0; Mr. Derrick, 0; Mr. Golden, 0; Mr. McDaniel, 8,000; Mr. Nason, 2,000; Mr. Russell, 0; and Ms. White, 0. Aggregate share awards to each non-employee trustee as of December 31, 2010 are as follows: Mr. Cronin, 24,344; Mr. Byrnes, 1,167; Mr. Civera, 8,228; Mr. Derrick, 12,384; Mr. Golden, 5,160; Mr. McDaniel, 12,384; Mr. Nason, 11,584; Mr. Russell, 8,228; and Ms. White, 5,160. All share awards are fully vested. See *Ownership of Common Shares by Trustees and Executive Officers* on page 12.

(2) Represents above market earnings on deferred compensation pursuant to the deferred compensation plan.

(3) Mr. Cronin s term of service on the Board ended on May 18, 2010.

Trustee Background

General

The following table sets forth the names and biographical information concerning each of our continuing trustees and our trustee nominees. Each of our trustee nominees currently serves as a trustee.

NAME	PRINCIPAL OCCUPATION	SERVED AS TRUSTEE SINCE	AGE	TERM EXPIRES
Continuing Trustees				
William G. Byrnes	Retired Managing Director, Alex. Brown & Sons	2010	60	2013
John M. Derrick, Jr.	Retired Chairman, President and Chief Executive Officer, Pepco Holdings, Inc.	1997	71	2012
John P. McDaniel	Chairman, WRIT; Retired Chief Executive Officer, MedStar Health	1998	68	2013
George F. McKenzie	President and Chief Executive Officer, WRIT	2007	55	2013
Charles T. Nason	Retired Chairman, President and Chief Executive Officer, The Acacia Group	2000	64	2012
Thomas Edgie Russell, III	Retired President and Chief Executive Officer, Partners Realty Trust Inc.	2006	68	2012
Trustees Nominees				
Edward S. Civera	Chairman, Catalyst Health Solutions, Inc.	2006	60	2011
Terence C. Golden	Chairman, Bailey Capital Corporation	2008	66	2011
Wendelin A. White	Partner, Pillsbury Winthrop Shaw Pittman LLP	2008	58	2011

Table of Contents

Continuing Trustees

Mr. William G. Byrnes has been a private investor since 2001. In September 2006, he founded, and is Managing Member of, Wolverine Partners, LLC, which operates MUTUALdecision, a mutual fund research business. Mr. Byrnes also was co-founder of Pulpfree d/b/a BuzzMetrics, a consumer-generated media research and marketing firm, and served as its Chairman from June 1999 until its sale in September 2005. Mr. Byrnes currently is a member of the board of directors of CapitalSource Inc., a commercial lender operating principally through its subsidiary CapitalSource Bank, and LoopNet, Inc., an information services provider to the commercial real estate industry. Mr. Byrnes spent 17 years with Alex Brown & Sons, most recently as a Managing Director and head of the financial institutions investment banking group. He has been a full-time and adjunct professor and member of the Board of Regents at Georgetown University. During the past five years, Mr. Byrnes has also served as a director of Sizeler Property Investors, a real estate investment trust, or REIT , owning retail and multi-family properties, and La Quinta Corporation, a lodging company. Mr. Byrnes brings the following experience, qualifications, attributes and skills to the Board:

Real estate investment banking and capital markets experience from his 17 years as an investment banker with Alex. Brown & Sons

REIT industry experience from his involvement over the last twelve years as an independent director of three publicly-traded REITs and an institutional fund focused on investing in REITs

Retail and residential real estate industry experience from his involvement as an independent director of Sizeler Property Investors from 2002 to 2006

Financial and accounting acumen from his 17 years in investment banking and his service as a public company director

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C./Baltimore corridor for 36 years

Mr. John M. Derrick, Jr., is retired Chairman, Chief Executive Officer and President of Pepco Holdings, Inc. (formerly Potomac Electric Power Company (PEPCO)). He joined PEPCO, its predecessor, in 1961 and served as President and Chief Executive Officer from 1997 until 1999, as Chairman and Chief Executive Officer from 1999 until July 2003, and as Chairman until May 2004. From 1992 until 1997, he served as President and Chief Operating Officer. Mr. Derrick is a member of the Institute of Electrical and Electronic Engineers, the National Society of Professional Engineers and the Washington Society of Engineers. He is past Chairman of the United States Energy Association and has served as a director of the United States Chamber of Commerce, a trustee of the Federal City Council, a trustee of Arena Stage and Chairman of the Greater Washington Initiative. He is past Chairman of the Maryland Chamber of Commerce and the Greater Washington Board of Trade. Mr. Derrick brings the following experience, qualifications, attributes and skills to the Board:

General business management and strategic planning experience from his seven years as a public company chief executive or chairman at Pepco Holdings and its predecessors

Experience in capital-intensive, income-producing assets from his 45 years at Pepco Holdings and its predecessors

Involvement in the D.C. business community, including past service as Chairman of the Greater Washington Board of Trade and the Maryland Chamber of Commerce

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C. region for 68 years (Mr. Derrick is a D.C. native)

Mr. John P. McDaniel served as Chief Executive Officer of MedStar Health, a multi-institutional healthcare organization, from 1982 until his retirement in January 2008. Since August 2008, he has served as Managing Partner of the Hickory Ridge Group, a private healthcare consulting, facilities development and investment organization. Mr. McDaniel also serves on the boards of Medifast, Inc., Wittenberg University, Consumer Health

Table of Contents

Services, and the Mary and Daniel Loughran Foundation. Mr. McDaniel is past Chairman and current board member of the Greater Washington Board of Trade, a member and past Chairman of the Maryland State Racing Commission and a board member of the Greater Baltimore Committee. Mr. McDaniel also is a fellow of the American College of Healthcare Executives, a member of the Economic Club of Washington, a member of the National Association of Corporate Directors, and a trustee of the National Capitol Area Foundation. In the past, Mr. McDaniel has also served as a director of Georgetown University and the Federal City Council. During the past five years, Mr. McDaniel has also served as a director of 1st Mariner Bancorp. Mr. McDaniel brings the following experience, qualifications, attributes and skills to the Board:

General business management and strategic planning experience from his 26 years as a chief executive of MedStar Health

Medical office real estate industry experience from his involvement in real estate matters as chief executive of MedStar Health

Financial and accounting acumen from his 26 years as chief executive of a multi-institutional healthcare organization

Involvement in the D.C. business community, including past service as Chairman of the Greater Washington Board of Trade

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C./Baltimore corridor for 41 years

Mr. George F. Skip McKenzie was elected to the Board and appointed President and Chief Executive Officer of WRIT in June 2007. Since joining WRIT in September 1996, Mr. McKenzie has served in executive roles, including Executive Vice President, Real Estate and Chief Operating Officer. From 1985 to 1996, Mr. McKenzie served with the Prudential Realty Group, a subsidiary of Prudential Insurance Company of America, most recently as Vice President, Investment & Sales. Prior assignments included real estate finance originations and asset management in the mid-Atlantic region. Mr. McKenzie currently is a member of the board of trustees of Chesapeake Lodging Trust, a public REIT formed for purposes of investing in lodging real estate. Mr. McKenzie is also a member of the Economic Club of Washington and the Urban Land Institute. Mr. McKenzie brings the following experience, qualifications, attributes and skills to the Board:

General business management and strategic planning experience from his service as chief executive of WRIT

Office, medical office, industrial, retail and residential real estate industry operating, investment and development experience from his involvement as an executive at WRIT and as Vice President at Prudential Realty Group

Financial and accounting acumen from his 14 years as an executive at WRIT

Extensive familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C. region for 24 years

Mr. Charles T. Nason is retired Chairman and Chief Executive Officer of The Acacia Group, including Acacia Life, Acacia Federal Savings Bank and the Calvert Group LTD. He served Acacia from 1977 to 2005, including as Chief Executive Officer from 1988 to 2003. The Acacia Group is a Washington D.C. based financial services organization with assets under management in excess of $15 billion. Mr. Nason is a past Chairman and director of The Greater Washington Board of Trade and the Federal City Council. He served as a director of MedStar Health from 2001 to 2010 and was a member of the Economic Club of Washington. He is also a member of the Board of Trustees of Washington and Jefferson College, and served as its Chairman from 2007 to 2010. In addition, he is a past director of The American Council of Life Insurers and past Chairman of the Insurance Marketplace Standards Association. Mr. Nason brings the following experience, qualifications, attributes and skills to the Board:

General business management and strategic planning experience from his 15 years as a chief executive of The Acacia Group

8

Table of Contents

Real estate investment and lending experience from his roles in supervising as chief executive The Acacia Group s real estate purchase and sale decisions and in supervising as Chairman Acacia Federal Savings Bank s real estate construction and acquisition lending

Financial and accounting acumen from his 15 years service as a chief executive of an insurance holding company

Involvement in the D.C. business community, including past service as Chairman of the Greater Washington Board of Trade

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C. region for 23 years

Mr. Thomas Edgie Russell, III served as President and Chief Executive Officer of Partners Realty Trust, Inc., a private real estate company which was previously engaged in the ownership of apartments, offices, and shopping centers, from 1990 until his retirement from active involvement in 2005. Mr. Russell currently serves as a director of Good Samaritan Hospital, a healthcare facility operated by MedStar Health; the Keswick Multi-Care Center, a not-for-profit organization providing skilled nursing care and adult day services; and The Robert Packard Center for ALS Research at Johns Hopkins, a not-for-profit organization. From 1988 to 1990, Mr. Russell was a director of Florida Rock Industries, a publicly traded construction materials company, prior to its being acquired by Vulcan Properties Company in 2007, and the Chief Operating Officer of its wholly-owned subsidiary, The Arundel Corporation. He held various executive positions with The Arundel Corporation for approximately 15 years prior to its being acquired by Florida Rock, including serving as Chief Financial Officer from 1981 to 1988. Mr. Russell brings the following experience, qualifications, attributes and skills to the Board:

General business management and strategic planning experience from his 15 years as a chief executive of Partners Realty Trust

Office, retail and residential real estate industry experience from his involvement as a chief executive of Partners Realty Trust

Industrial real estate development experience from his involvement as Chief Financial Officer of The Arundel Corporation, which developed industrial properties in the Washington, D.C./Baltimore corridor

Financial and accounting acumen from his 15 years service as a chief executive and seven years service as a chief financial officer

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C./Baltimore corridor for 62 years (Mr. Russell is a Baltimore native)

Trustee Nominees

Mr. Edward S. Civera has served since 2005 as the Chairman of the Board of Catalyst Health Solutions, Inc., a publicly traded pharmacy benefit management company (formerly known as HealthExtras, Inc.). He also serves as Chairman of the MedStar Health System, a multi-institutional healthcare organization. From 1997 to 2001, Mr. Civera was the Chief Operating Officer and Co-Chief Executive Officer of United Payors & United Providers, Inc. (UP&UP). Prior to that, Mr. Civera spent 25 years with Coopers & Lybrand (now PricewaterhouseCoopers LLP), most recently as Managing Partner, focused on financial advisory and auditing services. Mr. Civera is a Certified Public Accountant. During the past five years, Mr. Civera has also served as a director of The Mills Corporation and MCG Capital Corporation. Mr. Civera brings the following experience, qualifications, attributes and skills to the Board:

General business management and strategic planning experience from his nine years as a public company chief executive or chairman at UP&UP and Catalyst Health Solutions

REIT industry experience from his involvement as an independent director of The Mills Corporation from 2005 to 2006 leading its reorganization and sale as Chairman of the Special Committee and Executive Committee

Table of Contents

Medical office real estate industry experience from his involvement in real estate matters as Chairman of MedStar Health

Financial and accounting acumen from his 25 years in public accounting and his service as a public company chief executive

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C./Baltimore corridor for 23 years

Mr. Terence C. Golden has been Chairman of Bailey Capital Corporation, a private investment company in Washington, D.C. since 2000. From 1995 until 2000, Mr. Golden was President, Chief Executive Officer and director of Host Marriott Corporation (now known as Host Hotels & Resorts). Mr. Golden was Chief Financial Officer at The Oliver Carr Company, a D.C. area real estate company, from 1989 to 1991. From 1985 to 1988, Mr. Golden served as the head of the General Services Administration, and from 1984 to 1985, served as Assistant Secretary of the U.S. Department of the Treasury. Mr. Golden was a Founder and National Managing Partner of Trammell Crow Residential Companies, one of the largest residential development companies in the United States, from 1976 to 1984. He serves as a director of Host Hotels and Resorts, Pepco Holdings, Stemnion, Inc. (a biomedical research firm), the Federal City Council, Kipp DC, the District of Columbia Metropolitan Police Foundation, the Washington, D.C. Law Enforcement Selection Commission, The Morris and Gwendolyn Cafritz Foundation and Fight for Children (a non-profit foundation). Mr. Golden brings the following experience, qualifications, attributes and skills to the Board:

General business management and strategic planning experience from his five years as a public company chief executive at Host Marriott Corporation

Office and residential real estate industry operating, investment and development experience from his involvement as a Chief Financial Officer of The Oliver Carr Company and National Managing Partner of Trammell Crow Residential Companies

Office and industrial real estate leasing experience applicable to the D.C. leasing market from his service as head of the General Services Administration (which is the leasing organization for the federal government)

Financial and accounting acumen from his five years service as a public company chief executive and three years service as a chief financial officer

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C. region for 26 years

Ms. Wendelin A. White is a partner at Pillsbury Winthrop Shaw Pittman LLP (Pillsbury), where she has practiced law since 1981. Ms. White is a former member of Pillsbury s Managing Board and is currently the head of the firm s D.C. real estate group. In 2007, 2008, 2009 and 2010, Ms. White was ranked by Chambers USA as a leading real estate attorney in the District of Columbia. She was named by the Washington Business Journal in 2005 as the top real estate transactional attorney in the region. She is also included in The Best Lawyers in America and the Top 50 Women Washington, D.C. Super Lawyers. Ms. White concentrates her practice on acquisitions, dispositions and financings of commercial properties. Ms. White is a member of the Federal City Council and is General Counsel of the Economic Club of Washington. She is a member and past President of CREW (Commercial Real Estate Women) of Washington, and sits on CREW s Advisory Board. She also sits on the Board of Georgetown University Hospital. As well, she is a member of the District of Columbia Building Industry Association (DCBIA). Ms. White brings the following experience, qualifications, attributes and skills to the Board:

Real estate transactional experience from her involvement in numerous purchase and sale, financing, joint venture, leasing, workout and other real estate transactions in her 30 years as a real estate attorney with Pillsbury and its predecessors

REIT industry experience from her past and current representation of other REITs in her law practice at Pillsbury and its predecessors

10

General legal experience from her 30 years as an attorney with Pillsbury and its predecessors

Involvement in the D.C. business community, including current service as General Counsel of the Economic Club of Washington and past service as President of CREW

General familiarity with D.C. area real estate by virtue of living and working in the Washington, D.C. region for 30 years

Management Background

The following table contains information regarding our executive officers and other officer (other than our President and Chief Executive Officer, Mr. McKenzie, who is listed above). These officers are appointed by the Board and serve at the Board s discretion.

NAME OF OFFICER	AGE	POSITION
William T. Camp	48	Executive Vice President and Chief Financial Officer
Laura M. Franklin	50	Executive Vice President Accounting, Administration and Corporate Secretary
Thomas C. Morey	39	Senior Vice President and General Counsel
Michael S. Paukstitus	60	Senior Vice President, Real Estate
Thomas L. Regnell	54	Senior Vice President, Acquisitions
James B. Cederdahl	52	Managing Director, Property Management

Mr. William T. Bill Camp joined WRIT in November 2008 as Executive Vice President and Chief Financial Officer Elect and was elected to Executive Vice President and Chief Financial Officer on March 3, 2009. Prior to joining WRIT, he was Vice President, Assistant Director of Equities at Wachovia Securities, LLC where he was one of the lead portfolio managers overseeing the investment of approximately $7 billion. Prior to the merger between Wachovia Securities, LLC and A.G. Edwards & Sons, Inc. in October 2007, Mr. Camp served as Assistant Director of Equity and Fixed Income Research at A.G. Edwards from 2004. Previously, Mr. Camp served five years as Vice President, REIT Research Group Leader and seven years as a Senior Public Finance Investment Banker, also with A.G. Edwards.

Ms. Laura M. Franklin joined WRIT in August 1993 as Assistant Vice President, Finance. In 1995, she was named Vice President, Chief Accounting Officer and Corporate Secretary of WRIT. Ms. Franklin was named Senior Vice President, Accounting, Administration and Corporate Secretary in May 2002 and was promoted to Executive Vice President in June 2007. Prior to joining WRIT, she was employed by The Reznick Group, specializing in audit and tax services for real estate clients. Ms. Franklin formerly served on the NAREIT Best Financial Practices Council and was a director of KEEN USA and KEEN Greater DC, a non-profit organization that provides recreational opportunities for children and young adults with mental and physical disabilities. Ms. Franklin is a Certified Public Accountant.

Mr. Thomas C. Morey joined WRIT in October 2008 as Senior Vice President and General Counsel. Prior to joining WRIT, he served as Chief Operating Officer of Medical Funding Services, Inc., a provider of financial and administrative services to healthcare companies, from February 2006 to September 2008. Previously, Mr. Morey was a partner with Hogan & Hartson LLP, where he focused on capital market and corporate transactions and general business matters for national and regional office, retail, residential, lodging and other REITs. From 1997 to 1998, Mr. Morey was a corporate attorney with Jones Day in Dallas, Texas.

Mr. Michael S. Paukstitus joined WRIT in May 2007 as Senior Vice President of Real Estate. Before joining WRIT, Mr. Paukstitus was a principal in J&J Partnership, a real estate investment and development firm, from March 2006 to May 2007. From March 2004 to March 2006, Mr. Paukstitus served as a principal at Coldwell Banker Commercial Capitol Realty Services, a full-service commercial real estate brokerage firm. Mr. Paukstitus operated a real estate consulting firm, from March 2001 to March 2004. Prior to that, he served as Managing Vice President of The Prudential Insurance Company of America s Washington, D.C. commercial real estate

Table of Contents

operations, where he worked from 1983 to 2000. Mr. Paukstitus serves on the Board of Directors of the Montgomery County Chamber of Commerce, the Montgomery College Foundation and the Golden Triangle (D.C.) Business Improvement District. Mr. Paukstitus started his career in public accounting with Coopers and Lybrand, now PricewaterhouseCoopers, and is a Certified Public Accountant.

Mr. Thomas L. Regnell joined WRIT in January 1995 as Vice President, Acquisitions. Mr. Regnell was named Managing Director, Acquisitions in 2001 and was promoted to Senior Vice President, Acquisitions in October 2007. From 1992 through 1994, Mr. Regnell served as an Investment (Acquisitions) Officer with Federal Realty Investment Trust. Previously, Mr. Regnell was a Vice President with Spaulding & Slye Company, a real estate development, brokerage and management company.

Mr. James B. Cederdahl was promoted to Managing Director, Property Management in January 2006. He joined WRIT as Senior Property Manager in August 1994 and was promoted to Director in 1999. Between 1984 and 1994, he performed management and leasing operations for a portfolio consisting of both retail and office buildings at Gates, Hudson, & Associates.

There are no family relationships between any trustee and/or executive officer. There are no reportable related-party transactions between any trustees or members of management and WRIT. Although WRIT has not entered into a reportable related-party transaction in many years, if a reportable related-party transaction were to arise WRIT would require the review and approval of the Audit Committee. The Audit Committee would approve the transaction only if the Audit Committee believed that the transaction was in the best interest of WRIT.

Ownership of Common Shares by Trustees and Executive Officers

The following table sets forth certain information concerning all common shares beneficially owned as of March 14, 2011 by each trustee, by each of the NEOs (as defined in Executive Compensation below) and by all trustees and executive officers as a group. Unless otherwise indicated, the voting and investment powers for the common shares listed are held solely by the named holder and/or the holder s spouse.

NAME	SHARES OWNED (1)(2)	PERCENTAGE OF TOTAL
William G. Byrnes	1,167	0.00%
William T. Camp	7,346	0.01%
Edward S. Civera	9,243	0.01%
John M. Derrick, Jr.	28,175	0.04%
Laura M. Franklin	75,906	0.12%
Terrence C. Golden	18,610	0.03%
John P. McDaniel	25,388	0.04%
George F. McKenzie	145,502	0.22%
Charles T. Nason	30,819	0.05%
Michael S. Paukstitus	18,899	0.03%
Thomas L. Regnell	40,825	0.06%
Thomas Edgie Russell, III	9,743	0.01%
Wendelin A. White	5,783	0.01%
All Trustees and Executive Officers as a group (13 persons)	417,406	0.63%

(1) Includes common shares subject to options exercisable within 60 days, as follows: Ms. Franklin, 12,493; Mr. McDaniel, 8,000; Mr. McKenzie, 43,851; Mr. Nason, 2,000; and all trustees and executive officers as a group, 66,344.

(2) Includes common shares issuable, pursuant to vested restricted share units, upon the person s volitional departure from the Trust, as follows: Mr. Camp, 5,696; Ms. Franklin, 10,242; Mr. McKenzie, 16,112; Mr. Paukstitus, 4,164; Mr. Regnell, 5,484; and all trustees and executive officers as a group 41,698.

Table of Contents

Ownership of Common Shares by Certain Beneficial Owners

WRIT, based upon Schedules 13G filed with the SEC, believes that the following persons currently beneficially own more than five percent of the outstanding common shares.

NAME	SHARES OWNED	PERCENTAGE OF TOTAL
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	6,169,527 (1)	9.36%
Invesco Ltd. 1555 Peachtree Street NE Atlanta, GA 30309	5,694,183 (2)	8.64%
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	5,381,608 (3)	8.17%
Vanguard Specialized Funds Vanguard REIT Index Fund 100 Vanguard Blvd. Malvern, PA 19355	3,303,364 (4)	5.01%

(1) Based upon Schedule 13G filed February 9, 2011. These securities are owned by various individual and institutional investors for which The Vanguard Group, Inc. serves as investment adviser with power to direct investments and/or power to vote the securities.

(2) Based upon Schedule 13G filed February 11, 2011.

(3) Based upon Schedule 13G filed February 9, 2011.

(4) Based upon Schedule 13G filed February 9, 2011.

Table of Contents

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview and Executive Summary

The year 2010 was an instrumental year for executive compensation matters at WRIT. Commencing in June 2010 and continuing through February 2011, the Compensation Committee conducted an extensive review of WRIT s executive compensation philosophy and a fundamental redesign of our short-term and long-term incentive plans. The new short-term and long-term incentive plans, which were approved by the Compensation Committee and Board on February 17, 2011, became effective as of January 1, 2011.

In light of the foregoing, this year s Compensation Discussion and Analysis is divided into two parts. The portion under the caption *2010 Executive Compensation Matters* (commencing on page 16) contains a description of the design and operation of WRIT s short-term and long-term incentive plans operating during 2010. The portion under the caption *Future Executive Compensation Matters* (commencing on page 26) contains a description of (i) the design of the new WRIT short-term and long-term incentive plans that will operate commencing in 2011 and (ii) the wind-down of WRIT s long-term incentive plan operating during 2010.

In order to avoid confusion, we will use the following terminology in this year s Compensation Discussion and Analysis

- *Prior STIP* this term refers to our short-term incentive plan in effect during 2010. The Prior STIP has been terminated, and will be replaced with the New STIP.

- *Prior LTIP* this term refers to our long-term incentive plan in effect during 2010. The Prior LTIP has been terminated, but the 2009 and 2010 awards made under the Prior LTIP are still outstanding. We will be winding down these 2009 and 2010 awards as described under *Future Executive Compensation Matters Wind-down of Prior LTIP*.

- *New STIP* this term refers to our new short-term incentive plan, which became effective as of January 1, 2011.

- *New LTIP* this term refers to our new long-term incentive plan, which became effective as of January 1, 2011.

Table of Contents

CD&A Executive Summary

Our executive compensation program is designed to allow WRIT to attract and retain talented executives, to provide incentives to achieve various objective performance targets, and to link compensation to shareholder results by rewarding competitive and superior performance. Under our executive compensation program, our executives are rewarded for the achievement of specific annual and long-term objectives.

For the 2010 compensation year, the Compensation Committee

- *noted that the commercial real estate industry remained significantly challenged in 2010 but that WRIT management had performed well despite an exceptionally difficult market environment*
- *in recognition of continuing real estate industry challenges, raised the Chief Executive Officer s 2010 salary only 2.6% and raised 2010 salaries for the remaining officers only 1.5% (by way of background, (i) in 2009, the Compensation Committee reduced Chief Executive Officer and other executive base salary levels by 5% and 3%, respectively, from 2008 levels and (ii) despite the 2010 base salary increases, 2010 base salary levels remained below 2008 base salary levels)*
- *established challenging 2010 target levels for FFO per share and FAD per share under the Prior STIP and for FFO per share under the Prior LTIP in the context of the ongoing commercial real estate industry downturn, and*
- *recognized actual 2010 FFO per share and FAD per share performance by WRIT under the Prior STIP and Prior LTIP at 100.5% and 103.7%, respectively, of target (without any discretionary performance level adjustment by the Compensation Committee based on real estate market conditions, but with such results reflecting a revision to target levels to clarify that financial costs and charges arising from an extensive refinancing transaction to alleviate refinancing risk for 2011 debt maturities would be added back to FFO per share and FAD per share for purposes of determining results)*

With respect to WRIT s future executive compensation arrangements, the Compensation Committee undertook the following activities in 2010

- *engaged a new independent compensation consultant, FPL Associates, with extensive REIT industry experience*
- *substantially revised the 20-company peer group applicable to WRIT s future executive compensation arrangements based on extensive recommendations from FPL Associates*
- *undertook a complete review of WRIT s executive compensation program to create a program design that would appropriately incentivize WRIT s executives and coordinate with the goals of WRIT s strategic plan*
- *adopted new compensation guidelines applicable to WRIT s future executive compensation arrangements, which are summarized below*
  - *executive salaries should generally approximate the median of the peer group, but there should also be flexibility to address particular individual circumstances that might require a different result, and*

total direct compensation should approximate the 75th percentile of the peer group in circumstances where management has achieved top level performance

Table of Contents

adopted the New STIP and New LTIP which, taken together in comparison to the Prior STIP and the Prior LTIP, will have the effect of

substantially increasing the amount of total direct compensation that is performance-based from a range of 45% to 58% (depending on executive level) under the Prior STIP and Prior LTIP to a range of 57% to 76% under the New STIP and New LTIP (the foregoing ranges assume target levels of performance)

ensuring that a substantial portion of total direct compensation will be evaluated based on the achievement by our executives of the goals of WRIT s strategic plan, as determined by the Compensation Committee in its discretion, and

modifying the performance period cycle for long-term incentive compensation from a rolling plan (i.e., a new three-year plan every year) to a multi-year plan (i.e., a new plan every three years) to further align executives with the goals of our long-term strategic plan, and

adopted an executive share ownership policy mandating that each executive attain (and thereafter maintain) a stated level of common share ownership

2010 Executive Compensation Matters

Components and Compensation Objectives

WRIT s 2010 executive compensation program primarily consisted of base salary, the Prior STIP and the Prior LTIP. The Prior STIP consisted of annual cash awards based on various performance metrics. The Prior LTIP consisted of grants of restricted share units and performance share units. In addition, WRIT s 2010 executive compensation program also included a supplemental executive retirement plan, a deferred compensation plan and various perquisites described in more detail below.

The objectives of our executive compensation program are

to allow WRIT to attract and retain talented executives

to provide incentives to achieve various objective performance targets, and

to link compensation to shareholder results by rewarding competitive and superior performance.

For our named executive officers (NEOs), which include the Chief Executive Officer and the other individuals named in the Summary Compensation Table that follows this Compensation Discussion and Analysis, WRIT s executive compensation program is intended to align compensation with WRIT s performance on both a short-term and long-term basis. In particular, the Compensation Committee designed the compensation program to reward the achievement of specific annual and long-term goals by providing the majority of compensation in the form of variable pay that is based on financial performance. The Compensation Committee believes this design motivates performance consistent with WRIT s short- and long-term business objectives.

For purposes of determining 2010 compensation levels, the Compensation Committee compared the compensation of WRIT s NEOs against other companies in its industry. Due to WRIT s unique property-type diversification and geographic focus, it is difficult to build a peer group that matches WRIT s exact business model. The Compensation Committee s comparison was based on survey data compiled by the Hay Group, in its capacity as an independent consultant serving the Compensation Committee at the time 2010 compensation levels were determined. The Hay Group compared WRIT s NEO compensation to similarly situated executives employed by companies in the NAREIT compensation survey and a diversified group of 25 public REITs. The companies in the selected group vary in size, both smaller and larger than WRIT, but were recommended by the Hay Group as appropriate comparable companies based on their approximate size and the complexity of their real estate businesses. The 25 companies utilized for comparative purposes in determining 2010 compensation were:

AIMCO	Camden Property Trust	Federal Realty Investnment Trust	Lexington Realty Trust	Parkway Properties Inc.
Duke Realty Corp.	Weingarten Realty	Home Properties Inc.	Biomed Realty Trust Inc.	Equity One Inc.
HRPT Properties Trust	Brandywine Realty Trust	Regency Centers Corp.	Kilroy Realty Corp.	Eastgroup Properties
Liberty Property Trust	Corporate Office Properties Trust	First Industrial Realty Trust	PS Business Parks	Saul Centers Inc.
Mack-Cali Realty Corp.	UDR Inc.	Highwoods Properties Inc.	Post Properties Inc.	First Potomac Realty Trust

The Hay Group s data compared the compensation of WRIT officers based on base salary and total direct compensation, which included base salary, annual incentive compensation and an annualized present value of long-term incentive compensation. Utilizing Hay Group data, the Compensation Committee determined 2010 base salary and total direct compensation levels primarily based on its compensation guideline of ensuring that the Chief Executive Officer, the Executive Vice Presidents and the Senior Vice Presidents are compensated at no less than the median of companies in the NAREIT compensation survey and group of 25 public REITs. In applying this compensation guideline, the Compensation Committee considered the amount and mix of base and variable compensation by referencing, for each executive level and position, the prevalence of each element and the level of compensation that are provided in the market based on the Hay Group comparison analysis. The Compensation Committee also took into account current financial performance in its evaluation of executive compensation. The Compensation Committee considers current financial performance to be an important and necessary consideration in setting base salary even though it is also taken into account, to a greater degree, in the payouts of short-term and long-term incentives. Lastly, the Compensation Committee considered the relative value of each executive position to the achievement of WRIT s overall business objectives and the relationships of pay across all executive positions. Based on the foregoing, the Compensation Committee determined to make a modest increase to executive base salaries for 2010 as noted below under *Base Salary.*

Base Salary

The Compensation Committee reviews and approves salary recommendations annually. In 2010, the Compensation Committee determined base salaries based on the considerations described above. In particular, the Compensation Committee, acting in consultation with the Hay Group, elected to increase 2010 base salaries of the Chief Executive Officer, the two Executive Vice Presidents and the three Senior Vice Presidents. As a result, the 2010 base salaries determined by the Compensation Committee in December 2009 were $414,375 (up 2.6% from the 2009 level of $403,750) for the Chief Executive Officer, $325,050 (up 1.5% from $320,100) for each of the two Executive Vice Presidents and $270,875 (up 1.5% from $266,750) for each of the three Senior Vice Presidents. By way of background, in 2009, the Chief Executive Officer and other executives took 5% and 3% salary reductions, respectively. The Compensation Committee viewed these 2010 base salary increases as a modest, incremental step towards restoring base salary levels that existed during the 2008 compensation year.

Based on the fair value of equity awards granted to the NEOs in 2010 and the base salary of the NEOs, salary accounted for approximately 38% of the total compensation of the NEOs while incentive and other compensation accounted for approximately 62% of the total compensation.

Prior STIP

The Prior STIP provided for the annual payment of cash bonuses. Individual target awards were based on a percentage of base salary for the Chief Executive Officer (100%), Executive Vice Presidents (75%), Senior Vice Presidents (65%) and

Managing Directors (50%). The Compensation Committee set target award percentages to effectuate its compensation guideline of ensuring executive officers are compensated on a total direct compensation basis at no less than the median of companies in the NAREIT compensation survey and group of 25 public REITs.

The Prior STIP provided that actual awards could range from 0% to a maximum of 200% of the target award based on performance relative to goals, with a threshold award level of 50% of target incentive. If actual performance were at 95% of target performance, the threshold award level of 50% of target incentive would be paid as a bonus. If actual performance were below 95% of target performance, no bonus would be paid pursuant to the Prior STIP. The maximum award could be earned if actual performance met or exceeded 110% of target performance. In 2010, bonuses paid under the Prior STIP were based upon:

funds from operations (FFO) per share (50% weighting)

funds available for distribution (FAD) per share (30% weighting), and

the participant s individual performance compared to target quantitative and qualitative measures for such participant (20% weighting).

FFO per share has wide acceptance as a reported measure of REIT operating performance. FFO per share is equal to a REIT s net income, excluding gains or losses from sales of property, plus real estate depreciation. FAD per share is calculated by subtracting from FFO per share (i) recurring expenditures, tenant improvements and leasing costs that are capitalized and amortized and are necessary to maintain our properties and revenue stream, and (ii) straight line rents, then adding (iii) non-real estate depreciation and amortization, (iv) non-cash fair value interest expense, and (v) amortization and expensing of restricted share and unit compensation and adding or subtracting (vi) non-cash gain/loss on extinguishment of debt, as appropriate, and (vii) the amortization of lease intangibles, as appropriate.

In the case of FFO per share and FAD per share, management initially proposed the 2010 targets under the Prior STIP, and these targets were then reviewed by the Compensation Committee. In reviewing these targets, the Compensation Committee analyzed and discussed WRIT s 2010 business projection and budget materials and considered the potential for achieving the results expected in such materials. After this review, the Compensation Committee (i) established a target level of FFO per share at $1.95, which level was higher than the level originally proposed by management and (ii) established a target level of FAD per share at $1.55, which level was consistent with the level originally proposed by management. In the Fall of 2010, WRIT completed an extensive refinancing transaction to reduce its 2011 debt maturity risk, which transaction had the strong support and encouragement of the Board. The refinancing transaction involved (i) an underwritten public offering of $250 million aggregate principal amount of senior unsecured notes due October 1, 2020 with an annual coupon rate of 4.95% and (ii) tender offers for WRIT s 5.95% senior notes due June 15, 2011 and 3.875% convertible notes due 2026 (which can be put back to WRIT at par on September 15, 2011). At completion of the tenders, WRIT repurchased $56.1 million of the $150 million outstanding principal amount of 5.95% senior notes and $122.8 million of the $125.5 million outstanding principal amount of 3.875% convertible notes. WRIT paid a premium of $6.0 million for the repurchase of these securities and took an additional charge of $2.9 million of unamortized issuance costs associated with the repurchased debt. After the refinancing transaction was completed, the Compensation Committee revised the 2010 FFO per share and FAD per share target levels to add back the repurchase premium and issuance costs. As a result, the original FFO per share and FAD per share target levels of $1.95 and $1.55 were maintained, but with the clarification that the repurchase premium and issuance costs from the refinancing transaction would be added back for purposes of determining achievement of such target levels. As the refinancing transaction was conducted with the Board s strong support and encouragement in order to alleviate refinancing risk for 2011 debt maturities arising from the ongoing global financial market uncertainty, the Compensation Committee, in its business judgment, considered these target level revisions to be appropriate under the circumstances.

The Prior STIP provided that the Compensation Committee could make an assessment of market conditions for each year and adjust the financial performance outcome measures accordingly. However, the Prior STIP provided that any adjustments by the Compensation Committee would in all cases be 5% or less (added or

Table of Contents

subtracted to the performance outcome) and would be applied in the discretion of the Compensation Committee. In 2010, the Compensation Committee determined to make no adjustments to financial performance outcomes based on market conditions.

The Compensation Committee then determined the percentage level of actual FFO per share and FAD per share results achieved for 2010 compared to the 2010 target levels to be 100.5% and 103.7% of target, respectively.

In the case of individual target quantitative and qualitative measures provided under the Prior STIP, these targets were set by the participant s supervisor or, in the case of the Chief Executive Officer, by the Compensation Committee. The participant s supervisor or, in the case of the Chief Executive Officer, the Compensation Committee determined each participant s actual performance compared to the target quantitative and qualitative measures for such participant. For 2010, the individual target quantitative and qualitative measures for each NEO were as follows:

Mr. McKenzie s target measures included (i) fostering effective communication with the Board on matters of tactical and strategic importance, (ii) ensuring effective shareholder interaction (including communication of results of operations and meetings with shareholders), (iii) providing effective and ethical leadership for WRIT, and (iv) ensuring achievement of financial and operational goals (including the FFO and FAD per share metrics noted above of $1.95 and $1.55, respectively, capital raising activities, rating agency activities and transactional execution).

Mr. Camp s target measures included (i) providing effective strategic planning (including financial analysis of WRIT divisions, strategy development, and financial modeling and covenant compliance), (ii) ensuring effective external relations (including relationships with shareholders, commercial and investment banks, and rating agencies), (iii) coordinating financing activities (including preparation of refinancing strategies related to WRIT s previous $100 million term loan that was repaid through a credit facility draw and WRIT s 2011 debt maturities), and (iv) ensuring effective financial accountability through coordination of financial analysis among internal WRIT departments.

Ms. Franklin s target measures included (i) coordinating financial matters (including timely SEC and regulatory filings) and ensuring operational and financial controls, (ii) coordinating organizational and administrative matters (including implementation of effective incentive compensation plans, creating an internal communications strategy and reviewing the adequacy of WRIT executive compensation plans), and (iii) coordinating technology matters (including business process automation and internal financial reporting).

Mr. Paukstitus target measures included (i) coordinating various strategic initiatives (including an internal staff reorganization and the pursuit of several redevelopment initiatives), (ii) ensuring effective revenue enhancement initiatives (including exceeding budgeted revenue levels for each sector, ensuring WRIT s bad debt collection process is operating efficiently and achieving leasing goals at various individual properties), and (iii) coordinating expense control initiatives (including ensuring operating and capital expense levels are below budgeted levels).

Mr. Regnell s target measures included (i) coordinating and sourcing successful transaction execution activities (including a target range of $100-150 million in acquisitions, a target range of $20-30 million in dispositions, successful positioning of WRIT s Ridges property for sale, effective monitoring of the investment sales market and effective transaction sourcing activities), (ii) various operational activities (including developing a portfolio review function and annual acquisition and sector performance analysis), and (iii) other miscellaneous activities (including ensuring investment community awareness of WRIT).

The actual payout amounts for 2010 under the Prior STIP are presented in the Summary Compensation Table and related footnotes within this Proxy Statement.

Table of Contents

Participants in the Prior STIP had the option to defer receipt of a portion or all of their Prior STIP awards by electing to convert the award amount into restricted share units at the market value of common shares at the time of conversion. Under this arrangement, WRIT would agree to match deferral elections with a grant of restricted share units equal to 25% of the restricted share units obtained in the conversion. The restricted share units would then cliff vest three years from the date of conversion.

At the request of the Compensation Committee, an internal audit was performed to review management s calculations for the Prior STIP to confirm that they comply with the Prior STIP. This internal audit was then presented to the Compensation Committee for its review and acceptance.

Prior LTIP

Under the Prior LTIP, each executive was eligible for an annual target award designed to deliver compensation consistent with our philosophy upon the achievement of long-term performance goals. Prior LTIP annual target awards were based on a percentage of salary for the Chief Executive Officer (200%), Executive Vice Presidents (150%), Senior Vice Presidents (100%) and Managing Directors (75%). The Compensation Committee set target award percentages to effectuate its compensation guideline of ensuring that executive officers are compensated on a total direct compensation basis at no less than the median of companies in the NAREIT compensation survey and group of 20 public REITs.

Each Prior LTIP award consisted of a mixture of performance share units (2/3) and restricted share units (1/3). Set forth below is a description of the performance share units and restricted share units granted under the long-term incentive plan utilized by WRIT in 2010.

Performance Share Units

Under the Prior LTIP, the number of performance share units delivered to executives was a function of (i) WRIT s performance versus targeted FFO per share for each year over a three-year performance period and (ii) WRIT s total shareholder return (TSR) over a three-year performance period in comparison to 25 peer group companies selected by the Compensation Committee. Based on the Hay Group s recommendation, the Compensation Committee selected the 25 peer group companies by starting with the 20-company public REIT group used previously in its compensation comparison and then making adjustments to tailor the list more closely to the five business segments of WRIT. The adjustments consisted of adding eight companies (Apartment Investment and Management Company, Post Properties, Inc., BioMed Realty Trust, Inc., Corporate Office Properties Trust, HRPT Properties Trust, Duke Realty Corporation, Lexington Realty Trust and Weingarten Realty Investors) and subtracting three companies (Cogdell Spencer Inc., HCP Inc. and Medical Properties Trust). The measures are weighted FFO per share (67%) and TSR (33%). Actual awards could range from 0% to a maximum of 200% of the target award based on performance.

Each of the three FFO per share performance targets in the three-year performance period were set on an annual basis by the Compensation Committee. In setting the targets, the Compensation Committee would review WRIT s business projection and budget materials as a starting point and consider the potential for achieving the results expected in such materials. For 2010, the FFO per share target set for performance share unit awards under the Prior LTIP was $1.95, which was identical to the FFO per share target for 2010 under the Prior STIP. If actual performance were below 90% of target performance, no incentives would be paid pursuant to the Prior LTIP. The maximum award (200% of target award) could be earned if actual performance met or exceeded 110% of target performance.

TSR was to be determined for WRIT and the peer group companies at the conclusion of the three-year performance period. It was to be calculated as the quotient obtained by dividing (i) the sum of (A) the difference between ending common share price and beginning common share price and (B) dividends

Table of Contents

paid by (ii) beginning common share price. For TSR performance share units, no incentive would be paid if WRIT s performance percentile ranking was below the 10th percentile, and the maximum award (200% of target award) would be paid if actual performance were at the 90th percentile level or greater. The target percentile ranking was to be 50-59% (100% of target award).

The Compensation Committee maintained sole discretion to increase or decrease the payout levels on FFO per share-based performance share units (but not TSR-based performance share units) by amounts not to exceed 20%. This discretion of the Compensation Committee was intended to allow it to respond to unforeseen opportunities and challenges that may arise during the performance period.

In addition, at the conclusion of each three-year performance period, the Compensation Committee was to have sole discretion to award additional restricted share units (each vesting one year from the date of grant) to an executive up to a maximum value equal to 10% of the total performance share unit target award for such executive. These restricted share units were to be issued if the Compensation Committee determined that extraordinary market conditions had negatively impacted WRIT s performance for the three-year performance period.

For 2010, the Compensation Committee made adjustments to the FFO per share target under the Prior LTIP with respect to the 2010 refinancing transactions that corresponded to the adjustments to the FFO per share target under the Prior STIP. After such adjustments to the Prior LTIP FFO per share target, the Compensation Committee noted that WRIT s actual performance for FFO per share computed to 100.5% of target.

At the request of the Compensation Committee, an internal audit was performed to review management s calculations for the Prior LTIP to confirm that they comply with the plan. This internal audit was then presented to the Compensation Committee for its review and acceptance.

The performance share units issued under the Prior LTIP were to be converted to common shares and delivered to the participant after the three-year performance period. An amount equal to the dividends granted on the common shares was to be paid in cash at the end of the performance period based on the common shares awarded.

At the termination of the Prior LTIP, performance share units for the 2009-11 and 2010-12 cycles remained outstanding. The wind-down arrangements with respect to these remaining performance share units are described under the heading *Future Executive Compensation Matters Wind-down of Prior LTIP.*

Restricted Share Units

Restricted share units under the Prior LTIP provided plan participants with an underlying investment in common shares. Restricted share unit awards issued under the Prior LTIP vested with the passage of time over five years, with 20% vesting on each anniversary of the date of the grant, provided the participant remains employed by WRIT. Restricted share units were converted to common shares and delivered to the participant after they fully vest. The vesting schedule was intended to promote retention since an NEO would likely consider the forfeiture of unvested restricted share units in weighing other employment opportunities.

For unvested and vested restricted share units, an amount equal to the dividends granted on the common shares was paid in cash at the same time dividends on common shares are paid. At the termination of the Prior LTIP, restricted share units granted since 2007 remained outstanding. These restricted share units will continue to vest in accordance with their terms.

The grant date fair values for the Prior LTIP awards for 2010 are presented in the Summary Compensation Table and related footnotes within this Proxy Statement.

Table of Contents

Supplemental Executive Retirement Plan

Because the U.S. Internal Revenue Code limits the benefits that would otherwise be provided by our qualified retirement programs, WRIT provides a supplemental executive retirement plan (SERP) for the benefit of the NEOs. This plan was established in November 2005 and is a defined contribution plan under which, upon a participant s termination of employment from WRIT for any reason other than death, discharge for cause, or total and permanent disability, the participant will be entitled to receive a benefit equal to the participant s accrued benefit times the participant s vested interest. A participant s benefit accrues over years of service. WRIT makes contributions to the plan on behalf of the participant ranging from 9.5% to 19% of base salary. The exact contribution percentage is based on the participant s current age and service such that, at age 65, the participant could be expected to have an accumulation (under assumptions made under the plan) that is approximately equal to the present value of a life annuity sufficient to replace 40% of his or her final three year average salary. Vesting generally occurs based on a minimum of 10 years of service or upon death, total and permanent disability, involuntary discharge other than for cause, or retirement or voluntary termination if the participant does not engage in prohibited competitive activities during the two-year period after such retirement or voluntary termination.

WRIT accounts for this plan in accordance with EITF 97-14, *Accounting for Deferred Compensation Arrangements Where Amounts Earned are Held in a Rabbi Trust and Invested,* and SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, whereby the investments are reported at fair value, and unrealized holding gains and losses are included in earnings. For the years ended December 31, 2010, 2009 and 2008, WRIT recognized current service cost of $344,000, $280,000 and $311,000, respectively.

Deferred Compensation Plan

Beginning in 2007, WRIT adopted a new plan that allows officers to voluntarily defer salary and short-term incentive plan awards. Prior to January 1, 2011, salary deferrals were credited during the year with earnings based on 10-Year U.S. Treasury Securities as of the first business day of the year. From and after January 1, 2011, salary deferrals will be credited during the year with earnings based on weighted average interest rate on WRIT s fixed rate bonds as of December 31 of each calendar year. Short-term incentive plan awards are deferred as restricted share units, with a 25% match of restricted share units on the deferred amount. The 25% match cliff vests after three years. Short-term incentive plan deferrals and matching contributions will increase and decrease in value as the common shares increase or decrease. Participants may elect to defer receipt of payments to the earliest of (i) a specified distribution date that is at least three years from the last day of the year in which the deferral amounts were earned, (ii) the date the participant terminates employment from WRIT, (iii) the participant s death, (iv) the date the participant sustains total and permanent disability, or (v) a change in control. The deferred salary and interest accruals are unfunded and payments are to be made out of the general assets of WRIT.

Perquisites

NEOs participate in other employee benefit plans generally available to all employees on the same terms. In addition, the NEOs are provided with supplemental life insurance and some are granted an automobile allowance. The Compensation Committee believes that these benefits are reasonable and consistent with its overall compensation program to better enable WRIT to attract and retain key employees. For information on specific benefits and perquisites, see the footnotes to the Summary Compensation Table.

Change in Control Termination Agreements

The change in control agreements with the NEOs discussed below provide for continuation of payments and benefits in the event of termination due to a change in control (as defined in these agreements). The basic rationale for these change in control protections is to diminish the potential distractions due to personal uncertainties and risks that inevitably arise when a change in control is threatened or pending.

The termination benefits payable in connection with a change in control require a double trigger, which means that (i) there is a change in control (as that term is defined in the agreement) and (ii) after the change in control, the covered NEO s employment is involuntarily terminated by WRIT or its successor but not for cause (as both terms are defined in the agreement) or by the NEO for good reason (as defined in the agreement) within 24 to 36 months of the change in control (as such period is specified in the covered NEO s agreement). A double trigger was selected to enhance the likelihood that an executive would remain with WRIT after a change in control because the executive would not receive the continuation of payments and benefits if he or she voluntarily resigned after the change in control. Thus, the executive is protected from actual or constructive dismissal after a change in control and any new controlling party or group is better able to retain the services of a key executive.

The formula to calculate the change in control benefit is similar for each of the NEOs, with the variable being whether the benefit will be paid for 24 or 36 months. The formula is as follows:

A. A continuation of base salary at the rate in effect as of the termination date for a period based on the levels below:

Chief Executive Officer	36 months
Executive Vice Presidents	24 months
Senior Vice Presidents	24 months

B. Payment of an annual bonus for each calendar year or partial calendar in which the NEO receives salary continuation as described above, in an amount equal to the average annual short-term incentive plan compensation received during the three years prior to the involuntary termination.

C. Payment of the full cost to continue coverage under WRIT s group health insurance plan pursuant to the Consolidated Omnibus Budget Reconciliation Act (COBRA) for the period of time the NEO receives salary continuation up to a maximum of 18 months or until the NEO obtains other comparable coverage, whichever is sooner.

D. Immediate vesting in all unvested common share grants, restricted share units and performance share units granted to the NEO under WRIT s long-term incentive plan and immediate vesting in the SERP and deferred compensation plans.

E. If the NEO is subject to an excise tax pursuant to Section 4999 of the Internal Revenue Code, the NEO will receive a tax gross-up payment. The intention is to place the NEO in the same position for federal and local income tax purposes as if Section 4999 of the Internal Revenue Code had no application to the NEO.

As of the date of this Proxy Statement, the Compensation Committee has not determined whether the existing change in control agreements will be modified to contemplate the new compensation arrangements under the New STIP and New LTIP.

In addition to our change in control agreements, our New STIP and New STIP each provide for particular awards to be made in the event of a change in control that occurs during the performance period under each such plan. These awards are described in further detail under the heading *Future Executive Compensation Matters New STIP* and *New LTIP.*

For detailed information on these payments, see *Potential Payments upon Change in Control* on page 37.

Tax Deductibility of Executive Compensation

Section 162(m) of the Internal Revenue Code (Code) generally disallows a tax deduction to public companies for compensation in excess of $1 million paid to the public company s NEOs. Certain compensation is specifically exempt from the deduction limit to the extent that it does not exceed $1 million during any fiscal year or is performance based as defined in Section 162(m). The benefits under our short-term incentive and long-term incentive plans do not qualify as performance based under Section 162(m). WRIT also believes that it must maintain the flexibility to take actions which it deems to be in the best interests of WRIT but which may not qualify for tax deductibility under Section 162(m).

Share Ownership Policy

The Compensation Committee believes that common share ownership allows executives to better understand the viewpoint of shareholders and incentivizes them to enhance shareholder value. As a result, on February 18, 2010, the Compensation Committee and Board adopted stock ownership guidelines for executives which were incorporated by the Board into our Corporate Governance Guidelines. On October 27, 2010, the Compensation Committee and Board adopted a formal stock ownership policy, which formalized and effectuated the stock ownership guidelines previously adopted on February 18, 2010.

The stock ownership policy requires each executive to retain an aggregate number of common shares having a market value at least equal to a specified multiple of such executive s annual base salary. The applicable multiples of base salary required to be held are as follows:

- Chief Executive Officer: 3 times
- Executive Vice President: 2 times
- Senior Vice President/Managing Director: 1 time

The policy requires that each executive attain the level set forth above within five years after his or her date of employment with WRIT or February 18, 2015 (which is five years after the commencement of the stock ownership guidelines on February 18, 2010), whichever is later. The aggregate number of common shares required to be held by each executive in office on February 18, 2010, was determined based on the market value of common shares for the 60 trading days prior to such date. For executives hired or promoted in the future, the aggregate number of common shares or additional common shares required to be held by such executive will be determined based on the market value of common shares on the 60 trading days prior to the date of such hiring or promotion, as applicable. Once established, an executive s common share ownership goal will not change because of changes in his or her base salary or fluctuations in WRIT s common share price.

The policy also contains additional terms and conditions, including an interim ownership requirement for executives during the transition period to the full requirements. Under the interim ownership requirement, executives subject to the policy as of February 18, 2010 must achieve 50% of their share ownership goal by August 18, 2012.

The multiples of base salary reflected in the stock ownership guidelines above were determined by the Compensation Committee based on the recommendation of the Hay Group, which had presented the Compensation Committee with a survey of stock ownership requirements in the peer group utilized by the Compensation Committee for 2010 compensation and a survey of stock ownership practices of large public companies.

Compensation Committee Matters

The Compensation Committee is responsible for making executive compensation decisions and recommending to the Board an overall executive compensation policy. The Compensation Committee is also responsible for making decisions and recommendations to the Board with respect to employee compensation and benefit plan matters. In addition, the Compensation Committee is required to produce an annual report on executive compensation for inclusion in our proxy statement, in accordance with applicable SEC rules and regulations.

The Compensation Committee is comprised of at least three and no more than six independent members of the Board (as the term independent is defined under the applicable listing standards of the New York Stock Exchange). The current Compensation Committee charter was adopted on February 20, 2003 and was revised on

September 13, 2005, March 23, 2007 and December 12, 2008. A copy of the Compensation Committee Charter can be found on our website at www.writ.com. Among other matters, the Compensation Committee charter provides the Compensation Committee with the independent authority to retain and terminate any compensation consulting firms or other advisors to assist in the evaluation of trustee, Chief Executive Officer and other executive compensation.

The Compensation Committee meets at least once annually or more frequently as circumstances require. Each meeting allows time for an executive session in which the Compensation Committee and outside advisors, if requested, have an opportunity to discuss all executive compensation issues without members of management being present. During 2010, the Compensation Committee held eight meetings.

Compensation Consultant Matters

The Compensation Committee has the authority to select and engage compensation consulting firms independently from any control or influence by management. In establishing 2010 executive compensation levels, the Compensation Committee engaged the Hay Group, a leading human resource and compensation consulting firm, as its independent consultant. Pursuant to the Compensation Committee charter, the decision to retain an independent consultant (as well as other advisors) is at the sole discretion of the Compensation Committee, and any such independent consultant works at the direction of the Compensation Committee.

In establishing 2010 executive compensation levels, the Compensation Committee Chairman worked directly with the Hay Group to determine the scope of work to be performed to assist the Compensation Committee in its decision making processes. In conducting its work on 2010 executive compensation levels for the Compensation Committee, the Hay Group also interacted with other members of the Compensation Committee, the Chief Executive Officer, the Executive Vice President Accounting, Administration and Corporate Secretary and the Executive Vice President and Chief Financial Officer to facilitate the development of 2010 executive compensation strategies and compensation levels.

As noted above, the Hay Group provided the Compensation Committee with competitive pay analyses regarding both the broader market (including the NAREIT survey) and a group of 25 public REITs. The Hay Group attended Compensation Committee meetings and, upon request by the Compensation Committee, executive sessions to provide advice and counsel regarding decisions facing the Compensation Committee. With the agreement and approval of the Compensation Committee, the Hay Group also provided separate advisory services to WRIT s management team on broad-based compensation issues.

In May 2010, the Compensation Committee elected to engage a new independent consultant to review future executive compensation plan design and compensation levels. After an extensive interview process, the Compensation Committee selected and engaged FPL Associates as its independent consultant with respect to executive compensation plan design and compensation levels commencing in 2011. In particular, the Compensation Committee worked extensively with FPL Associates in the second half of 2010 to design the New STIP and the New LTIP, which commenced operation effective January 1, 2011.

Role of Executives in Establishing Compensation

The Compensation Committee believes that management input is important to the overall effectiveness of WRIT s executive compensation program. The Compensation Committee believes that even the best advice of an independent consultant must be combined with management input and the business judgment of the Compensation Committee members to arrive at a proper alignment of compensation philosophy, programs and practices. The Chief Executive Officer, the Executive Vice President Accounting, Administration and Corporate Secretary and the Executive Vice President and Chief Financial Officer are the management members who interact most closely with the Compensation Committee. These individuals work with the Compensation Committee to provide their perspective on compensation strategies and how to align them with our business strategy. They also provide feedback on how well our compensation programs appear to be working. In addition, these individuals and the Senior Vice President and General Counsel regularly attend Compensation Committee meetings to participate in the presentation of materials and discussion regarding compensation issues.

Future Executive Compensation Matters

Components and Compensation Objectives

As noted above under *Overview and Executive Summary,* WRIT s executive compensation program will materially change commencing in 2011. The new executive compensation program will primarily consist of base salary, the New STIP and the New LTIP. The New STIP will consist of annual cash and restricted share awards. The New LTIP will consist of awards of unrestricted shares and restricted shares. The New STIP and New LTIP are significantly different from their predecessor plans, the Prior STIP and Prior LTIP. WRIT s supplemental executive retirement plan, deferred compensation plan and various perquisites will remain as described above.

The objectives of our new executive compensation program have not changed (see *2010 Executive Compensation Matters Components and Compensation Objectives* above). However, in connection with developing the new executive compensation program, the Compensation Committee established new compensation guidelines which were utilized in the development of the program. The compensation guideline utilized by the Compensation Committee in establishing 2010 executive compensation was to ensure that the Chief Executive Officer, the Executive Vice Presidents and the Senior Vice Presidents are compensated at no less than the median of companies in the NAREIT compensation survey and group of 20 public REITs. In developing the new executive compensation program, the Compensation Committee established the following compensation guidelines:

- executive salaries should generally approximate the median, but there should also be flexibility to address particular individual circumstances that might require a different result, and

- total direct compensation should approximate the 75^{th} percentile of the peer group in circumstances where management has achieved top level performance.

The Compensation Committee also completed a review of its existing 25-company peer group in connection with developing WRIT s new executive compensation program. The peer group review was undertaken in consultation with, and based on advice from, FPL Associates, the Compensation Committee s new independent consultant specializing in REIT industry compensation practices. Based on this review, the Compensation Committee expects to use the 20-company peer group set forth below for comparative purposes in determining future executive compensation. As well, the 20-company peer group set forth below will also be utilized for the relative total shareholder return component of the New LTIP.

Brandywine Realty Trust	Eastgroup Properties, Inc.	Home Properties Inc.	PS Business Parks, Inc.
Corporate Office Properties Trust	Equity One Inc.	Lexington Realty Trust	Realty Income Corporation
Cousins Properties Incorporated	Federal Realty Investment Trust	Liberty Property Trust	Regency Centers Corporation
DCT Industrial Trust Inc.	First Potomac Realty Trust	National Retail Properties, Inc.	Saul Centers, Inc.
Duke Realty Corporation	Highwoods Properties Inc.	Post Properties, Inc.	Weingarten Realty Investors

Table of Contents

New STIP

Under the New STIP, executives will be provided the opportunity to earn awards, payable 50% in cash and 50% in restricted shares, based on achieving various performance objectives within a one-year performance period (except for a portion of such restricted share awards equivalent to 15% of an executive s base salary which will be exclusively service-based). Each executive s total award opportunity under New STIP, stated as a percentage of base salary, for the achievement of threshold, target and high performance requirements is set forth in the table below:

		Cash Component (50%)			Restricted Share Component (50%)		
		Threshold	***Target***	***High***	***Threshold***	***Target***	***High***
President and Chief Executive Officer	*Performance-based*	58%	113%	195%	43%	98%	180%
	Service-based	0%	0%	0%	15%	15%	15%
Executive Vice President	*Performance-based*	48%	93%	160%	33%	78%	145%
	Service-based	0%	0%	0%	15%	15%	15%
Senior Vice President	*Performance-based*	35%	65%	115%	20%	50%	100%
	Service-based	0%	0%	0%	15%	15%	15%
Managing Director	*Performance-based*	25%	50%	88%	10%	35%	73%
	Service-based	0%	0%	0%	15%	15%	15%

New STIP performance will be evaluated on the following objective and subjective performance goals and weightings (which will be subject to annual review):

Objective Goals

Core FFO per share (20%)

Core FAD per share (20%)

Same-store net operating income (NOI) growth (20%)

The specific metrics underlying the objective performance goals will be set by the Compensation Committee within the first 90 days of the one-year performance period (taking into account input from the Board and the Chief Executive Officer). If achievement of the metrics of an objective goal falls between threshold and target levels or between target and high levels, the amount of the associated award will be determined by linear interpolation. If achievement of the metrics of an objective goal falls below threshold level, the portion of the award that is dependent on the objective goal will not be paid.

Core FFO per share is calculated by adjusting FFO per share for (1) gains or losses on extinguishment of debt, (2) costs related to the acquisition of properties and (3) property impairments, as appropriate. Core FAD per share is calculated by adjusting FAD per share for (1) cash gains or losses on extinguishment of debt, (2) costs related to the acquisition of properties and (3) property impairments, as appropriate. NOI is calculated as net income, less non-real estate revenue and the results of discontinued operations (including the gain on sale, if any), plus interest expense, depreciation and amortization and general and administrative expenses. For purposes of evaluating comparative operating performance, we categorize our properties as same-store or non-same-store . A same-store property is one that was owned for the entirety of the periods being evaluated. A non-same-store property is one that was acquired or placed into service during either of the periods being evaluated.

The New STIP provides that the Compensation Committee may make an assessment of market conditions for each year and adjust actual core FFO per share, core FAD per share and same store NOI performance outcome measures accordingly. However, the New STIP provides that any adjustments by the

Table of Contents

Compensation Committee will in all cases be 5% or less (added or subtracted to the performance outcome) and will be applied at the discretion of the Compensation Committee.

Subjective Goals

Strategic acquisition/disposition activity (20%)

Individual objectives (20%)

At the completion of the one-year performance period, fulfillment of the foregoing subjective goals will be evaluated (i) with respect to strategic acquisition/disposition activity, by the Compensation Committee in its discretion (taking into account input from the Board and a written presentation on strategic acquisition/disposition activity to be provided by the Chief Executive Officer), and (ii) with respect to individual objectives, by the Compensation Committee in its discretion with respect to the Chief Executive Officer and by the Chief Executive Officer in his discretion with respect to all other executives. At the conclusion of the one-year performance period, the Compensation Committee or Chief Executive Officer, as applicable, will evaluate performance on a scale of 1 (threshold), 2 (target) or 3 (high). If achievement of a subjective goal falls below threshold level, the portion of the award that is dependent on the subjective goal will not be paid.

While the objective and subjective performance goals will apply as of the effective date, such objective and subjective performance goals will be re-evaluated on an annual basis as to their appropriateness for use in subsequent annual programs under the New STIP based on any potential future changes in WRIT business goals and strategy. Any modification will be approved by the Compensation Committee and Board.

With respect to the 50% of the New STIP award payable in restricted shares, the restricted shares will (i) vest over a three-year period commencing on the January 1 following the end of the one-year performance period (or, in the case of the service-based restricted shares component, on January 1 of the one-year performance period), (ii) consist of a number of shares determined by dividing the dollar amount payable in restricted shares by the closing price per share on such January 1 (or, in the case of the service-based restricted shares component, on January 1 of the one-year performance period) and (iii) be issued within 2 1/2 months of the end of the one-year performance period (or, in the case of the service-based restricted shares component, as of January 1 of the one-year performance period). The restricted shares will be awarded out of and in accordance with WRIT s 2007 Omnibus Long Term Incentive Plan. WRIT will pay dividends currently on the restricted shares described above in this paragraph. For the avoidance of doubt, since performance-based restricted shares under the New STIP will only be issued after the one-year performance period has ended, no dividends will be paid until performance has been achieved.

If, during the three-year vesting period for the restricted shares described in the previous paragraph, the executive s employment is terminated by WRIT without Cause, or the executive resigns for Good Reason, retires, dies or becomes subject to a Disability while employed by WRIT, or a Change in Control occurs, the restricted shares awarded under the New STIP will immediately vest. Retire in this context means to resign after reaching age 65 or after reaching age 55 and working at WRIT for at least 20 years. Cause, Good Reason, Disability and Change of Control have the meanings set forth in the New STIP.

With respect to the 50% of the award payable in cash under the New STIP, 80% of such cash portion will be payable by December 31st of the one-year performance period. The remaining cash balance will be payable within 2 1/2 months of the end of the performance period. The executive may elect to defer up to 80% of the cash portion pursuant to WRIT s Deferred Compensation Plan for Officers. If the executive makes such election, the cash will be converted to restricted share units and WRIT will match 25% of deferred amounts in restricted share units.

The executive must be employed on the last day of the performance period to receive a performance-based New STIP award, subject to the following exceptions. If during the performance year, the executive s employment is terminated by WRIT without Cause, or the executive resigns for Good Reason, retires, dies or becomes subject to

Table of Contents

a Disability while employed by WRIT, the executive will receive an award under the New STIP calculated based upon actual results for the full one-year performance period, but the award will be prorated based on the period of employment during the one-year performance period through the date of such event and the portion of the award paid in restricted shares will immediately vest. If a Change in Control occurs during the one-year performance period, the performance goals under the New STIP will be prorated based on the period of time during the one-year performance period through the date of the Change in Control, the executive will receive a performance-based award under the New STIP that is prorated based on the period of employment during the one-year performance period through the date of the Change in Control and the portion of the award paid in restricted shares will immediately vest.

New LTIP

Under the New LTIP, executives will be provided the opportunity to earn awards, payable 50% in unrestricted shares and 50% in restricted shares, based on achieving various performance objectives within a three-year performance period (commencing on January 1, 2011 and concluding on December 31, 2013). Each executive s total award opportunity under New LTIP, stated as a percentage of base salary, for the achievement of threshold, target and high performance requirements is set forth in the table below:

	Threshold	*Target*	*High*
President and Chief Executive Officer	80%	150%	270%
Executive Vice President	50%	95%	170%
Senior Vice President	40%	80%	140%
Managing Director	35%	65%	115%

For comparison purposes to the Prior LTIP and long-term incentive plans of other companies, the percentages in the table at left reflect annualized percentages. In order to calculate awards at the conclusion of the three-year performance period, these percentages will be multiplied by three to account for each year in the performance period.

For purposes of calculating award payouts at the conclusion of the three-year performance period, the level of salary will be determined for each executive as of January 1, 2011. Notwithstanding the foregoing, the Chief Executive Officer s salary, for purposes of calculating awards under the New LTIP, will be deemed to be $500,000 (reflecting the Compensation Committee s general expectation to increase such salary over time to align more closely with chief executive salaries of companies in the 20-company peer group utilized by the Compensation Committee beginning in 2010 as noted above).

New LTIP performance will be evaluated on both the following objective and subjective performance goals and weightings:

Objective Goals

Absolute total shareholder return (TSR) (20%)

Relative TSR (20%)

For purposes of calculating TSR-related metrics, the starting price will equal the average closing price for the 20-day period ending December 1, 2010 and the ending price will be equal to the average closing price for the 20-day period ending December 1, 2013. For absolute TSR, threshold, target and high performance levels will be 6%, 8% and 10% total shareholder return over the performance period. If absolute TSR falls between 6% and 8% or between 8% and 10%, absolute TSR will be rounded to the closest TSR percentage in increments of 0.5% (e.g., 8.3% will be rounded to 8.5%) and the portion of the New LTIP award that is dependent upon TSR will be determined by linear interpolation. For relative TSR,

Table of Contents

WRIT s TSR performance will be measured over the performance period against the 20-company peer group utilized by the Compensation Committee commencing in 2010. Threshold, target and high performance levels for relative TSR will be the 33rd, the 51st and the 76th percentiles, respectively. If relative TSR falls between the these percentiles, the actual relative TSR performance level will be isolated to a particular interim band of performance (with an associated payout level in between threshold and target performance levels, or target and high performance levels, as applicable). For both absolute and relative TSR goals, if actual TSR falls below the applicable threshold level, the portion of the award that is dependent on such goal will not be paid.

Subjective Goals

Strategic plan fulfillment (60%)

At the completion of the three-year performance period, strategic plan fulfillment will be evaluated by the Compensation Committee in its discretion (taking into account input from the Board and a written presentation on strategic plan fulfillment to be provided by the Chief Executive Officer). This evaluation will consider, among other factors:

- maintenance of an appropriate core FAD/share growth rate
- maintenance of an appropriate debt/EBITDA ratio
- maintenance of an appropriate debt service coverage ratio
- maintenance of an appropriate core FAD/dividend coverage ratio
- development of WRIT s management team
- formation of appropriate strategic partnerships
- creation of appropriate development transactional activity at WRIT
- overall improvement of the quality of the WRIT portfolio

in each case at levels and in manners that promote the fulfillment of WRIT s strategic plan. The Compensation Committee may provide informal guidelines from time to time with respect to the financial criteria noted above based on current market conditions, but has advised WRIT management that its final determination of strategic plan fulfillment at the end of the three-year performance period will not be bound by any such guidelines. At the conclusion of the three-year performance period, the Compensation Committee will evaluate performance on a scale of 1 (threshold), 2 (target) or 3 (high). If achievement falls below threshold level, there will be no award.

The New LTIP awards will be payable 50% in unrestricted shares and 50% in restricted shares, and will be awarded out of and in accordance with WRIT s 2007 Omnibus Long Term Incentive Plan. These unrestricted shares and restricted shares will (i) in the case of the restricted shares only, vest over a one-year period commencing on the January 1 following the end of the three-year performance period, (ii) consist of an aggregate number of shares determined by dividing the dollar amount payable in unrestricted shares and restricted shares by the closing price per share on such January 1 and (iii) be issued within 2 1/2 months of the end of the three-year performance period. WRIT will pay dividends currently on the restricted shares described above in this paragraph. For the avoidance of doubt, since restricted shares under the New LTIP will only be issued after the three-year performance period has ended, no dividends will be paid until performance has been achieved.

If, during the one-year vesting period for the restricted shares described in the previous paragraph, the executive s employment is terminated by WRIT without Cause, or the executive resigns for Good Reason, retires, dies or becomes subject to a Disability while employed by WRIT, or a Change in Control occurs, the restricted shares awarded under the New LTIP will immediately vest. Cause, Good Reason, Disability and Change of Control have the meanings set forth in the New LTIP.

Table of Contents

The executive must be employed on the last day of the performance period to receive a New LTIP award, subject to the following exceptions. If during the three-year performance period, the executive s employment is terminated by WRIT without Cause, or the executive resigns with Good Reason, retires, dies or becomes subject to a Disability while employed by WRIT, the executive will receive an award under the New LTIP calculated based on (1) actual levels of performance as of the date of such event with respect to the portions of the award that are based on absolute TSR and relative TSR (i.e., 40% in the aggregate) and (2) target levels of performance with respect to the portion of the award based on strategic plan fulfillment (i.e., 60%), but in either case the award will be prorated based on the period of employment during the three-year performance period through the date of such event and the prorated portion of the award will immediately vest. If a Change in Control occurs while the executive is employed by WRIT during the three-year performance period, the executive will receive an award calculated in a similar manner as described in the immediately preceding sentence (provided, however, that the award will not be prorated based on the period of employment during the performance period through the date of such event) and the award will immediately vest. In all of the foregoing cases, payment of the award will be accelerated.

Wind-down of Prior LTIP

In connection with the adoption of the New STIP and the New LTIP, the Prior LTIP was amended to provide that the existing award cycles (2009 2011 and 2010 2012) for the performance share units will be treated as if the applicable three-year performance period ended December 31, 2010 using (i) for performance share units based on TSR, actual TSR performance as of December 1, 2010 (calculated in the manner set forth in the Prior LTIP), and (ii) for performance share units based on FFO performance, actual performance through December 31, 2010 and target performance for the remaining years. All such performance share units were converted into a fixed number of restricted share units as of February 17, 2011. Such restricted share units will then vest when they would have otherwise vested under the terms of the performance share units from which they were converted (i.e., either December 31, 2011 or December 31, 2012).

At the time of conversion of the performance share units to restricted share units, the executives were paid accumulated dividend equivalents on such performance share units. Thereafter, WRIT will pay dividends currently on the restricted share units received upon conversion.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation Committee recommended to WRIT that the Compensation Discussion and Analysis be included in this Proxy Statement.

THE COMPENSATION COMMITTEE

John M. Derrick, Compensation Committee Chairman

Edward S. Civera, Compensation Committee Member

Thomas Edgie Russell, III, Compensation Committee Member

Wendelin A. White, Compensation Committee Member

Table of Contents

Compensation Tables

Summary Compensation Table

The Summary Compensation Table shows the compensation paid or awarded to each of the NEOs for the fiscal year ended December 31, 2010. *Pursuant to applicable SEC requirements, the amounts in the table below reflected in the Stock Awards column (column (e)) and the Total column (column (j)) are based on the grant date of awards, rather than the year to which those awards pertain. Due to an administrative delay in the timing of grant dates for our performance share units, we made two grants of performance share units in 2009. One of these grants, relating to the 2009-2011 performance period, was made in February 2009 and would typically have been made in December 2008. The other grant was made in December 2009 and related to the 2010-2012 performance period. Based on applicable SEC requirements, each of these grants appears as 2009 compensation in the Stock Awards column (column (e)) and Total column (column (j)). For a more complete explanation, please refer to footnote (1) below.*

(a) Name and Principal Position	(b) Year	(c) Salary ($)	(e) Stock Awards (1) ($)	(g) Non-Equity Incentive Plan Compensation (2) ($)	(i) All Other Compensation (3) ($)	(j) Total ($)
George F. McKenzie	2010	$ 414,375	$ 276,238	$ 491,449	$ 106,606	$ 1,288,669
President and Chief Executive Officer	2009	405,521	1,360,162	466,735	100,033	2,332,451
	2008	425,000	239,517	276,250	112,413	1,053,180
William T. Camp (4)	2010	325,050	162,523	294,008	66,455	848,036
Executive Vice President, Chief Financial Officer	2009	320,925	806,383	284,729	164,848	1,576,885
	2008	46,327	199,991	0	3,338	249,656
Laura M. Franklin	2010	325,050	162,523	291,570	57,151	836,294
Executive Vice President, Accounting,	2009	320,925	806,383	279,927	55,866	1,463,101
Administration and Corporate Secretary	2008	330,000	156,185	160,875	54,343	701,403
Michael S. Paukstitus	2010	270,875	90,299	205,296	61,203	627,673
Senior Vice President Real Estate	2009	267,437	444,372	198,702	58,638	969,149
	2008	275,000	101,595	116,188	55,624	548,407
Thomas L. Regnell	2010	270,875	90,299	210,578	58,390	630,141
Senior Vice President Acquisitions	2009	267,437	444,372	195,234	57,840	964,883
	2008	275,000	101,595	116,188	58,600	551,383

(1) Column (e) includes both restricted share units and performance share units. The amounts shown in column (e) reflect the aggregate grant date fair value of awards granted during the years 2010, 2009, and 2008 (disregarding any estimate of forfeitures related to service-based vesting conditions) computed in accordance with FASB ASC Topic 718. For performance share units, the amounts are based on the probable outcome of the performance conditions as of the grant date. The assumptions used in the calculations of these amounts are included in Note 7 to the consolidated financial statements contained in our Form 10-K for the fiscal year ended December 31, 2010. No common share awards granted to the NEOs listed above were forfeited during 2010, 2009 or 2008. Due to an administrative delay in the timing of grant dates for our performance share units, we made two grants of performance share units in 2009. One of these grants, relating to the 2009-2011 performance period, was made in February 2009 and would typically have been made in December 2008. The other grant was made in December 2009 and related to the 2010-2012 performance period. Based on applicable SEC requirements, each of these grants appears as 2009 compensation in the Stock Awards column (column (e)) and Total column (column (j)). The table below reflects the components comprising amounts in the Stock Awards column (e).

32

Table of Contents

Name	Year	Amount Reported in Column (e) ($)		Breakdown of Amount Reported in Column (e) ($)	Start Year for Performance or Service Period	Grant Date Fair Value of Stock Awards Based on Start Year for Performance or Service Period
George F. McKenzie	2010	$ 276,238	*consists of*	$276,238 of restricted share units granted 2/2010	2010	$ 828,721 *(2010)*
	2009	$ 1,360,162	*consists of*	$552,483 of performance share units granted 12/2009	2010	$ 807,679 *(2009)*
				$538,510 of performance share units granted 2/2009	2009	
				$269,169 of restricted share units granted 12/2009	2009	
	2008	$ 239,517	*consists of*	$239,517 of restricted share units granted 12/2008	2008	$ 805,143 *(2008)*
William T. Camp	2010	$ 162,523	*consists of*	$162,523 of restricted share units granted 2/2010	2010	$ 488,141 *(2010)*
	2009	$ 806,383	*consists of*	$325,618 of performance share units granted 12/2009	2010	$ 480,765 *(2009)*
				$320,705 of performance share units granted 2/2009	2009	
				$160,060 of restricted share units granted 12/2009	2009	
	2008	$ 199,991	*consists of*	$199,991 of restricted share units granted 11/2008	2008	$ 199,991 *(2008)*
Laura M. Franklin	2010	$ 162,523	*consists of*	$162,523 of restricted share units granted 2/2010	2010	$ 488,141 *(2010)*
	2009	$ 806,383	*consists of*	$325,618 of performance share units granted 12/2009	2010	$ 480,765 *(2009)*
				$320,705 of performance share units granted 2/2009	2009	
				$160,060 of restricted share units granted 12/2009	2009	
	2008	$ 156,185	*consists of*	$156,185 of restricted share units granted 2/2008	2008	$ 524,146 *(2008)*
Michael S. Paukstitus	2010	$ 90,299	*consists of*	$90,299 of restricted share units granted 2/2010	2010	$ 269,122 *(2010)*
	2009	$ 444,372	*consists of*	$178,823 of performance share units granted 12/2009	2010	$ 265,549 *(2009)*
				$176,645 of performance share units granted 2/2009	2009	
				$88,904 of restricted share units granted 12/2009	2009	
	2008	$ 101,595	*consists of*	$101,595 of restricted share units granted 12/2008	2008	$ 344,875 *(2008)*
Thomas L. Regnell	2010	$ 90,299	*consists of*	$90,299 of restricted share units granted 2/2010	2010	$ 269,122 *(2010)*
	2009	$ 444,372	*consists of*	$178,823 of performance share units granted 12/2009	2010	$ 265,549 *(2009)*
				$176,645 of performance share units granted 2/2009	2009	
				$88,904 of restricted share units granted 12/2009	2009	
	2008	$ 101,595	*consists of*	$101,595 of restricted share units granted 12/2008	2008	$ 344,875 *(2008)*

The table below sets forth the performance share unit grant date fair value assuming target performance and maximum performance based on the maximum number of shares multiplied by the stock price on grant date.

Name	Year	Grant Date Fair Value at Target Performance ($)	Grant Date Fair Value at Maximum Performance ($)
George F. McKenzie	2010		
	2009	1,090,993	2,181,986
	2008		
William T. Camp	2010		
	2009	646,323	1,292,646
	2008		
Laura M. Franklin	2010		
	2009	646,323	1,292,646

	2008		
Michael S. Paukstitus	2010		
	2009	355,468	710,936
	2008		
Thomas L. Regnell	2010		
	2009	355,468	710,936
	2008		

(2) The NEOs non-equity incentive plan compensation for 2010, 2009 and 2008, which is reported in this table, was determined by the Compensation Committee at its December 14, 2010, December 15, 2009, and December 12, 2008 meetings, respectively. For 2010, 80% was paid shortly after the meetings with the remaining 20% paid out in February 2011. For 2009 and 2008, 80% was paid shortly after the meetings with the remaining 20% paid out in February 2010 and February 2009, respectively. The payments were recorded as expenses for the year to which they relate.

(3) For 2010, the amounts shown in column (i) include term life insurance premiums, matching contributions to WRIT s 401(k) Plan, auto allowances, and SERP contributions as follows: $6,786, $7,350, $13,738 and $78,732, respectively, for Mr. McKenzie; $2,717, $7,350, $6,000 and $50,388, respectively, for Mr. Camp; $1,549, $7,350, $6,000 and $42,252, respectively, for Ms. Franklin; $5,765, $7,350, $6,100 and $41,988, respectively, for Mr. Paukstitus; and $1,590, $7,350, $6,106 and $43,344, respectively, for Mr. Regnell. For 2009, the amounts shown in column (i) include term life insurance premiums, matching contributions to WRIT s 401(k) Plan, auto allowances, and SERP contributions as follows: $1,893, $7,350, $13,738 and $77,052, respectively, for Mr. McKenzie; $2,716, $7,350, $1,500 and $49,747, respectively, for Mr. Camp; $793, $7,350, $6,000 and $41,723, respectively, for Ms. Franklin; $3,730, $7,350, $6,100 and $41,458, respectively, for Mr. Paukstitus; and $1,590, $7,350, $6,106 and $42,794, respectively, for Mr. Regnell. Mr. Camp s 2009 amount in column (i) also includes $70,197 in non-qualified moving and temporary housing expenses reimbursed to Mr. Camp and $33,338 in tax reimbursement for such non-qualified expenses. As a condition to Mr. Camp s employment as Chief Financial Officer, WRIT required Mr. Camp to relocate immediately from St. Louis, Missouri to Washington, D.C. and agreed to reimburse him for all expenses of such relocation and for temporary housing (during the period his family remained in St. Louis). For 2008, the amounts shown in column (i) include term life insurance premiums, matching contributions to WRIT s 401(k) Plan, auto allowances, and SERP contributions as follows: $1,893, $6,900, $13,738 and $89,882, respectively, for Mr. McKenzie; $793, $6,900, $3,750 and $42,900, respectively, for Ms. Franklin; $0, $6,900, $6,100 and $42,624, respectively, for Mr. Paukstitus; and $1,590, $6,900, $6,106 and $44,004, respectively, for Mr. Regnell. Mr. Camp s 2008 amount in column (i) consists of $3,338 in rent as temporary housing (please see explanation above).

(4) Mr. Camp joined WRIT on November 11, 2008.

Table of Contents

Grants of Plan-Based Awards

The following table presents information regarding restricted share unit granted to the NEOs during 2010 under WRIT s long-term incentive plan and deferred compensation plan. There were no performance share unit awards granted in 2010 (for more information, please refer to footnote (1) to the Summary Compensation Table above).

(a)	(b)	(f)	(g)	(h)	(i)	(l)
		Estimated Future Payouts Under Equity Incentive Plan Awards (1)			All Other Stock Awards: Number of Shares of Stock or Units	Grant Date Fair Value of Stock and Option Awards
Name	Grant Date (1)	Threshold (#)	Target (#)	Maximum (#)	(#)	($)
George F. McKenzie	2/18/2010				10,346(1)	$ 276,238
William T. Camp	2/18/2010				6,087 (1)	162,523
Laura M. Franklin	2/18/2010				6,087 (1)	162,523
Michael S. Paukstitus	2/18/2010				3,382 (1)	90,299
Thomas L. Regnell	2/18/2010				3,382 (1)	90,299

(1) Amounts represent service-based restricted share units that vest over five years, with 20% vesting on each anniversary of the date of the grant. For unvested and vested restricted share units, an amount equal to the dividends granted on the common shares is paid in cash at the same time dividends on common shares are paid.

Outstanding Equity Awards at Fiscal Year-End

The following table presents information regarding the outstanding equity awards held by each of the NEOs as of December 31, 2010, including the vesting dates for the portion of these awards that had not vested as of that date.

(a)	(b)	(e)	(f)	(g)	(h)	(i)	(j)
	Option Values			Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable (1)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units

						Shares, Units or Other Rights That Have Not Vested (#)	**or Other Rights That Have Not Vested ($)**
George F. McKenzie (2)	28,876 20,675	$ 24.845 25.610	12/16/2011 12/15/2012	27,717	$ 858,950	45,900	$ 1,422,441
William T. Camp (3)				15,799	489,611	27,200	842,928
Laura M. Franklin (4)	13,993	25.610	12/15/2012	16,752	519,144	27,200	842,928
Michael S. Paukstitus (5)				9,226	285,914	15,100	467,949
Thomas L. Regnell (6)				9,681	300,014	15,100	467,949

(1) All options described in this column (b) have fully vested.

Table of Contents

(2) Mr. McKenzie s share awards listed in column (g) will vest according to the following schedule: 184 shares will vest on 2/16/11; 860 shares will vest on 12/13/11; 2,520 shares will vest ratably over 2 years on 12/14/2011 and 12/14/2012; 5,460 shares will vest ratably over 3 years on 12/12/11, 12/12/12 and 12/12/13; 8,068 shares will vest ratably over 4 years on 12/15/11, 12/15/12, 12/15/13 and 12/15/14; 10,346 shares will vest ratably over 5 years on 2/18/11, 2/18/12, 2/18/13, 2/18/14 and 2/18/15; 87 shares will cliff vest in 1 year on 12/31/2011; 192 shares will cliff vest in 3 years on 12/31/2013. The performance share units listed in column (i) cliff vest based on a 3 year performance period; 26,400 of the shares vest on 12/31/11 and 19,500 of the shares vest on 12/31/12.

(3) Mr. Camp s share awards listed in column (g) will vest according to the following schedule: 4,915 shares will vest ratably over 3 years on 11/11/2011, 11/11/2012 and 11/11/2013; 4,797 shares will vest ratably over 4 years on 12/15/11, 12/15/12, 12/15/13 and 12/15/14; 6,087 shares will vest ratably over 5 years on 2/18/11, 2/18/12, 2/18/13, 2/18/14 and 2/18/15. The performance share units listed in column (i) cliff vest based on a 3 year performance period; 15,700 of the shares vest on 12/31/11 and 11,500 of the shares vest on 12/31/12.

(4) Ms. Franklin s share awards listed in column (g) will vest according to the following schedule: 119 shares will vest on 2/16/11; 480 shares will vest on 12/13/11; 1,560 shares will vest ratably over 2 years on 12/14/2011 and 12/14/2012; 3,540 shares will vest ratably over 3 years on 12/12/11, 12/12/12 and 12/12/13; 4,797 shares will vest ratably over 4 years on 12/15/11, 12/15/12, 12/15/13 and 12/15/14; 6,087 shares will vest ratably over 5 years on 2/18/11, 2/18/12, 2/18/13, 2/18/14 and 2/18/15; 88 shares will cliff vest in 1 year on 12/31/2011; 81 shares will cliff vest in 3 years on 12/31/2013. The performance share units listed in column (i) cliff vest based on a 3 year performance period; 15,700 of the shares vest on 12/31/11 and 11,500 of the shares vest on 12/31/12.

(5) Mr. Paukstitus s share awards listed in column (g) will vest according to the following schedule: 840 shares will vest ratably over 2 years on 12/14/2011 and 12/14/2012; 2,340 shares will vest ratably over 3 years on 12/12/11, 12/12/12 and 12/12/13; 2,664 shares will vest ratably over 4 years on 12/15/11, 12/15/12, 12/15/13 and 12/15/14; 3,382 shares will vest ratably over 5 years on 2/18/11, 2/18/12, 2/18/13, 2/18/14 and 2/18/15. The performance share units listed in column (i) cliff vest based on a 3 year performance period; 8,700 of the shares vest on 12/31/11 and 6,400 of the shares vest on 12/31/12.

(6) Mr. Regnell s share awards listed in column (g) will vest according to the following schedule: 75 shares will vest on 2/16/11; 300 shares will vest on 12/13/11; 920 shares will vest ratably over 2 years on 12/14/2011 and 12/14/2012; 2,340 shares will vest ratably over 3 years on 12/12/11, 12/12/12 and 12/12/13; 2,664 shares will vest ratably over 4 years on 12/15/11, 12/15/12, 12/15/13 and 12/15/14; 3,382 shares will vest ratably over 5 years on 2/18/11, 2/18/12, 2/18/13, 2/18/14 and 2/18/15. The performance share units listed in column (i) cliff vest based on a 3 year performance period; 8,700 of the shares vest on 12/31/11 and 6,400 of the shares vest on 12/31/12.

Option Exercises and Stock Vested

The following table shows information concerning the exercise of options during 2010 by each of the NEOs and the value realized on common share awards that vested in 2010.

	Option Awards		**Stock Awards**	
	Number of Shares Acquired on Exercise	**Value Realized on Exercise**	**Number of Shares Acquired on Vesting**	**Value Realized on Vesting**
Name	**(#)**	**($)**	**(#)**	**($)**
George F. McKenzie	37,553	$ 275,489	7,019	$ 208,973
William T. Camp			2,838	86,633
Laura M. Franklin	8,260	46,255	3,839	113,776

Michael S. Paukstitus	1,866	55,509
Thomas L. Regnell	2,282	67,626

Table of Contents

Non-Qualified Deferred Compensation

The following table presents information regarding the contributions to and earnings on the NEOs deferred compensation balances during 2010 and also shows the total deferred amounts for the NEOs as of December 31, 2010.

(a) Name	(b) Executive Contributions in Last FY ($)(1)	(c) Registrant Contribution in Last FY ($)(2)	(d) Aggregate Earnings in Last FY ($)(3)	(e) Aggregate Withdrawals/ Distributions ($)	(f) Aggregate Balance at Last FYE ($)(4)
George F. McKenzie	$ 23,785	$ 27,178	$ 30,054	$ 163,497	$ 75,734
William T. Camp					
Laura M. Franklin	10,000	2,479	4,835		37,314
Michael S. Paukstitus					
Thomas L. Regnell					

(1) The amounts reflected in this column are reported as compensation for the last completed fiscal year in the Summary Compensation Table.

(2) The amounts reflected in this column were reported as compensation in prior fiscal years and are included in this table due to vesting during the last completed fiscal year.

(3) The amounts reflected in this column are not included in the Summary Compensation Table because they do not constitute above-market or preferential earnings, as those terms are defined in SEC Regulation S-K 402(c)(2)(viii)(B).

(4) The amounts reflected in this column include contributions reported as compensation for the last fiscal year, as set forth in columns (b) and (c), amounts reported as compensation in prior fiscal years and earnings (which were not required to be reported as compensation), less aggregate withdrawals/distributions currently and previously reported in this table.

Potential Payments upon Change in Control

WRIT has entered into change in control agreements with the NEOs which entitle them to continuation of compensation and other benefits if WRIT is subject to a change in control, the NEO s employment with WRIT or its successor is terminated by WRIT or its successor, other than for cause, or by the NEO for good reason and such termination occurs within the 24 or 36 months of the change in control. The formula to calculate the change in control benefit is similar for each of the NEOs, with the variable being whether the benefit will be paid for 24 or 36 months. The formula is as follows:

1. Continuation of base salary at the rate in effect as of the termination date for a period of 24 or 36 months from the date of termination.

2. Payment of an annual bonus for each calendar year or partial calendar in which the NEO receives salary continuation as described above, in an amount equal to the average annual short-term incentive plan compensation received during the three years prior to the involuntary termination.

3. Payment of the full cost of COBRA continuation coverage for the period of time in which salary continuation pursuant to the change in control agreement is paid, up to a maximum of 18 months or until the NEO obtains other comparable coverage, whichever is sooner.

4. Immediate vesting in all unvested common share grants, restricted share units and performance share units granted to the NEO under WRIT s long-term incentive plan and immediate vesting in the SERP and deferred compensation plans.

Table of Contents

The following table lists the NEOs and the estimated amounts they would have become entitled to under their change in control agreements had their employment with WRIT terminated on December 31, 2010 under the circumstances described above.

Name of NEO	2010 Base Salary ($)	Average3 Year Cash Bonus ($)	Annual Change in Control Benefit Amount ($)	Change in Control Benefit Formula (# of months)	Vesting of all unvested Share Grants, SERP and Deferred Compensation ($)	Total Change in Control Benefit Amount (1)(2) ($)
George F. McKenzie	$ 414,375	$ 411,478	$825,853	36	$ 2,281,391	$ 4,758,950
William T. Camp	325,050	289,368	614,418	24	1,462,430	2,691,266
Laura M. Franklin	325,050	244,124	569,174	24	1,362,072	2,500,420
Michael S. Paukstitus	270,875	173,395	444,270	24	876,803	1,765,343
Thomas L. Regnell	270,875	174,000	444,875	24	767,963	1,657,713
			TOTAL:			**$ 13,373,692**

(1) The cost of COBRA continuation benefits has not been included in the total change in control benefit amount, as the value would not be material.

(2) If the NEO is subject to an excise tax pursuant to Section 4999 of the Internal Revenue Code, the NEO will receive a tax gross-up payment. No amounts have been included in the total change in control benefit amount to account for any such gross-up payments.

Compensation Policies and Risk Management

The Compensation Committee conducts an annual analysis of the principal elements of executive and non-executive compensation to determine whether they encourage excessive risk-taking. While the Compensation Committee focused primarily on the compensation of the executive officers because risk-related decisions depend predominantly on their judgment, the analysis also covered other WRIT employees operating in decision-making capacities. The analysis noted the following considerations:

A significant percentage of compensation is equity-based, long-term compensation under our New STIP and New LTIP, both of which provide for equity-based compensation. Awards made under the New STIP will be payable 50% in restricted shares that will vest over a three-year period. Awards made under the New LTIP will be made after a three-year performance period. At the conclusion of such three-year performance period, the New LTIP awards will be payable (i) 50% in unrestricted shares and (ii) 50% in restricted shares that will vest over a one-year period commencing at the conclusion of the three-year performance period. This significant use of restricted shares encourages our executives to focus on sustaining our long-term performance because unvested awards could significantly decrease in value if our business were not managed with long-term interests in mind.

Our New STIP and New LTIP utilize a balanced variety of objective and subjective performance goals. Our New STIP utilizes core FFO per share (20% weighting), core FAD per share (20% weighting), same store NOI growth (20% weighting), strategic acquisition/disposition activity (20%) and the executive s individual performance compared to individual goals (20% weighting). Our New LTIP utilizes absolute TSR (20% weighting), relative TSR (20% weighting) and strategic plan fulfillment (60% weighting). As a result, the benefit plan design contains several performance goals intentionally selected by the Compensation Committee with the goal of aligning executive compensation with long-term creation of shareholder value and fulfillment of WRIT s strategic planning objectives.

For each executive, the target incentive award is based on a percentage of base salary ranging from 100% to 225% for the New STIP and 65% to 150% (measured on an annualized basis) for the New LTIP. For the New STIP, the actual award paid to the executive can range from a 50% to 54% of the target incentive award for threshold performance and 172% to 177% of the target incentive award for high performance. For the New LTIP, the actual award paid to the executive can range from a 50% to

38

54% of the target incentive award for threshold performance and 175% to 180% of the target incentive award for high performance. As a result, the New STIP and New LTIP contain reasonable award opportunities that are capped at appropriate maximum levels.

The Compensation Committee retains discretion under both the New STIP and the New LTIP with respect to a significant portion of the total awards. Under the New STIP, strategic acquisition/disposition activity and the participant s performance compared to individual objectives each carry a 20% weighting (for a total of 40% weighting that is determined in the Compensation Committee s (or Chief Executive Officer s) discretion). Under the New LTIP, strategic plan fulfillment, which is determined in the Compensation Committee s discretion, carries a 60% weighting.

WRIT has adopted a stock ownership policy by which each executive is required to maintain a multiple of his or her base salary in common shares. The multiples are 3x (for the Chief Executive Officer), 2x (for Executive Vice Presidents) and 1x (for Senior Vice Presidents and Managing Directors). This ownership policy requires each executive to maintain a meaningful equity interest that could significantly decrease in value if our business were not managed with long-term interests in mind.

We believe this combination of factors encourages prudent management of WRIT. In particular, by structuring our compensation programs to ensure that a considerable amount of the wealth of our executives is tied to our long-term health, we believe we discourage executives from taking risks that are not in our long-term interests.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee, composed of Chairman Derrick, Messrs. Civera and Russell, and Ms. White, was responsible for making decisions and recommendations to the Board with respect to compensation matters. There are no Compensation Committee interlocks and no WRIT employee serves on the Compensation Committee.

AUDIT COMMITTEE MATTERS

Audit Committee Report

The Board maintains an Audit Committee, currently comprised of four of WRIT s independent trustees. The Board and the Audit Committee believe that the Audit Committee s current member composition satisfies Section 303A of the New York Stock Exchange s listed company manual. The Audit Committee oversees WRIT s financial process on behalf of the Board. Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal controls. The independent registered public accounting firm Ernst & Young LLP is responsible for expressing an opinion on the conformity of those financial statements with generally accepted accounting principles and the effectiveness of WRIT s internal controls over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board.

In fulfilling its oversight responsibilities, the Audit Committee reviewed the audited financial statements in the Annual Report on Form 10-K for the year ended December 31, 2010 with management, including a discussion of the quality, and not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements and management s assessment of the effectiveness of WRIT s internal controls over financial reporting.

The Audit Committee discussed with WRIT s independent registered public accounting firm the overall scope and plans for their audit. The Audit Committee meets with the independent auditors, with and without management present, to discuss the results of their examination, their evaluation of WRIT s internal controls and the overall quality of WRIT s financial reporting.

Table of Contents

The Audit Committee reviewed with the independent registered public accounting firm their judgments as to the quality, and not just the acceptability, of WRIT s accounting principles and such other matters as are required to be discussed with the Audit Committee under generally accepted auditing standards, including Statement on Auditing Standards No. 61, as amended, *Communication with Audit Committees*. In addition, the Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm s communications with the Audit C