



Winthrop Realty Trust

NAREIT

San Francisco, CA

Investor Presentation

November 13–15, 2013



Disclaimer

Statements made in this presentation may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements relate to, without limitation, Winthrop Realty Trust's (the "Company" or "FUR") and Winthrop Realty, L.P.'s (the "Operating Partnership") future economic performance, plans and objectives for future operations and projections of revenue and other financial items. Forward-looking statements can be identified by the use of words such as "believes," "expects," "projects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "pro forma," "estimates" and "anticipates" or comparable terminology, and the negative of these words. Forward-looking statements are inherently subject to risks and uncertainties, many of which the Company and the Operating Partnership cannot predict with accuracy and some of which the Company and the Operating Partnership might not even anticipate. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions at the time made, it can give no assurance that such expectations will be achieved. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements and are advised to consider the factors listed under the headings "Risk Factors" in the preliminary prospectus supplement relating to this offering and in the Company's and the Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2012 and Quarterly Report or Form 10-Q for the quarter ended September 30, 2013 and the other risks and uncertainties discussed in such preliminary prospectus supplement and Form 10-K and subsequent filings made by the Company and the Operating Partnership on Form 10-Q and Form 8-K. The Company and the Operating Partnership assume no obligation to update and supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.



Company Overview

Winthrop Realty Trust is a REIT focused on opportunistic real estate investments

- **Diversified Portfolio of Operating Properties and Loans**
 - ▶ Interests in 32 office, industrial and retail properties (7.7 million square feet)⁽¹⁾
 - ▶ Interests in 38 multifamily properties containing 7,214 units⁽²⁾
 - ▶ Interests in 16 whole and mezzanine loans, B-notes and CMBS

- **Total Return Focus**
 - ▶ 5.8% current dividend yield⁽³⁾
 - ▶ Targeting investments with strong upside potential plus current return
 - ▶ \$447 million of capital recycled since 2008

- **Significant Investing Momentum**
 - ▶ \$691 million of investments announced since 2012 including the \$246 million ST Residential acquisition in October 2013
 - ▶ Robust pipeline of additional investment opportunities

- **Committed Management**
 - ▶ 9.2% ownership aligns management and shareholders' interests⁽⁴⁾
 - ▶ Continued focus on disclosure and transparency through quarterly NAV estimates and historical investment return performance



All data as of September 30, 2013, except as noted.

1. Excludes square feet associated with multifamily assets.

2. Includes three properties (830 units) which are currently in development and five properties (945 units) acquired subsequent to September 30, 2013.

3. Based on current annualized dividend of \$0.65 per share and \$11.12 share price as of October 4, 2013.

4. Members of senior management held approximately 9.2% of common shares outstanding as of October 7, 2013.



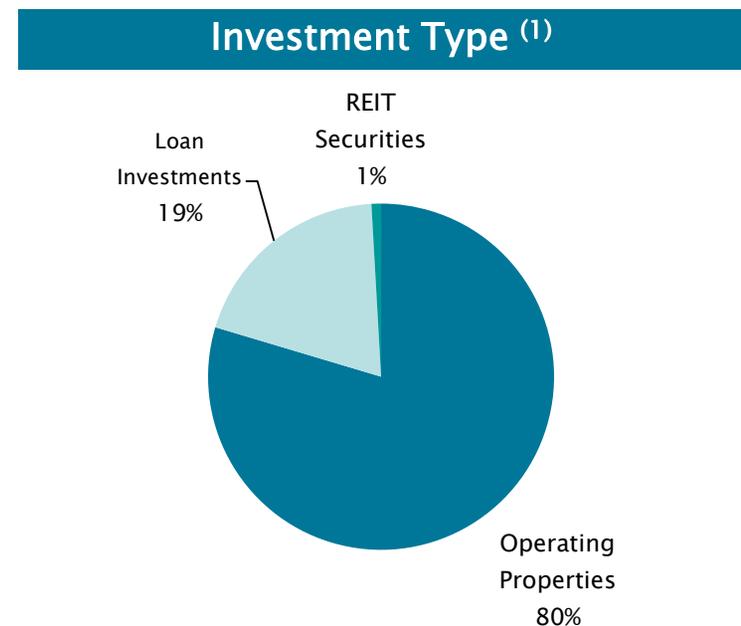
Investment Highlights

- **High Quality, Diversified Real Estate Investment Portfolio**
- **Proven Investment Approach – Flexible, but Disciplined**
- **Significant Value Growth Through Opportunistic Acquisitions**
- **Experienced Management Team with Vested Interest in Continued Success**

Diversified Real Estate Portfolio

Winthrop's portfolio is comprised of stable, cash-generating assets alongside investments with upside potential

- **\$630 Million Operating Property Portfolio**
 - ▶ Interests in 32 office, industrial and retail properties (7.7 million square feet and 88.6% occupied) ⁽²⁾
 - ▶ Interests in 38 multifamily properties containing 7,214 units ⁽³⁾
- **\$154 Million Loan Investment Portfolio**
 - ▶ Interests in 16 whole and mezzanine loans, B-notes and CMBS
- **\$7 Million REIT Securities Portfolio**
 - ▶ REIT common shares



All data as of September 30, 2013.

1. Note that values and % reflect share of assets for consolidated operating properties, loan investments and REIT securities.

2. Excludes square feet associated with multifamily assets.

3. Includes three properties (830 units) which are currently in development and five properties (945 units) acquired subsequent to September 30, 2013.



Flexible, but Disciplined Investment Approach

Investment Philosophy

- Focus on opportunistic investments with total return driven strategy
- Flexibility to underwrite smaller and/or more complicated opportunities overlooked by larger competitors
- Utilization of partnerships and joint ventures diversifies capital deployment and mitigates risk
- Disciplined asset sales to harvest profit and recycle capital for new investments

Operating Properties

- Target high quality, well located assets with significant opportunity for value enhancement
- Build a strong mix of properties diversified by property type, geographic location and tenant base

Loan Investments

- Invest at a discount to par with potential for equity participation
- Active management of loan portfolio with deep expertise in restructuring transactions to extract value

REIT Securities

- Seeking substantial price appreciation by targeting what we believe to be undervalued securities
- Flexible business plan allows the Company to capitalize on volatility in the real estate sector



NAV per Share Estimates

Winthrop provides management's range of net asset value estimates to help assist in evaluation of the Company

- Transparent – Provides information on each asset within each asset class in a given quarter, along with management's assumptions behind the valuation
- Conservative – Based on expected repayments and unweighted by asset class
- Instructive – Earnings may fluctuate based on each quarter's activity but Winthrop's main goal of adding value through opportunistic investments should drive NAV

	Estimated NAV Range ⁽¹⁾	
	Low	High
Cash, accounts payable and dividends payable	151,827	151,827
REIT Securities	7,074	7,074
Loans	106,267	112,178
Operating Properties	406,190	472,884
All Segments Estimated NAV	<u>\$671,355</u>	<u>\$743,960</u>
Outstanding Line of Credit	-	-
Outstanding Senior Notes	(86,250)	(86,250)
Outstanding Series D Preferred	<u>(120,500)</u>	<u>(120,500)</u>
NAV Attributable to Common Shares	<u>\$464,605</u>	<u>\$537,210</u>
Outstanding Common Shares	35,798	35,798
Estimate NAV per Common Share Range	\$ 12.98	\$ 15.01
Share Price as of 09/30/13	\$11.15	

(1) See pages 7-11 of 3Q13 supplement for more details.



Performance Table

Liquidated Investments by Business Segment

Winthrop provides a table that reports the performance of all investments that were made and sold or otherwise liquidated since January 1, 2008. Management has presented for each investment its internal rate of return (“IRR”), a standard return methodology that calculates the annual effective compounded rate of return. The following summarizes these returns by segment.

<u>Segment</u>	<u>Initial Investment</u>	<u>Average IRR</u>
REIT Securities	\$ 76,661,052	35.00%
Loan Assets, Loan Securities and Loan Equity Investments	352,287,583	34.06%
Operating Properties	16,293,569	11.50%
Other	<u>1,800,000</u>	17.51%
Total / Weighted Average	<u>\$447,042,204</u>	<u>30.56%</u>

For information on each investment's IRR, refer to page 12 of the 3Q13 Supplement report



Strong Investment Momentum and Future Pipeline

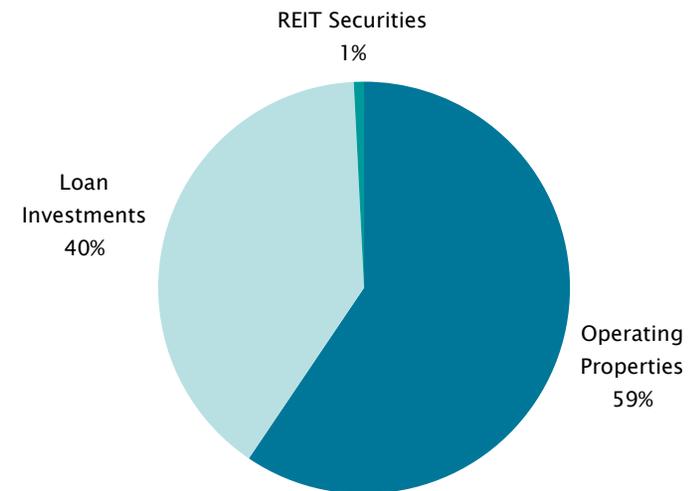
Winthrop continues to take advantage of its robust investment pipeline, having successfully announced \$626 million of acquisitions since January 1, 2012 ⁽¹⁾

- \$691 million of announced investments
 - ▶ \$516 million of operating property acquisitions
 - ▶ \$170 million of loan investments
 - ▶ \$5 million of purchases of new REIT securities

- Recent transactions include:
 - ▶ ST Residential
 - Four recently constructed Class A apartment buildings
 - Aggregate purchase price of \$246 million
 - Acquired in October 2013
 - ▶ 701 7th Avenue
 - Proposed redevelopment includes an expansion of the retail space to approximately 80,000 square feet and development of a hotel
 - Financial commitment of up to \$120 million

- Acquisition Pipeline:
 - ▶ Winthrop continues to track and evaluate a robust pipeline of acquisition opportunities consistent with its stated strategy

Acquisitions Since January 1, 2012 ⁽¹⁾



¹. Note that amount/percent represents Winthrop's share of gross investment value.

New Investment: ST Residential Portfolio

In August 2013, Winthrop announced the \$246 million acquisition of four Class A multifamily properties from a partnership controlled by Starwood Capital

Investment Summary	
Closing:	October 2013
Investment Type:	Operating Assets
Asset Type:	Multifamily
Portfolio Size:	761 units
FUR Ownership:	100%
Purchase Price:	\$246 million
Price / Square Foot	\$236 per square foot



- Assets are located in Phoenix, AZ; San Pedro, CA; Stamford, CT; and Houston, TX
- Assets were built to condo specifications in 2008 - 2011 with high quality finishes and amenities
- Portfolio was foreclosed upon by Corus Bank and subsequently acquired by a Starwood Capital venture
- Winthrop partially financed the acquisition with a three-year \$150 million mortgage loan at a rate of LIBOR plus 200 basis points with two, one-year extension options
- Subsequent to closing, a subsidiary of New Valley, LLC contributed approximately \$16.4 million to the entity that acquired the properties in exchange for an approximately 16.3% interest in the entity that acquired the properties. Winthrop retained the remaining 83.7% interest.



New Investment: ST Residential Portfolio (cont'd)

\$246 million portfolio of premier assets in premier locations with upside opportunity through a flexible business plan



	44 Monroe	San Pedro Lofts	Highgrove	Mosaic II
Location:	Phoenix, Arizona	San Pedro, California	Stamford, Connecticut	Houston, Texas
Est. Size (SF):	250,866	131,746	243,173	417,468
Units:	184	89	92	396
Year Completed:	2008	2008	2011	2009
Investment Highlights:	Tallest residential building in the state of Arizona	Located within the San Pedro Arts district and near the L.A. Waterfront Project	Located in Stamford's Central Business District	Located two miles south of downtown Houston

Recent Investment: 701 7th Avenue (Times Square)

An interest in an iconic Times Square asset with redevelopment value creation

Investment Summary	
Initial Investment:	October 2012
Investment Type:	Preferred Equity
Asset Type:	Retail / Mixed Use / Redevelopment
Asset Size:	120,000 square feet
FUR Ownership:	80%
JV Partners:	Witkoff Group and New Valley LLC
Contribution to Date:	\$52.8 million
Total Commitment:	\$120.0 million



- Together with its JV partners, Winthrop acquired the property with an initial investment of \$29.0 million
- The opportunity to expand the retail by 80,000 square feet and to develop a hotel on the site is consistent with FUR's investment strategy of targeting a high quality property with a current return and significant upside potential
- Structured to receive an 8% current return, a 12% priority return and a participation in profits (after certain return hurdles are met)

Case Study: Southern California Office Portfolio

A performing fulcrum loan asset, acquired at a discount, in JV formats to reduce concentration risk, repaid at face value for an IRR exceeding 25%

Investment Summary	
Date Acquired:	November 2011
Investment Type:	Discounted C-note
Asset Type:	Office Portfolio
Portfolio Size:	31 Properties, 4.5 million SF
FUR Ownership:	73%
Investment Size (at 100%):	\$96.7 million
Face Value:	\$117.9 million



- In November 2011, a JV controlled by FUR acquired the \$117.9 million C-note for \$96.7 million (the “Loan”)
- In January 2012, FUR obtained a \$40 million repurchase facility with an affiliate of Blackstone Real Estate Debt Strategies which generated net proceeds of \$38.1 million and reduced FUR’s ownership in the Loan from 73% to 56%
- In April 2012, an affiliate of Starwood Capital contributed \$3.5 million for a 10.2% interest in the JV which reduced FUR’s ownership in the Loan from 56% to 50%
- In September 2012, the Loan was paid off at face value by the borrower and FUR received \$38.4 million in net proceeds representing an IRR exceeding 25% ⁽¹⁾

1. For information with respect to individual IRRs for each investment since 2008 please refer to page 12 of the Supplemental report as of June 30, 2013, filed on August 2, 2013.

Management Team

Dedicated external management team, experienced in all facets of real estate investment and management

Name	Position	Experience
Michael L. Ashner	Chairman & CEO	31 years
Carolyn Tiffany	President	21 years
John Garilli	Chief Financial Officer	26 years
John Alba	Chief Investment Officer	15 years

Experience

- Average of 24 years of real estate experience
 - ▶ More than 15 years together as a team
- Strong relationships with high-quality institutional real estate partners

Alignment With Shareholders

- Members of Senior Management own 9.2% ⁽¹⁾ of FUR common shares
- External advisor is entitled to an incentive fee only after investors have received distributions equal to a threshold amount (equal to \$16.18 per common share plus the issuance price of common shares after 12/31/12) as increased by the greater of 4% or the 5 year U.S. Treasury Yield plus 2.5%.

1. Members of senior management held approximately 9.2% of common shares outstanding as of October 7, 2013.



Board of Trustees

Independent board and sound corporate governance

Name	Biography
Michael L. Ashner	<ul style="list-style-type: none"> – Former Executive Chairman of Lexington Realty Trust – Former CEO of Newkirk Realty Trust
Arthur Blasberg Jr.	<ul style="list-style-type: none"> – Admitted to practice in the U.S. Supreme Court – Served on the Board / Audit Committee of Shelbourne Entities
Howard Goldberg	<ul style="list-style-type: none"> – Former President / CEO of Player's International – Served on the Board / Audit Committee of Imall, Inc.
Thomas McWilliams	<ul style="list-style-type: none"> – Managing Partner of Court Square Capital Partners – Formerly with Citigroup Venture Capital
Lee Seidler	<ul style="list-style-type: none"> – Former General Partner / Senior MD of Bear, Stearns & Co. – Professor at NYU Graduate School of Business for 22 years
Carolyn Tiffany	<ul style="list-style-type: none"> – Former Principal / COO for High Street Equity Advisors – Former COO / Secretary of Newkirk Realty Trust
Steven Zalkind	<ul style="list-style-type: none"> – Chairman and CEO of Resource Investments Limited, LLC – Former Director of Shelbourne Entities and Newkirk

Shareholder Friendly

- Annual election of all board members by a majority of shareholders
- Five of seven trustees are independent
- Conflicts Committee approves all material transactions
 - ▶ Composed of all non-management trustees
- No poison pill

Note: Michael L. Ashner and Carolyn Tiffany are both members of Winthrop's management team. Lee Seidler is the Chairman of the Audit Committee.



