



Elevating Home

Investor Presentation
October 17, 2022



 elme

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Certain statements in this investor presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and involve risks and uncertainties. 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. Such statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Elme Communities to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to: risks associated with our ability to execute on our strategies, including new strategies with respect to our operations, our portfolio and our rebranding, including the acquisition of apartment homes in the Southeastern markets, on the terms anticipated, or at all, the operational benefits from our operating model redesign on the timing contemplated or at all, and to realize any anticipated returns and benefits, including the performance of any acquired residential properties at the levels anticipated; whether actual same-store and non same-store multifamily NOI growth and Core FFO will be consistent with expectations; and other risks and uncertainties detailed from time to time in our filings with the SEC, including our 2021 Form 10-K filed on February 18, 2022. While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We undertake no obligation to update our forward-looking statements or risk factors to reflect new information, future events, or otherwise.

Use of Non-GAAP Financial Measures and other Definitions This presentation contains certain non-GAAP financial measures and other terms that have particular definitions when used by us. The definitions and calculations of these non-GAAP financial measures and other terms may differ from those used by other REITs and, accordingly, may not be comparable. Please refer to the definitions and calculations of these terms and the reasons for their use included later in this investor presentation.

Definitions and Reconciliation of Certain Forward-Looking Non-GAAP information This presentation also includes certain forward-looking non-GAAP information. Due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from these estimates, together with some of the excluded information not being ascertainable or accessible, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable efforts.

Every end is a new beginning.
“WashREIT” speaks to our past.
Now is the time to realize the present
and look towards the future.



Our present and our future are rooted in multifamily homes. We are a strategy-led, business-to-consumer, multifamily owner and operator.

We are now Elme Communities.

Challenge, Change, and Taking Charge

Streamlining our diversified portfolio into multifamily

Challenge

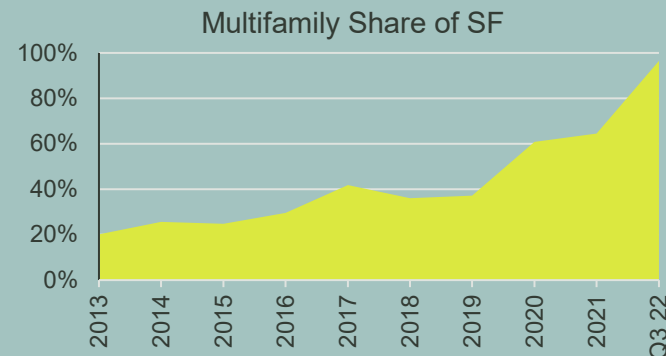
Washington, DC's commercial real estate market has faced challenges spanning over a decade, and these challenges worsened with the onset of the COVID-19 pandemic.

In contrast, WashREIT's multifamily investment strategy offered:

- Significant demand drivers
- Stronger growth prospects
- Lower recurring capex
- Cashflow stability

Change

WashREIT adapted to these challenges in the market by pivoting from a multi-asset class, business to business, single market REIT to a single-asset class, business to consumer, multi-market REIT.



Taking Charge

Since 2013 we completed ~\$5.1 billion of strategic portfolio transactions to increase our exposure to value-oriented multifamily investments while reducing concentrations of non-core retail and office assets.

Grew multifamily square footage from 20% to 96% since 2013

Completed more than 1,800 renovations of varying scopes since 2015, at average returns of 10% to 20%

An Underserved Segment Spells Opportunity

Leading with research-driven investments

Elme Communities' strategies are a natural progression of our experience and learnings in the Washington, DC market. Our research indicates:

- Demand is deepest at mid-market rents.
- Affordability is a pressing rental issue at multiple price points across the mid-market rent spectrum.
- Rents can be consistently grown, even in a high supply market, if a portfolio's price point does not compete directly with new product price points and wages for mid-market renters are growing.

While each market is unique, our learnings about demand, affordability, and supply conditions in the Washington, DC market have been incorporated into strategies for the Sunbelt markets researched and targeted by Elme.

Rapid growth in developing knowledge worker markets of the Sunbelt creates an optimal balance of strong demand in mid-market renters, increasing wages, and limited new supply affordable at our targeted price points.

Furthermore, this segment is currently:

- **Underserved.** The quality and maintenance level of physical assets, service, and overall resident experience in this apartment market segment is often of a lower caliber. *We see opportunity for elevation.*
- **Undervalued.** In parallel with the lower standard of care afforded to physical assets, in our market segment a notable difference is often found in the level of respect afforded to residents and the reciprocal level of trust residents place in service providers. *We see opportunity for elevation.*

WHAT HAVE WE BECOME?

A Transformed Multifamily Portfolio

Recycled capital into well-located value-oriented apartment communities with strong long-term growth prospects

~8,900

Homes (↑+1,809)

~3,000

Renovation Pipeline (homes)

27

Communities

2x

Scalable G&A

Attainable Living. 97% of our homes are affordable to households earning the Area Median Income (AMI)



WHAT HAVE WE BECOME?

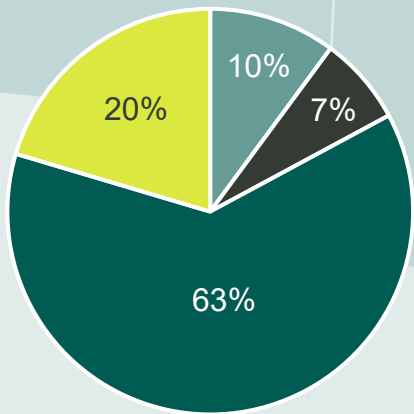
A Multi-Market Company

Geographically expanding into dynamic Sunbelt markets

Over 20% of Elme Communities’ homes are located in the Sunbelt.

Elme Communities’ market and submarket selection targets economies with diverse, innovative industries that drive outsized job creation, wage growth and in-migration. Dynamic economies provide the strong foundation of demand upon which we grow our portfolio.

Employment, wage, and population growth in our target markets has been among the strongest in the US and is expected to far exceed the national average through 2026.



- Virginia
- Sunbelt
- Washington D.C.
- Maryland

● Dallas-Fort Worth

Washington
7,059 homes

● Raleigh-Durham

● Charlotte

Atlanta
1,809 homes

● Additional Target Markets

An Efficient, Scalable Operating Platform

Finalizing infrastructure transformation

Elme Communities spent the past year designing an impactful, highly scalable operating model. This investment in technology and process improvements will significantly impact our ability to drive better results.

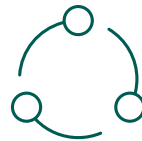
Phase 1



Kick-off

Human Capital Strategy
Technology Strategy
Brand Development

Phase 2



Implementation

Technology Platform
Operating Model Design
Brand Collateral

Phase 3



Deployment

Onboarding community-level operations from third party property managers will take place in phases starting in October 2022 - July 2023



THE CHANGE IS ALREADY PAYING DIVIDENDS

Delivering Growth

On-track to deliver our strongest Core FFO growth⁽¹⁾ in over 20 years in 2023

~14%

2023 Core FFO Growth per Share
(based on 2022 and 2023 respective midpoints)

The Core FFO guidance includes the following assumption, among others:

9% to 11%

2023 Expected Same-Store Multifamily NOI Growth

Harnessing Sunbelt Outperformance

Entering new, dynamic markets with long-term outperformance characteristics

Sunbelt Standouts

Superlative Economies

- Growth in industries and subsectors that drive demand for our strategies
- Multiplier effects that drive demand for our strategies

Population Growth

- Domestic in-migration
- Particular strength in key renter cohorts

Productivity Growth

Strong Wage Growth

Long-Term Rent Growth Trajectory

The Virtuous Feedback Loop

Economic
Outperformance
Productivity
& Wage Growth

Employment Growth
in Innovation
Industries



Skilled Labor
In-Migration

THE CHANGE IS ALREADY PAYING DIVIDENDS

Leveraging Operational Platform

New operating model and technology platform will have a significant impact on our ability to drive better results

Revenue Maximization

Daily pricing models are achieving higher rents than we originally underwrote at our Sunbelt communities. Year-over-year lease rate growth of 15% for Q3 2022 move-ins

No Middleman

Closer connection with community-level teams providing quicker feedback loop and improved resident experience

Operational Talent In Place

Successfully filled key portfolio-level operational positions

Power of Data Harnessed

Access to more data, reorganized infrastructure to access more portfolio level and resident level data to solve for what we think is important



Trove



We are now a fundamentally
different company.



Why ‘Elme Communities’

“elevating home”

Elme Communities is, at its core, about elevating what home can be for our residents—
a higher level of quality, service and experience for a segment of renters
for whom home is no less central than for those who may pay more.

In this pursuit, we are building a business upon a deep, solid, and underserved base
of mid-market demand that will deliver strong returns for investors.

Our Mission

To elevate the **value living experience**
and create a place our residents are proud to call home
by continuously focusing on **service, efficiency, and innovation**

Defining the “Value Living Experience”

Making the most
of your dollar—
no matter the
price point



Amenities

Knowing what our residents value and providing amenities that meet their needs



Service

Accessibility, Responsiveness, Respect



Technology

Investing in smart home and building automation that is impactful and makes sense at mid-market price points



Financial Inclusion

Reporting on time monthly rent payments to all three major credit bureaus to boost resident credit scores



Environmental Impact

Delivering industry-leading environmental performance to value-oriented communities

Defining Service

Service is an action. Customer service at Elme Communities goes beyond responding to resident inquiries. To us, service is anticipating the needs of our residents and empowering our teams to add value with every interaction.

Our understanding of customer service drives us to this conclusion: there are only two roles at Elme Communities – you're either serving the customer, or you're serving someone else who does, and both create value for our investors.

Elme's service promises to residents includes:

- Friendly, respectful interactions
- Straightforward communication and follow through on service items
- Accessible community team members
- Well-maintained communities



Defining Efficiency

Efficiency is critical to making the most of every dollar our residents spend at Elme Communities. We continually prioritize efficiency when making operational decisions – from maximizing our operating margins to making sure we are doing everything we can with the resources we have to provide ease of living for our residents.

We reduce friction and we **empower** our community team members decision-making. Focusing on what's important drives efficiency. Efficiency allows us to focus on what's important.



Defining Innovation

Innovation is a way of being – a forward-leaning proactive mindset. We know that the current state can always be improved upon. Innovation is working smart, looking at data, technology and processes from a strategic perspective, and making the most of the resources that we have.

We innovate with a value-oriented mindset so we can deliver superior value at affordable rent levels.



Data



Technology



Processes



Our Vision

To be the most trusted owner and operator of residential communities by elevating the standard for value living

Our Values

01. We are one team.

We give our all to each other, every day. We face challenges together. We encourage differences of opinion, new perspectives, and individual experiences while collectively working towards common goals. We start and finish the race together.

02. We empower.

We empower our team members at all levels to use their unique insight and skills. We provide the tools needed to collaborate on ideas and make decisions to improve our company and our communities.

03. We are accessible.

We are welcoming and down-to-earth. We create an inclusive environment where transparency and connection are prioritized. We strive to build trust and add value with every interaction. We are available—for both our residents and for each other.

04. We are community obsessed.

We see opportunities for nurturing community—both among our team and at our residential communities, while actively seeking ways we can be a positive force within the wider communities in which we are located. We consider our residents in every action we take.

05. We think like residents and act like owners.

We consider the impact of our actions on our residents and make decisions based on research and feedback. We take pride in our communities and care for them as if they were our own homes.

06. We get things done and own the outcome.

We are builders, achievers, doers, and forever learners. We think ahead and jump in to fix, improve, and innovate, regardless of level or title. We focus on our goals and take responsibility for the results.



Our Commitment to the Environment

Our approach to environmental stewardship is reflective of our commitment to our residents and wider community

We believe that sustainable buildings, renewable energy, and environmental conservation should be available to all price points, including the value living sector.

74%

Multifamily communities currently holding one or more sustainability certification



Demonstrated leadership when we completed a \$350 million Green Bond allocation and became the first multifamily company to achieve BREEAM certification in the US in Q4 2021.



Our Commitment to the Environment

Finding opportunities to bring clean energy to the value living sector

Solar Coming Online in 2022

671,103 kWh

Expected Annual Production

=

476 Metric Tons

Avoided Emissions

=

563 Acres

of Forest

Renewable Procurement in 2021

20,036 MWh

Renewable energy purchased from energy suppliers with local and regional sources

=

26%

of all electricity used by our portfolio

Our Commitment to Financial Inclusion

We are committed to expanding our resident's financial wellbeing (at no cost to them)

At Elme, we're supporting financial inclusion, aiming to increase the availability and equality of financial service opportunities, remove barriers to the financial sector, and enable individuals to improve their financial wellbeing.

To that end, we've launched a partnership with Esusu. Through this partnership:

- 100% of Elme Communities will report on-time rent payments (but never delinquencies) to all three credit bureaus every month, helping residents build credit just by living with us
- Elme will be able to benchmark, and report increases in average credit scores, potential savings in interest for residents thanks to improved credit scores, number of first-time credit scores established at our communities, and other key performance indicators around financial inclusion



Our Commitment to Affordability

Not affordable housing, but housing that's affordable

97% Homes affordable to households earning the Area Median Income (AMI)

84% Homes affordable to households earning 80% of AMI

36% Homes affordable to households earning 60% of AMI

At Elme, we focus on elevating the living experience, without losing sight of the importance of value to our residents. We benchmark this metric by monitoring the Area Median Income (AMI) of each community.

For more information around our ESG Program, including our environmental sustainability efforts; Diversity, Equity, Inclusion, and Accessibility (DEIA) program, expansion of electric vehicle charging, leadership in corporate governance, and key performance indicators, please see our ESG Report at www.elmecomunities.com/esg.

WHAT BENEFITS LAY AHEAD?

The Elme Communities Opportunity

Not just a new name – a company reborn with a new growth trajectory



Profitable Growth

~14% Core FFO growth
expected for 2023



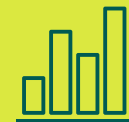
Geographic Diversification

via thoughtful, research-
led capital allocation



Expense Base Optimization

driven by growing our unit
count and internalizing
community-level
operations



Better Revenue Generation

driven by resident
experience

Definitions

Core Funds From Operations ("Core FFO") is calculated by adjusting NAREIT FFO for the following items (which we believe are not indicative of the performance of Washington REIT's operating portfolio and affect the comparative measurement of Washington REIT's operating performance over time): (1) gains or losses on extinguishment of debt and gains or losses on interest rate derivatives, (2) expenses related to acquisition and structuring activities, (3) executive transition costs, severance expenses and other expenses related to corporate restructuring and executive retirements or resignations, (4) property impairments, casualty gains and losses, and gains or losses on sale not already excluded from NAREIT FFO, as appropriate, (5) relocation expense and (6) transformation costs. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FFO serves as a useful, supplementary measure of Washington REIT's ability to incur and service debt, and distribute dividends to its shareholders. Core FFO is a non-GAAP and non-standardized measure and may be calculated differently by other REITs.

NAREIT Funds From Operations ("FFO") is defined by 2018 National Association of Real Estate Investment Trusts, Inc. ("NAREIT") FFO White Paper Restatement, as net income (computed in accordance with generally accepted accounting principles ("GAAP")) excluding gains (or losses) associated with sales of properties, impairments of depreciable real estate and real estate depreciation and amortization. We consider NAREIT FFO to be a standard supplemental measure for equity real estate investment trusts ("REITs") because it facilitates an understanding of the operating performance of our properties without giving effect to real estate depreciation and amortization, which historically assumes that the value of real estate assets diminishes predictably over time. Since real estate values have instead historically risen or fallen with market conditions, we believe that NAREIT FFO more accurately provides investors an indication of our ability to incur and service debt, make capital expenditures and fund other needs. Our FFO may not be comparable to FFO reported by other real estate investment trusts. These other REITs may not define the term in accordance with the current NAREIT definition or may interpret the current NAREIT definition differently. NAREIT FFO is a non-GAAP measure.

Net Operating Income ("NOI"), defined as real estate rental revenue less direct real estate operating expenses, is a non-GAAP measure. NOI is calculated as net income, less non-real estate revenue and the results of discontinued operations (including the gain or loss on sale, if any), plus interest expense, depreciation and amortization, lease origination expenses, general and administrative expenses, acquisition costs, real estate impairment, casualty gain and losses and gain or loss on extinguishment of debt. NOI does not include management expenses, which consist of corporate property management costs and property management fees paid to third parties. They are the primary performance measures we use to assess the results of our operations at the property level. We also present NOI on a cash basis ("Cash NOI") which is calculated as NOI less the impact of straight-lining apartment rent concessions. We believe that each of NOI and Cash NOI is a useful performance measure because, when compared across periods, they reflect the impact on operations of trends in occupancy rates, rental rates and operating costs on an unleveraged basis, providing perspective not immediately apparent from net income. NOI and Cash NOI exclude certain components from net income in order to provide results more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. As a result of the foregoing, we provide each NOI and Cash NOI as a supplement to net income, calculated in accordance with GAAP. NOI and Cash NOI do not represent net income or income from continuing operations calculated in accordance with GAAP. As such, neither should be considered an alternative to these measures as an indication of our operating performance.

Same-store Portfolio Properties include properties that were owned for the entirety of the years being compared and exclude properties under redevelopment or development and properties acquired, sold or classified as held for sale during the years being compared. We categorize our properties as "same-store" or "non-same-store" for purposes of evaluating comparative operating performance. We define development properties as those for which we have planned or ongoing major construction activities on existing or acquired land pursuant to an authorized development plan. Development properties are categorized as same-store when they have reached stabilized occupancy (90%) before the start of the prior year. We define redevelopment properties as those for which have planned or ongoing significant development and construction activities on existing or acquired buildings pursuant to an authorized plan, which has an impact on current operating results, occupancy and the ability to lease space with the intended result of a higher economic return on the property. We categorize a redevelopment property as same-store when redevelopment activities have been complete for the majority of each year being compared. We currently have two same-store portfolios: "Same-store multifamily" which is comprised of our same-store apartment communities and "Other same-store" which is comprised of our Watergate 600 commercial property.



www.elmecomunities.com