WASHINGTON REAL ESTATE INVESTMENT TRUST
Form DEF 14A
April 09, 2007
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:

¨ Preliminary Proxy Statement
x Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material Under Rule 14a-12

¨ **Confidential, For Use of the Commission Only(as permitted by Rule 14a-6(e)(2))**

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):

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1. Amount previously paid:

2. Form, Schedule or Registration Statement No.:

3. Filing Party:

4. Date Filed:

Table of Contents

WASHINGTON REAL ESTATE INVESTMENT TRUST

6110 Executive Boulevard, Suite 800

Rockville, Maryland 20852

Telephone 301-984-9400

Facsimile 301-984-9610

Website www.writ.com

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

April 9, 2007

Dear Shareholder,

You are cordially invited to attend the Annual Meeting of Shareholders of Washington Real Estate Investment Trust to be held on Thursday, May 17, 2007. The formal Notice of the meeting and a Proxy Statement describing the proposals to be voted upon are enclosed.

Two Trustees are nominated for election at the meeting, and the Board of Trustees recommends that shareholders vote in favor of their election. In addition to the election of Trustees, we are recommending amendments to the Declaration of Trust to authorize Preferred Shares. The Board believes that the preferred share amendments are in the best interests of the Trust and the shareholders. They will allow the Trust to issue preferred shares when market pricing is favorable. Unlike our common dividend, this dividend never increases and at the same time, under current market conditions, WRIT would retain the right to repurchase the preferred shares at par at any time after 5 years. The Trust is also seeking the approval of the shareholders of the adoption of the 2007 Omnibus Long-Term Incentive Plan.

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/ Edmund B. Cronin, Jr.
Edmund B. Cronin, Jr.
Chairman of the Board

Table of Contents

WASHINGTON REAL ESTATE INVESTMENT TRUST

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

April 9, 2007

Dear Shareholder,

The Annual Meeting of the Shareholders (the Annual Meeting) of Washington Real Estate Investment Trust (the Trust or WRIT) 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 Thursday, May 17, 2007 at 11:00 a.m., for the following purposes:

1. To elect two Trustees;

2. To approve amendments to the Declaration of Trust to authorize Preferred Shares;

3. To approve the 2007 Omnibus Long-Term Incentive Plan; and

4. To transact such other business as may properly come before the meeting.

The Trustees have fixed the close of business on March 14, 2007 as the record date for shares entitled to notice of and to vote at the Annual Meeting.

The Annual Report of the Trust, 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 vote by telephone or the Internet, if you prefer. To do so, you should follow the instructions on the enclosed Proxy Card.

Sincerely,

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

Table of Contents

TABLE OF CONTENTS

Table of Contents

WASHINGTON REAL ESTATE INVESTMENT TRUST

6110 Executive Boulevard, Suite 800

Rockville, Maryland 20852

PROXY STATEMENT

This Proxy Statement is furnished by the Trust s Board of Trustees (the Board) in connection with its solicitation of proxies for use at the Annual Meeting of Shareholders on May 17, 2007 and at any and all adjournments thereof. Mailing of this Proxy Statement, the form of Proxy and the Annual Report of the Trust will commence on or about April 9, 2007 to shareholders of record as of March 14, 2007. All proxies will be voted in accordance with the instructions contained therein, and if no instructions are specified, the proxies will be voted in accordance with the recommendations of the Board. Therefore, if no instructions are specified, the proxies will be voted FOR the election of the two Trustee nominees listed, FOR the amendments to the Declaration of Trust to authorize Preferred Shares and FOR the approval of the 2007 Omnibus Long-Term Incentive Plan. Abstentions and broker non-votes (proxies that indicate that brokers or nominees have not received instructions from the beneficial owner of shares) are counted for purposes of determining the presence or absence of a quorum for the transaction of business. Abstentions are counted in tabulating the total number of votes cast on proposals presented to shareholders, whereas broker non-votes are not counted for purposes of determining the total number of votes cast. A Proxy on the enclosed form may be revoked by the shareholder at any time prior to its exercise at the Annual Meeting by submitting, to the Corporate Secretary of the Trust, a duly executed Proxy bearing a later date or by attending the Annual Meeting and orally withdrawing the Proxy.

The voting securities of the Trust consist of shares of beneficial interest, $0.01 par value (Shares), of which 45,045,385 Shares were issued and outstanding at the close of business on March 14, 2007. The Trust has no other class of voting security. Each Share outstanding on March 14, 2007 will be entitled to one vote. Shareholders do not have cumulative voting rights.

THE BOARD OF TRUSTEES AND MANAGEMENT

The Board of Trustees

The Board consists of eight Trustees divided into two classes of three Trustees each and one class of two Trustees. The terms of the Trustees continue until the Annual Meetings to be held in 2007, 2008 and 2009, respectively, and until their respective successors are elected. At each Annual Meeting, two or three Trustees are elected, subject to the limitations described below, for a term of three years to succeed those Trustees whose terms expire at such Annual Meeting. The Trust s Bylaws provide that no person shall be nominated for election as a Trustee after their 72^{nd} birthday.

The Board held 14 meetings in 2006. During 2006, each incumbent Trustee attended at least 75% of the total number of Board and committee meetings he or she was eligible to attend, except for Ms. Williams who had an injury that prevented her from attending several meetings. The Trust s non-management Trustees meet at regularly scheduled executive sessions without management, presided over by Mr. McDaniel, the chairman of the Corporate Governance Committee.

The Board has determined that all Trustees with the exception of Mr. Cronin are independent as that term is defined in the applicable listing standards of the New York Stock Exchange. The Board has determined that Mr. Osnos is an independent Board member as that term is defined in the New York Stock Exchange rules but is not eligible to serve on the audit committee because of the rule that requires that an audit committee member not directly or indirectly receive any compensation from the Trust other than fees for serving as a Trustee. In making this determination, the Board concluded that, although Mr. Osnos is an employee of the Trust s outside counsel, because the Trust s payments to such counsel are not material to the firm or the Trust, the relationship does not constitute a material relationship with the Trust.

Table of Contents

The Board provides a process for shareholders and other interested parties to send communications to the entire Board, or 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 except for Mr. Nason and Mr. Pivik attended the Annual Shareholders Meeting in 2006. The Board does not have a formal written policy requiring Trustees to attend the Annual Shareholders Meeting, although Trustees have traditionally attended.

The Trust is sad to report the death of Mr. Pivik on July 25, 2006 and wants to express appreciation for his service on the Board.

The *Corporate Governance/Nominating Committee* held 3 meetings in 2006. The Committee members are Chairman McDaniel, Messrs. Derrick, Osnos and Russell and Ms. Williams. All members of the Committee are independent as that term is defined in the applicable listing standards of the New York Stock Exchange. The 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 Committee develops and recommends corporate governance principles, evaluates the performance of the Chief Executive Officer in light of Trust goals and objectives, and recommends nominees for election to the Board of Trustees as outlined in the Corporate Governance/Nominating Committee Charter. The Committee will consider nominees to the Board submitted by shareholders in writing addressed to the attention of the Committee at the executive offices of the Trust in Rockville, Maryland. The Committee s minimum qualifications and specific qualities and skills required for Trustees are set forth in the Corporate Governance/Nominating Committee Charter. In addition to considering candidates suggested by shareholders, the Committee considers potential candidates recommended by current Trustees, Trust Officers, employees and others. The Committee screens all potential candidates in the same manner regardless of the source of the recommendation. The Committee s review is typically based on any written materials provided with respect to the potential candidate. The Committee determines whether the candidate meets the Trust s minimum qualifications and specific qualities and skills for Trustees and whether requesting additional information or an interview is appropriate.

The *Compensation Committee* met 6 times in 2006. Committee members are Chairman Nason, Messrs. Osnos and Civera and Ms. Williams. All members of the Committee are independent as that term is defined in the applicable listing standards of the New York Stock Exchange. The Committee is responsible for making 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

The *Audit Committee* met 8 times in 2006. The Committee members are Chairman Derrick, Messrs. McDaniel, Nason, Civera and Russell. All members of the Committee are independent as that term is defined in the applicable listing standards of the New York Stock Exchange. The Board has determined that Mr. Civera qualifies as an Audit Committee Financial Expert, as that term is defined in the rules of the SEC. The Audit Committee assists the Board in discharging its responsibility of oversight, but the existence of the Committee does not alter the responsibilities of the Trust 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 see the Audit Committee Report on page 22 of this Proxy Statement. The Audit Committee Charter is available on our website, www.writ.com and upon written request.

TRUSTEE COMPENSATION

For 2006, the seven non-officer Trustees of the Trust received an annual retainer of $25,000 plus $1,000 per committee meeting. In addition, each non-officer Trustee received an annual grant of $30,000 in restricted Shares which vested immediately. Committee Chairs received additional retainers as follows: Audit Committee $7,500; Corporate Governance/Nominating Committee, $3,000; and Compensation Committee, $3,000. Audit Committee members were also paid an additional retainer of $3,750. The Trust has approved a non-qualified deferred compensation plan for the Trustees. The plan allows a Trustee to defer a percentage of his or her cash compensation. Compensation deferred will be credited with interest. Upon the 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 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 the Trust. The deferred compensation liability for the non-officer Trustees was $711,950 at December 31, 2006.

TRUSTEE SUMMARY COMPENSATION TABLE

The following table summarizes the compensation paid by the Trust to non-employee Trustees for the fiscal year ended December 31, 2006.

Name	Fees Earned or Paid in Cash ($)	Stock Awards (1) ($)	Change in Pension Value and Deferred Compensation Earnings (2) ($)	Total ($)
Edward S. Civera	16,979	15,025		32,004
John M. Derrick, Jr.	48,500	30,011		78,511
John P. McDaniel	47,750	30,011	424	78,185
Charles T. Nason	46,187	30,011	401	76,599
Robert W. Pivik	28,771	0	36	28,807
David M. Osnos	38,000	30,011		68,011
Thomas Edgie Russell, III	15,979	15,025		31,004
Susan J. Williams	38,563	30,011	103	68,677

(1) Options held by each non-employee Trustee at December 31, 2006 are as follows: Mr. McDaniel, 8,000; Mr. Nason, 4,000; Mr. Osnos, 6,000; and Ms. Williams, 12,000. All stock awards are fully vested. See the Ownership of Shares by Trustees and Executive Officers on page 6.

(2) Represents the above market earnings on Deferred Compensation Plan for the Trustees that participate in the Plan.

The following table sets forth the names and biographical information concerning each of the current Trustees.

NAME	PRINCIPAL OCCUPATION	SERVED AS TRUSTEE	AGE	TERM EXPIRES

		SINCE		
Edward S. Civera	Chairman, HealthExtras, Inc.	2006	56	2008
Edmund B. Cronin, Jr.	Chairman and Chief Executive Officer, WRIT	1994	69	2007
John M. Derrick, Jr.	Retired Chairman, CEO and President, Pepco Holdings, Inc.	1997	67	2009
John P. McDaniel	Chief Executive Officer, MedStar Health	1998	64	2007
Charles T. Nason	Retired Chairman, President and CEO, The Acacia Group	2000	60	2009
David M. Osnos	Attorney, Arent Fox LLP	1987	75	2007
Thomas Edgie Russell, III	President and Director, Partners Realty Trust Inc.	2006	64	2009
Susan J. Williams	Chief Executive Officer and President, Williams Aron & Associates	1999	66	2008

Mr. Edward S. Civera currently serves as the Chairman of the Board of HealthExtras, Inc., a publicly traded pharmacy benefit management company. He also serves as a member of the Board of Directors of MCG Capital Corporation, a publicly traded commercial finance company, and MedStar Health, a non-profit healthcare organization. In 2006, Mr. Civera was appointed to Director and Chairman of the Executive and Special Committees at The Mills Corporation to assist the Board in the evaluation of strategic alternatives. From 1997 to 2001, Mr. Civera was the Chief Operating Officer and Co-Chief Executive Officer of United Payors & United Providers, Inc. 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 has a Bachelor of Science in Accounting and a Master of Business Administration from St. Joseph s University. Mr. Civera is a Certified Public Accountant.

Mr. Edmund B. Cronin, Jr. is Chairman and Chief Executive Officer (CEO) of the Trust. Prior to joining the Trust in 1994 Mr. Cronin was President and CEO of H.G. Smithy Company and its subsidiaries from 1976 to 1994, providing a full range of corporate and institutional real estate services. Mr. Cronin is also a Director of Pepco Holdings, Inc. (formerly Potomac Electric Power Company (PEPCO)), the Federal City Council, Economic Club of Washington and Chairman of the Board of Georgetown University Hospital.

Mr. John M. Derrick Jr. is retired Chairman, CEO and President of Pepco Holdings, Inc. He joined PEPCO, its predecessor, in 1961 and served as President and CEO from 1997 until 1999 and as Chairman and CEO from 1999 until July 2003, and 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 he has served as a Director of the United States Chamber of Commerce, a trustee of the Federal City Council 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. John P. McDaniel has been CEO of MedStar Health, a multi-institutional, not-for-profit healthcare organization serving Washington D.C., Maryland, Virginia and the mid-Atlantic region, since its inception in 1982. Mr. McDaniel serves on the Board of Thrivent Financial for Lutherans and 1st Mariner Bank and is a Trustee of Georgetown University. Mr. McDaniel is a past Chairman and member of the Board of the Greater Washington Board of Trade, a member of the Executive Committee of the Federal City Council, Chairman and member of the Maryland State Racing Commission, and a member of the Executive Committee of the Greater Baltimore Committee. Mr. McDaniel is a Fellow of the American College of Healthcare Executives, a member of the Economic Club of Washington and a member of The Mary and Daniel Loughran Foundation.

Mr. Charles T. Nason is retired Chairman and CEO of The Acacia Group, including Acacia Life, Acacia Federal Savings Bank and the Calvert Group LTD. He served Acacia from 1977 to 2005, including being CEO from 1988 to 2003. The Acacia Group is a Washington D.C. based financial services organization with assets under management in excess of $13 billion. Mr. Nason is a past Chairman and director of The Greater Washington Board of Trade and the Federal City Council. He currently serves as a Director of MedStar, Inc. and is a member of The Economic Club of Washington. He is also Vice-Chairman of the Board of Trustees of Washington and Jefferson College. In addition, he is a past Director of The American Council of Life Insurance and past Chairman of Insurance Marketplace Standards Association.

Mr. David M. Osnos is of-counsel with Arent Fox LLP (legal counsel to the Trust) and has been an attorney with the firm since 1956. His principal areas of practice include real estate, tax, securities, corporate, estate planning and sports law. He is a Director or Trustee of numerous organizations including EastGroup Properties, a real estate investment trust, VSE Corporation, an engineering firm, and the Washington Wizards Basketball Club.

Mr. Thomas Edgie Russell, III is President and a Director of Partners Realty Trust, Inc., a private real estate company which was previously engaged in the ownership of apartments, offices, and shopping centers.

Table of Contents

Mr. Russell currently serves as a Director of Good Samaritan Hospital, a health-care facility operated by MedStar Health, a not-for-profit health care organization serving the Baltimore-Washington, D.C. region, and Keswick Multi-Care Center, a not-for-profit organization providing skilled nursing care and adult day services. From 1988 to 1990, Mr. Russell was a Director of Florida Rock Industries, a publicly traded construction materials company, 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 it being acquired by Florida Rock. Mr. Russell obtained his J.D. from the University of Maryland Law School, a Master of Business Administration from the University of Pennsylvania, and his Bachelor of Arts from Wesleyan University.

Ms. Susan J. Williams has been CEO of Williams Aron & Associates, a public affairs consulting firm, since 2002. Ms. Williams was Founding Partner and served as President of Bracy Williams & Company, government affairs and public relations consultants from 1982 to 2001. Ms. Williams career includes public service as a legislative professional on Capitol Hill as well as Assistant Secretary of Transportation. She also played a founding role in Project Head Start. Ms. Williams is a past Chair of The Greater Washington Board of Trade. She served on the Board of Directors of the Henry L. Stimson Center, the American Institute for Public Service, the Historical Society of Washington, D.C., the National Aquarium in Baltimore, and the D.C. Agenda Project. She is currently a member of the Economic Club of Washington and the Federal City Council.

Management

The following table contains information regarding the Executive Officers and other Officers of the Trust other than the Trust s Chairman and CEO, Mr. Cronin. These Officers are elected annually by the Board and serve at the Board s discretion.

NAME OF EXECUTIVE OFFICER	AGE	POSITION
George F. McKenzie	51	President and Chief Operating Officer
Laura M. Franklin	46	Senior Vice President, Accounting, Administration and Corporate Secretary
Sara L. Grootwassink	39	Senior Vice President and Chief Financial Officer

NAME OF OFFICER	AGE	POSITION
James B. Cederdahl	48	Managing Director, Property Management
David A. DiNardo	49	Managing Director, Leasing
Thomas L. Regnell	50	Managing Director, Acquisitions

Mr. George F. McKenzie joined the Trust in September 1996 and was elected Executive Vice President, Real Estate in 2002. In 2006, he was promoted to President 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.

Ms. Laura M. Franklin, CPA, joined the Trust in August 1993 as Assistant Vice President, Finance. In 1995 she was named Vice President, Chief Accounting Officer and Corporate Secretary to the Trust. In 2002, she was named Senior Vice President, Accounting, Administration and Corporate Secretary. 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 is 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.

Sara L. Grootwassink, CPA, CFA, joined the Trust in December 2001 as Managing Director, Finance and Capital Markets. In 2002, Ms. Grootwassink was named Chief Financial Officer. From 1999 through 2001,

Table of Contents

Ms. Grootwassink served as Vice President, Finance and Investor Relations at Corporate Office Properties Trust and previously as an Equity Analyst at Johnston, Lemon & Co. Ms. Grootwassink is a Director of CapitalSource, Inc., a commercial finance company and serves on the Strategic Planning Committee of Washington Hospital Center. Ms. Grootwassink serves on the editorial advisory board of Real Estate Portfolio magazine, is a member of the Economic Club of Washington, and formerly served on NAREIT s Investor Advisory Council.

Mr. James B. Cederdahl was promoted to Managing Director, Property Management in January 2006. He joined the Trust 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.

Mr. David A. DiNardo joined the Trust in June 2005 as Managing Director, Leasing. From 1998 to 2005, Mr. DiNardo served as a Senior Vice President and member of the Executive Committee of Grubb & Ellis Company in their Office Services Group. From 1993 to 1998, prior to its acquisition by Grubb & Ellis, Mr. DiNardo was a Principal at Smithy Braedon Company, where he represented a large number of tenants and owners. Mr. DiNardo joined Smithy Braedon in November of 1983. Mr. DiNardo is a member of the Greater Washington Commercial Association of Realtors (GWCAR) and a former member of its Board of Directors.

Mr. Thomas L. Regnell joined the Trust in January 1995 as Vice President, Acquisitions. In 2001, Mr. Regnell was named Managing Director, Acquisitions. 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.

There are no family relationships between any Trustee and/or Executive Officer. There are no related party transactions between any Trustees or members of management and the Trust. Although the Trust has not entered into a related party transaction in many years, if a related party transaction would arise the Trust would require the review and approval of the Audit Committee. The Audit Committee would approve the transaction only if it was in the best interest of the Trust.

Ownership of Shares by Trustees and Executive Officers

The following table sets forth certain information concerning all Shares beneficially owned as of March 14, 2007 by each Trustee, by each of the Named Officers (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 Shares listed are held solely by the named holder and/or the holder s spouse.

NAME	SHARES OWNED (1)	PERCENTAGE OF TOTAL
Edward S. Civera	383	0.00%
Edmund B. Cronin, Jr.	391,642	0.87%
John M. Derrick, Jr.	15,995	0.04%
Laura M. Franklin	80,731	0.18%
Sara L. Grootwassink	49,440	0.11%
John P. McDaniel	14,486	0.03%
George F. McKenzie	182,793	0.41%
Charles T. Nason	21,594	0.05%
David M. Osnos	22,536	0.05%
Thomas Edgie Russell, III	884	0.00%
Susan J. Williams	17,636	0.04%
All Trustees and Executive Officers as a group (11 persons)	798,120	1.77%

(1) Includes Shares subject to options exercisable within 60 days, as follows: Mr. Cronin, 211,503; Ms. Franklin, 24,003; Ms. Grootwassink, 13,815; Mr. McDaniel, 8,000; Mr. McKenzie, 90,309; Mr. Nason, 4,000; Mr. Osnos, 6,000; Ms. Williams, 12,000; and all Trustees and Executive Officers as a group, 369,630.

Table of Contents

Ownership of Shares by Certain Beneficial Owners

The Trust, based upon a Schedules 13G filed with the Securities and Exchange Commission (SEC), believes that the following persons currently beneficially own more than five percent of the outstanding Shares.

NAME	SHARES OWNED	PERCENTAGE OF TOTAL
T. Rowe Price Associates, Inc. 100 E. Pratt Street Baltimore, Maryland 21202	3,492,766 (1)	7.76%
Vanguard Group, Inc. 455 Devon Park Drive Wayne, Pennsylvania 19087	2,579,278 (2)	5.73%

(1) These securities are owned by various individual and institutional investors which T. Rowe Price Associates, Inc. (Price Associates) serves as investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities.

(2) These securities are owned by various individual and institutional investors which Vanguard Group, Inc. (The Vanguard Group) serves as investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, The Vanguard Group is deemed to be a beneficial owner of such securities; however, The Vanguard Group expressly disclaims that it is, in fact, the beneficial owner of such securities.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

The objectives of the Trust s compensation programs are to allow the Trust to attract and retain talented officers and executives, to provide added incentives to achieve various objective performance targets and to link compensation to shareholder results by rewarding competitive and superior performance.

For its named executive officers (NEOs), which include the CEO and the other individuals named in the Summary Compensation Table that follows this Compensation Discussion and Analysis, the Trust s compensation program is designed to closely align compensation with the performance of the Trust on both a short-term and long-term basis. The compensation program for NEOs is designed to reward the achievement of specific annual, long-term and strategic goals by providing the majority of compensation in the form of variable pay that is based on internal financial objectives. The Trust believes this motivates performance consistent with short and long-term business objectives. This approach creates management alignment in the profitability and success of the organization for the short and long term. A focus on balancing profit and growth will drive total shareholder value and align management s interests with the interests of shareholders.

Comparison in Setting Compensation

The Trust compares the compensation of NEOs against other companies in its industry, but due to the diversification and geographic focus there is not a true peer group. In this process, the Trust looks at the following elements of compensation: base salary, annual incentive awards and the value of long-term incentive awards.

Table of Contents

Base salaries, short-term and long-term incentive targets were compared to similarly situated executive officers employed by companies in the NAREIT compensation survey and a diversified group of 15 public REITs. The companies in the selected group were not necessarily all the same size but they were competitors with the Trust for both employees and business. The 15 companies were:

Arden Realty, Inc. *	Colonial Properties Trust	First Industrial Realty Trust, Inc.
AMB Property Corporation	Corporate Office Properties Trust	Home Properties, Inc.
Brandywine Realty Trust	Cousins Properties Inc.	Liberty Property Trust
Camden Property Trust	Equity One, Inc.	Post Properties, Inc.
CarrAmerica Realty Corp. *	Federal Realty Inv. Trust	Regency Centers Corp.

* These companies are no longer publicly traded, and will not be considered going forward.

The compensation data utilized from the NAREIT survey and group analysis is selected based on jobs of similar scope and complexity.

Compensation Program

The components of the Trust s current executive compensation program consist of (1) annual base salary, (2) annual incentive compensation (short-term incentive plan), (3) long-term equity incentive compensation and (4) defined contribution plan, deferred compensation and perquisites. Long-term equity incentive compensation for NEOs currently consists of grants of restricted share units and performance share units.

The Trust establishes the amount and mix of base and variable compensation in part by referencing the prevalence of each element and the level of compensation that is provided in the market by executive level and position. The Trust considers market practices in light of its objective of having a performance-focused total compensation program. In addition, it considers the relative value of each executive management position to the achievement of the Trust s overall business objectives. In considering the total package of compensation, the Trust considers the internal relationships of pay across all executive positions. For 2006, the short-term incentive target awards and long-term incentive target awards were adjusted for each of the NEOs with the exception of the CEO s long-term incentive target award to bring the compensation to more competitive levels based on a comparative study performed by outside compensation consultants.

A. Base Salary

The Trust views a competitive base salary as an important component to attract and retain executive talent. Base salaries also serve as the foundation for the corporate short-term incentive plan and long-term incentive plan, which express award opportunities as a percentage of base salary. The Trust views base salary as a primary component of executive compensation. Base salaries, as discussed above, are determined by a comparison to similarly situated executive officers employed by companies in the NAREIT compensation survey and a diversified group of 15 public REITs. The Trust considers financial performance when evaluating proposed salary budgets and future salary increases. Annual salary is less than 40% of the total target compensation package of the NEOs (less than 30% for the CEO). Salary recommendations are reviewed and approved annually by the Compensation Committee.

B. Short-Term Incentive

The short-term incentive plan links pay to performance results and is intended to enable the Trust to attract and retain talented officers and provide an incentive to achieve objective annual performance targets.

The short-term incentive plan provides for the annual payment of cash bonuses based upon the Trust s achievement of its annual targets for funds from operations (FFO) per share and earnings before interest, taxes, depreciation and amortization (EBITDA). FFO is the most commonly accepted and reported measure of REIT operating performance. FFO is equal to a REIT s net income, excluding gains or losses from sales of property, plus real estate depreciation. FFO per share and EBITDA are weighted 50% each, and actual results for these measures are compared to targets. Performance targets are proposed in the preceding year by management and evaluated and approved by the Board of Trustees.

The combined financial results may then be adjusted, depending upon the condition of the market environment, in the event that WRIT significantly underperforms or outperforms its targets based on market factors unforeseen at the time the targets are set. The application of market factors is subject to the Compensation Committee s discretion to recognize unique market conditions. If FFO per share growth is not at least equal to zero over the performance period, no short-term incentive payouts will be earned. Any payout under a negative growth scenario is subject to Board discretion. In addition, there is a discretionary override option when determining incentive payouts that allows the Board to adjust a payout upward or downward to recognize individual contributions to the organization.

In setting performance goals, the Trustees review the Trust s annual business plan as a starting point and consider the potential of achieving the business plan in setting performance goals. Based upon the historical volatility of the market, the Trust believes that these goals are difficult to achieve.

For 2006, individual target awards were increased and established as a percent of base salary for the CEO (100%), Executive Vice Presidents (75%), Senior Vice Presidents (65%) and Managing Directors (50%). Actual awards can 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. Results of the two performance measures are combined and if actual performance is below 95% of target performance, no bonuses will be paid pursuant to the program. The maximum award can be earned if actual performance meets or exceeds 110% of target performance. The actual payout amounts for 2006 are presented in the Summary Compensation Table within this proxy statement.

Each December, at the request of the Committee, an internal audit is performed to review management s calculations for the short-term and long-term incentive plans to confirm that they comply with the plan.

C. Long-Term Incentives

The Trust considers long-term equity incentive compensation to be critical to the alignment of executive compensation with shareholder value creation. Therefore, a market competitive long-term incentive component is an integral part of the Trust s overall executive compensation program. The Trust s long-term equity incentive compensation awards are made pursuant to the Washington Real Estate Investment Trust Share Grant Plan and are generally awarded in December of each year.

The CEO and other officers are eligible for a target award designed to deliver a targeted value consistent with the compensation philosophy. New awards will be granted each year. For 2006, long-term incentive targets were increased and established as a percent of salary for the CEO (150%), Executive Vice Presidents (125%), Senior Vice Presidents (100%) and Managing Directors (75%). The 2006 compensation expense for the long-term incentive awards is presented in the Summary Compensation Table within this proxy statement.

In 2006, the Trust changed its approach to long-term equity incentive compensation by providing a mix of performance share units (2/3) and restricted share units (1/3). The Trust believes that performance share units provide increased incentive to achieve identified performance goals and that restricted share units support the Trust s goal of executives having an ownership position in the Trust while encouraging their long-term retention. The new approach also includes transitioning from a look-back performance period to a forward-looking performance period.

(i) Restricted Share Units

Restricted share units provide plan participants with an underlying value in the Trust s shares. Restricted share unit awards vest 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 with the Trust. Restricted share units are converted to Shares and delivered to the participant after they fully vest. The vesting schedule is intended to promote retention since an NEO will likely consider the forfeiture of unvested restricted share units in weighing other employment opportunities. If a participant leaves for any reason other than death, disability, retirement, layoff or change in control before vesting, the unvested restricted share units are forfeited. A participant who dies, becomes disabled, retires, is terminated due to layoff or is employed upon a change in control of the Trust will become fully vested in the shares upon the effective date of such events.

For unvested and vested restricted share units, an amount equal to the dividends granted on the Trust s Shares is paid in cash at the same time dividends on Shares are paid.

(ii) Performance Share Units

The number of performance share units delivered is a function of the Trust s performance versus targeted FFO and EBITDA goals, subject to cliff vesting after a three year period. These measures are weighted 50% each and actual results for these measures are compared to targets. Performance targets will be set on an annual basis; however, the plan is based on forward-looking cumulative performance over three years.

If annualized FFO per share growth is less than or equal to zero over the performance period, no incentive payouts will be earned. Any payout under this scenario is subject to Board discretion.

In setting performance goals, the Trustees review the Trust s annual business plan as a starting point and consider the potential of achieving the business plan in setting performance goals. Based upon the historical volatility of the market, the Trust believes that these goals are difficult to achieve.

Actual awards can 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. Results of the two performance measures are first combined and if actual performance is below or equal to 90% of target performance, no incentives will be paid pursuant to the program, and the maximum award can be earned if actual performance meets or exceeds 110% of target performance.

Performance share units are converted to common shares and delivered to the participant after the three-year performance period. An amount equal to the dividends granted on the Trust s Shares is paid in cash at the end of the performance period based on the Shares awarded.

(iii) Transition Award

Due to the three year vesting period of the new performance share long-term equity incentive program and the potential shortfall in the current outstanding awards, a transition award was granted to address retention and competitive compensation concerns.

The transition award is a service-based restricted share unit award that vests over three years, 25% in years one and two and 50% in year three. The CEO announced his intent to retire in 2007, thus his Shares will fully vest upon retirement. Without a transition plan, NEOs would not realize gains from the benefits of the new program until the end of 2008. The pro-rata vesting value of the transition awards granted for 2006 are included in the Summary Compensation Table within this proxy statement.

Table of Contents

D. Retirement, Deferred Compensation and Perquisites

(i) Supplemental Executive Retirement Plan

Because the U.S. Internal Revenue Code limits the benefits that would otherwise be provided by the Trust s qualified retirement programs, the Trust provides a Supplemental Executive Retirement Plan (SERP) for the benefit of the NEOs. In November 2005, the Board of Trustees approved the establishment of a SERP for the benefit of the NEOs, other than the CEO. This is a defined contribution plan under which, upon a participant s termination of employment from the Trust 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. The initial participants vest fully upon 10 years of employment, whereas subsequent participants vest fully upon 10 years of plan participation. We account 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, 2006 and 2005, we recognized current service cost of $269,000 and $146,000, respectively. This plan supersedes the split dollar life insurance plan terminated in April 2006. The Company terminated the split dollar agreements regaining ownership of the policies.

The Trust also established a SERP effective July 1, 2002 for the benefit of the CEO. Upon the CEO s termination of employment from the Trust for any reason other than death, discharge for cause or total and permanent disability, the CEO will be entitled to receive an annual benefit equal to his accrued benefit times his vested interest. The CEO shall vest in accordance with the following schedule for each year of continuous employment with the Trust measured by reference to his birthday and commencing with the CEO s 65^{th} birthday:

Years of Continuous Employment	Percentage Vested
1	0%
2	0%
3	50%
4	75%
5	100%

The CEO shall be 100% vested upon his 70^{th} birthday, if having remained employed through that date. In addition, the CEO shall become 100% vested in the event of his termination of employment prior to his 70^{th} birthday due to the incurrence of a total and permanent disability (as defined in the Trust s long-term disability plan). In addition, the Board may, in its sole and absolute discretion, elect to accelerate the rate of vesting in whole or in part at any time.

We account for this plan in accordance with SFAS No. 87, Employers Accounting for Pensions, whereby we accrue benefit cost in an amount that will result in an accrued balance at the end of the CEO s employment which is not less than the present value of the estimated benefit payments to be made. For the three years ended December 31, 2006, 2005 and 2004, we recognized current service cost of $467,000, $419,000 and $355,000, respectively. On December 31, 2006, WRIT adopted the recognition and disclosure provisions of SFAS No. 158. SFAS No. 158 required the Trust to recognize the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its pension plan in the December 31, 2006 statement of financial position, with a corresponding adjustment to accumulate other comprehensive income, net of tax. Because the CEO s SERP is unfunded, the adoption of SFAS No. 158 did not have an effect on the Trust s consolidated financial condition at December 31, 2006, or for any prior period presented and it will not affect the Trust s operating results in future periods. The Trust purchased a universal life insurance policy on the CEO s life to serve as a source of funds to assist the Trust in meeting its liabilities under the SERP. Through an endorsement split dollar arrangement, the Trust has made available to the CEO pre-retirement life insurance coverage through age 70.

Table of Contents

In the event the CEO continues in the employment of the Trust until age 70, the annual benefit to be paid to the CEO shall be $200,000. The SERP is not subject to the vesting, funding and fiduciary requirements under ERISA.

(ii) Deferred Compensation Plans

The Trust allows officers to voluntarily defer salary and short-term incentive awards as part of the Trust s nonqualified deferred compensation plan. The CEO is the only participant of this plan which has been effective since January 1, 2000. In this plan, salary deferrals and short-term incentive plan deferrals are credited with earnings of 7.5%. In addition, this plan has a retirement account which accrues earnings of 2.5% payable upon retirement (defined as age 70), upon total and permanent disability or within a 24 month period following a change in control. The plan is unfunded and payments are to be made out of the general assets of the Trust. The deferred compensation liability was $1.1 million at December 31, 2006. As of December 31, 2006, this plan no longer accepts future deferral commitments.

Beginning in 2007, the Trust adopted a new plan that allows officers to voluntarily defer salary short-term incentive awards. Salary deferrals will be credited with earnings based on 10-Year U.S. Treasury Securities as of January 1. Short-term incentive awards are deferred in the deferred compensation plan 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 deferrals and matching contributions will increase and decrease in value as the Trust s shares increase or decrease. Participants may elect to defer receipt of payments to the later 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 the Trust, or (iii) a change in control.

(iii) Perquisites

Named executive officers 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 Committee believes that these benefits are reasonable and consistent with its overall compensation program to better enable the Trust to attract and retain key employees. For information on benefits and perquisites, see footnotes to Summary Compensation Table.

Change In Control Termination Agreements

The change in control agreements with the NEOs discussed below provide for payments and benefits in the event of termination due to a change in control (as defined in these agreements). The basic rationale for such 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 (a) there is a change in control (as that term is defined in the NEO s change in control agreement) and (b) after the change in control, the covered NEO s employment is involuntarily terminated but not for cause or by the NEO for good reason (as such terms are 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 the Trust after a change in control because the executive would not receive the change in control 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.

Table of Contents

Change In Control Termination Benefits

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
President and 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 bonus received during the three years prior to the involuntary termination.

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

D. Immediate vesting in all unvested share grants granted to NEO under the Trust s Share Grant Plan and vesting in the Deferred Compensation Plan.

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.

For detailed information on these payments, see Potential Payments Upon Change of Control table on page 21.

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 Trust believes that the benefits under its short-term incentive and long-term incentive plans do not qualify as performance based under Section 162(m). The Trust also believes that it must maintain the flexibility to take actions which it deems to be in the best interests of the Trust but which may not qualify for tax deductibility under Section 162(m).

Share Ownership Guidelines

The Committee believes that the Trust s executive officers should maintain a meaningful equity interest in the Trust through ownership of Shares that they acquire either with their own funds, or by retaining restricted shares that have vested rather than disposing of such shares. Share ownership allows executives to better understand the viewpoint of shareholders and incentivizes them to enhance shareholder value. However, because of potential economic risks, investment diversification reasons and income tax payments due upon vesting, the Trust does not impose formal Share ownership guidelines that require such holdings by the NEOs and uses a good faith effort approach.

Overview of Corporate Governance with Respect to Compensation Matters

Responsibilities. The Compensation Committee of the Board is responsible for recommending to the Board an overall executive total remuneration policy. The primary responsibilities of the Committee are to ensure this policy will take into account the appropriateness and competitiveness of each component of executive

Table of Contents

compensation, to make recommendations to the Board on employee compensation and benefit plan matters and to produce an annual report on executive compensation for inclusion in the Trust s proxy statement, in accordance with applicable rules and regulations.

Committee Composition. The Committee is comprised of at least three and no more than six independent members of the Board of Trustees (as the term independent is defined in the Trust s Corporate Governance Guidelines, which follow the independence standards set by the New York Stock Exchange).

Committee Charter. The current charter (Charter) of the Committee was adopted on February 20, 2003 and was revised as of September 13, 2005 and March 23, 2007. A copy of the Charter can be found on our website at www.writ.com. Among other matters, the Charter provides the Committee with the independent authority to retain and terminate any compensation consulting firms or other advisers to assist in the evaluation of Trustee, CEO and executive compensation.

CEO Compensation. The Committee has the authority to recommend for approval to the Board of Trustees the CEO s compensation level based on the Committee s annual performance evaluation of the CEO. In evaluating the long-term incentive component of CEO compensation, the Committee considers the Trust s performance under the Long-Term Incentive Plan for Officers of the Trust and the value of similar incentive awards to CEOs at comparable organizations.

Committee Meetings

The Committee meets at least once annually or more frequently as circumstances require. Each meeting allows time for an executive session in which the Committee and outside advisors, if requested, have an opportunity to directly discuss all executive compensation issues without members of management being present. During 2006, six Committee meetings were held.

Engagement and Use of Independent Executive Pay Consultants

Selection and Engagement. The Committee has the authority to select and engage compensation consulting firms independently from any control or influence by management. The Committee currently has selected and engaged the Hay Group, a leading human resource and compensation consulting firm, as its independent advisor (Compensation Consultant) with respect to executive compensation. Pursuant to the Charter, the decision to retain a Compensation Consultant (as well as other advisers) is at the sole discretion of the Committee, and the Compensation Consultant works at the direction of the Committee.

Chair Works Directly with Consultants. The Committee Chair works directly with the Compensation Consultant to determine the scope of the work needed to be performed by the Compensation Consultant to assist the Committee in its decision making processes. For example, the Compensation Consultant meets with the Chair of the Committee to review issues and gain input on plan design and alternatives. In this process, the Compensation Consultant also interacts with other members of the Committee, the CEO, the Senior Vice President-Corporate Secretary, the CFO and other senior management to facilitate the development of the Trust s executive compensation strategies and approach to determining compensation levels.

Competitive Analysis. The Compensation Consultant prepares and updates the Committee with competitive pay analyses regarding both the broader market (including the NAREIT survey) and a group of REITs selected with input from the Compensation Consultant and advises the Committee on issues relating to the level and design of compensation programs for the executive officers and senior management. The Compensation Consultant attends Committee meetings and, upon request by the Committee, also attends the Committee s executive sessions to present and discuss market data, program design alternatives and to provide advice and counsel regarding decisions facing the Committee. In addition, with the agreement and approval of the Committee, Hay Group also provides separate advisory services to the Trust s management team on broad-based compensation issues.

Table of Contents

Role of Executives in Establishing Compensation

Management Input. The Committee believes that having the input of management is important to the overall effectiveness of the Trust s executive compensation program. The Committee believes that even the best advice of a Compensation Consultant or other advisors must be combined with the input of senior management and the Committee s own individual experiences and best judgment to arrive at the proper alignment of compensation philosophy, programs and practices. The CEO, the Senior Vice President-Corporate Secretary and CFO are the members of senior management who interact most closely with the Compensation Committee. These three individuals work with the Committee to provide their perspective on compensation strategies and how to align them with the Trust s business and people strategies. They provide feedback and insights into how well the Trust s compensation programs and practices appear to be working. In addition, the CEO, the Senior Vice President Corporate Secretary and the CFO regularly attend Committee meetings to participate in the presentation of materials and discussion regarding compensation issues.

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Trust 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 the Trust that the Compensation Discussion and Analysis be included in this Proxy Statement.

THE COMPENSATION COMMITTEE

Edward S. Civera, Compensation Committee Member

Charles T. Nason, Compensation Committee Chairman

David M. Osnos, Compensation Committee Member

Susan J. Williams, Compensation Committee Member

Table of Contents

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, 2006. The Company does not have any employment agreements with any of the NEOs (excluding Mr. Mundy).

Based on the fair value of equity awards granted to the NEOs in 2006 and the base salary of the NEOs, Salary accounted for approximately 20% of the total compensation of the NEOs while incentive and other compensation accounted for approximately 80% of the total compensation

(a)	(b)	(c)	(e)	(g)	(h)	(i)	(j)
					Change in Pension Value and Nonqualified Deferred Compensation Earnings		
		Salary	Stock Awards	Non-Equity Incentive Plan Compensation		All Other Compensation	Total
Name and Principal Position	Year	($)	($) (1)	($) (3)	($)	($) (4)	($)
Edmund B. Cronin, Jr. (2) Chairman and Chief Executive Officer	2006	$ 500,000	$ 1,497,736	$ 657,374	$ 439,131	$ 232,012	$ 3,326,253
George F. McKenzie President and Chief Operating Officer	2006	$ 353,333	$ 273,777	$ 364,842	$	$ 84,931	$ 1,076,883
Laura M. Franklin Senior Vice President, Accounting, Administration and Corporate Secretary	2006	$ 260,700	$ 207,837	$ 222,790	$	$ 41,281	$ 732,608
Sara L. Grootwassink Senior Vice President and Chief Financial Officer	2006	$ 260,700	$ 213,437	$ 222,790	$	$ 37,913	$ 734,840
Christopher P. Mundy (5) Chief Investment Officer	2006	$ 185,000	$ 390,692	$	$	$ 1,276,488	$ 1,852,180

(1) The amounts reported in Column (e) above reflect the aggregate dollar amounts recognized for stock awards for financial statement reporting purposes with respect to 2006 (disregarding any estimate of forfeitures related to service-based vesting conditions). No stock awards granted to Named Executive Officers were forfeited during 2006. Detailed information about the amounts recognized for specific awards is reported in the Outstanding Equity Awards at Fiscal Year-End table. For a discussion of the methodologies used to calculate the amounts reported in Column (e), please see the discussion of the Long-Term Incentive Plan contained in the Compensation Discussion and Analysis section of the proxy statement.

(2) The amounts reported in Column (e) for the CEO represents $1,497,736 compensation expense recognized in 2006 in accordance with FAS 123(R). For federal income tax purposes, the CEO realized $383,449.

(3) The Named Executive Officers Non-Equity Incentive Plan Compensation for 2006, which is reported in this table, were determined by the Compensation Committee at its December 13, 2006 meeting and 90% was paid shortly thereafter with the remaining 10% paid out in February. Both payments were expensed in the year 2006.

(4) The amounts shown in Column (i) include term life insurance premiums, matching contributions to the Trust s 401(k) Plan and auto allowance contributions and funding of the defined contribution plan as follows: $217,780, $6,600, $7,632 and $0, respectively, for Mr. Cronin; $1,893, $6,600, $13,738 and $62,700, respectively, for Mr. McKenzie; $793, $6,600, $0 and $33,888, respectively, for Ms. Franklin; $545, $6,600, $6,000 and $24,768, respectively, for Ms. Grootwassink; $827, $0, $3,000 and $26,826, respectively, for Mr. Mundy. In addition, Mr. Mundy received the following amounts in connection with his severance: $5,835 COBRA premium and $1,240,000 in severance pay which included estimated cash payments relating to the short-term incentive plan and long-term incentive plan.

(5) Mr. Mundy resigned from the Trust effective June 30, 2006. The stock awards in Column (e) vested in whole upon his termination.

Table of Contents

GRANTS OF PLAN-BASED AWARDS

The following table presents information regarding the restricted stock, restricted stock units and the performance shares awards granted to the NEOs during 2006 under the Trust s Long-Term Incentive Plan.

(a)	(b)	(f)	(g)	(h)	(i)	(l)
		Estimated Future Payouts Under Equity Incentive Plan Awards (1) (2)			All Other Stock Awards: Number of Shares of Stock or Units	Grant Date Fair Value of Stock and Option Awards
Name	Grant Date	Threshold (#)	Target (#)	Maximum (#)	(#)	($)
Edmund B. Cronin, Jr.	5/15/2006				21,349 (3)	784,149
	2/16/2006				3,077 (4)	100,003
George F. McKenzie	12/13/2006	0	10,400	20,800		411,216
	12/13/2006				4,300 (5)	170,022
	5/15/2006				13,587 (3)	499,051
	2/16/2006				923(4)	29,998
Laura M. Franklin	12/13/2006	0	5,900	11,700		233,286
	12/13/2006				2,400 (5)	94,896
	5/15/2006				11,000 (3)	404,030
	2/16/2006				598(4)	19,435
Sara L. Grootwassink	12/13/2006	0	5,900	11,700		233,286
	12/13/2006				2,400 (5)	94,896
	5/15/2006				11,000 (3)	404,030
	2/16/2006				598(4)	19,435
Christopher P. Mundy						

(1) Officers participate in the Trust s Long-Term Incentive Plan which awards Shares based on the Trust s achievement of its targets for funds from operation (FFO) per share and earnings before interest, taxes, depreciation and amortization (EBITDA). The performance measures are weighted 50% each and will be set on an annual basis, but the plan is based on forward-looking cumulative performance over three years. Actual payouts can range from 0% to a maximum of 200% of the target award based on the performance relative to goals. No awards can be earned if actual performance is below or equal to 90% of target performance and the maximum award can be earned if actual performance meets or exceeds 110% of target performance. The annualized FFO per share growth for the performance period must be at least zero or greater for any payout to be earned. An amount equal to the dividends granted on the Shares is paid in cash at the end of the performance period based on the number of Shares awarded.

(2)

The Trust s CEO and Chairman was excluded from the long-term awards under the Share Grant Plan in view of his announced intention to retire in 2007. The Trust contemplates that Mr. Cronin will receive a grant of restricted share units in 2007 in connection with his continued services as WRIT s non-executive chairman following his retirement.

(3) Amounts represent a service-based restricted share transition grant award that vests over three years, 25% in years one and two and 50% in year three. For unvested and vested restricted share grant awards, an amount equal to the dividends granted on the Shares is paid in cash at the same time dividends on Shares are paid.

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

Table of Contents

(5) Amounts represent a service-based restricted share units that vests 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 Shares is paid in cash at the same time dividends on 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, 2006, 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	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 Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Edmund B. Cronin, Jr. (1)	95,315	21.344	12/14/2010	48,856	1,954,240	0	0
	68,805	24.845	12/16/2011				
	47,383	25.610	12/15/2012				
George F. McKenzie (2)	37,553	21.344	12/14/2010	31,666	1,266,640	13,700	548,000
	29,876	24.845	12/16/2011				
	23,880	25.610	12/15/2012				
Laura M. Franklin (3)	4,685	21.344	12/15/2010	23,601	944,040	7,700	308,000
	4,025	24.845	12/17/2011				
	15,493	25.610	12/15/2012				
Sara L. Grootwassink (4)	13,815	25.610	12/15/2012	23,086	923,440	7,700	308,000
Christopher Mundy							

(1) Mr. Cronin s stock awards listed in column (g) will vest according to the following schedule: 615 shares will vest on 2/16/07; 2,158 shares will vest on 3/11/07; 5,337 shares will vest on 5/15/07; and 40,746 shares will vest upon his retirement.

(2) Mr. McKenzie s stock awards listed in column (g) will vest according to the following schedule: 138 shares will vest in full on 12/16/07; 1,379 shares will vest ratably over 2 years on 8/26/07 and 8/26/08; 2,491 shares will vest ratably over 2 years on 12/17/07 and 12/17/08; 6,267 shares will vest ratably over 3 years on 3/11/07, 3/11/08 and 3/11/09; 2,581 shares will vest ratably over 3 years on 12/15/07, 12/15/08 and 12/15/09; 923 shares will vest ratably over 5 years on 2/16/07, 2/16/08, 2/16/09, 2/16/10 and 2/16/11; 13,587 shares will vest 25% on 5/15/07 and 5/15/08, and 50% on 5/15/09; and 4,300 shares will vest ratably over 5 years on 12/13/07, 12/13/08, 12/13/09, 12/13/10 and 12/13/11. The performance share units listed in column (i) cliff vest on 12/13/08 based on a three-year performance period.

(3) Ms. Franklin s awards listed in column (g) will vest according to the following schedule: 105 shares will vest in full on 12/16/07; 995 shares will vest ratably over 2 years on 8/26/07 and 8/26/08; 1,797 shares will vest ratably over 2 years on12/17/07 and 12/17/08; 4,778 shares will vest ratably over 3 years on 3/11/07, 3/11/08 and 3/11/09; 1,928 shares will vest ratably over 3 years on 12/15/07, 12/15/08 and 12/15/09; 598 shares will vest ratably over 5 years on 2/16/07, 2/16/08, 2/16/09, 2/16/10 and 2/16/11; 11,000 shares will vest 25% on

5/15/07 and 5/15/08, and 50% on 5/15/09; and 2,400 shares will vest ratably over 5 years on 12/13/07, 12/13/08, 12/13/09, 12/13/10 and 12/13/11. The performance share units listed in column (i) cliff vest on 12/13/08 based on a three-year performance period.

Table of Contents

(4) Ms. Grootwassink s awards listed in column (g) will vest according to the following schedule: 92 shares will vest in full on 12/16/07; 867 shares will vest ratably over 2 years on 8/26/07 and 8/26/08; 1,566 shares will vest ratably over 2 years on 12/17/07 and 12/17/08; 4,166 shares will vest ratably over 3 years on 3/11/07, 3/11/08 and 3/11/09; 680 shares will vest in full on 3/11/07; 1,717 shares will vest ratably over 3 years on 12/15/07, 12/15/08 and 12/15/09; 598 shares will vest ratably over 5 years on 2/16/07, 2/16/08, 2/16/09, 2/16/10 and 2/16/11; 11,000 shares will vest 25% on 5/15/07 and 5/15/08, and 50% on 5/15/09; and 2,400 shares will vest ratably over 5 years on 12/13/07, 12/13/08, 12/13/09, 12/13/10 and 12/13/11. The performance share units listed in column (i) cliff vest on 12/13/08 based on a three-year performance period.

OPTION EXERCISES AND STOCK VESTED

The following table shows information concerning the exercise of options during 2006 by each of the Named Officers and the value realized on stock awards that vested in 2006.

	Option Awards		**Stock Awards**	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)**
Edmund B. Cronin, Jr.	0	0	10,202	383,449
George F. McKenzie	22,000	336,463	5,251	196,109
Laura M. Franklin	17,268	313,165	3,784	140,855
Sara L. Grootwassink	1,000	8,070	3,923	144,258
Christopher Mundy	0	0	11,182	408,646

PENSION BENEFITS

The table below shows the present value of accumulated benefits payable to each of the NEOs, including the number of years of service credited to each, under the Supplemental Retirement Plan determined using interest rate and mortality rate assumptions consistent with those used in the Trust s financial statements, as of December 31, 2006. Information regarding the Supplemental Retirement Plan can be found in the Retirement, Deferred Compensation and Perquisites section on page 11.

(a)	(b)	(c)	(d)	(e)
Name	**Plan Name**	**Number of Years Credited Service (#)**		