

Supplemental Information Package



Second Quarter | 2017

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933 First Avenue, King of Prussia, PA

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Transaction Highlights



630 Freedom Business Center | King of Prussia, PA



Schuylkill Yards Design Rendering | Philadelphia, PA

Dispositions

- On July 18, 2017, completed the sale of 49.5 acres of land known as Bishops Gate, in Mount Laurel, New Jersey for a gross sales price of \$6.0 million. The land was classified as held for sale in our balance sheet at June 30, 2017.
- On June 27, 2017, completed the sale of four office properties containing 134,794 rentable square feet located in Marlton, New Jersey known as the Evesham Corporate Center for a gross sales price of \$9.7 million. The loss on sale is \$0.3 million.
- On June 12, 2017, completed the sale of a retail property located in Mount Laurel, New Jersey, containing approximately 10,784 rentable square feet for a gross sales price of \$8.2 million. The gain on sale is \$1.4 million.
- On April 28, 2017, completed the sale of 8.4 acres of land from the Garza Ranch in Austin, Texas for a gross sales price of \$11.8 million. There was no gain/loss recognized on the sale of this land parcel.
- Entered into several agreements of sale for various land parcels in Pennsylvania and Richmond aggregating \$17 million for 43 acres. We anticipate the sales to occur during the next twelve months as zoning, appraisals and other closing conditions are satisfied.

Financing

- On May 1, 2017, the entire \$300.0 million principal balance of the unsecured 5.70% Guaranteed Notes was repaid upon maturity. Available cash balances and borrowings under our unsecured line of credit were used to fund the repayment of the unsecured notes.
- On April 11, 2017, completed the previously announced redemption of the entire 4,000,000 preferred shares for \$100 million or \$25.00 per share. Upon redemption, we recorded a one-time, non-cash charge of \$3.2 million related to unamortized original issuance costs.

Development

- During 2017, the majority of the residential component of the FMC Tower at Cira Centre South was placed into service, comprised of 103 flexible stay suites, 60 furnished extended stay suites and 105 luxury apartment residences. As of July 10, 2017, the following number of units are in service: flexible stay – 81 suites (79%); furnished extended stay – 39 suites (65%); apartment residences – 77 units (73%).
- During June 2017, placed into service 933 First Avenue, a single-tenant office building containing 111,000 rentable square feet, located in King of Prussia, Pennsylvania, on time and on budget with a stabilized cash yield of 10.5%.
- On June 27, 2017, announced zoning approvals obtained for the initial phase of the Schuylkill Yards Development, which includes Drexel Square Park, One Drexel Plaza, and two land sites allowing for a total of approximately 1.6 million square feet of development.

Leasing Highlights

	Q2 2017	Q1 2017
Quarter end occupancy	92.2%	93.2%
Current projected / Final year end occupancy	93-94%	94-95%
Leased as of July 10, 2017 / April 10, 2017	93.5%	94.0%
Leases executed in quarter (sq ft)	995,274	979,837
New leases commenced (sq ft)	173,197	71,547
Expansions commenced (sq ft)	18,792	72,337
Leases renewed (sq ft)	<u>780,540</u>	<u>83,745</u>
Total lease activity (sq ft)	972,529	227,629
Early lease renewals (sq ft)	306,391	370,277
Forward lease commencements (sq ft):		
Q3 2017	124,822	
Q4 2017	<u>66,065</u>	
Total square feet of forward lease commencements:	190,887	



Key Operating Metrics

	Q2 2017	YTD 2017	07/10/2017 Business Plan
Same Store NOI Growth			
GAAP	1.2%	1.8%	0.0% - 1.0%
Cash	10.1%	9.7%	7.0% - 8.0%
Rental Rate Mark to Market			
New Leases/expansions			
GAAP	7.1%	7.4%	
Cash	0.4%	1.8%	
Renewals			
GAAP	1.1%	2.0%	
Cash	18.5%	16.4%	
Combined			
GAAP	1.3%	2.7%	6.0% - 7.0%
Cash	17.8%	14.3%	10.0% - 11.0%
Average Lease Term (yrs)	6.4	6.4	7.0
Leasing Capital (PSF/yr)	\$0.95	\$1.34	\$1.90 - \$2.00
Tenant Retention	77%	70%	73%

Financial Highlights

	Q2 2017	Q1 2017	YTD 2017
Net income to common shareholders	\$4,092	\$19,278	\$23,370
Per diluted share	\$0.02	\$0.11	\$0.13
Common share distributions paid	\$0.16	\$0.16	\$0.32
Funds From Operations (FFO)	\$57,427	\$56,117	\$113,544
Per diluted share	\$0.32	\$0.32	\$0.64
FFO - excl. capital market , transactional items and other	\$60,935	\$56,117	\$117,052
Per diluted share	\$0.34	\$0.32	\$0.66
FFO payout ratio - excl. capital market, trans. items and other	47.1%	50.0%	48.5%
Cash Available for Distribution (CAD)	\$42,919	\$41,683	\$84,602
CAD payout ratio (Distributions paid per common share / CAD)	66.1%	68.0%	67.1%

Balance Sheet Highlights

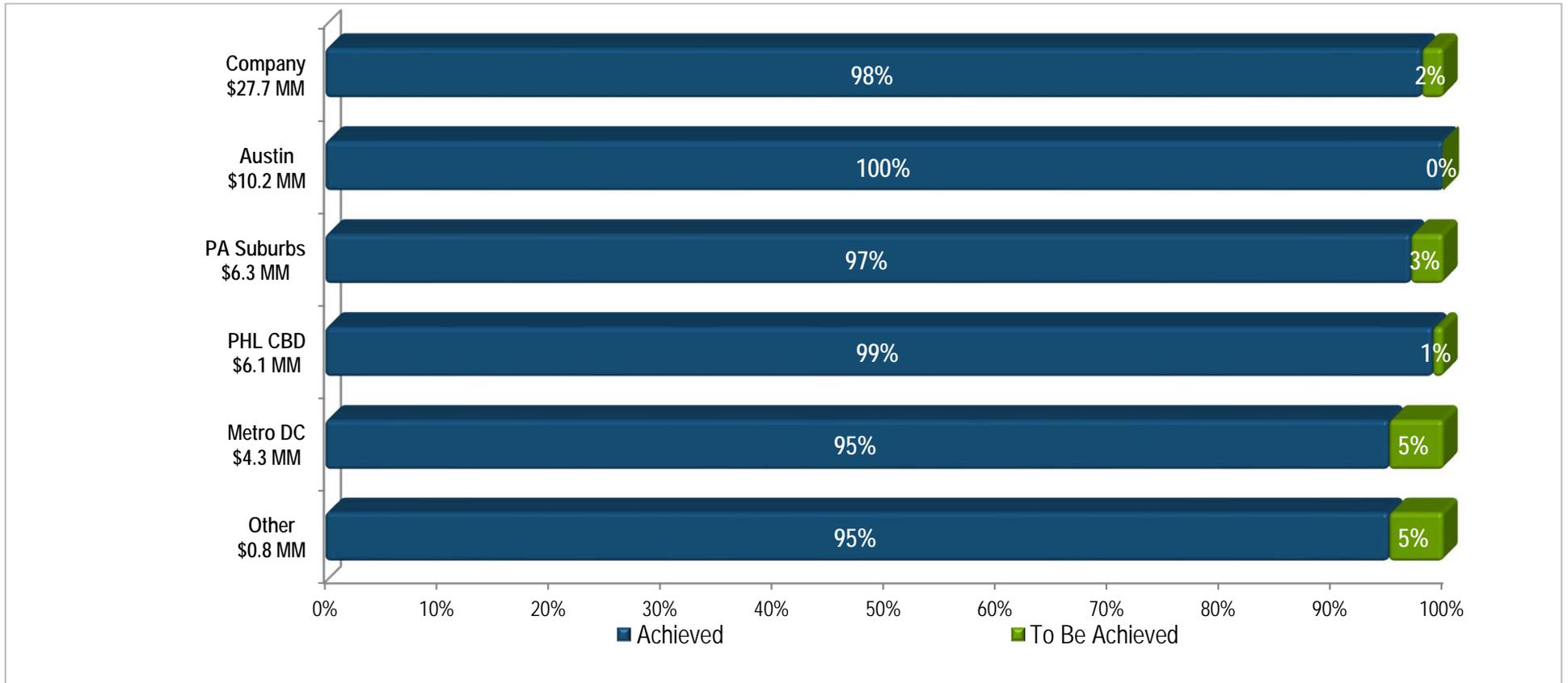
	Q2 2017	Q1 2017	Q4 2016
Net debt to total gross assets	39.6%	37.5%	38.3%
Ratio of net debt to annualized quarterly EBITDA	6.6	6.3	6.6
Cash on hand	\$37,900	\$234,654	\$193,919

Business Plan Component	2017 Business Plan as of		
	7/10/2017	4/10/2017	10/6/2016
Speculative Revenue	\$27.7 MM	\$27.7 MM	\$28.7 MM
• New Leasing Activity	\$5.1 MM	\$5.5 MM	\$7.4 MM
• Renewal	\$22.6 MM	\$22.2 MM	\$21.3 MM
Executed	98%	90%	66%
Projected Tenant Retention (SF)	73%	71%	68%
Same Store NOI Increase			
• GAAP	0.0% - 1.0%	0.0% - 2.0%	0.0% - 2.0%
• Cash	7.0% - 8.0%	6.0% - 8.0%	6.0% - 8.0%
Leasing Capital PSF/YR	\$1.90 - \$2.00	\$2.00 - \$2.50	\$2.00 - \$2.50
Average Lease Term	7.0 years	7.0 years	7.0 years
Net Income Attributable to Common Shareholders	\$0.17 - \$0.21	\$0.20 - \$0.27	\$0.24 - \$0.34
Funds from Operations	\$1.34 - \$1.38	\$1.33 - \$1.40	\$1.35 - \$1.45
Cash Available for Distribution Payout Ratio Annualized	71% - 64%	71% - 64%	71% - 64%
Rental Rate Increase / (Decline)			
• GAAP	6.0% - 7.0%	5.0% - 7.0%	5.0% - 7.0%
• Cash	10.0% - 11.0%	9.0% - 11.0%	8.0% - 10.0%
Year-end SS Occupancy	93-94%	94-95%	94-95%
Year-end Core Occupancy	93-94%	94-95%	94-95%
Year-end Core Leased	95-96%	95-96%	95-96%
Bank Financing/Preferred Shares	On April 11, 2017, completed the tender, at par, \$100.0 MM of Preferred Shares	On April 11, 2017, completed the tender, at par, \$100.0 MM of Preferred Shares	Tender, at par, \$100.0 MM of Preferred Shares
Unsecured Financing/Liability Management	Repaid \$300.0 MM Notes due 2017 with cash-on-hand and our line of credit	Refinance \$300.0 MM Notes due 2017	Refinance \$300.0 MM Notes due 2017
Equity Issuance/Share Repurchase Program	None Incorporated	None Incorporated	None Incorporated
Dispositions (excluding land)	\$150.7 MM Closed: \$200.0 MM target, net	\$132.8 MM Closed: \$200.0 MM target, net	\$100.0 MM target
Acquisitions (excluding land)	None Incorporated	None Incorporated	None Incorporated

2017 Speculative Leasing

Category	Targeted	Executed	Remaining
Square Feet			
Renewals	1,252,000	1,218,000	34,000
New Leasing	479,000	435,000	44,000
Total	1,731,000	1,653,000	78,000
Revenue (\$MM)			
Renewals	\$ 22.6	\$ 22.5	\$ 0.1
New Leasing	5.1	4.7	0.4
Total	\$ 27.7	\$ 27.2	\$ 0.5

2017 Speculative Revenue By Region



Sources and Uses of Cash	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Cash and Cash Equivalents as of Beginning of Quarter	\$ 234,654	\$ 193,919	\$ 219,059	\$ 265,597	\$ 423,517	\$ 56,694
Cash flows from operating activities after debt service	41,989	40,259	42,561	46,281	44,186	39,194
Disposition of properties	27,924	101,389	25,871	26,275	43,485	709,722
Acquisition of properties	-	-	-	(20,406)	-	-
Revenue maintaining capital expenditures	(9,993)	(9,456)	(10,880)	(9,917)	(10,522)	(12,080)
Revenue creating capital expenditures	(5,756)	(6,265)	(5,572)	(4,303)	(6,523)	(6,299)
Development capital expenditures	(20,288)	(26,667)	(44,410)	(44,471)	(53,682)	(60,530)
Investment in unconsolidated real estate ventures	(72)	(4,910)	(1,436)	(11,874)	(886)	(14,414)
Cash distributions from unconsolidated real estate ventures	4,100	8,306	500	2,267	8,862	1,436
Escrowed cash (a)	-	(32,009)	5,988	(1,109)	(4,878)	6,991
Other cash flows from investing activities	(2,913)	1,455	(7,217)	1,319	1,877	(2,274)
Cash flows from investing activities	(6,998)	31,843	(37,156)	(62,219)	(22,267)	622,552
Distributions paid to shareholders and holders of noncontrolling interest	(30,448)	(30,052)	(30,237)	(29,886)	(28,279)	(28,234)
Proceeds from borrowings	219,000	-	-	-	86,900	195,000
Debt repayments	(420,227)	(1,215)	(1,204)	(1,193)	(237,501)	(408,739)
Loss on extinguishment of debt	-	-	-	-	-	(53,433)
Other cash flows from financing activities	(70)	(100)	896	479	(959)	483
Cash flows from financing activities	(231,745)	(31,367)	(30,545)	(30,600)	(179,839)	(294,923)
Cash and cash equivalents as of End of Quarter	\$ 37,900	\$ 234,654	\$ 193,919	\$ 219,059	\$ 265,597	\$ 423,517

(a) Entire Q1 2017 amount represents proceeds from the sale of Concord Airport Plaza, which is designated as a Section 1031 exchange.

Region	Number of Wholly Owned Properties	Square Feet		% Occupied	% Leased (1)	Remaining Expirations		Net Operating Income at 06/30/17			
		Total	% of Total			2017	2018	Q2 2017	% of Total	YTD 2017	% of Total
Philadelphia CBD (see next page for detail)	10	5,176,218	31.5%	96.3%	97.3%	57,371	427,084	\$ 27,942	38.1%	\$ 56,480	38.2%
Pennsylvania Suburbs	49	5,136,697	31.3%	90.1%	91.7%	271,475	376,698	22,615	30.9%	45,092	30.5%
Crescent Markets											
Radnor	11	1,738,383	10.6%	92.1%	94.8%	121,831	155,662	9,674	13.2%	19,393	13.1%
Plymouth Meeting	7	846,351	5.2%	92.6%	93.3%	15,860	74,074	3,964	5.4%	7,962	5.4%
Conshohocken	3	387,738	2.4%	91.3%	92.4%	-	49,351	1,704	2.3%	3,493	2.4%
Newtown Square	5	252,802	1.5%	78.9%	78.9%	-	-	770	1.1%	1,572	1.1%
Total Crescent Markets	26	3,225,274	19.6%	91.1%	92.9%	137,691	279,087	16,112	22.0%	32,420	21.9%
Other Suburban Markets	23	1,911,423	11.6%	88.5%	89.6%	133,784	97,611	6,503	8.9%	12,672	8.6%
Metropolitan Washington, D.C.	17	2,971,086	18.1%	88.1%	90.2%	21,325	477,496	13,576	18.5%	26,747	18.1%
Northern Virginia	13	2,377,479	14.5%	88.4%	90.2%	21,325	468,002	11,454	15.6%	22,478	15.2%
Maryland	4	593,607	3.6%	87.1%	90.2%	-	9,494	2,122	2.9%	4,269	2.9%
Austin, Texas	6	967,661	5.9%	100.0%	100.0%	-	-	3,771	5.1%	8,529	5.7%
Subtotal	82	14,251,662	86.8%	92.6%	94.0%	350,171	1,281,278	67,904	92.7%	136,848	92.5%
Other	12	762,009	4.6%	84.7%	84.7%	14,925	49,418	1,356	1.9%	2,757	1.9%
Subtotal - Core Portfolio	94	15,013,671	91.4%	92.2%	93.5%	365,096	1,330,696	69,260	94.5%	139,605	94.4%
+ Development/Redevelopment (2)	5	1,402,253	8.6%	51.9%	81.9%	341	940	3,993	5.5%	8,391	5.6%
Total	99	16,415,924	100.0%			365,437	1,331,636	\$ 73,253	100.0%	\$ 147,996	100.0%

(1) Includes leases entered into through July 10, 2017 that will commence subsequent to the end of the current period.

(2) Comprised of two development properties and three redevelopments.



	Number of Wholly Owned Properties	Square Feet		% Occupied	% Leased (1)	Remaining Expirations		Net Operating Income at 06/30/2017			
		Total	% of Total (3)			2017	2018	Q2 2017	% of Total (3)	YTD 2017	% of Total (3)
Philadelphia CBD Wholly Owned Core Properties											
Three Logan Square	1	1,029,413	6.3%	99.3%	99.3%	17,990	182,717	\$ 5,073	6.9%	\$ 10,901	7.4%
Cira Centre	1	730,187	4.4%	96.7%	96.7%	9,348	79,190	\$ 5,227	7.1%	\$ 10,543	7.1%
One Commerce Square	1	942,866	5.7%	95.6%	99.0%	14,980	102,388	\$ 4,482	6.1%	\$ 8,858	6.0%
Two Commerce Square	1	953,276	5.8%	94.0%	94.0%	3,833	7,712	\$ 4,440	6.1%	\$ 8,812	6.0%
Two Logan Square	1	708,844	4.3%	97.8%	97.9%	7,020	14,055	\$ 3,593	4.9%	\$ 7,149	4.8%
One Logan Square	1	595,041	3.6%	96.4%	97.9%	-	571	\$ 2,812	3.8%	\$ 5,617	3.8%
Other (2)	3	25,666	0.2%	70.2%	70.2%	4,200	7,738	\$ 1,372	1.9%	\$ 2,704	1.8%
3020 Market Street	1	190,925	1.2%	91.5%	96.3%	-	32,713	\$ 943	1.3%	\$ 1,896	1.3%
Total	10	5,176,218	31.5%	96.3%	97.3%	57,371	427,084	\$ 27,942	38.1%	\$ 56,480	38.2%
Philadelphia CBD Developments & Redevelopments											
1900 Market Street	1	456,922	2.8%	56.0%	81.2%	341	940	\$ 1,467	2.0%	\$ 3,299	2.2%
FMC Tower at Cira Centre South (4)	1	625,000	3.8%	75.5%	98.0%	-	-	\$ 2,644	3.6%	\$ 5,383	3.6%

(1) Includes leases entered into through July 10, 2017 that will commence subsequent to the end of the current period.

(2) Other includes 618 Market Street, the parking garage at Cira Centre South and the Lift Parking.

(3) Reflects percent of the total portfolio (See page 8 for portfolio by region).

(4) Net operating income includes office, residential and retail. Percentage leased includes office leases and LOI's signed to date.

	No. of Properties	Square Feet		% Occupied	% Leased (1)	Remaining Expirations		Net Operating Income at 06/30/2017				BDN Share	
		Total	% of Total			2017	2018	Q2 2017	% of Total	YTD 2017	% of Total	%	YTD NOI
Austin JV Owned Core Properties													
Barton Skyway	4	786,845	28.8%	97.8%	98.4%	5,426	291,901	\$ 4,585	27.9%	\$ 8,830	30.8%	50.0%	\$ 4,414
Encino Trace	2	319,743	11.7%	67.4%	94.8%	-	-	5,017	30.5%	5,726	20.0%	50.0%	2,862
River Place	7	590,882	21.6%	94.5%	94.5%	45,571	74,326	2,607	15.9%	5,617	19.6%	50.0%	2,809
Crossings at Lakeline	2	232,772	8.5%	97.8%	97.8%	-	52,383	1,067	6.5%	2,137	7.5%	50.0%	1,069
Four Points	1	192,396	7.0%	100.0%	100.0%	-	115,949	887	5.4%	1,713	6.0%	50.0%	857
Cielo Center	1	270,711	9.9%	80.1%	95.7%	46,396	12,244	655	4.0%	1,634	5.7%	50.0%	817
The Park on Barton Creek	1	205,195	7.5%	88.6%	100.0%	3,258	15,539	929	5.7%	1,603	5.6%	50.0%	802
7000 West at Lantana	1	136,075	5.0%	100.0%	100.0%	-	-	694	4.2%	1,421	5.0%	50.0%	711
Total DRA-Austin	19	2,734,619	100.0%	91.3%	97.1%	100,651	562,342	\$ 16,441	100.0%	\$ 28,681	100.0%	50.0%	\$ 14,341
Austin Wholly Owned Core													
Broadmoor (2)	6	967,661	5.9%	100.0%	100.0%	-	-	\$ 3,771	5.1%	\$ 8,529	5.7%	100.0%	\$ 8,529

(1) Includes leases entered into through July 10, 2017 that will commence subsequent to the end of the current period.

(2) Building 6, containing 144,249 square feet, is currently in redevelopment.

405 Colorado Renderings | Austin, TX

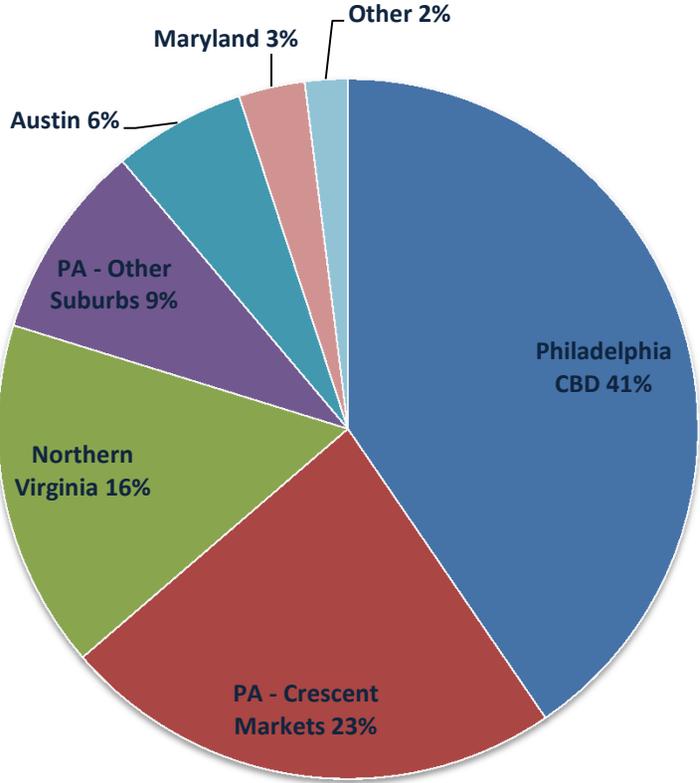
DRA Austin JV Business Plan Component	2017 Business Plan (3) as of 07/10/2017
Speculative Revenue	\$11.7 MM
• New Leasing Activity	\$4.9 MM
• Renewal	\$6.8 MM
Executed	97%
Projected Tenant Retention (SF)	75%
Same Store NOI Increase	
• GAAP	1.5% - 2.5%
• Cash	1.5% - 2.5%
Rental Rate Increase	
• GAAP	14.0% - 15.0%
• Cash	9.0% - 10.0%
Year-end SS Occupancy	95-96%
Year-end Core Occupancy	93-94%
Year-end Core Leased	95-96%



(3) The results of these Business Plan Components are reported through Equity in Real Estate Ventures and are not included in the Consolidated Company Business Plan Components.

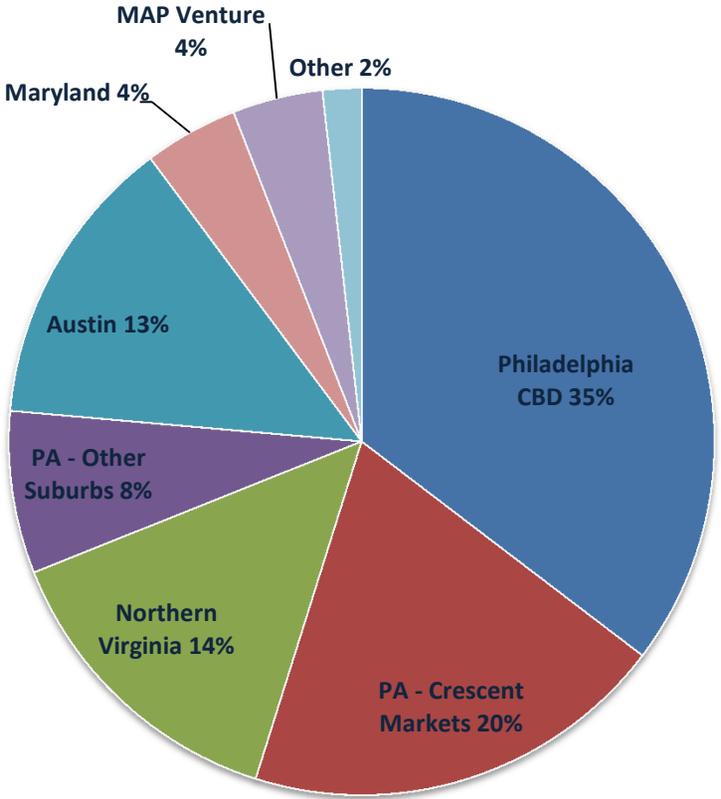
YTD NOI - Wholly Owned

- Total Core Portfolio NOI: \$139.6 MM
- 86% of NOI from our Core Markets (b)



YTD NOI - Including JVs (a)

- Total NOI: \$170.7 MM
- 82% of NOI from our Core Markets (b)



(a) Chart reflects net operating income from wholly owned properties and BDN's share of net operating income from unconsolidated joint ventures.

(b) Consists of Philadelphia CBD, PA Crescent, Northern Virginia and Austin markets.

Development (% owned)	Location	Type	Completion Date	Stabilization Date	Square Feet / # Units	Total Project Costs	Equity Capitalization (a)	Debt Financing	Amount funded at 06/30/2017	Remaining to be funded at 06/30/2017	Projected Cash Yield	Leased % @ July 10, 2017
Wholly Owned												
FMC Tower	Philadelphia CBD	Mixed-use	Q3 2016	Q4 2017	625,000	\$ 400,000	\$ 400,000	-	\$ 386,400	\$ 13,600	8.1%	98.0%
Subaru Service Center	Camden, NJ	Mixed-use	Q2 2018	Q2 2018	83,000	44,300	44,300	-	11,300	33,000	9.5%	100.0%
Broadmoor - Building 6	Austin, TX	Office	Q4 2017 (b)	Q2 2018 (b)	144,000	6,600 (b)	6,600	-	2,200	4,400	9.7%	58.0%
500 North Gulph Road	King of Prussia, PA	Office	Q1 2018 (c)	Q1 2019 (c)	100,000	16,800 (c)	16,800	-	100	16,700	9.5%	0.0%
Total						\$ 467,700	\$ 467,700		\$ 400,000	\$ 67,700		82.0%

Placed Into Service												
FMC Tower - Office (d)									\$ (249,100)			
FMC Tower - Residential (e)									(123,100)			
Total Placed Into Service									\$ (372,200)			

Remaining in Construction-in-Progress									\$ 27,800			
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(a) - We intend to fund our remaining wholly owned development costs through existing cash balances and/or our line of credit.

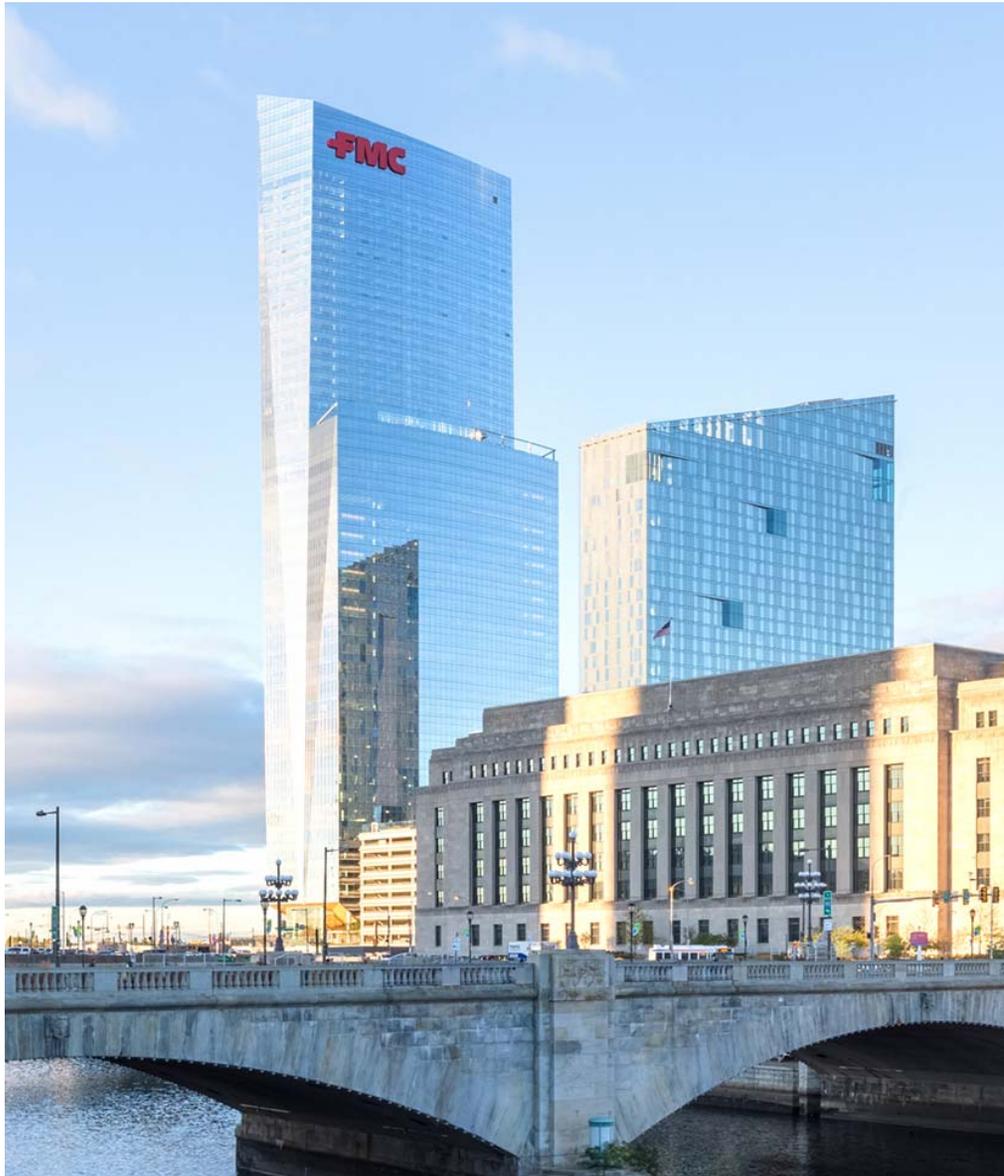
(b) - Building vacated by IBM as part of an overall lease restructuring. We are renovating and repositioning the property as the first step in the overall repositioning of the Broadmoor Campus. Total project costs exclude \$9.2 million of existing property basis.

(c) - Multi-tenant building was vacated in Q4 2016. Current plans are to renovate and amenitize this well positioned building in the King of Prussia submarket. Total project costs exclude \$4.6 million of existing property basis.

(d) - We have transferred a pro-rata share of base building costs expected to be incurred and actual tenant costs incurred-to-date. The remaining costs primarily relate to tenant improvements.

(e) - The following number of units are in service: flexible stay – 81 suites (79%); furnished extended stay – 39 suites (65%); apartment residences – 77 units (73%). We have transferred a pro-rata share of base building costs expected to be incurred.

FMC Tower at Cira Centre South



Design Overview

- A 730-foot, 49-story premier mixed-use development featuring 625,000 SF of office space, 268 luxury residential apartment, flexible stay and furnished extended stay units and a 5,700 SF restaurant on the ground floor
- Located two blocks from 30th Street Station's Amtrak and SEPTA hubs, close proximity to Interstates 76 and 676 and within walking distance of several university campuses in the University City submarket of Philadelphia, PA

Project Schedule

- Commenced Construction Q2 2014
- Substantial Completion - Office Q3 2016
- Substantial Completion - Residential Q4 2016
- Target Stabilization - Office Q4 2017
- Target Stabilization - Residential Q1 2018

Project Description

- Major tenants include FMC Corporation, the University of Pennsylvania, NASDAQ and Spark Therapeutics
- Retained AKA, an affiliate of Korman Communities, to develop and manage the residential component
- Placed approximately 74% of the residential component into service during 2017
- Constructed on land which Brandywine has prepaid ground lease with University of Pennsylvania through 2097

Financial Highlights

- Projected investment of \$400.0 MM, with \$386.4 MM funded to date
- Remaining \$13.6 MM will be funded through existing cash balances and/or our line of credit
- Projected stabilized cash yield: 8.1%

Schuylkill Yards Development



Overview

- On March 2, 2016, announced that Brandywine has been designated by Drexel University as master developer of Schuylkill Yards, a 20-year six-phase, multi-component 14 acre/ 5.1 million square foot development of office, residential, advanced manufacturing, research facilities and academic facilities in the University City section of Philadelphia
- Adjacent to the nation's 3rd busiest rail station, Schuylkill Yards will become one of the most mixed use and transit-rich developments in the United States and features 6.5 acres of public space including a 1.3 acre public square ("Drexel Square Park") located directly across 30th Street Station, a shared street esplanade along JFK Boulevard and 1.5 miles of streetscapes complete with new pedestrian-friendly urban furniture and bicycle infrastructure
- Development partners include the Gotham Organization for residential components and Longfellow Real Estate Partners for life sciences components
- On June 27, 2017, announced zoning approvals obtained for the initial phase of the Schuylkill Yards Development, which includes Drexel Square Park, One Drexel Plaza, and two land sites allowing for a total of approximately 1.6 million square feet of development
- The design and development of Drexel Square Park and will include exterior and interior improvements to One Drexel Plaza, which we anticipate commencing during the second half of 2017
- Initial phase of new construction consists of a mixed-use facility containing approximately 700,000 square feet, of which at least 60% will be traditional office, lab and academic space. We anticipate this initial phase commencing in 2018/2019 timeframe subject to pre-leasing

Project Description

- Oversee master planning, including zoning, permitting and receipt of required government and third party approvals
- At commencement of each development phase, will enter into a 99-year ground lease with Drexel University covering the portion of the development site
- Of the 5.1 million total square feet, 52% or approximately 2.6 million is designated office (including lab and academic space)
- Each building, with a minimum building size of 350,000 square feet, is anticipated to be designed by different architects to create highly diverse character across the project

Financial Highlights

- Currently we anticipate spending approximately \$10-\$15 million over the next 24 months, primarily consisting of construction of Drexel Square Park and preliminary design planning; though, because the scope has not been finalized and no construction contracts have been entered into, the actual costs may vary from this initial estimate
- Costs of future developments will be funded through a combination of existing cash balances, capital raised through one or more joint venture formations and/or proceeds from debt financing

Objectives

- Actively recycle land inventory to recognize tenant demand changes and create growth opportunities
- Take advantage of attractive land purchase opportunities to create next generation of office space
- Use sale or re-zoning co-investment vehicles to optimize value on existing land base
 - ▶ Where appropriate, rezone from office to residential, retail and/or hotel
 - ▶ Land deployment last 12 quarters; \$11 MM, 17 acres

Consolidated Land Held for Development (\$125 MM, 288 acres)

- 5.8 million SF FAR potential (10.8 million including Schuylkill Yards)
- 3.2% of total assets

2016/2017 Land Dispositions/Contracted Sales (\$44 MM, 166 acres)

- Sold \$37 MM, consisting of 10.1 acres of land located in Austin, Texas; 51.5 acres in Mount Laurel, New Jersey; 1.0 acre in Oakland, California, 4.8 acres in Richmond, Virginia and 120 acres in Berks County, Pennsylvania
- Under agreement of sale for \$17 MM for various land parcels in Pennsylvania and Richmond aggregating 43 acres. We anticipate the sales to close over the next four quarters as zoning, appraisals and other closing conditions are satisfied

Active/Pre-Development Projects

- 25 M Street, Washington, D.C.
- Metroplex II / III, Plymouth Meeting, PA
- Four Points (office), Austin, TX
- 51 N Street, Washington, D.C. (70% JV Partner)
- 1250 First Street, Washington, D.C. (70% JV Partner)
- Garza Ranch, Austin, TX

Future Development Sites

- Broadmoor, Austin, TX
- West Lake, Herndon, VA
- Woodland Park, Herndon, VA
- Ground lease of Schuylkill Yards parcels (See page 14)
- 2100 Market Street, Philadelphia, PA
- Several other PA and VA Sites

Reposition/Sales Sites

- Swedesford Road, East Whiteland, PA
- Four Points (residential/retail), Austin, TX
- Several other PA, NJ and Richmond, VA sites
- Garza Rach, Austin, TX

	Location	Type	Event Date	Square Feet/Acres	Purchase/Sales Price or Basis	Occupancy % @ Event Date
2017 PROPERTY ACTIVITY						
OFFICE DISPOSITIONS						
Evesham Corporate Center	Marlton, NJ	Four Office Bldgs	06/27/2017	134,794	\$ 9,700	91.6%
Woodland Falls	Cherry Hill, NJ	Three Office Bldgs	03/30/2017	215,465	19,000	93.3%
Calverton	Beltsville, MD	Four Office Bldgs	03/13/2017	313,810	9,000	49.7%
Concord Airport Plaza	Concord, CA	Two Office Bldgs	02/02/2017	350,256	33,100	100.0%
Total office dispositions				1,014,325	\$ 70,800	
LAND DISPOSITIONS						
Bishops Gate Land	Mt. Laurel, NJ	Land	07/18/2017	49.5	\$ 6,000	
Garza Ranch - Multi-family	Austin, TX	Land	04/28/2017	8.4	11,800	
Gateway Land - Site C	Richmond, VA	Land	02/15/2017	4.8	1,100	
Garza Ranch - Hotel	Austin, TX	Land	01/30/2017	1.7	3,500	
Total land dispositions				64.4	\$ 22,400	
OTHER DISPOSITIONS						
7000 Midlantic	Mt. Laurel, NJ	Retail	06/12/2017	10,784	\$ 8,200	100.0%
Marine Piers	Philadelphia, PA	Mixed-use	03/15/2017	181,900	21,400	100.0%
Parc at Plymouth (sold 50% of a \$100.5 MM asset) (a)	Plymouth Meeting, PA	Real Estate Venture - Residential	01/31/2017	398 units	50,250	96.2%
Total other dispositions					\$ 79,850	
Total Dispositions (including land)					\$ 173,050	
2016 PROPERTY ACTIVITY						
LAND ACQUISITION						
Garza Ranch	Austin, TX	Land	07/01/2016	34.6 acres	\$ 20,600	
OFFICE DISPOSITIONS						
620, 640 & 660 Allendale Road	King of Prussia, PA	Three Office Bldgs	10/13/2016	156,669	\$ 12,800	100.0%
1120 Executive Plaza	Mt. Laurel, NJ	Office Building	09/01/2016	95,183	9,500	100.0%
50 East Clementon Road	Gibbsboro, NJ	Office Building	08/02/2016	3,080	1,100	100.0%
Herndon Metro Plaza I & II	Herndon, VA	Two Office Bldgs	05/11/2016	197,225	44,500	92.9%
2970 Market Street	Philadelphia, PA	Office Building	02/05/2016	862,692	354,000	100.0%
Och Ziff	Various	58 Office Bldgs	02/04/2016	3,924,783	398,100	91.4%
Total office dispositions				5,239,632	\$ 820,000	
LAND DISPOSITIONS						
Oakland Lot B	Oakland, CA	Land	12/02/2016	1 acre	\$ 13,750	
Highlands Land	Mt. Laurel, NJ	Land	08/19/2016	2 acres	300	
Greenhills Land	Reading, PA	Land	01/15/2016	120 acres	900	
Total land dispositions				123 acres	\$ 14,950	
OTHER DISPOSITIONS						
PJP V (sold 25% of \$20.1 MM asset)	Charlottesville, VA	Real Estate Venture - Office Building	09/22/2016	73,997	\$ 5,000	100.0%
Invesco (sold residual profits interest)	Mt. Laurel, NJ	Real Estate Venture - Residual Profits Interest	08/19/2016	(b)	7,000	(b)
1000 Chesterbrook (sold 50% of \$32.1 MM asset)	Berwyn, PA	Real Estate Venture - Office Building	07/14/2016	173,286	16,000	100.0%
Coppell Associates (sold 50% of \$23.5 MM asset)	Austin, TX	Real Estate Venture - Office Building	01/29/2016	150,000	11,800	100.0%
Total other dispositions				397,283	\$ 39,800	
Total Dispositions (including land)					\$ 874,750	
Net Disposition Activity					\$ 854,150	

(a) Sold our entire 50% ownership interest for net cash proceeds of \$27.2 million after closing costs and related debt payoff.

(b) Sold our entire residual profits interest in Invesco for \$7.0 million. We had no equity interest at Invesco at the time of the sale.

	Six Months Ended				Three Months Ended			
	06/30/2017	06/30/2016	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Property Count								
Office	87	102	87	90	93	99	102	106
Retail/Mixed-use	7	10	7	7	8	8	10	10
Total Property Count	94	112	94	97	101	107	112	116
Property Square Feet								
Office	14,876,521	16,105,330	14,876,521	14,896,079	15,111,544	15,868,632	16,105,330	16,546,999
Retail/Mixed-use	137,150	425,719	137,150	137,150	319,050	319,050	425,719	409,841
Total Square Feet	15,013,671	16,531,049	15,013,671	15,033,229	15,430,594	16,187,682	16,531,049	16,956,840
Occupancy %:								
Office	92.4%	92.3%	92.4%	93.3%	93.9%	92.6%	92.3%	93.0%
Retail/Mixed-use	75.9%	85.5%	75.9%	75.5%	97.1%	97.1%	85.5%	86.3%
Total Occupancy %	92.2%	92.1%	92.2%	93.2%	93.9%	92.7%	92.1%	92.8%
Leased % (2):								
Office	93.7%	93.7%	93.7%	94.1%	95.0%	93.7%	93.7%	94.3%
Retail/Mixed-use	75.9%	98.7%	75.9%	75.5%	97.1%	97.1%	98.7%	86.3%
Total Leased %	93.5%	93.8%	93.5%	94.0%	95.1%	93.7%	93.8%	94.1%
Sublease Space:								
Square footage	334,780	297,242	334,780	255,464	255,349	255,633	297,242	274,459
Average remaining lease term (yrs)	3.1	2.2	3.1	2.2	2.3	2.3	2.2	1.9
% of total square feet	2.2%	1.8%	2.2%	1.7%	1.7%	1.6%	1.8%	1.6%
Leasing & Absorption (square feet) (3):								
New leases commenced	244,744	248,515	173,197	71,547	72,992	105,884	88,794	159,721
Expansions commenced	91,129	244,978	18,792	72,337	107,266	134,698	116,129	128,849
Leases renewed	864,285	551,756	780,540	83,745	90,329	182,147	391,861	159,895
Total Leasing Activity	1,200,158	1,045,249	972,529	227,629	270,587	422,729	596,784	448,465
Contractions	(500)	(29,954)	-	(500)	(3,107)	(16,998)	(1,688)	(28,266)
Leases expired	(1,129,798)	(975,240)	(924,292)	(205,506)	(149,527)	(278,236)	(599,887)	(375,353)
Early terminations	(235,973)	(255,425)	(107,814)	(128,159)	(74,443)	(102,710)	(93,847)	(161,578)
Net absorption	(166,113)	(215,370)	(59,577)	(106,536)	43,510	24,785	(98,638)	(116,732)
Retention %	69.9%	63.2%	77.4%	46.7%	87.0%	79.6%	73.0%	51.1%
Direct Lease Deals (% of deals, based on SF, done without an external broker)	57%	34%	66%	19%	38%	26%	48%	14%

(1) For each period, includes all properties in the core portfolio (i.e. not under development, redevelopment, re-entitlement or held for sale), including properties that were sold during these periods.

(2) Includes leases entered into through July 10, 2017 that will commence subsequent to the end of the current period.

(3) Each prior period include leasing related to held for sale and sold properties.

	Six Months Ended				Three Months Ended			
	06/30/2017	06/30/2016	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
New Leases/Expansions (2):								
Cash Rent Growth								
Expiring Rate	\$ 29.82	\$ 25.56	\$ 30.36	\$ 29.69	\$ 28.32	\$ 31.88	\$ 28.05	\$ 23.61
New Rate	\$ 30.37	\$ 27.03	\$ 30.49	\$ 30.34	\$ 29.85	\$ 31.74	\$ 28.91	\$ 25.54
Increase (decrease) %	1.8%	5.7%	0.4%	2.2%	5.4%	-0.5%	3.1%	8.2%
GAAP Rent Growth								
Expiring Rate	\$ 28.75	\$ 12.88	\$ 28.30	\$ 28.86	\$ 25.53	\$ 29.86	\$ 25.89	\$ 20.49
New Rate	\$ 30.87	\$ 27.39	\$ 30.30	\$ 31.01	\$ 29.82	\$ 32.58	\$ 30.09	\$ 25.25
Increase (decrease) %	7.4%	19.7%	7.1%	7.4%	16.8%	9.1%	16.2%	23.2%
Renewals (2):								
Cash Rent Growth								
Expiring Rate	\$ 22.60	\$ 24.41	\$ 21.83	\$ 30.85	\$ 20.42	\$ 28.40	\$ 24.19	\$ 24.97
Renewal Rate	\$ 26.31	\$ 25.53	\$ 25.87	\$ 31.04	\$ 20.73	\$ 27.44	\$ 25.80	\$ 24.84
Increase (decrease) %	16.4%	4.6%	18.5%	0.6%	1.5%	-3.4%	6.6%	-0.5%
GAAP Rent Growth								
Expiring Rate	\$ 26.43	\$ 23.44	\$ 26.29	\$ 27.94	\$ 19.26	\$ 26.24	\$ 23.33	\$ 23.71
Renewal Rate	\$ 26.96	\$ 25.86	\$ 26.58	\$ 31.03	\$ 20.52	\$ 27.99	\$ 26.16	\$ 25.07
Increase (decrease) %	2.0%	10.3%	1.1%	11.1%	6.5%	6.7%	12.1%	5.7%
Combined Leasing (2):								
Cash Rent Growth								
Expiring Rate	\$ 23.41	\$ 24.76	\$ 22.06	\$ 30.22	\$ 24.76	\$ 30.03	\$ 25.00	\$ 24.34
New/Renewal Rate	\$ 26.77	\$ 25.98	\$ 26.00	\$ 30.66	\$ 25.75	\$ 29.45	\$ 26.45	\$ 25.16
Increase (decrease) %	14.3%	5.0%	17.8%	1.5%	4.0%	-1.9%	5.8%	3.4%
GAAP Rent Growth								
Expiring Rate	\$ 26.69	\$ 23.27	\$ 26.34	\$ 28.44	\$ 22.71	\$ 27.93	\$ 23.87	\$ 22.21
New/Renewal Rate	\$ 27.39	\$ 26.32	\$ 26.68	\$ 31.02	\$ 25.64	\$ 30.13	\$ 26.99	\$ 25.15
Increase (decrease) %	2.7%	13.1%	1.3%	9.1%	12.9%	7.9%	13.1%	13.3%
Capital Costs Committed (3):								
Leasing Commissions (per square foot)	\$ 3.21	\$ 3.19	\$ 2.52	\$ 6.65	\$ 3.22	\$ 5.65	\$ 2.77	\$ 3.94
Tenant Improvements (per square foot)	8.33	6.55	5.82	20.98	12.77	19.99	6.68	6.34
Total	\$ 11.53	\$ 9.74	\$ 8.35	\$ 27.62	\$ 15.99	\$ 25.64	\$ 9.44	\$ 10.28
Total capital per square foot per lease year (3)	\$ 1.34	\$ 1.79	\$ 0.95	\$ 3.28	\$ 2.79	\$ 3.88	\$ 1.59	\$ 2.14
Weighted average lease term (yrs) for leases commenced in QTR or YTD	6.4	5.3	6.4	6.5	6.4	6.9	5.2	5.5

(1) For each period, includes all properties in the core portfolio (i.e. not under development, redevelopment or re-entitlement), including properties that were sold during these periods. Calculations reflect commenced, revenue maintaining deals.

(2) Rental rates include base rent plus reimbursement for operating expenses and real estate taxes.

(3) Calculated on a weighted average basis.

Year of Lease Expiration	Square Footage								Annualized Rent of Expiring Leases (3)			
	Initial Expiring	Acquired / Sold / in Service	Early Renewals (4)		Vacated Leases	New Leases	Remaining Expiring (5)	% of Total Square Feet	Current	Per Square Foot	Final	Per Square Foot
			Out	In								
Original 2017 Expirations	2,076,372											
MTM tenants at 12/31/16	13,694											
Renewed prior to 2017	(1,047,919) (1)											
Vacated prior to 2017	(143,931) (2)											
2017	898,216	(60,336)	(168,497)	-	(304,287)	-	365,096	2.4%	\$ 9,884,801	\$ 27.07	\$ 9,944,631	\$ 27.24
2018	1,511,699	(32,078)	(152,208)	73,437	(76,261)	6,107	1,330,696	8.9%	43,053,239	32.35	43,532,387	32.71
2019	1,279,785	(16,355)	(16,342)	18,876	(11,071)	25,908	1,280,801	8.5%	39,516,998	30.85	41,792,167	32.63
2020	1,905,774	(204,869)	(227,875)	41,565	(72,687)	4,104	1,446,012	9.6%	39,181,579	27.10	41,774,417	28.89
2021	1,442,108	(57,249)	(84,163)	15,346	(14,680)	19,335	1,320,697	8.8%	38,969,782	29.51	41,166,851	31.17
2022	2,144,523	(48,826)	-	32,381	(1,321)	22,578	2,149,335	14.3%	63,631,698	29.61	70,116,774	32.62
2023	507,582	(27,582)	-	130,746	-	16,217	626,963	4.2%	18,304,332	29.20	20,722,123	33.05
2024	955,743	(14,795)	-	270,041	-	31,030	1,242,019	8.3%	41,834,389	33.68	54,100,671	43.56
2025	486,984	(6,173)	-	65,015	-	-	545,826	3.6%	16,793,662	30.77	19,760,222	36.20
2026	847,760	(10,725)	-	-	-	14,000	851,035	5.7%	25,166,465	29.57	29,487,748	34.65
2027	665,057	-	-	1,678	-	8,846	675,581	4.5%	20,752,854	30.72	25,087,380	37.13
Thereafter	1,848,472	(1,500)	(27,583)	27,583	(21,679)	187,748	2,013,041	13.4%	60,297,576	29.95	75,337,182	37.42
Total	14,493,703	(480,488)	(676,668)	676,668	(501,986)	335,873	13,847,102	92.2%	\$ 417,387,375	\$ 30.14	\$ 472,822,553	\$ 34.15

(1) Reflects 2017 expirations renewed prior to 2017 which will be reflected in the leasing activity statistics (p.17-18) during the quarter in which the new leases commence.

(2) Reflects 2017 expirations that vacated prior to 2017 before the lease was originally scheduled to expire, and as a result, were reflected in the leasing activity statistics (p.17-18) during the quarter in which the lease vacated.

(3) Reflects annualized base rent and current reimbursement for operating expenses and real estate taxes. Current annualized rent assumes base rent as of the end of the current reporting period, while final annualized rent assumes the base rent at the end of the lease term.

(4) Reflects leases renewed through July 10, 2017 that will commence subsequent to the end of the current period.

(5) Does not include development/redevelopment property expirations.

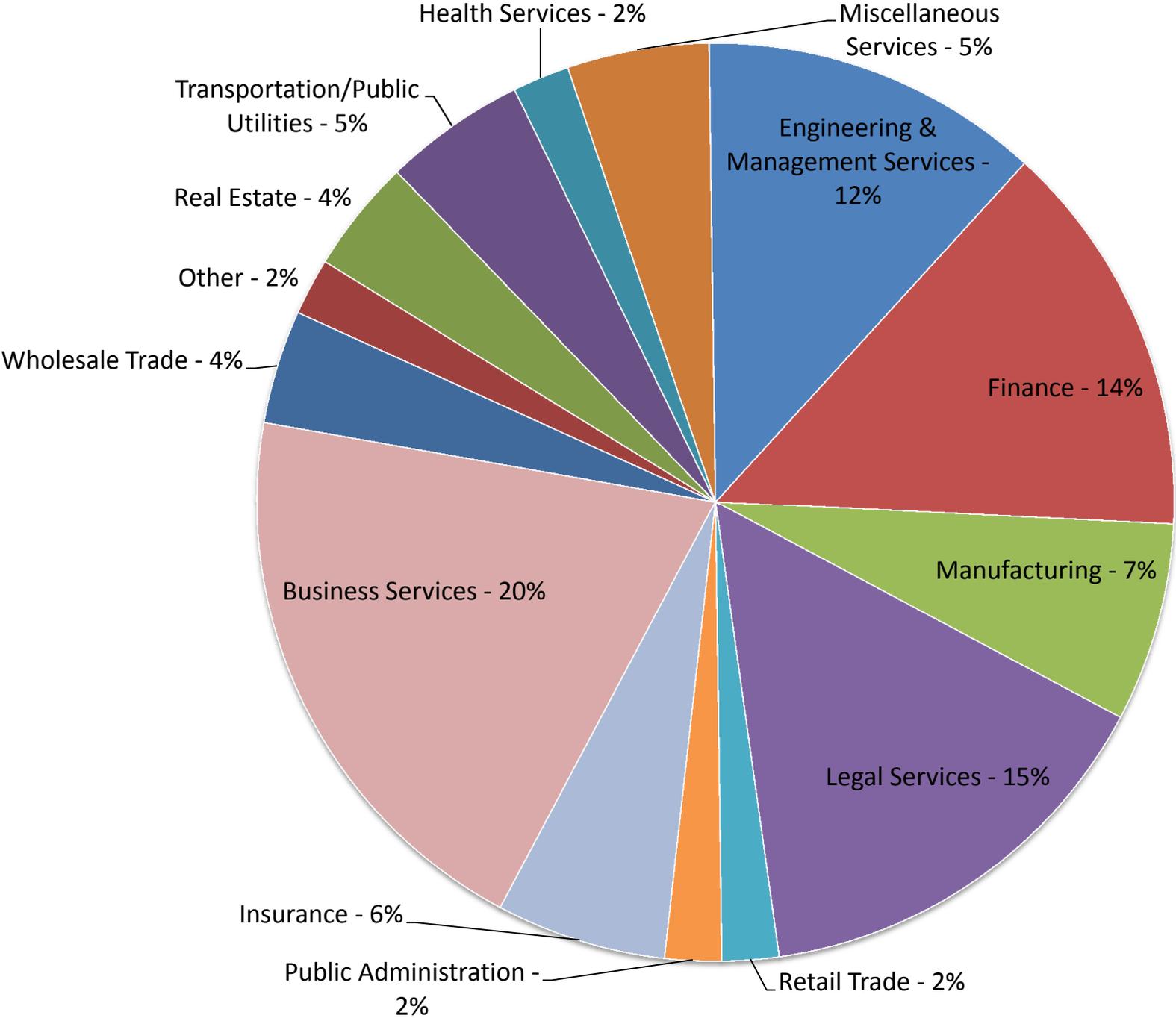
		2017	2018	2019	2020	2021	2022	2023	Thereafter	Total
Philadelphia CBD	Square feet expiring (Net of Acquired/Sold)	147	453	580	715	512	725	130	1,937	5,199
	Net leasing activity	(90)	(26)	29	(160)	(16)	8	9	33	(213)
	Remaining square feet expiring	57	427	609	555	496	732	139	1,969	4,985
	Square feet as a % of Region NRA	1.1%	8.3%	11.8%	10.7%	9.6%	14.1%	2.7%	38.0%	96.3%
	Annualized rent in expiring year	\$ 1,519	\$ 14,606	\$ 21,127	\$ 18,020	\$ 17,403	\$ 23,314	\$ 4,872	\$ 80,615	\$ 181,474
	Annualized rent per SF in expiring year	\$ 26.47	\$ 34.20	\$ 34.69	\$ 32.45	\$ 35.11	\$ 31.83	\$ 35.13	\$ 40.93	\$ 36.40
Pennsylvania Suburbs	Square feet expiring (Net of Acquired/Sold)	521	493	333	789	575	399	257	1,348	4,716
	Net leasing activity	(250)	(117)	1	(244)	(64)	14	111	461	(86)
	Remaining square feet expiring	271	377	334	546	511	413	369	1,810	4,630
	Square feet as a % of Region NRA	5.3%	7.3%	6.5%	10.6%	9.9%	8.0%	7.2%	35.2%	90.1%
	Annualized rent in expiring year	\$ 7,739	\$ 11,317	\$ 9,692	\$ 16,822	\$ 14,906	\$ 15,109	\$ 11,354	\$ 64,540	\$ 151,479
	Annualized rent per SF in expiring year	\$ 28.51	\$ 30.04	\$ 28.98	\$ 30.82	\$ 29.19	\$ 36.59	\$ 30.81	\$ 35.67	\$ 32.72
Metropolitan Washington, D.C.	Square feet expiring (Net of Acquired/Sold)	99	476	281	160	96	372	85	1,092	2,659
	Net leasing activity	(77)	2	(16)	(6)	-	28	21	9	(41)
	Remaining square feet expiring	21	477	265	154	96	399	105	1,101	2,619
	Square feet as a % of Region NRA	0.7%	16.1%	8.9%	5.2%	3.2%	13.4%	3.5%	37.1%	88.1%
	Annualized rent in expiring year	\$ 479	\$ 16,621	\$ 9,800	\$ 5,156	\$ 3,536	\$ 15,714	\$ 4,148	\$ 46,855	\$ 102,309
	Annualized rent per SF in expiring year	\$ 22.46	\$ 34.81	\$ 37.05	\$ 33.50	\$ 37.00	\$ 39.34	\$ 39.34	\$ 42.56	\$ 39.07
Austin, TX	Square feet expiring (Net of Acquired/Sold)	36	-	-	-	199	584	-	144	963
	Net leasing activity	(36)	-	-	-	-	1	-	39	5
	Remaining square feet expiring	-	-	-	-	199	585	-	183	968
	Square feet as a % of Region NRA	0.0%	0.0%	0.0%	0.0%	20.6%	60.5%	0.0%	18.9%	100.0%
	Annualized rent in expiring year	\$ -	\$ -	\$ -	\$ -	\$ 4,945	\$ 15,615	\$ -	\$ 3,955	\$ 24,516
	Annualized rent per SF in expiring year	\$ -	\$ -	\$ -	\$ -	\$ 24.84	\$ 26.68	\$ -	\$ 21.59	\$ 25.34
Other	Square feet expiring (Net of Acquired/Sold)	35	57	69	36	4	16	8	250	477
	Net leasing activity	(21)	(8)	3	155	16	3	6	14	168
	Remaining square feet expiring	15	49	73	191	20	19	14	264	646
	Square feet as a % of Region NRA	2.0%	6.5%	9.5%	25.1%	2.6%	2.5%	1.9%	34.7%	84.7%
	Annualized rent in expiring year	\$ 208	\$ 989	\$ 1,173	\$ 1,776	\$ 377	\$ 364	\$ 348	\$ 7,807	\$ 13,043
	Annualized rent per SF in expiring year	\$ 13.96	\$ 20.01	\$ 16.13	\$ 9.30	\$ 19.10	\$ 18.95	\$ 24.37	\$ 29.53	\$ 20.20
CONSOLIDATED PORTFOLIO	Square feet expiring (Net of Acquired/Sold)	838	1,480	1,263	1,701	1,385	2,096	480	4,771	14,013
	Net leasing activity	(473)	(149)	18	(255)	(64)	53	147	557	(166)
	Remaining square feet expiring	365	1,331	1,281	1,446	1,321	2,149	627	5,328	13,847
	Square feet as a % of total NRA	2.4%	8.9%	8.5%	9.6%	8.8%	14.3%	4.2%	35.5%	92.2%
	Annualized rent in expiring year	\$ 9,945	\$ 43,532	\$ 41,792	\$ 41,774	\$ 41,167	\$ 70,117	\$ 20,722	\$ 203,773	\$ 472,823
	Annualized rent per SF in expiring year	\$ 27.24	\$ 32.71	\$ 32.63	\$ 28.89	\$ 31.17	\$ 32.62	\$ 33.05	\$ 38.25	\$ 34.15

(1) Does not include development/redevelopment property expirations.

Top Twenty Tenants	Annualized Rent (1)	% of Total Annualized Rent (1)	Annualized Rent per Square Foot (1)	Square Feet Occupied	% of Total Square Feet
IBM, Inc.	\$ 19,548	4.7%	\$ 24.92	784,477	5.7%
Comcast Corporation	13,306	3.2%	30.98	429,513	3.1%
Northrop Grumman Corporation	10,118	2.4%	35.57	284,460	2.1%
Pepper Hamilton LLP	9,625	2.3%	32.86	292,926	2.1%
Lincoln National Management Co.	7,733	1.9%	36.22	213,524	1.5%
KPMG, LLP	7,549	1.8%	39.88	189,282	1.4%
Dechert LLP	7,226	1.7%	37.79	191,208	1.4%
Macquarie US	7,025	1.7%	31.45	223,355	1.6%
General Services Administration - U.S. Govt. (2)	6,830	1.6%	30.38	71,114	0.5%
Deltek Systems, Inc.	6,135	1.5%	38.85	157,900	1.1%
Blank Rome LLP	5,622	1.3%	28.58	196,689	1.4%
Drinker Biddle & Reath LLP	5,562	1.3%	35.20	157,989	1.1%
CSL Behring, LLC	5,454	1.3%	23.49	232,167	1.7%
PricewaterhouseCoopers LLP	4,984	1.2%	30.87	161,450	1.2%
Reliance Standard Life Insurance Company	4,474	1.1%	30.39	147,202	1.1%
VWR Management Services LLC	4,396	1.1%	29.33	149,858	1.1%
Reed Smith LLP	4,353	1.0%	33.49	129,996	0.9%
ManTech Solutions, Inc.	4,219	1.0%	38.45	109,736	0.8%
Janney Montgomery Scott, LLC	4,208	1.0%	31.37	134,123	1.0%
Baker & Hostetler LLP	4,023	1.0%	36.80	109,323	0.8%
Sub-total top twenty tenants	\$ 142,390	34.1%	\$ 32.61	4,366,292	31.6%
Remaining tenants	\$ 274,997	65.9%	\$ 29.01	9,480,810	68.4%
Total portfolio as of June 30, 2017	\$ 417,387	100.0%	\$ 30.14	13,847,102	100.0%

(1) Reflects cash annualized base rent and current reimbursement for operating expenses and real estate taxes.

(2) Annualized rent includes \$4.7 million related to parking, which is excluded from annualized rent per square foot.



	Six Months Ended				Three Months Ended			
	06/30/2017	06/30/2016	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Revenue								
Rents	\$ 204,889	\$ 213,787	\$ 101,557	\$ 103,332	\$ 103,181	\$ 104,537	\$ 103,624	\$ 110,163
Tenant reimbursements	36,573	35,991	18,038	18,535	17,314	17,324	15,937	20,054
Termination fees	1,813	848	140	1,673	880	611	554	294
Third party mgt. fees, labor reimbursement and leasing	13,565	11,443	7,080	6,485	8,983	6,248	6,208	5,235
Other	1,871	1,614	976	895	1,728	974	858	756
	<u>258,711</u>	<u>263,683</u>	<u>127,791</u>	<u>130,920</u>	<u>132,086</u>	<u>129,694</u>	<u>127,181</u>	<u>136,502</u>
Operating expenses								
Property operating expenses	74,100	76,958	37,215	36,885	38,718	37,250	36,079	40,879
Real estate taxes	22,827	23,367	11,078	11,749	11,319	11,566	11,481	11,886
Third party management expenses	4,772	4,671	2,325	2,447	3,098	2,501	2,661	2,010
Depreciation and amortization	90,155	95,780	44,263	45,892	46,940	46,956	46,907	48,873
General & administrative expenses	15,745	15,196	6,320	9,425	5,885	5,515	6,076	9,120
Provision for impairment	3,057	13,069	327	2,730	27,448	-	5,679	7,390
Total operating expenses	<u>210,656</u>	<u>229,041</u>	<u>101,528</u>	<u>109,128</u>	<u>133,408</u>	<u>103,788</u>	<u>108,883</u>	<u>120,158</u>
Operating income (loss)	<u>48,055</u>	<u>34,642</u>	<u>26,263</u>	<u>21,792</u>	<u>(1,322)</u>	<u>25,906</u>	<u>18,298</u>	<u>16,344</u>
Other income (expense)								
Interest income	556	679	163	393	266	291	359	320
Interest expense	(41,741)	(43,520)	(20,304)	(21,437)	(20,374)	(20,814)	(19,829)	(23,691)
Interest expense - amortization of deferred financing costs	(1,230)	(1,418)	(596)	(634)	(633)	(645)	(644)	(774)
Interest expense - financing obligation	-	(523)	-	-	-	(156)	(242)	(281)
Equity in income (loss) of real estate ventures	336	(2,069)	1,084	(748)	(2,180)	(7,254)	(1,666)	(403)
Net gain (loss) on disposition of real estate	8,411	114,729	1,088	7,323	2,358	(104)	(727)	115,456
Net gain on sale of undepreciated real estate	-	-	-	-	9,044	188	-	-
Net gain on real estate venture transactions	14,582	9,057	-	14,582	471	10,472	3,128	5,929
Loss on early extinguishment of debt	-	(66,590)	-	-	-	-	-	(66,590)
Net income (loss)	<u>28,969</u>	<u>44,987</u>	<u>7,698</u>	<u>21,271</u>	<u>(12,370)</u>	<u>7,884</u>	<u>(1,323)</u>	<u>46,310</u>
Net (income) loss from continuing operations attributable to non-controlling interests	(214)	(367)	(45)	(169)	115	(58)	22	(389)
Net income (loss) attributable to Brandywine Realty Trust	<u>28,755</u>	<u>44,620</u>	<u>7,653</u>	<u>21,102</u>	<u>(12,255)</u>	<u>7,826</u>	<u>(1,301)</u>	<u>45,921</u>
Preferred share distributions	(2,032)	(3,450)	(307)	(1,725)	(1,725)	(1,725)	(1,725)	(1,725)
Preferred share redemption charge (a)	(3,181)	-	(3,181)	-	-	-	-	-
Nonforfeitable dividends allocated to unvested restricted shareholders	(172)	(184)	(73)	(99)	(78)	(79)	(79)	(105)
Net income (loss) attributable to common shareholders	<u>\$ 23,370</u>	<u>\$ 40,986</u>	<u>\$ 4,092</u>	<u>\$ 19,278</u>	<u>\$ (14,058)</u>	<u>\$ 6,022</u>	<u>\$ (3,105)</u>	<u>\$ 44,091</u>
Per Share Data								
Basic income (loss) per common share	\$ 0.13	\$ 0.23	\$ 0.02	\$ 0.11	\$ (0.08)	\$ 0.03	\$ (0.02)	\$ 0.25
Basic weighted-average shares outstanding	175,255,564	174,901,118	175,333,300	175,176,964	175,140,760	175,127,110	175,013,291	174,788,945
Diluted income (loss) per common share	\$ 0.13	\$ 0.23	\$ 0.02	\$ 0.11	\$ (0.08)	\$ 0.03	\$ (0.02)	\$ 0.25
Diluted weighted-average shares outstanding	176,480,380	175,823,970	176,756,598	176,201,872	175,140,760	176,364,615	175,013,291	175,471,413

(a) Represents financing costs incurred at issuance of preferred shares. Since the preferred shares are perpetual these costs are not amortized, in accordance with GAAP, as the redemption date is indeterminate.

Second Quarter	Same Store Portfolio				Recently Acquired (1)		Development/ Redevelopment (2)		Other/ Eliminations (3)		All Properties		
	Second Quarter				Second Quarter		Second Quarter		Second Quarter		Second Quarter		
	2017	2016	Variance	% Change	2017	2016	2017	2016	2017	2016	2017	2016	Variance
Revenue													
Rents													
Cash	\$ 90,707	\$ 85,692	\$ 5,015	5.9%	\$ -	\$ -	\$ 3,046	\$ 2,061	\$ 40	\$ 6,865	\$ 93,793	\$ 94,618	\$ (825)
Straight-line	2,336	6,329	(3,993)	-63.1%	303	-	4,703	1,470	(8)	(146)	7,334	7,653	(319)
Above/below-market rent amortization	440	1,669	(1,229)	-73.6%	-	-	(10)	(316)	-	-	430	1,353	(923)
Total rents	93,483	93,690	(207)	-0.2%	303	-	7,739	3,215	32	6,719	101,557	103,624	(2,067)
Tenant reimbursements	16,831	14,838	1,993	13.4%	16	-	840	162	351	937	18,038	15,937	2,101
Termination fees	140	73	67	91.8%	-	-	-	466	-	15	140	554	(414)
Third party mgt fees, labor reimbursement and leasing	-	-	-	-	-	-	-	-	7,080	6,208	7,080	6,208	872
Other	563	395	168	42.5%	-	-	38	7	375	456	976	858	118
Total revenue	111,017	108,996	2,021	1.9%	319	-	8,617	3,850	7,838	14,335	127,791	127,181	610
Property operating expenses	31,895	31,000	(895)	-2.9%	29	-	4,272	1,231	1,019	3,848	37,215	36,079	(1,136)
Real estate taxes	10,149	10,072	(77)	-0.8%	3	3	352	215	574	1,191	11,078	11,481	403
Third party management expenses	-	-	-	-	-	-	-	-	2,325	2,661	2,325	2,661	336
Net operating income	\$ 68,973	\$ 67,924	\$ 1,049	1.5%	\$ 287	\$ (3)	\$ 3,993	\$ 2,404	\$ 3,920	\$ 6,635	\$ 77,173	\$ 76,960	\$ 213
Net operating income, excl. net termination fees and other	\$ 68,270	\$ 67,456	\$ 814	1.2%	\$ 287	\$ (3)	\$ 3,955	\$ 1,931	\$ 3,545	\$ 6,164	\$ 76,057	\$ 75,548	\$ 509
Number of properties	93	93			1		5				99		
Square feet (in thousands)	14,903	14,903			111		1,402				16,416		
Occupancy % (end of period)	92.2%	94.0%			100.0%								
NOI margin, excl. termination fees, third party and other revenues	61.9%	62.2%											
Expense recovery ratio	40.0%	36.1%											

	2017	2016	Variance	% Change
Net operating income	\$ 68,973	\$ 67,924	\$ 1,049	1.5%
Less: Straight line rents & other	(2,213)	(6,279)	4,066	-64.8%
Less: Above/below market rent amortization	(440)	(1,669)	1,229	-73.6%
Add: Amortization of tenant inducements	350	342	8	2.3%
Add: Non-cash ground rent expense	22	22	-	0.0%
Cash - Net operating income	\$ 66,692	\$ 60,340	\$ 6,352	10.5%
Cash - Net operating income, excl. net term fees & other	\$ 65,866	\$ 59,822	\$ 6,044	10.1%

(1) Results include a development property placed into service.

(2) Results include two developments and three redevelopment properties.

(3) Consists of property dispositions, assets held for sale and normal intercompany eliminating entries. See page 16 - Property Activity for further information on dispositions.

YTD 2017 Same Store Net Operating Income Comparison (unaudited, in thousands)

Year to Date	Same Store Portfolio				Recently Acquired (1)		Development/ Redevelopment (2)		Other/ Eliminations (3)		All Properties		
	Year to Date				Year to Date		Year to Date		Year to Date		Year to Date		
	2017	2016	Variance	% Change	2017	2016	2017	2016	2017	2016	2017	2016	Variance
Revenue													
Rents													
Cash	\$ 181,309	\$ 171,196	\$ 10,113	5.9%	\$ -	\$ -	\$ 5,287	\$ 4,111	\$ 2,345	\$ 20,815	\$ 188,941	\$ 196,122	\$ (7,181)
Straight-line	4,825	12,078	(7,253)	-60.1%	303	-	9,141	1,917	(89)	85	14,180	14,080	100
Above/below-market rent amortization	1,793	3,679	(1,886)	-51.3%	-	-	(25)	(94)	-	-	1,768	3,585	(1,817)
Total rents	187,927	186,953	974	0.5%	303	-	14,403	5,934	2,256	20,900	204,889	213,787	(8,898)
Tenant reimbursements	33,507	31,104	2,403	7.7%	16	-	1,583	579	1,467	4,308	36,573	35,991	582
Termination fees	1,336	191	1,145	599.5%	-	-	466	621	11	36	1,813	848	965
Third party mgt fees, labor reimbursement and leasing	-	-	-	-	-	-	-	-	13,565	11,443	13,565	11,443	2,122
Other	1,013	937	76	8.1%	-	-	50	14	808	663	1,871	1,614	257
Total revenue	223,783	219,185	4,598	2.1%	319	-	16,502	7,148	18,107	37,350	258,711	263,683	(4,972)
Property operating expenses	63,964	63,449	(515)	-0.8%	32	-	7,407	2,474	2,697	11,035	74,100	76,958	2,858
Real estate taxes	20,495	20,055	(440)	-2.2%	6	6	704	430	1,622	2,876	22,827	23,367	540
Third party management expenses	-	-	-	-	-	-	-	-	4,772	4,671	4,772	4,671	(101)
Net operating income	\$ 139,324	\$ 135,681	\$ 3,643	2.7%	\$ 281	\$ (6)	\$ 8,391	\$ 4,244	\$ 9,016	\$ 18,768	\$ 157,012	\$ 158,687	\$ (1,675)
Net operating income, excl. net termination fees and other	\$ 136,975	\$ 134,553	\$ 2,422	1.8%	\$ 281	\$ (6)	\$ 7,875	\$ 3,609	\$ 8,197	\$ 18,069	\$ 153,328	\$ 156,225	\$ (2,897)
Number of properties	93	93			1		5				99		
Square feet (in thousands)	14,903	14,903			111		1,402				16,416		
Occupancy % (end of period)	92.2%	94.0%			100.0%								
NOI margin, excl. termination fees, third party and other revenues	61.9%	61.7%											
Expense recovery ratio	39.7%	37.2%											

	2017	2016	Variance	% Change
Net operating income	\$ 139,324	\$ 135,681	\$ 3,643	2.7%
Less: Straight line rents & other	(3,955)	(11,741)	7,786	-66.3%
Less: Above/below market rent amortization	(1,793)	(3,679)	1,886	-51.3%
Add: Amortization of tenant inducements	699	686	13	1.9%
Add: Non-cash ground rent expense	44	44	-	0.0%
Cash - Net operating income	\$ 134,319	\$ 120,991	\$ 13,328	11.0%
Cash - Net operating income, excl. net term fees & other	\$ 131,100	\$ 119,526	\$ 11,574	9.7%

(1) Results include a development property placed into service.

(2) Results include two developments and three redevelopment properties.

(3) Consists of property dispositions, assets held for sale and normal intercompany eliminating entries. See page 16 - Property Activity for further information on dispositions.

	Six Months Ended				Three Months Ended			
	06/30/2017	06/30/2016	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Net income (loss)	\$ 28,969	\$ 44,987	\$ 7,698	\$ 21,271	\$ (12,370)	\$ 7,884	\$ (1,323)	\$ 46,310
Add (deduct) capital market, transactional and other items:								
Net (gain) loss on disposition of real estate	(8,411)	(114,729)	(1,088)	(7,323)	(2,358)	104	727	(115,456)
Net gain on sale of undepreciated real estate	-	-	-	-	(9,044)	(188)	-	-
Net gain on real estate venture transactions	(14,582)	(9,057)	-	(14,582)	(471)	(10,472)	(3,128)	(5,929)
Loss on early extinguishment of debt	-	66,590	-	-	-	-	-	66,590
Provision for impairment	3,057	13,069	327	2,730	27,448	-	5,679	7,390
Provision for impairment on investment in unconsolidated real estate venture	-	-	-	-	-	5,238	-	-
Income (Loss) adjusted for capital market, transactions and other items	9,033	860	6,937	2,096	3,205	2,566	1,955	(1,095)
Calculation of EBITDA								
Interest expense								
Continuing operations	41,741	43,520	20,304	21,437	20,374	20,814	19,829	23,691
Company's share of unconsolidated real estate ventures	10,433	9,095	5,229	5,204	5,180	5,388	4,923	4,172
Partners' share of consolidated real estate ventures	(50)	(52)	(25)	(25)	(25)	(26)	(26)	(26)
Amortization of deferred financing costs	1,230	1,418	596	634	633	645	644	774
Depreciation and amortization								
Continuing operations	90,155	95,780	44,263	45,892	46,940	46,956	46,907	48,873
Company's share of unconsolidated real estate ventures	20,689	19,554	10,449	10,240	11,427	10,631	10,549	9,005
Partners' share of consolidated real estate ventures	(123)	(118)	(64)	(59)	(59)	(58)	(59)	(59)
Stock-based compensation costs	3,923	3,198	739	3,184	675	700	776	2,422
EBITDA, excluding capital market, transactional and other items	\$ 177,031	\$ 173,255	\$ 88,428	\$ 88,603	\$ 88,350	\$ 87,616	\$ 85,498	\$ 87,757
EBITDA, excluding capital market, transactional and other items/Total revenue	68.4%	65.7%	69.2%	67.7%	66.9%	67.6%	67.2%	64.3%
Interest expense (from above)								
Continuing operations	41,741	43,520	20,304	21,437	20,374	20,814	19,829	23,691
Company's share of unconsolidated real estate ventures	10,433	9,095	5,229	5,204	5,180	5,388	4,923	4,172
Partners' share of consolidated real estate ventures	(50)	(52)	(25)	(25)	(25)	(26)	(26)	(26)
Total interest expense	(a) \$ 52,124	\$ 52,563	\$ 25,508	\$ 26,616	\$ 25,529	\$ 26,176	\$ 24,726	\$ 27,837
Scheduled mortgage principal payments								
Continuing operations	2,442	2,696	1,227	1,215	1,204	1,263	1,104	1,592
Company's share of unconsolidated real estate ventures	1,969	2,126	999	970	973	870	1,074	1,052
Total scheduled mortgage principal payments	(b) \$ 4,411	\$ 4,822	\$ 2,226	\$ 2,185	\$ 2,177	\$ 2,133	\$ 2,178	\$ 2,644
Preferred share distributions	(c) \$ 2,032	\$ 3,450	\$ 307	\$ 1,725	\$ 1,725	\$ 1,725	\$ 1,725	\$ 1,725
EBITDA (excluding capital market, transactional and other items) coverage ratios:								
Interest coverage ratio = EBITDA divided by (a)	3.4	3.3	3.5	3.3	3.5	3.3	3.5	3.2
Debt service coverage ratio = EBITDA divided by (a) + (b)	3.1	3.0	3.2	3.1	3.2	3.1	3.2	2.9
Fixed charge coverage ratio = EBITDA divided by (a) + (b) + (c)	3.0	2.8	3.2	2.9	3.0	2.9	3.0	2.7
Capitalized interest	\$ 2,523	\$ 7,387	\$ 815	\$ 1,708	\$ 2,812	\$ 2,636	\$ 3,716	\$ 3,671

	Six Months Ended				Three Months Ended			
	06/30/2017	06/30/2016	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Net income (loss) attributable to common shareholders	\$ 23,370	\$ 40,986	\$ 4,092	\$ 19,278	\$ (14,058)	\$ 6,022	\$ (3,105)	\$ 44,091
Add (deduct):								
Net income (loss) attributable to non-controlling interests - LP units	201	361	37	164	(118)	52	(26)	387
Nonforfeitable dividends allocated to unvested restricted shareholders	172	184	73	99	78	79	79	105
Net gain on real estate venture transactions	(14,582)	(9,057)	-	(14,582)	(471)	(10,472)	(3,128)	(5,929)
Net (gain) loss on disposition of real estate	(8,411)	(114,729)	(1,088)	(7,323)	(2,358)	104	727	(115,456)
Provision for impairment	2,730	13,069	-	2,730	21,860	-	5,679	7,390
Company's share of impairment of an unconsolidated real estate venture	-	-	-	-	-	5,238	-	-
Depreciation and amortization:								
Real property	69,598	66,852	35,948	33,650	34,171	34,071	33,577	33,275
Leasing cost including acquired intangibles	20,249	28,745	8,131	12,118	12,667	12,783	13,231	15,514
Company's share of unconsolidated real estate ventures	20,689	19,554	10,449	10,240	11,427	10,631	10,549	9,005
Partners' share of consolidated joint ventures	(123)	(118)	(64)	(59)	(59)	(58)	(59)	(59)
Funds from operations	113,893	45,847	57,578	56,315	63,139	58,450	57,524	(11,677)
Funds from operations allocable to unvested restricted shareholders	(349)	(115)	(151)	(198)	(176)	(166)	(161)	46
Funds from operations available to common share and unit holders (FFO)	\$ 113,544	\$ 45,732	\$ 57,427	\$ 56,117	\$ 62,963	\$ 58,284	\$ 57,363	\$ (11,631)
FFO per share - basic / fully diluted (1)	\$ 0.64	\$ 0.26	\$ 0.32	\$ 0.32	\$ 0.35	\$ 0.33	\$ 0.32	\$ (0.07)
Plus: Capital market, transactional items and other (2)	\$ 3,508	\$ 66,590	\$ 3,508	\$ -	\$ (3,456)	\$ -	\$ -	\$ 66,590
FFO, excluding capital market, transactional items and other (2)	\$ 117,052	\$ 112,322	\$ 60,935	\$ 56,117	\$ 59,507	\$ 58,284	\$ 57,363	\$ 54,959
FFO per share, excl. capital market, transactional items and other - fully diluted (2)	\$ 0.66	\$ 0.63	\$ 0.34	\$ 0.32	\$ 0.34	\$ 0.33	\$ 0.32	\$ 0.31
Weighted-average shares/units outstanding - basic	175,999,552	176,432,877	176,813,099	176,656,763	176,620,559	176,606,909	176,541,708	176,324,047
Weighted-average shares/units outstanding - fully diluted	177,960,179	177,355,730	178,236,397	177,681,671	177,491,208	177,844,414	177,688,180	177,006,515
Distributions paid per common share	\$ 0.32	\$ 0.31	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.15
FFO payout ratio (distributions paid per common share / FFO per basic/diluted share) (1)	50.0%	119.2%	50.0%	50.0%	45.7%	48.5%	50.0%	-214.3%
FFO payout ratio, excluding capital market, transactional items and other (2)	48.5%	49.2%	47.1%	50.0%	47.1%	48.5%	50.0%	48.4%
(1) As FFO was negative for Q1 2016, basic weighted-average shares/units was used to calculate the FFO per share. All other periods are calculated on a fully diluted basis.								
(2) The capital market, transactional items and other consist of the following:								
Net gain on sale of undepreciated real estate	\$ -	\$ -	\$ -	\$ -	\$ (9,044)	\$ -	\$ -	\$ -
Preferred share redemption charge	3,181	-	3,181	-	-	-	-	-
Provision for impairment on undepreciated real estate	327	-	327	-	5,588	-	-	-
Liability management (buybacks, tenders and prepayments)	-	66,590	-	-	-	-	-	66,590
Total capital market and transactional items	\$ 3,508	\$ 66,590	\$ 3,508	\$ -	\$ (3,456)	\$ -	\$ -	\$ 66,590

	Six Months Ended				Three Months Ended			
	06/30/2017	06/30/2016	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Funds from operations available to common share and unit holders	\$ 113,544	\$ 45,732	\$ 57,427	\$ 56,117	\$ 62,963	\$ 58,284	\$ 57,363	\$ (11,631)
Add (deduct) certain items:								
Rental income from straight-line rent net of straight-line rent termination fees	(13,104)	(13,699)	(7,209)	(5,895)	(6,302)	(8,350)	(7,595)	(6,104)
Amortization of tenant inducements	856	753	431	425	827	392	379	374
Financing Obligation - 3141 Fairview Drive	-	(427)	-	-	-	(115)	(193)	(234)
Deferred market rental income	(1,768)	(3,585)	(430)	(1,338)	(1,438)	(1,505)	(1,354)	(2,231)
Company's share of unconsolidated REVs' straight-line & deferred market rent	(3,170)	(2,947)	(1,685)	(1,485)	(1,362)	(1,695)	(1,548)	(1,399)
Preferred share redemption charge	3,181	-	3,181	-	-	-	-	-
Straight-line ground rent expense	44	44	22	22	22	22	22	22
Stock-based compensation costs	3,923	3,198	739	3,184	675	700	776	2,422
Fair market value amortization - mortgage notes payable	218	218	109	109	109	109	109	109
Losses from early extinguishment of debt	-	66,590	-	-	-	-	-	66,590
Net gain on sale of undepreciated real estate	-	-	-	-	(9,044)	-	-	-
Provision for impairment on undepreciated real estate held for sale/sold	327	-	327	-	5,588	-	-	-
Sub-total certain items	(9,493)	50,145	(4,515)	(4,978)	(10,925)	(10,442)	(9,404)	59,549
Less: Revenue maintaining capital expenditures:								
Building improvements	(2,169)	(1,267)	(1,228)	(941)	(2,641)	(1,086)	(549)	(718)
Tenant improvements	(10,950)	(14,596)	(5,123)	(5,827)	(6,636)	(6,985)	(6,262)	(8,334)
Lease commissions	(6,330)	(6,739)	(3,642)	(2,688)	(1,603)	(1,846)	(3,711)	(3,028)
Total revenue maintaining capital expenditures	\$ (19,449)	\$ (22,602)	\$ (9,993)	\$ (9,456)	\$ (10,880)	\$ (9,917)	\$ (10,522)	\$ (12,080)
Cash available for distribution (CAD)	\$ 84,602	\$ 73,275	\$ 42,919	\$ 41,683	\$ 41,158	\$ 37,925	\$ 37,437	\$ 35,838
Distributions paid per common share	56,732	54,715	28,373	28,359	28,328	28,328	28,161	26,554
Distributions paid per common share	\$ 0.32	\$ 0.31	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.15
CAD payout ratio (Distributions paid per common share / CAD)	67.1%	74.7%	66.1%	68.0%	68.8%	74.7%	75.2%	74.1%
Development/Redevelopment capital expenditures	\$ (46,955)	\$ (114,212)	\$ (20,288)	\$ (26,667)	\$ (44,410)	\$ (44,471)	\$ (53,682)	\$ (60,530)
Revenue creating capital expenditures	\$ (12,021)	\$ (12,822)	\$ (5,756)	\$ (6,265)	\$ (5,572)	\$ (4,303)	\$ (6,523)	\$ (6,299)

	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Assets						
Real estate investments						
Operating properties	\$ 3,769,678	\$ 3,702,204	\$ 3,586,295	\$ 3,686,339	\$ 3,721,405	\$ 3,703,193
Accumulated depreciation	(882,228)	(864,196)	(852,476)	(869,836)	(877,236)	(891,263)
Operating real estate investments, net	2,887,450	2,838,008	2,733,819	2,816,503	2,844,169	2,811,930
Construction-in-progress	119,690	166,372	297,462	249,183	254,188	319,656
Land held for development	125,157	153,268	150,970	155,297	131,015	132,747
Real estate investments, net	3,132,297	3,157,648	3,182,251	3,220,983	3,229,372	3,264,333
Assets held for sale, net	5,569	6,262	41,718	12,604	12,308	-
Cash and cash equivalents	37,900	234,654	193,919	219,059	265,597	423,517
Accounts receivable, net	13,151	12,099	12,446	9,925	14,804	14,027
Accrued rent receivable, net	158,420	152,819	149,624	145,816	138,981	133,720
Investment in real estate ventures, at equity	262,107	264,941	281,331	282,162	272,148	278,659
Deferred costs, net	93,410	92,425	91,342	92,054	94,373	90,973
Intangible assets, net	59,410	64,222	72,478	81,207	90,014	100,063
Other assets	110,185	116,792	74,104	79,108	63,591	72,772
Total assets	\$ 3,872,449	\$ 4,101,862	\$ 4,099,213	\$ 4,142,918	\$ 4,181,188	\$ 4,378,064
Liabilities and equity						
Mortgage notes payable, net	\$ 319,405	\$ 320,484	\$ 321,549	\$ 322,623	\$ 344,308	\$ 345,310
Unsecured credit facility	200,000	-	-	-	-	-
Unsecured term loans, net	248,264	248,181	248,099	248,016	247,933	247,882
Unsecured senior notes, net	1,144,503	1,444,006	1,443,464	1,442,922	1,442,380	1,591,756
Accounts payable and accrued expenses	99,904	115,079	103,404	106,546	91,425	112,203
Distributions payable	28,376	30,047	30,032	30,036	29,880	28,295
Deferred income, gains and rent	40,764	30,592	31,620	30,022	31,171	27,331
Acquired lease intangibles, net	15,989	16,604	18,119	19,731	21,413	23,248
Liabilities related to assets held for sale	-	387	81	49	11	-
Other liabilities	17,521	16,916	19,408	31,399	42,841	37,749
Total liabilities	\$ 2,114,726	\$ 2,222,296	\$ 2,215,776	\$ 2,231,344	\$ 2,251,362	\$ 2,413,774
Brandywine Realty Trust's equity:						
Preferred shares - Series E	-	40	40	40	40	40
Common shares	1,754	1,752	1,752	1,752	1,751	1,749
Additional paid-in-capital	3,165,935	3,262,459	3,258,870	3,258,049	3,256,735	3,255,908
Deferred compensation payable in common shares	14,107	14,244	13,684	13,684	13,744	13,155
Common shares in grantor trust	(14,107)	(14,244)	(13,684)	(13,684)	(13,744)	(13,155)
Cumulative earnings	568,078	560,422	539,319	551,572	543,743	545,041
Accumulated other comprehensive loss	(1,528)	(457)	(1,745)	(15,052)	(17,769)	(14,271)
Cumulative distributions	(1,993,419)	(1,961,739)	(1,931,892)	(1,902,076)	(1,872,100)	(1,842,450)
Total Brandywine Realty Trust's equity	1,740,820	1,862,477	1,866,344	1,894,285	1,912,400	1,946,017
Non-controlling interests	16,903	17,089	17,093	17,289	17,426	18,273
Total equity	\$ 1,757,723	\$ 1,879,566	\$ 1,883,437	\$ 1,911,574	\$ 1,929,826	\$ 1,964,290
Total liabilities and equity	\$ 3,872,449	\$ 4,101,862	\$ 4,099,213	\$ 4,142,918	\$ 4,181,188	\$ 4,378,064

	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
High closing price of common shares	\$ 17.80	\$ 16.89	\$ 16.51	\$ 16.87	\$ 16.80	\$ 14.11
Low closing price of common shares	\$ 16.16	\$ 15.74	\$ 14.21	\$ 15.22	\$ 13.72	\$ 11.29
End of period closing market price	\$ 17.53	\$ 16.23	\$ 16.51	\$ 15.62	\$ 16.80	\$ 14.03
Dividends paid per common share	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.15
Dividend yield (based on annualized dividend paid)	3.7%	3.9%	3.9%	4.1%	3.8%	4.3%
Net book value per share (fully diluted, end of period)	\$ 9.84	\$ 10.55	\$ 10.59	\$ 10.73	\$ 10.84	\$ 11.06
Total cash and cash equivalents	\$ 37,900	\$ 234,654	\$ 193,919	\$ 219,059	\$ 265,597	\$ 423,517
Revolving credit facilities						
Gross potential available under current credit facilities	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
less: Outstanding balance	(200,000)	-	-	-	-	-
less: Holdback for letters of credit	(12,437)	(12,437)	(13,147)	(14,254)	(14,335)	(14,335)
Net potential available under current credit facilities	\$ 387,563	\$ 587,563	\$ 586,853	\$ 585,746	\$ 585,665	\$ 585,665
Total equity market capitalization (end of period)						
Basic common shares	174,388,849	174,265,465	174,241,303	174,241,303	174,199,764	174,043,425
Unvested restricted shares	458,686	618,961	488,604	492,520	492,637	698,382
Partnership units outstanding	1,479,799	1,479,799	1,479,799	1,479,799	1,479,799	1,535,102
Options and other contingent securities	2,268,634	1,725,216	1,611,025	1,968,685	1,884,683	1,272,589
Fully diluted common shares (end of period)	178,595,968	178,089,441	177,820,731	178,182,307	178,056,882	177,549,498
Value of common stock (fully diluted, end of period)	\$ 3,130,787	\$ 2,890,392	\$ 2,935,820	\$ 2,783,208	\$ 2,991,355	\$ 2,491,019
Par value of preferred shares	-	100,000	100,000	100,000	100,000	100,000
Total equity market capitalization (fully diluted, end of period)	\$ 3,130,787	\$ 2,990,392	\$ 3,035,820	\$ 2,883,208	\$ 3,091,355	\$ 2,591,019
Total debt excluding unamortized premiums, discounts and deferred financing costs	\$ 1,926,205	\$ 2,027,433	\$ 2,028,648	\$ 2,029,852	\$ 2,051,710	\$ 2,202,416
less: Cash and cash equivalents	(37,900)	(234,654)	(193,919)	(219,059)	(265,597)	(423,517)
less: Section 1031 exchange proceeds	(32,009)	(32,009)	-	-	-	-
Net debt	1,856,296	1,760,770	1,834,729	1,810,793	1,786,113	1,778,899
Total equity market capitalization (fully diluted, end of period)	3,130,787	2,990,392	3,035,820	2,883,208	3,091,355	2,591,019
Total market capitalization	\$ 4,987,083	\$ 4,751,162	\$ 4,870,549	\$ 4,694,001	\$ 4,877,468	\$ 4,369,918
Net debt to total market capitalization	37.2%	37.1%	37.7%	38.6%	36.6%	40.7%
Total gross assets (excluding cash, cash equivalents and section 1031 exchange proceeds)	\$ 4,684,768	\$ 4,699,474	\$ 4,790,686	\$ 4,798,218	\$ 4,798,836	\$ 4,845,810
Net debt to total gross assets (excl. cash and cash equivalents)	39.6%	37.5%	38.3%	37.7%	37.2%	36.7%
Annualized quarterly EBITDA, excluding capital market and transactional items	\$ 353,712	\$ 354,412	\$ 353,400	\$ 350,464	\$ 341,992	\$ 351,028
Ratio of net debt (including the Company's share of unconsolidated R/E venture debt) to annualized quarterly EBITDA, excluding capital market transaction items	6.6	6.3	6.6	6.6	6.6	6.4
Ratio of net debt (including the Company's share of unconsolidated R/E venture debt) to annualized quarterly EBITDA, excluding capital market transaction items & including Preferred Shares	6.6	6.6	6.9	6.9	6.9	6.7
Ratio of net debt to annualized quarterly wholly owned EBITDA, excluding capital market transaction items, Preferred Shares & the Company's share of unconsolidated R/E venture debt	6.5	5.9	6.2	6.1	6.1	5.9

	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Fixed rate debt	\$ 1,397,595	\$ 1,698,823	\$ 1,700,038	\$ 1,701,242	\$ 1,723,100	\$ 1,873,806
Fixed rate debt (variable rate debt swapped to fixed rate)	328,610	328,610	328,610	328,610	328,610	328,610
Variable rate debt - unhedged	200,000	-	-	-	-	-
Total debt (excluding unamortized premiums & discounts)	\$ 1,926,205	\$ 2,027,433	\$ 2,028,648	\$ 2,029,852	\$ 2,051,710	\$ 2,202,416
% Fixed rate debt	72.5%	83.8%	83.8%	83.8%	84.0%	85.1%
% Fixed rate debt (variable rate debt swapped to fixed)	17.1%	16.2%	16.2%	16.2%	16.0%	14.9%
% Variable rate debt - unhedged	10.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Total debt (excluding premiums & discounts)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Secured mortgage debt	\$ 322,595	\$ 323,823	\$ 325,038	\$ 326,242	\$ 348,100	\$ 348,887
Unsecured debt	1,603,610	1,703,610	1,703,610	1,703,610	1,703,610	1,853,529
Total debt (excluding premiums & discounts)	\$ 1,926,205	\$ 2,027,433	\$ 2,028,648	\$ 2,029,852	\$ 2,051,710	\$ 2,202,416
% Secured mortgage debt	16.7%	16.0%	16.0%	16.1%	17.0%	15.8%
% Unsecured debt	83.3%	84.0%	84.0%	83.9%	83.0%	84.2%
Total debt (excluding premiums & discounts)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total gross assets, excluding cash and cash equivalents	\$ 4,684,768	\$ 4,699,474	\$ 4,790,686	\$ 4,798,218	\$ 4,798,836	\$ 4,845,810
% Secured mortgage debt	6.9%	6.9%	6.8%	6.8%	7.3%	7.2%
% Unsecured debt	34.2%	36.3%	35.6%	35.5%	35.5%	38.3%
less: cash and cash equivalents (including Section 1031 exchange proceeds)	(1.5%)	(5.7%)	(4.1%)	(4.6%)	(5.5%)	(8.7%)
Net debt to total gross assets, excluding cash and cash equivalents	39.6%	37.5%	38.3%	37.7%	37.2%	36.7%
Weighted-average interest rate on mortgage notes payable	4.03%	4.03%	4.03%	4.03%	4.04%	4.93%
Weighted-average interest rate on unsecured senior debt (including swap costs)	4.08%	4.57%	4.57%	4.57%	4.57%	4.68%
Weighted-average maturity on mortgage notes payable	5.1 years	5.3 years	5.6 years	5.8 years	5.7 years	5.0 years
Weighted-average maturity on unsecured senior debt	6.1 years	5.7 years	6.0 years	6.2 years	6.5 years	6.2 years
Weighted-average interest rate on fixed rate debt (includes variable rate swapped to fixed)	4.27%	4.48%	4.48%	4.48%	4.48%	4.72%
Weighted-average interest rate on variable rate debt	2.37%	N/A	N/A	N/A	N/A	N/A
Weighted-average maturity on fixed rate debt (includes variable rate swapped to fixed)	6.4 years	5.7 years	5.9 years	6.2 years	6.4 years	6.0 years
Weighted-average maturity on variable rate debt	1.9 years	N/A	N/A	N/A	N/A	N/A

Debt Instrument	Maturity Date	Stated Rate (1)	Effective Rate (1)	06/30/2017 Balance	12/31/2016 Balance	06/30/2017 Percent of total indebtedness
Unsecured senior notes payable						
\$300 MM Notes due 2017	May 1, 2017	5.700%	5.678%	\$ -	\$ 300,000	0.0%
\$325 MM Notes due 2018	April 15, 2018	4.950%	5.131%	325,000	325,000	17.0%
\$250 MM Notes due 2023	February 15, 2023	3.950%	4.022%	250,000	250,000	13.1%
\$250 MM Notes due 2024	October 1, 2024	4.100%	4.328%	250,000	250,000	13.1%
\$250 MM Notes due 2029	October 1, 2029	4.550%	4.604%	250,000	250,000	13.1%
\$27.1 MM Trust Preferred I - Indenture IA (2)	March 30, 2035	LIBOR + 1.250%	2.750%	27,062	27,062	1.4%
\$25.8 MM Trust Preferred I - Indenture IB (3)	April 30, 2035	LIBOR + 1.250%	3.300%	25,774	25,774	1.3%
\$25.8 MM Trust Preferred II - Indenture II (4)	July 30, 2035	LIBOR + 1.250%	3.090%	25,774	25,774	1.3%
Total unsecured senior notes payable	7.0 (wtd-avg maturity)		4.460% (wtd-avg effective rate)	1,153,610	1,453,610	60.3%
Net original issue premium/(discount)				(4,178)	(4,678)	(0.2%)
Unsecured deferred financing costs				(4,929)	(5,468)	(0.3%)
Total unsecured senior notes payable including original issue premium/(discount) and deferred financing costs				1,144,503	1,443,464	59.9%
Unsecured bank facilities						
\$600M Revolving Credit Facility	May 15, 2019	LIBOR + 1.200%	2.371%	200,000	-	10.5%
\$250 MM Seven-year Term Loan - Swapped to fixed	October 8, 2022	LIBOR + 1.800%	3.718%	250,000	250,000	13.1%
Total unsecured bank facilities	3.8 (wtd-avg maturity)		3.120% (wtd-avg effective rate)	450,000	250,000	23.5%
Unsecured deferred financing costs				(1,736)	(1,901)	(0.1%)
Total unsecured bank facilities including deferred financing costs				448,264	248,099	23.4%
Total unsecured senior debt	6.1 (wtd-avg maturity)		4.084% (wtd-avg effective rate)	1,603,610	1,703,610	83.9%
Net original issue premium/(discount)				(4,178)	(4,678)	(0.2%)
Unsecured deferred financing costs				(6,665)	(7,369)	(0.3%)
Total unsecured senior debt including original issue premium/(discount) and deferred financing costs				\$ 1,592,767	\$ 1,691,563	83.3%

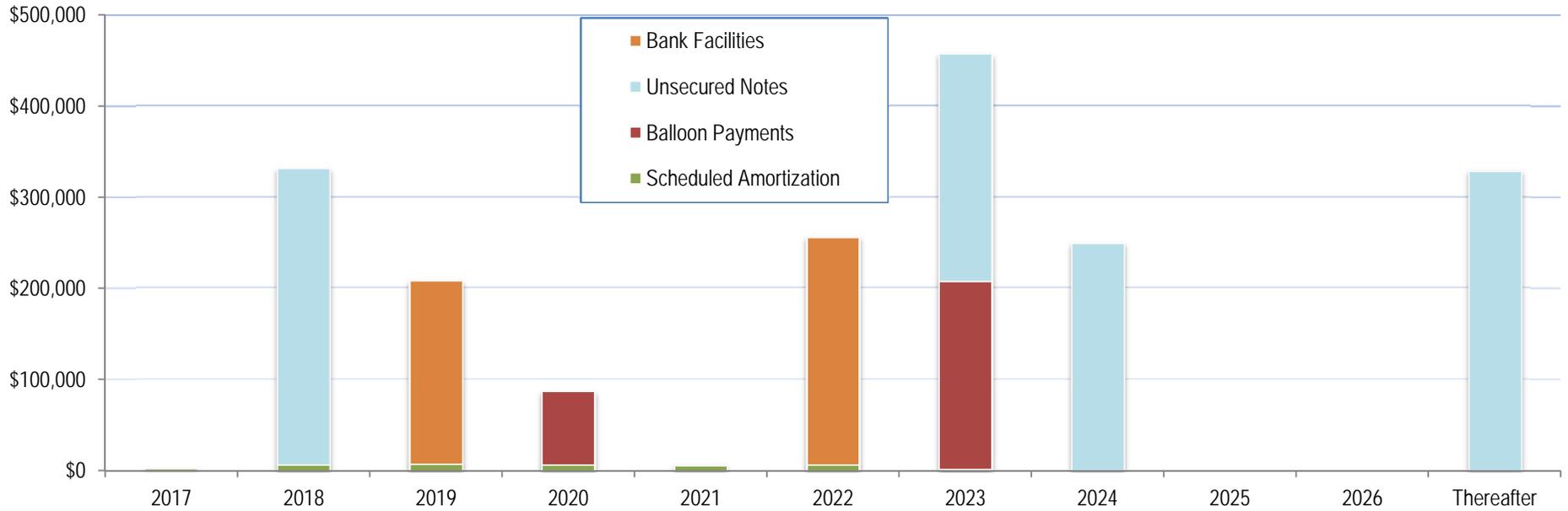
(See page 34 for footnotes)

Debt Instrument	Maturity Date	Stated Rate (1)	Effective Rate (1)	06/30/2017 Balance	12/31/2016 Balance	06/30/2017 Percent of total indebtedness
Mortgage notes payable						
Two Logan Square	May 1, 2020	3.980%	3.980%	\$ 85,233	\$ 86,012	4.5%
One Commerce Square	April 5, 2023	3.640%	3.640%	125,362	127,026	6.6%
Two Commerce Square	April 5, 2023	3.960%	4.513%	112,000	112,000	5.9%
Total mortgage notes payable	5.1 (wtd-avg maturity)		4.033% (wtd-avg effective rate)	322,595	325,038	16.9%
Net fair market value premium/(discount)				(2,543)	(2,761)	(0.1%)
Secured deferred financing costs				(647)	(728)	(0.0%)
Total mortgage notes payable including fair market value premium/(discount) and deferred financing costs				319,405	321,549	16.7%
Total debt	5.9 (wtd-avg maturity)		4.075% (wtd-avg effective rate)	1,926,205	2,028,648	100.7%
Net premium/(discount)				(6,721)	(7,439)	(0.4%)
Unsecured Deferred Financing Costs				(6,665)	(7,369)	(0.3%)
Secured Deferred Financing Costs				(647)	(728)	(0.0%)
Total debt, including net premium/(discount) and deferred financing costs				\$ 1,912,172	\$ 2,013,112	100.0%

(See page 34 for further footnotes)

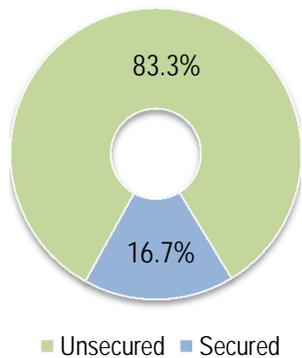
Maturity Schedule By Year	Secured Debt		Unsecured Debt		Total	Percent of Debt Maturing	Weighted Average Interest Rate of Maturing Debt ⁽⁶⁾
	Scheduled Amortization	Balloon Payments	Bank Facilities	Senior Notes			
2017	2,488	-	-	-	2,488	0.1%	3.748%
2018	6,601	-	-	325,000	331,601	17.2%	5.107%
2019	7,360	-	200,000	-	207,360	10.8%	2.428%
2020	6,457	80,521	-	-	86,978	4.5%	3.978%
2021	6,099	-	-	-	6,099	0.3%	3.957%
2022	6,332	-	250,000	-	256,332	13.3%	3.631%
2023	1,621	205,116	-	250,000	456,737	23.7%	4.044%
2024	-	-	-	250,000	250,000	13.0%	4.232%
2025	-	-	-	-	-	0.0%	0.000%
2026	-	-	-	-	-	0.0%	0.000%
Thereafter	-	-	-	328,610	328,610	17.1%	4.375%
Total	\$ 36,958	\$ 285,637	\$ 450,000	\$ 1,153,610	\$ 1,926,205	100.0%	4.075%

- (1) The stated rate for unsecured debt and mortgage notes represents its face coupon. The effective rate for unsecured notes and bank facilities incorporates original issue discounts, hedge amortization and the effect of floating to fixed-interest rate swaps. The effective rate for mortgage notes represents the rate incorporating any fair market value adjustments.
- (2) The variable three-month LIBOR on the full \$27.1 MM was swapped beginning December 30, 2011 to a 1.500% fixed rate (or an all-in fixed rate of 2.750% incorporating the 1.250% credit spread) through September 30, 2017, after which the rate will revert to three-month LIBOR plus the 1.250% credit spread.
- (3) The variable three-month LIBOR on the full \$25.8 MM was swapped beginning January 30, 2012 to a 2.050% fixed rate (or an all-in fixed rate of 3.300% incorporating the 1.250% credit spread) through January 30, 2021, after which the rate will revert to three-month LIBOR plus the 1.250% credit spread.
- (4) The variable three-month LIBOR on the full \$25.8 MM was swapped beginning January 30, 2012 to a 1.840% fixed rate (or an all-in fixed rate of 3.090% incorporating the 1.250% credit spread) through October 30, 2019, after which the rate will revert to three-month LIBOR plus the 1.250% credit spread.
- (5) Excludes the effect of any net premium/(discount) on balances or rates.
- (6) The weighted average calculations include variable rate debt at current rates.



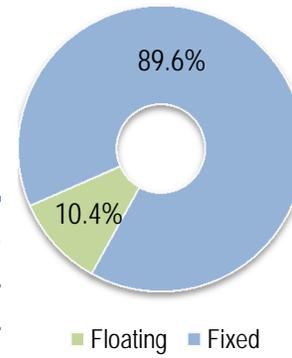
% of total	0.1%	17.2%	10.8%	4.5%	0.3%	13.3%	23.7%	13.0%	0.0%	0.0%	17.1%
Expiring rate	3.75%	5.11%	2.43%	3.98%	3.96%	3.63%	4.04%	4.23%	0.00%	0.00%	4.38%

Unsecured and Secured Debt



Debt	Amount	Weighted Average Effective Rate	Weighted Average Maturity (in years)
Unsecured	\$ 1,603,610	4.084%	6.1
Secured	322,595	4.033%	5.1
Total	\$ 1,926,205	4.075%	5.9

Floating and Fixed Rate Debt



Debt	Amount	Weighted Average Effective Rate	Weighted Average Maturity (in years)
Floating	\$ 200,000	2.371%	1.9
Fixed	1,726,205	4.273%	6.4
Total	\$ 1,926,205	4.075%	5.9

Note: Excludes the effect of any net interest premium/(discount).

Revolving Credit Agreement dated May 15, 2015 and Amended and Restated Term Loan C Agreement dated October 8, 2015

Covenant	Required	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Fixed Charge Coverage Ratio	>=1.50x	2.87x	2.72x	2.68x	2.59x	2.62x	2.33x
Net Worth	>=\$1,481.1	\$1,757.7	\$1,879.6	\$1,883.4	\$1,911.6	\$1,929.8	\$1,964.3
Leverage Ratio	<=60% *	40.9%	40.6%	41.7%	41.8%	42.7%	43.0%
Unsecured Debt Limitation	<=60% *	39.1%	38.6%	39.4%	39.6%	40.4%	41.7%
Secured Debt Limitation	<=40%	14.6%	14.6%	15.5%	15.5%	16.0%	15.7%
Unencumbered Cash Flow	>=1.75x	3.41x	3.17x	3.12x	3.10x	3.05x	2.70x

* This ratio may exceed 60% at the end of up to four individual quarters provided it does not exceed 65%.

First Supplemental Indenture dated May 25, 2005 and Second Supplemental Indenture dated October 4, 2006

Section - Covenant	Required	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
1006 (a) - Total Leverage Ratio	<60%	42.5%	42.8%	42.7%	42.4%	42.5%	43.8%
1006 (b) - Debt Service Coverage Ratio	>=1.50x	3.82x	3.80x	2.94x	2.90x	2.92x	2.77x
1006 (c) - Secured Debt Ratio	<40%	7.1%	6.8%	6.8%	6.7%	7.1%	6.9%
1006 (d) - Unencumbered Asset Ratio	>=150%	229.2%	228.0%	229.8%	231.6%	231.3%	223.4%

							As of June 30, 2017					BDN's Share	
Unconsolidated Real Estate Ventures	Location	Project Value (a)	Gross Asset Value @ 06/30/2017 (b)	BDN Investment @ 06/30/2017	Number of Properties	Net Operating Income (YTD)	Rentable Square Feet	Percent Occupied	Percent Leased (c)	BDN Ownership %	Net Operating Income (YTD)	Rentable Square Feet	
Office Properties													
Allstate DC JV	Various	\$ 276,614	\$ 314,010	\$ 67,977	6	\$ 9,565	1,105,383	81.7%	82.9%	50.0%	\$ 4,783	552,692	
DRA Austin JV	Austin, TX	671,262	698,027	53,752	19	28,681	2,734,619	91.3%	97.1%	50.0%	14,341	1,367,310	
MAP Venture	Various	210,041	257,515	16,989	58	14,129	3,924,783	90.2%	92.9%	50.0%	7,065	1,962,392	
Four Tower Bridge	Conshohocken, PA	16,750	21,961	2,712	1	996	86,109	97.6%	97.6%	65.0%	647	55,971	
PJP Ventures	Virginia	27,210	29,965	1,819	3	1,631	204,347	92.7%	93.4%	(d)	426	54,155	
Total							8,055,241	89.6%	93.0%			3,992,518	
Other													
Brandywine 1919 Ventures	Philadelphia, PA	126,753	144,554	25,539	1	2,906	321 Units	(e)		50.0%	1,453		
evo at Cira Centre South	Philadelphia, PA	153,092	162,300	17,625	1	4,817	850 Beds	(f)		50.0%	2,409		
Development Properties													
4040 Wilson	Arlington, VA	76,558	76,806	36,225	1	(217)	-	-		50.0%	(109)		
51 N Street	Washington, D.C.	28,484	28,616	21,086	1	(129)	-	-		70.0%	(90)		
1250 First Street Office	Washington, D.C.	23,934	23,963	17,799	1	(79)	-	-		70.0%	(55)		
Seven Tower Bridge (g)	Conshohocken, PA	23,461	23,597	584	-	(173)	-	-		20.0%	(35)		
Total			\$ 1,781,314	\$ 262,107	92	\$ 62,127					\$ 30,835		
Current Year Sold													
Parc at Plymouth Meeting (h)	Plymouth Mtg, PA				1	537	398 Units			50.0%	269		

(a) Amount represents the fair value of the real estate ventures upon acquisition. For ventures that are ground up developments, the amount represents the total construction costs incurred through the date the assets are placed into service.

(b) Gross asset value represents net assets on the balance sheet of each venture plus accumulated depreciation. Gross assets do not include any fully depreciated or disposed of assets. For ventures that are ground up developments, the amount represents the total construction costs, including cash.

(c) Includes leases entered into through July 10, 2017 that will commence subsequent to the end of the current period.

(d) The Company's ownership interest in the PJP Joint Ventures ranges from 25% to 30%.

(e) Office and retail space is fully leased (24,000 SF). Of the 321 apartment units placed into service, as of July 10, 2017, 310 units or 96.6% were occupied and 317 units or 98.8% have been leased.

(f) The property is 97.5% occupied as of June 30, 2017.

(g) Seven Tower Bridge is not currently under active development.

(h) On January 31, 2017, completed the sale of Parc at Plymouth Meeting for cash proceeds of \$27.2 million after closing costs and the related debt payoff.

Debt Instrument	BDN Ownership Percentage	Maturity Date	Stated Rate (1)	06/30/2017 Balance	06/30/2017 BDN Share of Venture Debt
Office Properties					
Allstate DC JV	50%	(2)	3.98%	\$ 130,930	\$ 65,465
DRA Austin JV	50%	(3)	3.42%	403,184	201,592
MAP Venture	50%	February 9, 2018	LIBOR + 6.25% (4)	180,800	90,400
Four Tower Bridge	65%	February 10, 2021	5.20%	9,857	6,407
PJP VII	25%	December 31, 2019	LIBOR + 2.65%	4,874	1,219
PJP II	30%	November 1, 2023	6.12%	2,731	819
PJP VI	25%	April 1, 2023	6.08%	7,513	1,878
Other					
evo at Cira Centre South (\$117,000 term loan)	50%	October 31, 2019	LIBOR + 2.25%	110,886	55,443
Brandywine 1919 Ventures (\$88,900 construction loan)	50%	October 21, 2018	LIBOR + 2.00% (5)	85,065	42,533
Development Properties					
Seven Tower Bridge	20%	(6)	3.17%	14,670	2,934
4040 Wilson	50%	March 11, 2019	LIBOR + 2.40%	2,206	1,103
Total debt				\$ 952,716	\$ 469,793

(1) The stated rate for mortgage notes is its face coupon.

(2) The debt for these properties is comprised of three fixed rate mortgages: (i) \$37,569 with a 4.40% fixed interest rate due January 1, 2019, (ii) \$26,861 with a 4.65% fixed interest rate due January 1, 2022 and (iii) \$66,500 with a 3.22% fixed interest rate due August 1, 2019, resulting in a time weighted average rate of 3.978%.

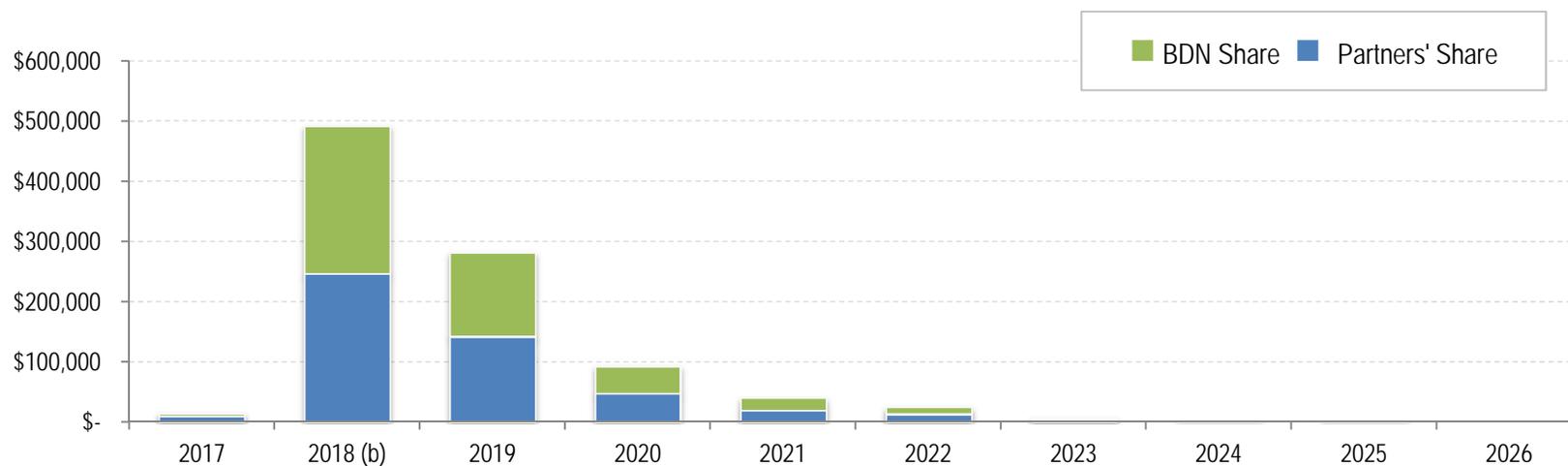
(3) The debt for these properties is comprised of seven mortgages: (i) \$33,594 that was swapped to a 1.59% fixed rate (or an all-in fixed rate of 3.52% incorporating the 1.93% spread) due November 1, 2018, (ii) \$54,187 that was swapped to a 1.49% fixed rate (or an all-in rate of 3.19% incorporating the 1.7% spread) due October 15, 2018, (iii) \$135,327 that was swapped to a 1.43% fixed rate (for an all-in fixed rate of 3.44% incorporating the 2.01% spread) due November 1, 2018, (iv) \$28,927 with a 4.50% fixed interest rate due April 6, 2019, (v) \$33,999 with a 3.87% fixed interest rate due August 6, 2019, (vi) \$87,149 that was swapped to a 1.36% fixed rate (or an all-in fixed rate of 3.36% incorporating the 2.00% spread) due with a February 10, 2020, and (vii) \$30,000 with a rate of LIBOR + 1.85% with a cap of 2.75% due January 1, 2021, resulting in a time and dollar weighted average rate of 3.415%.

(4) The JV designated a libor interest rate cap of 1.75% effective February 3, 2016 and maturing on February 9, 2018 for the notional amount of \$200,799. There are three options to extend the maturity date of the debt for three successive terms, each year representing a separate option.

(5) The stated rate for this construction loan is LIBOR + 2.00%. It is further reduced to 1.75% upon reaching 90% residential occupancy and commencement of lease in the retail space. To fulfill interest rate protection requirements, an interest rate cap was purchased at 4.50%. The unfunded debt, totaling \$3,835 at June 30, 2017, represents the estimated remaining project costs.

(6) Comprised of two fixed rate mortgages totaling \$8,000 that matured on March 1, 2017, which are currently in default and accrue interest at a current rate of 7%, a \$786 3% fixed rate loan through its September 1, 2025 maturity, a \$2,000 4% fixed rate loan with interest only through its February 7, 2018 maturity, and a \$3,904 3% fixed rate loan with interest only beginning March 11, 2018 through its March 11, 2020 maturity, resulting in a time and dollar weighted average rate of 3.172%.

Maturity Schedule By Year	Secured Debt			Partners' Share	BDN Share	Percent of BDN Share Maturing	Weighted Average Interest Rate of Maturing Debt (a)
	Scheduled Amortization	Balloon Payments	Total				
2017	\$ 4,447	\$ 10,000	\$ 14,447	\$ 10,310	\$ 4,137	0.5%	3.667%
2018 (b)	10,041	481,621	491,662	246,009	245,653	52.5%	4.832%
2019	3,726	277,808	281,534	142,068	139,466	29.8%	3.538%
2020	1,626	91,053	92,679	47,664	45,015	9.6%	3.442%
2021	1,497	39,001	40,498	19,094	21,404	4.6%	3.940%
2022	975	24,396	25,371	12,899	12,472	2.7%	4.017%
2023	674	5,569	6,243	4,662	1,581	0.3%	6.051%
2024	200	-	200	150	50	0.0%	5.151%
2025	82	-	82	67	15	0.0%	3.783%
2026	-	-	-	-	-	0.0%	0.000%
Total	\$ 23,268	\$ 929,448	\$ 952,716	\$ 482,923	\$ 469,793	100.0%	4.246%



% of total	0.5%	52.5%	29.8%	9.6%	4.6%	2.7%	0.3%	0.0%	0.0%	0.0%
Expiring rate	3.67%	4.83%	3.54%	3.44%	3.94%	4.02%	6.05%	5.15%	3.78%	0.00%

(a) The weighted average calculations include variable rate debt at current rates.

(b) \$180,800 of debt relating to the MAP Venture matures February 9, 2018. There are three options to extend the maturity date of the debt for three successive terms, each year representing a separate option.

Equity Research Coverage

Argus Research
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646-747-5447

D.A. Davidson & Co.
Barry Oxford
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JP Morgan
Anthony Paolone
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Stifel Nicolaus & Company, Inc.
John Guinee / Erin Aslakson
443-224-1307 / 443-224-1350

Barclays Capital
Ross L. Smotrich / Trevor Young
212-526-2306 / 212-526-3098

Evercore ISI
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Any opinions, estimates, forecasts or predictions regarding Brandywine Realty Trust's performance made by these analysts are theirs alone and do not represent opinions, estimates, forecasts or predictions of Brandywine Realty Trust or its management. Brandywine does not by its reference above or distribution imply its endorsement of or concurrence with such opinions, estimates, forecasts or predictions.

Company Information

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610-325-5600

Stock Exchange Listing
New York Stock Exchange

Trading Symbol
Common Shares: BDN

Information Requests
To request an Investor Relations package or annual report, please contact: IR@bdnreit.com

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Senior Unsecured Debt Ratings
Moody's / Standard & Poor's
Available upon request

Non-GAAP Measures

We believe that the measures defined below that are not determined in accordance with generally accepted accounting principles ("GAAP") are helpful to investors in measuring our performance and comparing it to that of other real estate investment trusts ("REITs"). Since these measures exclude certain items includable in their respective most comparable GAAP measures, reliance on the measures has limitations; management uses supplemental measures that are weighed in balance with other GAAP and non-GAAP measures. These measures are not necessarily indications of our cash flow available to fund cash needs. Additionally, they should not be used as an alternative to the respective most comparable GAAP measures when evaluating our financial performance or to cash flow from operating, investing and financing activities when evaluating our liquidity or ability to make cash distributions or pay debt service.

Funds from Operations (FFO)

FFO is a widely recognized measure of REIT performance. Although FFO is a non-GAAP financial measure, the Company believes that information regarding FFO is helpful to shareholders and potential investors. The Company computes FFO in accordance with standards established by the National Association of Real Estate Investment Trusts (NAREIT), which may not be comparable to FFO reported by other REITs that do not compute FFO in accordance with the NAREIT definition, or that interpret the NAREIT definition differently than the Company. NAREIT defines FFO as net income (loss) before non-controlling interests of unitholders (preferred and common) and excluding gains (losses) on sales of depreciable operating property, impairment losses on depreciable consolidated real estate, impairment losses on investments in unconsolidated real estate ventures and extraordinary items (computed in accordance with GAAP); plus real estate related depreciation and amortization (excluding amortization of deferred financing costs), and after adjustment for unconsolidated real estate ventures. We also present an adjusted FFO to exclude certain items related to capital market, transactional items and certain other non-recurring items in order to facilitate a review of normalized operating results. Net income, the GAAP measure that the Company believes to be most directly comparable to FFO, includes depreciation and amortization expenses, gains or losses on property sales and non-controlling interests. FFO per share is calculated by dividing FFO by fully diluted shares available to common shareholders and limited partnership unitholders.

To facilitate a clear understanding of the Company's historical operating results, FFO should be examined in conjunction with net income (determined in accordance with GAAP) as presented in the financial statements included elsewhere in this supplemental package. FFO does not represent cash generated from operating activities in accordance with GAAP and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as an indication of the Company's financial performance or to be an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company's liquidity, nor is it indicative of funds available for the Company's cash needs, including its ability to make cash distributions to shareholders.

Cash Available for Distribution (CAD)

Cash available for distribution, CAD, is a measure that is not intended to represent cash flow for the period and is not indicative of cash flow provided by operating activities as determined under GAAP. CAD is presented solely as a supplemental disclosure with respect to liquidity because the Company believes it provides useful information regarding the Company's ability to fund its dividends. Although not intended to represent cash flow for the period, the Company believes that to further understand our liquidity, CAD should be compared with our cash flows determined in accordance with GAAP, as presented in our consolidated financial statements. Because all companies do not calculate CAD the same way, the presentation of CAD may not be comparable to similarly titled measures of other companies.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA, a non-GAAP financial measure, represents net income before allocation to minority interest plus interest expense, federal income tax expense (if any), depreciation and amortization expense and is adjusted for capital market and other transactional items related to capital market and other transactions. EBITDA is not intended to represent cash flow for the period, is not presented as an alternative to operating income as an indicator of operating performance, should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP and is not indicative of operating income or cash provided by operating activities as determined under GAAP. EBITDA is presented solely as a supplemental disclosure with respect to liquidity because the Company believes it provides useful information regarding the Company's ability to service or incur debt. Because all companies do not calculate EBITDA the same way, the presentation of EBITDA may not be comparable to similarly titled measures of other companies. The Company believes that net income is the financial measure calculated and presented in accordance with GAAP that is most directly comparable to EBITDA.

The Company has included three EBITDA-based coverage ratios (an interest coverage ratio; a debt service coverage ratio; and a fixed coverage ratio) and other leverage metrics, which are non-GAAP financial measures. The Company has provided these ratios so that investors may evaluate the non-GAAP ratios and the Company is providing such ratios as supplemental disclosure with respect to liquidity because the Company believes such ratios provide useful information regarding the Company's ability to service or incur debt.

Net Operating Income (NOI)

NOI is a financial measure equal to net income available to common shareholders, the most directly comparable GAAP financial measure, plus corporate general and administrative expense, depreciation and amortization, interest expense, non-controlling interest in the Operating Partnership and losses from early extinguishment of debt, less interest income, development and management income, gains from property dispositions, gains on sale from discontinued operations, gains on early extinguishment of debt, income from discontinued operations, income from unconsolidated real estate ventures and non-controlling interest in property partnerships. In some cases the Company also presents NOI on a cash basis, which is NOI after eliminating the effects of straight-lining of rent and deferred market intangible amortization. NOI presented by the Company may not be comparable to NOI reported by other REITs that define NOI differently. Cash NOI provides revenues and expenses directly associated with our portfolio of real estate and provides meaningful information about occupancy rates, rental rates and operating costs that may not be apparent from net income. NOI should not be considered an alternative to net income as an indication of our performance or to cash flows as a measure of the Company's liquidity or its ability to make distributions.

Net Operating Income (NOI) (continued)

NOI is a useful measure for evaluating the operating performance of our properties, as it excludes certain components from net income available to common shareholders in order to provide results that are more closely related to a property's results of operations. The Company uses NOI internally to evaluate the performance of our operating segments and to make decisions about resource allocations. The Company believes it provides useful information to investors regarding our financial condition and results of operations, as it reflects only the income and expense items incurred at the property level, as well as the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and development activity on an unlevered basis.

Same Store Properties

In our analysis of NOI, particularly to make comparisons of NOI between periods meaningful, it is important to provide information for properties that were in-service and owned by us throughout each period presented. We refer to properties acquired or placed in-service prior to the beginning of the earliest period presented and owned by us through the end of the latest period presented as Same Store Properties. Same Store Properties therefore exclude properties placed in-service, acquired, repositioned, held for sale or in development or redevelopment after the beginning of the earliest period presented or disposed of prior to the end of the latest period presented. Accordingly, it takes at least one year and one quarter after a property is acquired for that property to be included in Same Store Properties.

Revenue Maintaining Capital Expenditures

Revenue maintaining capital expenditures are a component of the Company's CAD calculation and represent the portion of capital expenditures required to maintain the Company's current level of cash available for distribution. Revenue maintaining capital expenditures include current tenant improvement and allowance expenditures for all tenant spaces that have been owned for at least one year, and that were not vacant during the twelve-month period prior to the date that the tenant improvement or allowance expenditure was incurred. Revenue maintaining capital expenditures also include other expenditures intended to maintain the Company's current revenue base. Accordingly, the Company excludes capital expenditures related to development and redevelopment projects, as well as certain projects at our core properties that are intended to attract prospective tenants in order to increase revenues and/or occupancy rates. Because all companies do not calculate revenue maintaining capital expenditures the same way, the Company's presentation may not be comparable to similarly titled measures of other companies.

The Statements of Cash Flows prepared in accordance with GAAP include both the costs associated with developing/redeveloping and acquiring properties and those expenditures necessary for operating and maintaining existing properties. Disaggregating capital expenditures into Revenue Maintaining Capital Expenditures and Revenue Creating Capital Expenditures is useful in evaluating both the economic performance of our properties and their valuation.

Revenue Creating Capital Expenditures

Revenue creating capital expenditures include direct and indirect capital expenditures related to current tenant spaces that have not been owned for at least a year or were vacant for more than a year. Because all companies do not calculate revenue creating capital expenditures the same way, the Company's presentation may not be comparable to similarly titled measures of other companies.

Forward Looking Statements

Certain statements in this package may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance, achievements or transactions of the Company and its affiliates to be materially different from any future results, performance, achievements or transactions expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors relate to, among others: the Company's ability to lease vacant space and to renew or relet space under expiring leases at expected levels, the potential loss of major tenants, interest rate levels, the availability of debt and equity financing, competition with other real estate companies for tenants and acquisitions, risks of real estate acquisitions and developments, dependence upon certain geographic markets, the impact of newly adopted accounting principles on the Company's accounting policies and on period to period comparisons and general economic, business and real estate conditions.

Additional information on factors which could impact the Company and the forward-looking statements contained herein are included in the Company's filings with the Securities and Exchange Commission, including the Company's Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission on March 1, 2017.



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Brandywine Realty Trust Announces Second Quarter 2017 Results and Revises 2017 Guidance

Radnor, PA, July 20, 2017 — Brandywine Realty Trust (NYSE:BDN) today reported its financial and operating results for the three and six-month periods ended June 30, 2017.

Management Comments

"We are encouraged by the continued execution of our 2017 business plan during the second quarter," stated Gerard H. Sweeney, President and Chief Executive Officer of Brandywine Realty Trust. "Our 2017 speculative revenue target is now 98% complete. We have also completed 75% of our 2017 net disposition target. Our balance sheet continued to strengthen during the second quarter as we redeemed our \$100.0 million, 6.9% perpetual preferred shares, at par, and repaid our \$300.0 million unsecured bonds upon maturity funded through a combination of cash and our unsecured line of credit. During the quarter, we also delivered our 111,000 square foot, 100% pre-leased, build-to-suit property in King of Prussia, Pennsylvania. With our operating plan substantially complete and, in assessing the occupancy timing of our leasing pipeline, several tenants delaying actual occupancy of their leased space and the staged delivery of some of the residential units at FMC Tower at Cira Centre South, we are revising and narrowing our 2017 FFO guidance range from \$1.33 to \$1.40 to \$1.34 to \$1.38 per diluted share."

Second Quarter Highlights

Financial Results

- Net income to common shareholders; \$4.1 million, or \$0.02 per share.
- Funds from Operations (FFO); \$57.4 million, or \$0.32 per share.
- Our second quarter results include a one-time, non-cash charge related to unamortized issuance costs of our redeemed preferred shares totaling \$3.2 million, or \$0.02 per diluted share, excluding this charge, net income and FFO would be \$0.04 and \$0.34 per diluted share, respectively.

Portfolio Results

- Core portfolio was 92.2% occupied and 93.5% leased.
- Signed 995,000 million square feet of new and renewal leases.
- Achieved 77% tenant retention ratio.
- Rental rate market-to-market increased 1.3% / 17.8% on GAAP/Cash basis.

2017 Business Plan Revisions

- Same Store: GAAP NOI adjusted from 0-2% to 0-1%
- Same Store: Cash NOI adjusted from 6-8% to 7-8%
- Same Store: Year-end Occupancy; adjusted from 94-95% to 93-94%
- GAAP Rental Rates: Adjusted from 5-7% to 6-7%
- Cash Rental Rates: Adjusted from 9-11% to 10-11%

Recent Transaction Activity

- On July 18, 2017, we completed the sale of 49.5 acres of land known as Bishops Gate in Mount Laurel, New Jersey for a gross sales price of \$6.0 million. The land was classified as held-for-sale in our balance sheet at June 30, 2017.
- On June 27, 2017, we completed the sale of four office properties containing 135,000 rentable square feet located in Marlton, New Jersey known as the Evesham Corporate Center for a gross sales price of \$9.7 million. Our loss on sale totaled \$0.3 million.
- On June 12, 2017, we completed the sale of a retail property located in Mount Laurel, New Jersey, containing approximately 10,800 rentable square feet for a gross sales price of \$8.2 million. Our gain on sale totaled \$1.4 million.
- On April 28, 2017, we completed the sale of 8.4 acres of vacant land from our Garza Ranch land parcel in Austin, Texas for a gross sales price of \$11.8 million.

Recent Finance / Capital Markets Activity

- On May 1, 2017, we repaid our \$300.0 million unsecured 5.70% Guaranteed Notes upon maturity. Available cash balances and borrowing under our unsecured line of credit were used to fund the repayment of the unsecured notes.
- As previously announced on April 11, 2017, we completed the redemption of our 4,000,000 preferred shares for \$100 million, or \$25.00 per share. During the second quarter 2017, we recorded a one-time, non-cash charge related to unamortized issuance costs totaling \$3.2 million, or \$0.02 per diluted share.
- We have \$200.0 million outstanding on our \$600.0 million unsecured revolving credit facility as of June 30, 2017.
- We have \$37.9 million of cash and cash equivalents on-hand as of June 30, 2017.

Results for the Three and Six Month Period Ended June 30, 2017

Net income allocated to common shares totaled \$4.1 million or \$0.02 per diluted share in the second quarter of 2017 compared to a net loss of (\$3.1 million) or (\$0.02) per diluted share in the second quarter of 2016.

FFO available to common shares and units \$57.4 million or \$0.32 per diluted share in each of the second quarters ended in 2017 and 2016. Our 2017 results include a one-time, non-cash charge related to our preferred share redemption totaling \$3.2 million, or \$0.02 per diluted share. Our second quarter 2017 payout ratio (\$0.16 common share distribution / \$0.32 FFO per diluted share) was 50.0%.

Net income allocated to common shares totaled \$23.4 million or \$0.13 per diluted share in the first six months of 2017 compared to net income of \$41.0 million or \$0.23 per diluted share in the first six months of 2016.

Our FFO available to common shares and units for the first six months of 2017 totaled \$113.5 million, or \$0.64 per diluted share versus \$45.7 million, or \$0.26 per diluted share in the first six months of 2016. Our 2016 results included a \$66.6 million, or \$0.38 per share, charge for the early extinguishment of debt related to our sale of Cirra Square. Excluding the early extinguishment of debt, FFO available to common shares and units in the first six months of 2016 totaled \$112.3 million or \$0.63 per diluted. Our first six months 2017 FFO payout ratio (\$0.32 common share distribution / \$0.64 FFO per diluted share) was 50.0%.

Operating and Leasing Activity

In the second quarter of 2017, our Net Operating Income (NOI) excluding termination revenues and other income items increased 1.2% on a GAAP basis and increased 10.1% on a cash basis for our 93 same store properties, which were 92.2% and 94.0% occupied on June 30, 2017 and June 30, 2016, respectively.

We leased approximately 995,000 square feet and commenced occupancy on 973,000 square feet during the second quarter of 2017. The second quarter occupancy activity includes 781,000 square feet of renewals, 173,000

square feet of new leases and 19,000 square feet of tenant expansions. We have an additional 191,000 square feet of executed new leasing scheduled to commence subsequent to June 30, 2017.

We achieved a 77.0% tenant retention ratio in our core portfolio with net negative absorption of (60,000) square feet during the second quarter of 2017. Second quarter rental rate growth increased 1.3% as our renewal rental rates increased 1.1% and our new lease/expansion rental rates increased 7.1%, all on a GAAP basis.

At June 30, 2017, our core portfolio of 94 properties comprising 15.0 million square feet was 92.2% occupied and we are currently 93.5% leased (reflecting new leases commencing after June 30, 2017).

Distributions

On May 18, 2017, our Board of Trustees declared a quarterly dividend distribution of \$0.16 per common share that is payable on July 21, 2017 to shareholders of record as of July 7, 2017.

2017 Earnings and FFO Guidance

Based on current plans and assumptions and subject to the risks and uncertainties more fully described in our Securities and Exchange Commission filings, we are adjusting our previously issued 2017 net income guidance of \$0.20 to \$0.27 per diluted share to \$0.17 to \$0.21 per diluted share and adjusting our previously issued 2017 FFO guidance of \$1.33 to \$1.40 per diluted share to \$1.34 to \$1.38 per diluted share. This guidance is provided for informational purposes and is subject to change. The following is a reconciliation of the calculation of 2017 FFO and earnings per diluted share:

<u>Guidance for 2017</u>		<u>Range</u>
Income per diluted share allocated to common shareholders	\$0.17	to \$0.21
Plus: real estate depreciation, amortization	<u>1.17</u>	<u>1.17</u>
FFO per diluted share	<u>\$1.34</u>	to <u>\$1.38</u>

Our 2017 FFO guidance does not include income arising from the sale of undepreciated real estate. Other key assumptions include:

- Occupancy ranging between 93-94% by year-end 2017 with 95-96% leased;
- 6-7% GAAP increase in overall lease rates with a resulting 0-1% increase in 2017 same store GAAP NOI;
- 7-8% increase in 2017 same store cash NOI growth;
- Speculative Revenue Target: \$27.7 million, 98% achieved;
- \$200.0 million of net sales activity; \$150.7 million executed;
- One development start; and
- Annual FFO per diluted share based on 178.3 million fully diluted weighted average common shares.

About Brandywine Realty Trust

Brandywine Realty Trust (NYSE: BDN) is one of the largest, publicly traded, full-service, integrated real estate companies in the United States with a core focus in the Philadelphia, Washington, D.C., and Austin markets. Organized as a real estate investment trust (REIT), we own, develop, lease and manage an urban, town center and transit-oriented portfolio comprising 199 properties and 26.7 million square feet as of June 30, 2017, which excludes assets held for sale. Our purpose is to shape, connect and inspire the world around us through our expertise, the relationships we foster, the communities in which we live and work, and the history we build together. For more information, please visit www.brandywinerealty.com.

Conference Call and Audio Webcast

BDN management will discuss 2017 financial results and earnings guidance for fiscal 2017 on Friday, July 21, 2017, during the company's earnings call. The call will begin at 9:00 a.m. EDT and will last approximately one hour. The conference call can be accessed by dialing 1-800-683-1525 and providing conference ID: 26630557. Beginning two hours after the conference call, a taped replay of the call can be accessed through Friday, August 4, 2017, by calling 1-855-859-2056 and entering access code 26630557. The conference call can also be accessed via a webcast on our website at www.brandywinerealty.com.

Looking Ahead – Third Quarter 2017 Conference Call

We anticipate we will release our third quarter 2017 earnings on Wednesday, October 18, 2017, after the market close and will host our third quarter 2017 conference call on Thursday, October 19, 2017 at 9:00 a.m. Eastern Time. We expect to issue a press release in advance of these events to reconfirm the dates and times and provide all related information.

Forward-Looking Statements

Estimates of future earnings per share, FFO per share, common share dividend distributions and certain other statements in this release constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our and our affiliates’ actual results, performance, achievements or transactions to be materially different from any future results, performance, achievements or transactions expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors relate to, among others: our ability to lease vacant space and to renew or relet space under expiring leases at expected levels; competition with other real estate companies for tenants; the potential loss or bankruptcy of major tenants; interest rate levels; the availability of debt, equity or other financing; risks of acquisitions, dispositions and developments, including the cost of construction delays and cost overruns; unanticipated operating and capital costs; our ability to obtain adequate insurance, including coverage for terrorist acts; dependence upon certain geographic markets; and general and local economic and real estate conditions, including the extent and duration of adverse changes that affect the industries in which our tenants operate. Additional information on factors which could impact us and the forward-looking statements contained herein are included in our filings with the Securities and Exchange Commission, including our Form 10-K for the year ended December 31, 2016. We assume no obligation to update or supplement forward-looking statements that become untrue because of subsequent events except as required by law.

Non-GAAP Supplemental Financial Measures

We compute our financial results in accordance with generally accepted accounting principles (GAAP). Although FFO and NOI are non-GAAP financial measures, we believe that FFO and NOI calculations are helpful to shareholders and potential investors and are widely recognized measures of real estate investment trust performance. At the end of this press release, we have provided a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measure.

Funds from Operations (FFO)

We compute FFO in accordance with standards established by the National Association of Real Estate Investment Trusts (NAREIT), which may not be comparable to FFO reported by other REITs that do not compute FFO in accordance with the NAREIT definition, or that interpret the NAREIT definition differently than us. NAREIT defines FFO as net income (loss) before non-controlling interests and excluding gains (losses) on sales of depreciable operating property, impairment losses on depreciable consolidated real estate, impairment losses on investments in unconsolidated real estate ventures and extraordinary items (computed in accordance with GAAP); plus real estate related depreciation and amortization (excluding amortization of deferred financing costs), and after similar adjustments for unconsolidated joint ventures. Net income, the GAAP measure that we believe to be most directly comparable to FFO, includes depreciation and amortization expenses, gains or losses on property sales,

extraordinary items and non-controlling interests. To facilitate a clear understanding of our historical operating results, FFO should be examined in conjunction with net income (determined in accordance with GAAP) as presented in the financial statements included elsewhere in this release. FFO does not represent cash flow from operating activities (determined in accordance with GAAP) and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as an indication of our financial performance or to be an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity, nor is it indicative of funds available for our cash needs, including our ability to make cash distributions to shareholders.

Net Operating Income (NOI)

NOI is a financial measure equal to net income available to common shareholders, the most directly comparable GAAP financial measure, plus corporate general and administrative expense, depreciation and amortization, interest expense, non-controlling interest in the Operating Partnership and losses from early extinguishment of debt, less interest income, development and management income, gains from property dispositions, gains on sale from discontinued operations, gains on early extinguishment of debt, income from discontinued operations, income from unconsolidated joint ventures and non-controlling interest in property partnerships. In some cases we also present NOI on a cash basis, which is NOI after eliminating the effects of straight-lining of rent and deferred market intangible amortization. NOI presented by us may not be comparable to NOI reported by other REITs that define NOI differently. NOI should not be considered an alternative to net income as an indication of our performance or to cash flows as a measure of the Company's liquidity or its ability to make distributions. NOI is a useful measure for evaluating the operating performance of our properties, as it excludes certain components from net income available to common shareholders in order to provide results that are more closely related to a property's results of operations. NOI is used internally to evaluate the performance of our operating segments and to make decisions about resource allocations. We concluded that NOI provides useful information to investors regarding our financial condition and results of operations, as it reflects only the income and expense items incurred at the property level, as well as the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and development activity on an unlevered basis.

Core Portfolio

Our core portfolio is comprised of our wholly-owned properties, excluding any properties currently in development, re-development or re-entitlement.

BRANDYWINE REALTY TRUST
CONSOLIDATED BALANCE SHEETS
(in thousands)

	June 30, 2017	December 31, 2016
	<i>(unaudited)</i>	
ASSETS		
Real estate investments:		
Operating properties	\$ 3,769,678	\$ 3,586,295
Accumulated depreciation	(882,228)	(852,476)
Operating real estate investments, net	2,887,450	2,733,819
Construction-in-progress	119,690	297,462
Land held for development	125,157	150,970
Total real estate investments, net	3,132,297	3,182,251
Assets held for sale, net	5,569	41,718
Cash and cash equivalents	37,900	193,919
Accounts receivable, net of allowance of \$2,936 and \$2,373 as of June 30, 2017 and December 31, 2016, respectively	13,151	12,446
Accrued rent receivable, net of allowance of \$13,857 and \$13,743 as of June 30, 2017 and December 31, 2016, respectively	158,420	149,624
Investment in real estate ventures, at equity	262,107	281,331
Deferred costs, net	93,410	91,342
Intangible assets, net	59,410	72,478
Other assets	110,185	74,104
Total assets	<u>\$ 3,872,449</u>	<u>\$ 4,099,213</u>
LIABILITIES AND BENEFICIARIES' EQUITY		
Mortgage notes payable, net	\$ 319,405	\$ 321,549
Unsecured credit facility	200,000	-
Unsecured term loans, net	248,264	248,099
Unsecured senior notes, net	1,144,503	1,443,464
Accounts payable and accrued expenses	99,904	103,404
Distributions payable	28,376	30,032
Deferred income, gains and rent	40,764	31,620
Acquired lease intangibles, net	15,989	18,119
Liabilities related to assets held for sale	-	81
Other liabilities	17,521	19,408
Total liabilities	<u>\$ 2,114,726</u>	<u>\$ 2,215,776</u>
Brandywine Realty Trust's Equity:		
Preferred Shares (shares authorized-20,000,000)		
6.90% Series E Preferred Shares, \$0.01 par value; issued and outstanding- 0 as of June 30, 2017 and 4,000,000 as of December 31, 2016	-	40
Common Shares of Brandywine Realty Trust's beneficial interest, \$0.01 par value; shares authorized 400,000,000; 175,389,815 and 175,140,760 issued and outstanding as of June 30, 2017 and December 31, 2016, respectively	1,754	1,752
Additional paid-in-capital	3,165,935	3,258,870
Deferred compensation payable in common shares	14,107	13,684
Common shares in grantor trust, 1,000,966 as of June 30, 2017, 899,457 as of December 31, 2016	(14,107)	(13,684)
Cumulative earnings	568,078	539,319
Accumulated other comprehensive loss	(1,528)	(1,745)
Total Brandywine Realty Trust's equity	1,740,820	1,866,344
Non-controlling interests	16,903	17,093
Total beneficiaries' equity	1,757,723	1,883,437
Total liabilities and beneficiaries' equity	<u>\$ 3,872,449</u>	<u>\$ 4,099,213</u>

BRANDYWINE REALTY TRUST
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Revenue				
Rents	\$ 101,557	\$ 103,624	\$ 204,889	\$ 213,787
Tenant reimbursements	18,038	15,937	36,573	35,991
Termination fees	140	554	1,813	848
Third party management fees, labor reimbursement and leasing	7,080	6,208	13,565	11,443
Other	976	858	1,871	1,614
Total revenue	127,791	127,181	258,711	263,683
Operating expenses:				
Property operating expenses	37,215	36,079	74,100	76,958
Real estate taxes	11,078	11,481	22,827	23,367
Third party management expenses	2,325	2,661	4,772	4,671
Depreciation and amortization	44,263	46,907	90,155	95,780
General and administrative expenses	6,320	6,076	15,745	15,196
Provision for impairment	327	5,679	3,057	13,069
Total operating expenses	101,528	108,883	210,656	229,041
Operating income	26,263	18,298	48,055	34,642
Other income (expense)				
Interest income	163	359	556	679
Interest expense	(20,304)	(19,829)	(41,741)	(43,520)
Interest expense - amortization of deferred financing costs	(596)	(644)	(1,230)	(1,418)
Interest expense - financing obligation	-	(242)	-	(523)
Equity in income (loss) of Real Estate Ventures	1,084	(1,666)	336	(2,069)
Net gain (loss) on disposition of real estate	1,088	(727)	8,411	114,729
Net gain on real estate venture transactions	-	3,128	14,582	9,057
Loss on early extinguishment of debt	-	-	-	(66,590)
Net income (loss)	7,698	(1,323)	28,969	44,987
Net (income) loss attributable to non-controlling interests	(45)	22	(214)	(367)
Net income (loss) attributable to Brandywine Realty Trust	7,653	(1,301)	28,755	44,620
Distribution to preferred shareholders	(307)	(1,725)	(2,032)	(3,450)
Preferred share redemption charge	(3,181)	-	(3,181)	-
Nonforfeitable dividends allocated to unvested restricted shareholders	(73)	(79)	(172)	(184)
Net income (loss) attributable to Common Shareholders of Brandywine Realty Trust	\$ 4,092	\$ (3,105)	\$ 23,370	\$ 40,986
PER SHARE DATA				
Basic income (loss) per common share	\$ 0.02	\$ (0.02)	\$ 0.13	\$ 0.23
Basic weighted average shares outstanding	175,333,300	175,013,291	175,255,564	174,901,118
Diluted income (loss) per common share	\$ 0.02	\$ (0.02)	\$ 0.13	\$ 0.23
Diluted weighted average shares outstanding	176,756,598	175,013,291	176,480,380	175,823,970

BRANDYWINE REALTY TRUST
FUNDS FROM OPERATIONS
(unaudited, in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Reconciliation of Net Income to Funds from Operations:				
Net income (loss) attributable to common shareholders	\$ 4,092	\$ (3,105)	\$ 23,370	\$ 40,986
Add (deduct):				
Net income (loss) attributable to non-controlling interests - LP units	37	(26)	201	361
Nonforfeitable dividends allocated to unvested restricted shareholders	73	79	172	184
Net gain on real estate venture transactions	-	(3,128)	(14,582)	(9,057)
Net (gain) loss on disposition of real estate	(1,088)	727	(8,411)	(114,729)
Provision for impairment	-	5,679	2,730	13,069
Depreciation and amortization:				
Real property	35,948	33,577	69,598	66,852
Leasing costs including acquired intangibles	8,131	13,231	20,249	28,745
Company's share of unconsolidated real estate ventures	10,449	10,549	20,689	19,554
Partners' share of consolidated real estate ventures	(64)	(59)	(123)	(118)
Funds from operations	\$ 57,578	\$ 57,524	\$ 113,893	\$ 45,847
Funds from operations allocable to unvested restricted shareholders	(151)	(161)	(349)	(115)
Funds from operations available to common share and unit holders (FFO) \$	57,427	\$ 57,363	\$ 113,544	\$ 45,732
FFO per share - fully diluted	<u>\$ 0.32</u>	<u>\$ 0.32</u>	<u>\$ 0.64</u>	<u>\$ 0.26</u>
Weighted-average shares/units outstanding - fully diluted/basic	178,236,397	177,688,180	177,960,179	177,355,730
Distributions paid per common share	<u>\$ 0.16</u>	<u>\$ 0.16</u>	<u>\$ 0.32</u>	<u>\$ 0.31</u>
FFO payout ratio (distributions paid per common share/FFO per diluted share)	50.0%	50.0%	50.0%	119.2%

BRANDYWINE REALTY TRUST
SAME STORE OPERATIONS – 2nd QUARTER
(unaudited and in thousands)

Of the 99 properties owned by the Company as of June 30, 2017, a total of 93 properties ("Same Store Properties") containing an aggregate of 14.9 million net rentable square feet were owned for the entire three-month periods ended June 30, 2017 and 2016. As of June 30, 2017, one property was recently completed/acquired, two properties were in development and three properties were in redevelopment. Average occupancy for the Same Store Properties was 92.8% during 2017 and 94.0% during 2016. The following table sets forth revenue and expense information for the Same Store Properties:

	Three Months Ended June 30,	
	2017	2016
Revenue		
Rents	\$ 93,483	\$ 93,690
Tenant reimbursements	16,831	14,838
Termination fees	140	73
Other	563	395
Total revenue	111,017	108,996
Operating expenses		
Property operating expenses	31,895	31,000
Real estate taxes	10,149	10,072
Net operating income	<u>\$ 68,973</u>	<u>\$ 67,924</u>
Net operating income - percentage change over prior year	1.5%	
Net operating income, excluding net termination fees & other	<u>\$ 68,270</u>	<u>\$ 67,456</u>
Net operating income, excluding net termination fees & other - percentage change over prior year	1.2%	
Net operating income	\$ 68,973	\$ 67,924
Straight line rents & other	(2,213)	(6,279)
Above/below market rent amortization	(440)	(1,669)
Amortization of tenant inducements	350	342
Non-cash ground rent	22	22
Cash - Net operating income	<u>\$ 66,692</u>	<u>\$ 60,340</u>
Cash - Net operating income - percentage change over prior year	10.5%	
Cash - Net operating income, excluding net termination fees & other	<u>\$ 65,866</u>	<u>\$ 59,822</u>
Cash - Net operating income, excluding net termination fees & other - percentage change over prior year	10.1%	
	Three Months Ended June 30,	
	2017	2016
Net income (loss)	\$ 7,698	\$ (1,323)
Add/(deduct):		
Interest income	(163)	(359)
Interest expense	20,304	19,829
Interest expense - amortization of deferred financing costs	596	644
Interest expense - financing obligation	-	242
Equity in (income) loss of real estate ventures	(1,084)	1,666
Net gain on real estate venture transactions	-	(3,128)
Net (gain) loss on disposition of real estate	(1,088)	727
Depreciation and amortization	44,263	46,907
General & administrative expenses	6,320	6,076
Provision for impairment	327	5,679
Consolidated net operating income	<u>77,173</u>	<u>76,960</u>
Less: Net operating income of non-same store properties and elimination of non-property specific operations	(8,200)	(9,036)
Same store net operating income	<u>\$ 68,973</u>	<u>\$ 67,924</u>

BRANDYWINE REALTY TRUST
SAME STORE OPERATIONS – SIX MONTHS
(unaudited and in thousands)

Of the 99 properties owned by the Company as of June 30, 2017, a total of 93 properties ("Same Store Properties") containing an aggregate of 14.9 million net rentable square feet were owned for the entire six-month periods ended June 30, 2017 and 2016. As of June 30, 2017, one property was recently completed/acquired, two properties were in development and three properties were in redevelopment. Average occupancy for the Same Store Properties was 93.1% during 2017 and 93.9% during 2016. The following table sets forth revenue and expense information for the Same Store Properties:

	Six Months Ended June 30,	
	2017	2016
Revenue		
Rents	\$ 187,927	\$ 186,953
Tenant reimbursements	33,507	31,104
Termination fees	1,336	191
Other	1,013	937
Total revenue	<u>223,783</u>	<u>219,185</u>
Operating expenses		
Property operating expenses	63,964	63,449
Real estate taxes	20,495	20,055
Net operating income	<u>\$ 139,324</u>	<u>\$ 135,681</u>
Net operating income - percentage change over prior year	2.7%	
Net operating income, excluding net termination fees & other	<u>\$ 136,975</u>	<u>\$ 134,553</u>
Net operating income, excluding net termination fees & other - percentage change over prior year	1.8%	
Net operating income	\$ 139,324	\$ 135,681
Straight line rents & other	(3,955)	(11,741)
Above/below market rent amortization	(1,793)	(3,679)
Amortization of tenant inducements	699	686
Non-cash ground rent	44	44
Cash - Net operating income	<u>\$ 134,319</u>	<u>\$ 120,991</u>
Cash - Net operating income - percentage change over prior year	11.0%	
Cash - Net operating income, excluding net termination fees & other	<u>\$ 131,100</u>	<u>\$ 119,526</u>
Cash - Net operating income, excluding net termination fees & other - percentage change over prior year	9.7%	
	Six Months Ended June 30,	
	2017	2016
Net income:	\$ 28,969	\$ 44,987
Add/(deduct):		
Interest income	(556)	(679)
Interest expense	41,741	43,520
Interest expense - amortization of deferred financing costs	1,230	1,418
Interest expense - financing obligation	-	523
Equity in (income) loss of real estate ventures	(336)	2,069
Net gain on real estate venture transactions	(14,582)	(9,057)
Net gain on disposition of real estate	(8,411)	(114,729)
Loss on early extinguishment of debt	-	66,590
Depreciation and amortization	90,155	95,780
General & administrative expenses	15,745	15,196
Provision for impairment	3,057	13,069
Consolidated net operating income	157,012	158,687
Less: Net operating income of non-same store properties and elimination of non-property specific operations	(17,688)	(23,006)
Same store net operating income	<u>\$ 139,324</u>	<u>\$ 135,681</u>

