



**Equity
Commonwealth**

INVESTOR UPDATE

May 29, 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 March 31, 2018 and adjusted for the repayment of the company's \$400mm floating rate term loans and proceeds from the sale of 1601 Dry Creek, unless otherwise noted; portfolio shown as of March 31, 2018 and excludes 1601 Dry Creek.

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

SUMMARY

\$5.9 billion
of asset sales
since 2014

156 → 13
properties

~\$2.8 billion
of cash and
marketable
securities

Same property
leased occupancy
88.6%



**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**

Meritocracy

OVERVIEW

- Over the past four years, the EQC team has worked to reshape and de-risk a highly disparate group of assets into a company positioned for growth
- Closed on the sale of \$5.9bn of assets
 - In Q1 2018, closed on the sale of three properties for a gross sales price of \$785.2mm
 - In May 2018, closed on the sale of 1601 Dry Creek in Longmont, CO for a gross sale price of \$68.5mm
- Repurchased 3mm common shares totaling \$88.1mm in Q1 2018; 9mm shares totaling \$245.0mm since 2015
 - \$130.9mm remaining under current buyback authorization at quarter end
- Sales proceeds fortified the balance sheet, reducing debt and preferred equity by \$3.0bn while growing cash position
- Total debt outstanding of \$278.5mm and \$2.8bn of cash and marketable securities
- Focused on identifying attractive investment opportunities to generate superior risk adjusted returns

BUSINESS UPDATE

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

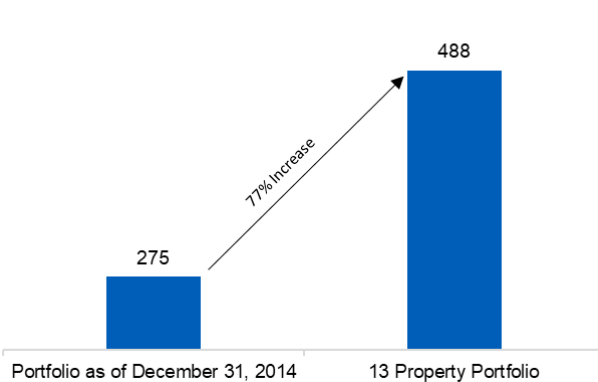
- **Overall leased occupancy is 88.6%, with opportunities existing within the portfolio to add value through leasing**
 - 1735 Market, Philadelphia, PA – 163 KSF leased but not yet occupied; 221 KSF available; 82.8% leased
 - 1225 Seventeenth Street, Denver, CO – 31 KSF leased but not yet occupied; 106 KSF available; 84.8% 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
- **Strong leasing results through April 2018**
 - Signed 117 KSF of leases in Q1 2018, consisting of 71 KSF of renewal leases and 46 KSF of new leases
 - Signed 238 KSF of leases in April, consisting of 155 KSF of new leases and 83 KSF of renewals
- **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 on separate tax parcels and vacant
- **A distribution is expected to be required in 2018**
 - Sales closed in Q1 2018 generated a net taxable gain that exceeded our net operating loss carryforward by approximately \$150mm

IMPROVED PORTFOLIO QUALITY

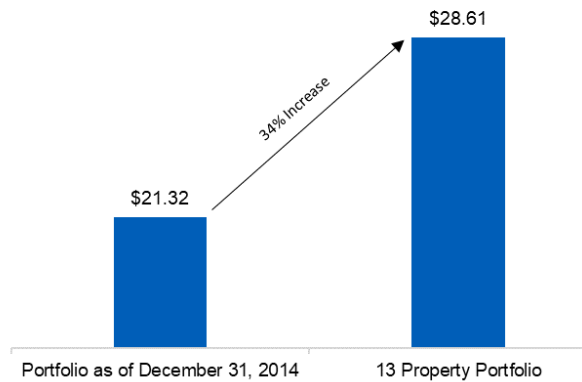
Asset quality has improved significantly while portfolio size has contracted

	December 31, 2014	March 31, 2018
Properties	156	13
Square Feet	42.9 MSF	6.3 MSF
Cities	114	9

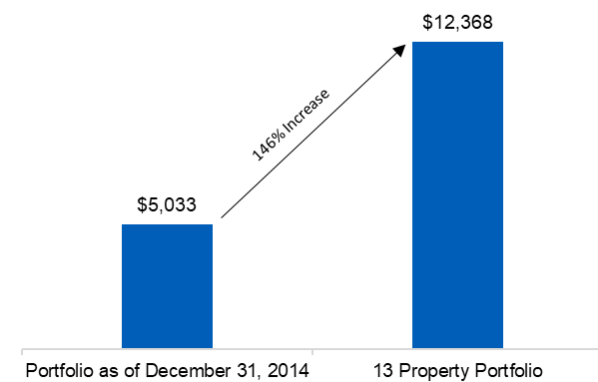
Average Property Size (SF in 000's)



ARR per Leased SF¹



ARR per Property (000's)¹



¹ Definition of ARR (Annualized Rental Revenue) on page 10.

PROPERTIES IN STRONGER MARKETS

81% of Annualized Rental Revenue is concentrated in these select EQC markets¹

AUSTIN



- 1.7 MSF
- 92% leased

BELLEVUE



- 0.7 MSF
- 99% leased

CHICAGO



- 0.6 MSF
- 95% leased

DENVER



- 0.7 MSF
- 85% leased

PHILADELPHIA



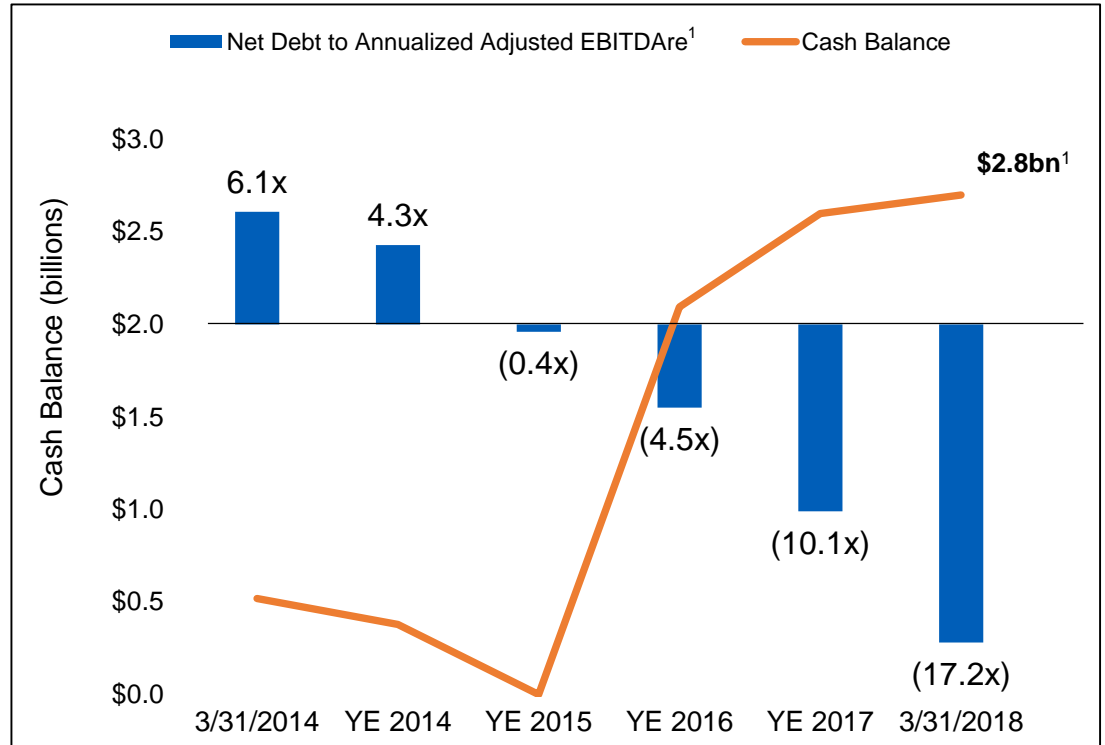
- 1.3 MSF
- 83% leased

¹ See definition of Annualized Rental Revenue on page 10.

STRONG BALANCE SHEET POSITIONED FOR GROWTH

Substantial liquidity including cash and revolver availability

- ~\$2.8bn of cash and marketable securities¹
- \$278.5mm of debt outstanding
- Negative net debt position with significant borrowing capacity
- \$750mm undrawn credit facility
- No outstanding debt maturing until 2020



¹ See definitions on page 10.

DISPOSITION ACTIVITY

Completed \$854mm of dispositions YTD

- Currently have three properties totaling 1.2 MSF in various stages of the sales process

2018 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 2018	1600 Market Street	Philadelphia	PA	826	1	1	Office	85%	\$160,000	\$194	5%	range
	600 West Chicago Avenue ¹	Chicago	IL	1,561	1	2	Office	99%	\$510,000	\$327	Low-	5%
	5073, 5075, & 5085 S. Syracuse Street	Denver	CO	248	1	1	Office	100%	\$115,186	\$464	High-	6%
2Q 2018	1601 Dry Creek ¹	Longmont	CO	553	1	1	Office	100%	\$68,500	\$124	Mid-	6%
2018	Total			3,188	4	5		96%	\$853,686	\$268	Mid-	5%

¹ See additional disclosures on page 10.

DEFINITIONS

Annualized Adjusted EBITDAre

Annualized adjusted EBITDAre is Adjusted EBITDAre for the three months ended March 31, 2018 multiplied by four. A reconciliation to net income is included in the company's First Quarter 2018 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 March 31, 2018, 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, 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 March 31, 2018, adjusted for the repayment of the company's \$400mm term loans and proceeds from the sale of 1601 Dry Creek in May 2018.

Disposition Activity

600 West Chicago - Proceeds after credits for capital, contractual lease costs, and rent abatement were approximately \$488mm.

1601 Dry Creek – Cap rate range reflects the impact of 75 KSF of known move-outs in 2018.

Net Debt

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