



**Equity
Commonwealth**

INVESTOR UPDATE

March 2018



Forward-Looking Statements

Some of the statements contained in this presentation constitute forward-looking statements within the meaning of the federal securities laws. Any forward-looking statements contained in this presentation are intended to be made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

The forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances that may cause our actual results to differ significantly from those expressed in any forward-looking statement. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- changes in the real estate industry, particularly in those markets in which our properties are located;
- our ability to raise equity or debt capital;
- the future amount of leasing activity and occupancy rates at our properties;
- the future rent rates we will be able to charge at our properties;
- the costs we may incur to lease space at our properties;
- our ability to declare or pay distributions to our shareholders and the amounts of such distributions;
- the credit quality of our tenants;
- the likelihood that our tenants will pay rent, renew leases, enter into new leases or be affected by cyclical economic conditions;
- our sales of properties;
- our ability to compete for tenancies effectively;
- our ability to pay interest on and principal of our debt;
- our ability to obtain credit facilities, and the availability of borrowings under those credit facilities; and
- our tax status as a REIT.

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause our future results to differ materially from any forward-looking statements, see the sections entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2017.

Regulation FD Disclosures

We intend to use any of the following to comply with our disclosure obligations under Regulation FD: press releases, SEC filings, public conference calls, or our website. We post important information on our website at www.eqcre.com, including information that may be deemed to be material. We encourage investors and others interested in the company to monitor these distribution channels for material disclosures.

Notes:

Data as of December 31, 2017 and adjusted for the sales of 1600 Market, 600 West Chicago, and the redemption of the Company's \$175mm 5.75% 2042 bonds, unless otherwise noted.

See page 10 for definitions of certain terms used in the presentation.

SUMMARY

\$5.7 billion
of asset sales
since 2014

156 → 15
properties

~\$3 billion
of cash and
marketable
securities

or
~\$25 per share

Same property
leased occupancy
90.4%



**Equity
Commonwealth**

De-risked company
positioned for
opportunity

Liquidity = Value

Chicago-based
internally
managed and
self-advised office
real estate
investment trust
(REIT)

**Chairman
Sam Zell**

Under New
Management

Meritocracy

OVERVIEW

- **Over the past three and a half years, the EQC team has worked to reshape and de-risk a highly disparate portfolio into a company positioned for growth**
- **Closed on the sale of \$5.7bn of assets**
 - In 2017, closed on the sale of 16 properties totaling 6.6 MSF for a gross sales price of \$863mm
 - To date in 2018, closed on the sale of 1600 Market and 600 West Chicago for a gross sales price of \$670mm
- **Utilized sales proceeds to fortify the balance sheet, to reduce debt and preferred equity by \$2.6bn¹ and to grow our cash position**
- **Cash and marketable securities balance of over \$3bn, or \$25 per share**
- **Focused on identifying attractive opportunities to invest in order to create superior risk adjusted returns for shareholders over the long term**
- **Continue to create value through aggressive leasing, creative asset management and opportunistic dispositions**

¹ Debt and preferred equity repayments since 2014, includes the pending March 7, 2018 redemption of the Company's \$175mm 5.75% 2042 bonds.

REPOSITIONING STRATEGY

Continuing to create value through aggressive leasing, creative asset management and opportunistic asset sales

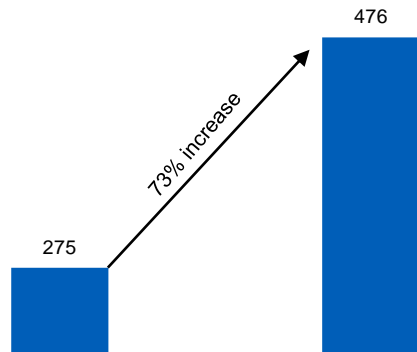
- **Overall leased occupancy is 90.4%, with opportunities existing within the portfolio to add value through leasing**
 - 1735 Market, Philadelphia, PA – 181 KSF leased but not yet occupied; 225 KSF available; 82.5% leased
 - 1225 Seventeenth Street, Denver, CO – 6 KSF leased but not yet occupied; 116 KSF available; 83.3% leased
- **Large block leasing opportunities**
 - 333 108th Avenue, Bellevue, WA – Focused on backfilling the Expedia space; ~427 KSF expected vacancy at the beginning of 2020, the largest block of available space in a strong, large tenant market
- **Evaluate organic growth opportunities**
 - 1 MSF potential development opportunity at Bellevue Corporate Plaza (600 E 108th Ave NE)
 - Research Park sits on 177 acres of land in Austin, TX; 70 acres are vacant
- **Continue to sell assets when prudent**
- **Taxable gains from the recent sales of 600 West Chicago and 1600 Market will exceed our \$120mm net operating loss**
 - A distribution may be required in 2018
 - The size and amount will be largely dependent on additional asset sales during the year

IMPROVED PORTFOLIO QUALITY

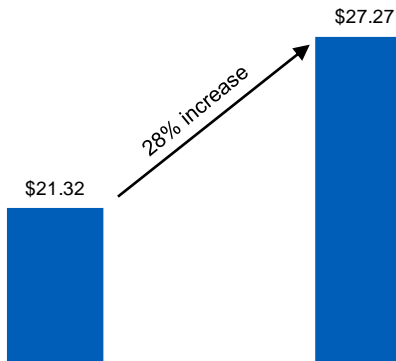
Asset quality has improved significantly while portfolio size has contracted

	December 31, 2014	February 21, 2018
Properties	156	15
Square Feet	42.9 MSF	7.1 MSF
Cities	114	10
Annualized Cash NOI	\$468mm ¹	\$113mm ²

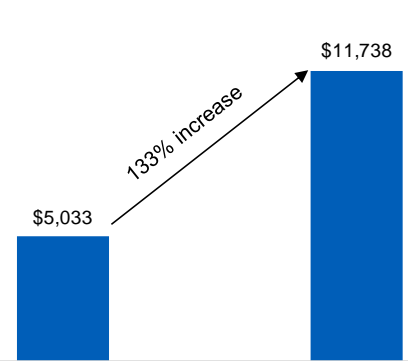
Average Property Size (SF in 000's)



ARR per Leased SF³



ARR per Property (000's)³



¹ Annualized same property cash NOI for the quarter ended 12/31/2014. See reconciliation on page 11.

² Annualized same property cash NOI for the quarter ended 12/31/2017, adjusted to exclude 600 West Chicago. See reconciliation on page 11.

³ Definition of ARR (Annualized Rental Revenue) on page 10.

PROPERTIES IN BETTER MARKETS

82% of Annualized Rental Revenue is concentrated in these select EQC markets¹

AUSTIN



- 1.7 MSF
- 94% leased

BELLEVUE



- 700 KSF
- 98% leased

CHICAGO



- 0.6 MSF
- 95% leased

DENVER



- 1.5 MSF
- 92% leased

PHILADELPHIA



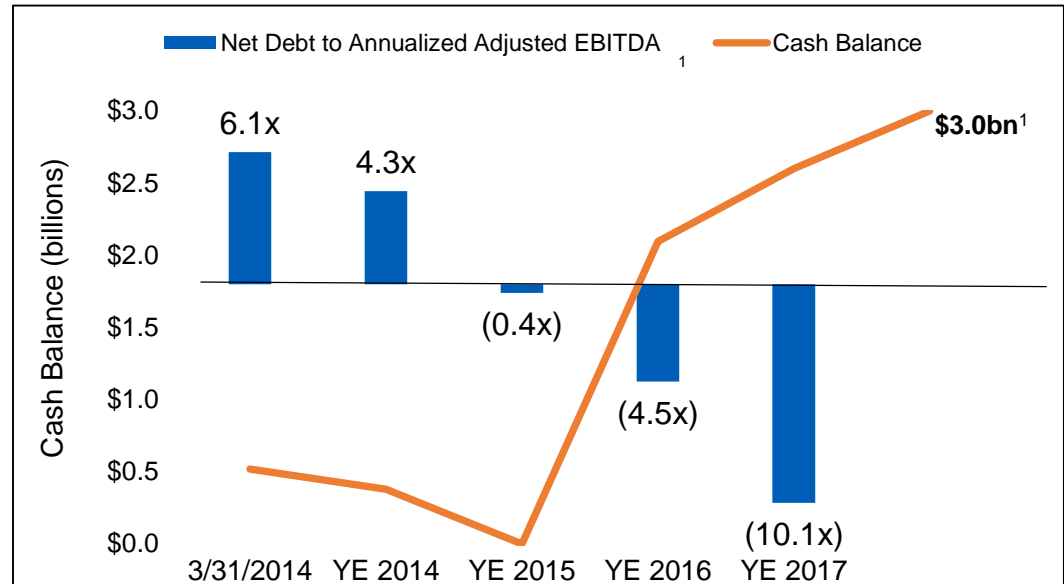
- 1.3 MSF
- 83% leased

¹ See definition of Annualized Rental Revenue on page 10.

STRONG BALANCE SHEET POSITIONED FOR GROWTH

Substantial liquidity including cash and revolver availability

- ~\$3bn of cash and marketable securities¹
- \$682mm of debt outstanding, following the \$175mm 5.75% bond redemption on March 7, 2018
- Negative net debt position with significant borrowing capacity
- \$750mm undrawn credit facility
- No outstanding debt maturing until 2020
- Moody's upgraded unsecured debt rating to Baa2 from Baa3



¹ See definitions on page 10.

DISPOSITION ACTIVITY

Completed \$863mm of dispositions 2017; \$670mm YTD in 2018

2017 Disposition Detail											
Period	Portfolio	City	State	SF (000's)	No. of Properties	No. of Buildings	Type	Leased %	Sale Price (000's)	PSF	Cap Rate Range
1Q 2017	111 Market Place ¹	Baltimore	MD	589	1	1	Office	95.4%	\$60,100	\$102	Low 5%
	4515 & 4516 Seton Center Parkway	Austin	TX	238	2	2	Office	95.6%	\$52,450	\$221	Mid-7%
	Cabot Business Park Land	Mansfield	MA	0	0	0	Land	N/A	\$575	N/A	N/A
2Q 2017	Parkshore Plaza	Folsom	CA	271	1	4	Office	73.1%	\$40,000	\$148	Mid-6%
	25 S. Charles Street	Baltimore	MD	359	1	1	Office	94.2%	\$24,500	\$68	N/A
	802 Delaware Avenue	Wilmington	DE	241	1	1	Office	100.0%	\$34,000	\$141	Low-7%
3Q 2017	1500 Market Street	Philadelphia	PA	1,759	1	1	Office	91.2%	\$328,000	\$186	Mid-7%
	Five-Property Portfolio ¹	Various		1,002	5	7	Various	92.1%	\$84,000	\$84	Low-10%
	6600 North Military Trail	Boca Raton	FL	640	1	3	Office	100.0%	\$132,050	\$206	Low-13%
4Q 2017	Pittsburgh Portfolio ¹	Pittsburgh	PA	1,182	2	15	Office	75.6%	\$71,000	\$60	Mid-8%
	789 East Eisenhower Parkway	Ann Arbor	MI	131	0	1	Office	100.0%	\$24,942	\$190	High-11%
	33 Stiles	North Haven	CT	175	1	1	Industrial	25.1%	\$10,500	\$60	N/A
	625 Crane	Aurora	IL	0	0	0	Land	0.0%	\$307	N/A	N/A
	Mineral Rights	Fort Worth	TX	0	0	0	Land	0.0%	\$200	N/A	N/A
2017	Total			6,588	16	37		88.1%	\$862,624	\$131	Mid-8%

2018 Disposition Detail ¹											
Period	Portfolio	City	State	SF (000's)	No. of Properties	No. of Buildings	Type	Leased %	Sale Price (000's)	PSF	Cap Rate Range
1Q 2018	1600 Market Street ¹	Philadelphia	PA	826	1	1	Office	84.7%	\$160,000	\$194	5% range
	600 West Chicago Avenue ¹	Chicago	IL	1,561	1	2	Office	99.2%	\$510,000	\$327	Low-5%
2018	Total			2,387	2	3		94.2%	\$670,000	\$281	Low-5%

¹ See additional disclosures on page 10. Sales through 2/21/2018.

DEFINITIONS

Annualized Adjusted EBITDA

Annualized Adjusted EBITDA is Adjusted EBITDA for the three months ended December 31, 2017 multiplied by four. A reconciliation to net income is included in the company's Fourth Quarter 2017 Supplemental Operating and Financial Data, which is available on the Investor Relations section of www.eqcre.com.

Annualized rental revenue (ARR)

Annualized rental revenue is annualized contractual rents from our tenants pursuant to leases which, unless otherwise noted, have commenced as of December 31, 2017, plus estimated recurring expense reimbursements; includes triple net lease rents and excludes lease value amortization, straight line rent adjustments, abated ("free") rent periods and parking revenue. We calculate annualized rental revenue by aggregating the recurring billings outlined above for the most recent month during the quarter reported, adding abated rent, and multiplying the sum by 12 to provide an estimation of near-term potentially-recurring revenues. During 4Q 2014 and 1Q 2015, ARR included revenue from straight line rent adjustments and excluded revenue during free rent periods.

Cash

Cash Balance includes cash and marketable securities as of December 31, 2017, proceeds from the sales of 1600 Market and 600 West Chicago, and the redemption of the Company's \$175mm 5.75% 2042 bonds, on March 7, 2018.

Disposition Activity

- 111 Market Place - Proceeds from the sale after credits for contractual lease costs, capital, and rent abatement were \$44.1mm.
- The Five-Property Portfolio consists of 820 W. Diamond (Gathersburg, MD), Danac Stiles Business Park (Rockville, MD), 2250 Pilot Knob Road (Mendota Heights, MN), 411 Farwell Avenue (South St. Paul, MN) and 4700 Belleview Avenue (Kansas City, MO).
- The Pittsburgh Portfolio consists of Cherrington Corporate Center and Foster Plaza.
- 1600 Market - Proceeds after credits for capital, contractual lease costs, and rent abatement were approximately \$157mm.
- 600 West Chicago - Proceeds after credits for capital, contractual lease costs, and rent abatement were approximately \$488mm.

Net Debt

Net Debt is calculated as total debt minus cash and cash equivalents.

CASH NOI RECONCILIATION TO GAAP

Reconciliation of Same Property Cash Basis NOI
For the Historical Periods Presented Herein
(In thousands)

	Three Months Ended	Three Months Ended
	December 31, 2017	December 31, 2014
Number of properties	15	156
Operating income	\$ 10,178	\$ (124,094)
Depreciation and amortization	18,738	58,839
General and administrative	12,033	16,760
Loss on asset impairment	-	167,145
NOI	\$ 40,949	\$ 118,650
Noncash rental income and lease termination fees	(2,585)	(1,703)
Cash Basis NOI	\$ 38,364	\$ 116,947
Cash Basis NOI from non-same properties	(10,122)	11
Same property Cash Basis NOI	\$ 28,242	\$ 116,958
	x 4	x 4
Annualized Same property Cash Basis NOI	\$ 112,968	\$ 467,832