



*Quarterly Supplemental Information
September 30, 2020*

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Piedmont Office Realty Trust, Inc.
Quarterly Supplemental Information
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Notice to Readers:

Please refer to page [45](#) for a discussion of important risks related to the business of Piedmont Office Realty Trust, Inc., as well as an investment in its securities, including risks that could cause actual results and events to differ materially from results and events referred to in the forward-looking information. Considering these risks, uncertainties, assumptions, and limitations, the forward-looking statements about leasing, financial operations, leasing prospects, acquisitions, dispositions, etc. contained in this quarterly supplemental information report may differ from actual results.

Certain prior period amounts have been reclassified to conform to the current period financial statement presentation. In addition, many of the schedules herein contain rounding to the nearest thousands or millions and, therefore, the schedules may not total due to this rounding convention.

To supplement the presentation of the Company's financial results prepared in accordance with U.S. generally accepted accounting principles (GAAP), this report contains certain financial measures that are not prepared in accordance with GAAP, including FFO, Core FFO, AFFO, Same Store NOI, Property NOI, EBITDAre and Core EBITDA. Definitions and reconciliations of these non-GAAP measures to their most comparable GAAP metrics are included beginning on page [39](#). Each of the non-GAAP measures included in this report has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of the Company's results calculated in accordance with GAAP. In addition, because not all companies use identical calculations, the Company's presentation of non-GAAP measures in this report may not be comparable to similarly titled measures disclosed by other companies, including other REITs. The Company may also change the calculation of any of the non-GAAP measures included in this report from time to time in light of its then existing operations.

In certain presentations herein, the Company has provided disaggregated financial and operational data (for example, some pieces of information are displayed by geography, industry, or lease expiration year) for informational purposes for readers; however, regardless of the various presentation approaches taken herein, we continue to evaluate and utilize our consolidated financial results in making operating decisions, allocating resources, and assessing our performance.

Piedmont Office Realty Trust, Inc. Corporate Data

Piedmont Office Realty Trust, Inc. (also referred to herein as "Piedmont" or the "Company") (NYSE: PDM) is an owner, manager, developer, redeveloper and operator of high-quality, Class A office properties in select sub-markets located primarily within seven major Eastern U.S. office markets, with approximately half of its revenue generated from the Sunbelt. Its geographically-diversified, approximately \$5 billion portfolio is comprised of approximately 17 million square feet (as of the date of release of this report). The Company is a fully-integrated, self-managed real estate investment trust ("REIT") with local management offices in each of its markets and is investment-grade rated by Standard & Poor's and Moody's. At the end of the third quarter of 2020, approximately 63% of the Company's portfolio was Energy Star certified and approximately 41% was LEED certified. Piedmont is headquartered in Atlanta, GA.

This data supplements the information provided in our reports filed with the Securities and Exchange Commission and should be reviewed in conjunction with such filings.

	As of September 30, 2020	As of December 31, 2019
Number of consolidated office properties ^{(1) (2)}	57	55
Rentable square footage (in thousands) ^{(1) (2)}	17,165	16,533
Percent leased ^{(2) (3)}	86.9 %	89.7 %
Percent leased after New Jersey portfolio sale ⁽⁴⁾	87.4 %	N/A
Capitalization (in thousands):		
Total debt - principal amount outstanding (excludes premiums, discounts, and deferred financing costs)	\$1,627,976	\$1,488,687
Equity market capitalization ⁽⁵⁾	\$1,710,210	\$2,797,423
Total market capitalization ⁽⁵⁾	\$3,338,186	\$4,286,110
Total debt / Total market capitalization ⁽⁵⁾	48.8 %	34.7 %
Average net debt to Core EBITDA	5.5 x	5.4 x
Total debt / Total gross assets	34.0 %	32.5 %
Common stock data:		
High closing price during quarter	\$16.83	\$22.44
Low closing price during quarter	\$13.41	\$20.32
Closing price of common stock at period end	\$13.57	\$22.24
Weighted average fully diluted shares outstanding during quarter (in thousands)	126,385	126,359
Shares of common stock issued and outstanding at period end (in thousands)	126,029	125,783
Annual regular dividend per share ⁽⁶⁾	\$0.84	\$0.84
Rating / Outlook:		
Standard & Poor's	BBB / Stable	BBB / Stable
Moody's	Baa2 / Stable	Baa2 / Stable
Employees	136	134

(1) As of September 30, 2020, our consolidated office portfolio consisted of 57 properties. During the first quarter of 2020, we acquired One Galleria Tower, Two Galleria Tower and Three Galleria Tower, three office buildings comprised of 1,435,000 square feet in total, along with a 1.9 acre developable land parcel, located in Dallas, TX. During the second quarter of 2020, we sold 1901 Market Street, an 801,000 square foot office building located in Philadelphia, PA. There were no acquisitions or dispositions of office properties completed during the third quarter of 2020.

(2) This measure is presented for our consolidated office properties, and the metric for December 31, 2019, has been restated to include one redevelopment property that was placed back into service on January 1, 2020. The redevelopment property is Two Pierce Place, a 485,000 square foot office building located in Itasca, IL.

(3) Calculated as square footage associated with commenced leases plus square footage associated with executed but uncommenced leases for vacant spaces, divided by total rentable square footage, all as of the relevant date, expressed as a percentage. Please refer to page 27 for additional analyses regarding Piedmont's leased percentage.

(4) Subsequent to quarter end, on October 28, 2020, Piedmont closed on the sale of its three remaining New Jersey properties for a total sale price of \$130 million. The leased percentage as of September 30, 2020 updated to remove the sold New Jersey properties is 87.4% and the total rentable square footage for the Company after the portfolio disposition is 16,426,000 square feet.

(5) Reflects common stock closing price, shares outstanding and outstanding debt as of the end of the reporting period, as appropriate.

(6) Total of the regular dividends per share for which record dates occurred over the prior four quarters.

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Member of the Audit and Governance Committees

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Piedmont Office Realty Trust, Inc.
Financial Highlights
As of September 30, 2020

Financial Results ⁽¹⁾

Net income attributable to Piedmont for the quarter ended September 30, 2020 was \$8.9 million, or \$0.07 per share (diluted), compared to \$8.4 million, or \$0.07 per share (diluted), for the same quarter in 2019. Net income attributable to Piedmont for the nine months ended September 30, 2020 was \$210.1 million, or \$1.66 per share (diluted), compared to \$66.8 million, or \$0.53 per share (diluted), for the same period in 2019. The increase in net income attributable to Piedmont for the nine months ended September 30, 2020 when compared to the same period in 2019 was principally due to the larger amount of net gains recorded in 2020 when compared to 2019 attributable to real estate asset and related debt transactions completed during the respective periods. In addition, 2020 net income results increased due to: 1) higher revenues in 2020 when compared to 2019 related to accrual basis rental rate increases associated with recent leasing activity across the portfolio; 2) accretive capital recycling activities over the prior year; 3) lower general and administrative expenses as a result of the Company's recent stock price performance relative to peers; and 4) lower interest expense as a result of lower prevailing interest rates. Partially offsetting the increase in net income attributable to Piedmont in 2020 were higher amortization and depreciation expenses in 2020 when compared to 2019 attributable to over \$720 million of acquisitions completed since the beginning of 2019.

Funds from operations (FFO) for the quarter ended September 30, 2020 was \$60.2 million, or \$0.48 per share (diluted), compared to \$56.7 million, or \$0.45 per share (diluted), for the same quarter in 2019. FFO for the nine months ended September 30, 2020 was \$172.4 million, or \$1.36 per share (diluted), compared to \$164.3 million, or \$1.30 per share (diluted), for the same period in 2019. The increase in FFO for the three months and the nine months ended September 30, 2020 when compared to the same periods in 2019 was principally the result of growth in revenue attributable to accrual basis rental rate increases associated with recent leasing activity across the portfolio, accretive capital recycling activities over the prior year, lower general and administrative expenses, and lower interest expense, partially offset by a loss on the early extinguishment of debt recorded in 2020 as a result of the sale of 1901 Market Street in Philadelphia, PA and the early repayment of the associated mortgage.

Core funds from operations (Core FFO) for the quarter ended September 30, 2020 was \$60.2 million, or \$0.48 per share (diluted), compared to \$56.7 million, or \$0.45 per share (diluted), for the same quarter in 2019. Core FFO for the nine months ended September 30, 2020 was \$181.7 million, or \$1.44 per share (diluted), compared to \$167.5 million, or \$1.33 per share (diluted), for the same period in 2019. The increase in Core FFO for the three months and the nine months ended September 30, 2020 when compared to the same periods in 2019 was primarily attributable to accrual basis rental rate increases associated with recent leasing activity across the portfolio, accretive capital recycling activities over the prior year, lower general and administrative expenses, and lower interest expense.

Adjusted funds from operations (AFFO) for the quarter ended September 30, 2020 was \$37.6 million, compared to \$36.7 million for the same quarter in 2019. AFFO for the nine months ended September 30, 2020 was \$101.1 million, compared to \$130.8 million for the same period in 2019. The decrease in AFFO for the nine months ended September 30, 2020 when compared to the same period in 2019 was primarily due to a greater amount of non-incremental capital expenditures during the first quarter of 2020 related to the large amount of recently executed new and renewal leases in our portfolio, including the 20-year lease renewal with the State of New York at 60 Broad Street in New York, NY, for which leasing commissions totaling \$16.1 million were paid during the first quarter.

Update Related to COVID-19

During the third quarter of 2020, our buildings remained open and fully operational for our tenants, with a slowly increasing number of tenants' employees returning to work in our buildings. As of September 2020, tenant physical occupancy per building varied greatly among our buildings, ranging from 10% to nearly 100% occupancy. Average occupancy was approximately one quarter of our normal tenant population on any given day. The highest space utilization rate continued to be observed at our properties located in Sunbelt markets and at mission-critical government-related locations.

We feel fortunate to have duration and durability in the cash flow generated by our tenant base. The majority of our tenants are of investment grade quality, and our in place leases have a weighted average lease term remaining of over 6 years. Approximately 1% of our revenues are related to retail tenants and approximately 2% of our 2020 budgeted revenues are associated with the co-working sector, both of which have been particularly hard hit by the economic effects of the pandemic. Additionally, only approximately 1% of our annual revenues comes from transient parking, income from which has decreased with the decline in our average daily physical occupancy.

(1) FFO, Core FFO and AFFO are supplemental non-GAAP financial measures. See page 39 for definitions of these non-GAAP financial measures, and pages 15 and 41 for reconciliations of FFO, Core FFO and AFFO to Net Income.

As a result of our diversification, limited exposure to the sectors of the economy most impacted by the pandemic and strong tenant credit profile, we have collected approximately 99% of the billed rents that were due for July, August and September based on contractual lease terms. However, our tenant base is not immune from the economic effects of the pandemic. During the quarter, we received a few additional new tenant requests for some type of rent relief along with a few requests for extensions of existing rent relief. To date, of the approximately 1,000 leases in our portfolio, we have entered into rent relief agreements with approximately 60 tenants, of which approximately 10 were entered into during the third quarter, predominately with tenants operating in the retail, hospitality, travel, consulting and co-working sectors. These approximately 60 rent relief agreements represent tenants occupying less than 5% of the square footage in our portfolio. A total of approximately \$6.7 million of rental obligations were primarily deferred (\$2.0 million of which was related to billings originally due in the third quarter). The typical deferral periods are between 3 and 4 months with repayment occurring late in 2020 or in 2021 with interest.

Similar to last quarter and as a result of COVID-19's impact on our tenants' operations, Piedmont undertook a review of all outstanding tenant receivables, including assessing the collectibility risk associated with existing accounts receivable and existing straight line rent receivables. During the third quarter of 2020, as a result of the review, there was no material change to the approximately \$5 million general reserve for bad debts established by the Company in the second quarter of 2020 and no material income statement impact. The general reserve approximates 1% of the Company's Annualized Lease Revenue; the Company will continue to reassess tenant receivables and the reserve, and make adjustments as it deems appropriate.

Regarding Piedmont's liquidity and capitalization, management believes the Company has sufficient liquidity and capital capacity to withstand the effects of the economic slowdown associated with COVID-19 and will be able to meet all of its financial obligations, including the servicing of its debt, as well as to meet all of its debt covenants, each with a significant buffer to the relevant threshold. Piedmont is in a strong balance sheet position, with approximately \$24 million in cash and full availability under our \$500 million line of credit at the end of the third quarter. As of September 30, 2020, our debt to gross assets ratio was approximately 34%, unchanged from the prior quarter end.

The COVID-19 pandemic had only a limited impact on the Company's overall results year-to-date in 2020. However, we do expect the coronavirus pandemic will continue to impact our tenants' operations and financial results and their ability to pay their lease obligations during the fourth quarter and potentially beyond. The short-term financial impacts caused by the pandemic on our financial results are yet to be fully realized and will depend upon how long the economic disruption associated with the pandemic lasts. Leasing activity did slow down during the second and third quarters of 2020 and will delay some of the expected growth in the portfolio into 2021. The Company has re-issued guidance for 2020 under the Guidance for 2020 section below. The Company expects to achieve Core FFO in the range of \$1.88 to \$1.90 per share, an approximately 6% increase over the per share results for 2019. The Company will issue 2021 financial guidance with the financial results for the fourth quarter of 2020.

Operations and Leasing

As of September 30, 2020, Piedmont had 57 in-service office properties located primarily in seven major office markets in the eastern portion of the United States, with approximately half of our revenue coming from Sunbelt markets. On a square footage leased basis, our total in-service office portfolio was 87.4% leased after the sale of the New Jersey portfolio and 86.9% leased as of September 30, 2020, as compared to 89.7% at December 31, 2019 (restated to include one out-of-service asset, Two Pierce Place in Itasca, IL, which was placed back into service on January 1, 2020). A main contributor to the reduction in leased percentage from December 31, 2019 to September 30, 2020 was the sale of the 100% leased 1901 Market Street in Philadelphia, PA, during the second quarter of 2020. Please refer to page 27 for additional leased percentage information.

The weighted average remaining lease term of our in-service portfolio was 6.3 years⁽¹⁾ as of September 30, 2020 as compared to 7.0 years at December 31, 2019. A contributor to the reduction in weighted average remaining lease term was the sale of 1901 Market Street in Philadelphia, PA, an 801,000 square foot, fully-leased building with approximately 13 years of lease term remaining. Our weighted average adjusted Annualized Lease Revenue⁽²⁾ per square foot for our in-service portfolio was \$36.48 as of September 30, 2020.

During the three months ended September 30, 2020, the Company completed approximately 229,000 square feet of leasing activity, exclusive of an approximately 172,000 square foot back-fill lease executed by Deluxe Corporation at Glenridge Highlands Two in Atlanta, GA. Of the total leasing activity completed during the quarter, we signed new tenant leases for approximately 78,000 square feet. During the nine months ended September 30, 2020, the Company completed approximately 917,000 square feet of leasing activity, of which approximately 210,000 square feet was related to new tenant leases. The average committed capital for tenant improvements and leasing commissions per square foot per year of lease term for all leasing activity completed during the nine months ended September 30, 2020 (net of commitment expirations during the period) was \$5.90 (see page 33).

(1) Remaining lease term (after taking into account leases for vacant spaces which had been executed but not commenced as of September 30, 2020) is weighted based on Annualized Lease Revenue, as defined on page 39.

(2) Annualized Lease Revenue is adjusted for buildings at which tenants pay operating expenses directly to include such operating expenses as if they were paid by the Company and reimbursed by the tenants as under a typical net lease structure, thereby incorporating the effective gross rental rate for those buildings.

Of the 229,000 square feet of leases executed during the three months ended September 30, 2020, three leases were greater than 10,000 square feet at our office properties. Information on those leases is set forth below.

Tenant	Property	Market	Square Feet Leased	Expiration Year	Lease Type
The Ultimate Software Group, Inc.	Galleria 400	Atlanta	73,758	2030	Renewal
District of Columbia Department of General Services	400 Virginia Avenue	Washington, DC	56,042	2032	New
Fors Marsh Group, LLC	4250 North Fairfax Drive	Washington, DC	15,121	2022	New

At the end of the third quarter of 2020, there was one tenant whose lease individually contributed greater than 1% in Annualized Lease Revenue expiring during the eighteen month period following September 30, 2020. Information regarding the leasing status of the space associated with this tenant's lease is presented below.

Tenant	Property	Property Location	Net Square Footage Expiring	Net Percentage of Current Quarter Annualized Lease Revenue Expiring (%)	Expiration	Current Leasing Status
City of New York	60 Broad Street	New York, NY	313,022	2.9%	In Holdover	The tenant is currently in holdover. The Company is in advanced discussions with the tenant regarding a lease renewal.

Future Lease Commencements and Abatements

As of September 30, 2020, our overall leased percentage was 86.9% and our economic leased percentage was 80.7%. The difference between overall leased percentage and economic leased percentage is attributable to two factors:

- 1) leases which have been contractually entered into for currently vacant spaces but have not yet commenced (amounting to 313,811 square feet of leases as of September 30, 2020, or 1.8% of the portfolio); and
- 2) leases which have commenced but are within rental abatement or deferral periods (amounting to 893,117 square feet of leases as of September 30, 2020, or a 4.4% impact to leased percentage on an economic basis).

The gap between reported leased percentage and economic leased percentage will fluctuate over time as (1) new leases are signed for vacant spaces, (2) abatements and deferrals associated with existing or newly executed leases commence and expire, and/or (3) properties are bought and sold. See below for more detail on existing large leases with abatements and deferrals. The gap this quarter between reported leased percentage and economic leased percentage included COVID-related rent relief (primarily rent deferrals; with a typical duration of between three and four months) representing an approximately 0.8% impact to leased percentage.

Piedmont has leases with many large corporate office space users. The average size of lease in the Company's portfolio is approximately 15,000 square feet. Due to the large size and length of term of new leases, Piedmont typically signs leases several months in advance of their anticipated lease commencement dates. Presented below is a schedule of uncommenced leases greater than 50,000 square feet and their anticipated commencement dates. Lease renewals are excluded from this schedule.

Tenant	Property	Property Location	Square Feet Leased	Space Status	Estimated Commencement Date	New / Expansion
Amazon.com Services LLC	One Galleria Tower	Dallas, TX	81,628	Vacant	Q4 2020 ⁽¹⁾	New
WeWork Companies Inc.	200 South Orange Avenue	Orlando, FL	71,344	Vacant	Late 2021 ⁽²⁾	New
District of Columbia Department of General Services	400 Virginia Avenue	Washington, DC	56,042	43,000 SF Vacant	Q1 2022	New
salesforce.com	5 Wall Street	Burlington, MA	51,913	Not Vacant	Q3 2021	New

(1) GAAP revenue recognition is anticipated to commence in Q4 2020, conditioned upon the substantial completion of the tenant's improvements to the space. The contractual lease period began in Q3 2020.

(2) In the construction permitting process, the tenant has been required by the local government to make modifications to its space plans resulting in a delay of the receipt of construction permits.

New leases frequently provide rental abatement concessions to tenants and these abatements typically occur at the beginning of the leases. Additionally, the Company has recently entered into rent deferral agreements with some tenants as a result of COVID-19's impact on their financial operations. The currently reported cash net operating income and AFFO understate the Company's long-term cash generation ability from existing signed leases due to some leases being in abatement or deferral periods. Presented below is a schedule of leases with abatements or deferrals of 50,000 square feet or greater that are either currently under abatement or deferral or will be so within the next twelve months. ⁽¹⁾

Abatements

Tenant	Property	Property Location	Abated Square Feet	Lease Commencement Date	Remaining Abatement Schedule	Lease Expiration
Transocean Offshore Deepwater Drilling, Inc.	Enclave Place	Houston, TX	300,906	Q4 2019	Commencement through April 2021	Q2 2036
Advanced Micro Devices, Inc.	90 Central Street	Boxborough, MA	107,244	Q1 2021	January through March 2021	Q1 2028

COVID-19 - Related Rent Deferrals

There were no leases of 50,000 square feet or greater that were under deferral or will be so within the next twelve months as of September 30, 2020.

Financing and Capital Activity

Among Piedmont's stated strategic objectives is to harvest capital through the disposition of non-core assets, such as the three-property New Jersey portfolio sale noted in the Subsequent Events section, and assets in which the Company believes the value potential during its ownership has been reached and to use the sale proceeds to:

- invest in real estate assets with higher overall return prospects and/or strategic merits in one of our identified operating markets where we have a significant operating presence with a competitive operating advantage and that otherwise meet our strategic criteria;
- reduce leverage levels by repaying outstanding debt; and/or
- repurchase Company stock when it is believed to be trading at a significant discount to NAV.

Information on the Company's recent accomplishments in furtherance of its strategic objectives is presented below.

Dispositions

There were no dispositions completed during the quarter ended September 30, 2020.

Acquisitions

There were no acquisitions completed during the quarter ended September 30, 2020.

For additional information on acquisitions and dispositions completed over the previous eighteen months, please refer to page 37.

Development / Redevelopment

During the fourth quarter of 2019, Piedmont commenced an approximately \$18.5 million redevelopment of 200 South Orange Avenue in Orlando, FL. The project will allow the Company to reposition the property, creating a premier environment for downtown office tenants. The redevelopment plan includes a redesigned lobby and entry experience, an energized outdoor park, the addition of new food and beverage options, an upgraded conference center, a tenant lounge, and a new crown lighting system. As of September 30, 2020, the project remained on schedule and within budget.

Details on the Company's developable land parcels, all of which are located adjacent to existing Piedmont properties, can be found on page 38.

(1) The State of New York lease does not contain any rental abatement provisions. The tenant's space will be reconstructed over a period of approximately four years. During the construction period, the tenant will not be required to pay rental charges for certain spaces that are under construction and not usable by the tenant. The amount of space for which the tenant will not be required to pay rent will vary over time and is expected to average approximately 80,000 square feet over the construction time period.

Finance

On August 12, 2020, Piedmont completed its inaugural green bond offering for \$300 million in aggregate principal amount. The 10-year, 3.15% senior unsecured notes are due August 15, 2030 and were offered at 99.236% of the principal amount. The Company used the net proceeds from the sale of the notes to repay the \$300 million unsecured term loan that was scheduled to mature on March 11, 2022. The completion of the notes offering allowed the Company to further its objectives of lengthening and staggering its debt maturity schedule; the Company intends to continue this liability management program with similar debt issuances over the next several years to refinance its near- and intermediate-term debt maturities.

The net proceeds from green bonds must be allocated to Eligible Green Projects ("EGPs"). EGPs are defined as investments in:

- Buildings, developments, redevelopments, existing building renovations, and tenant improvements, in each case, that have received, or are expected to receive, a LEED Certified, Silver, Gold or Platinum certification (or similar BREEAM standards);
- Increased energy efficiency;
- Increased water efficiency; and
- Renewable energy.

For additional information, please refer to the Company's Green Bond Framework, available on the Company's website in the Sustainability and Recognition section, or the Prospectus Supplement dated August 5, 2020. The Company allocated the entire amount of net proceeds from the green bond issuance to the acquisition of the LEED-certified Galleria Office Towers in Dallas, TX, that closed in February 2020.

As of September 30, 2020, our ratio of total debt to total gross assets was 34.0%, and the same measure at December 31, 2019 was 32.5%. This debt ratio is based on total principal amount outstanding for our various loans as of the relevant measurement date.

As of September 30, 2020, our average net debt to Core EBITDA ratio was 5.5 x, and the same measure at December 31, 2019 was 5.4 x.

Stock Repurchase Program

No repurchases of the Company's common stock were completed during the first three quarters of 2020. As of quarter end, Board-approved capacity available for repurchases totaled \$200 million under the stock repurchase plan. Repurchases of stock under the program are made at the Company's discretion and are dependent on market conditions, the discount to estimated net asset value, other investment opportunities and other factors that the Company deems relevant.

Dividend

On July 29, 2020, the Board of Directors of Piedmont declared a dividend for the third quarter of 2020 in the amount of \$0.21 per common share outstanding to stockholders of record as of the close of business on August 28, 2020. The dividend was paid on September 18, 2020.

Subsequent Events

On October 28, 2020, Piedmont completed a portfolio sale consisting of its three remaining New Jersey properties, 200 and 400 Bridgewater Crossing in Bridgewater, NJ and 600 Corporate Drive in Lebanon, NJ. The 75% leased portfolio was sold for a total of \$130.0 million, or \$176 per square foot.

On October 29, 2020, Piedmont completed the acquisition of 222 South Orange Avenue, a 127,000 square foot, 10-story, vacant office building, located in Orlando, FL, for \$20,000,000, or \$157 per square foot. The building adjoins Piedmont's 200 South Orange Avenue property, sharing several key connection points and systems, including an atrium, a loading dock, building mechanical systems, several interconnected floor plates and parking. Additionally, the acquisition of 222 South Orange Avenue provides Piedmont's existing office tower with direct frontage on Orange Avenue, the de facto Main Street in Orlando's central business district. Piedmont plans to immediately begin a redevelopment of the property to upgrade and reposition it to a Class A standard consistent with Piedmont's existing assets in downtown Orlando. Upon completion of the upgrades at 222 South Orange Avenue, and in combination with the substantial renovations currently underway at 200 South Orange Avenue, Piedmont's downtown Orlando portfolio will represent a preeminent destination for the market.

On October 28, 2020, the Board of Directors of Piedmont declared a dividend for the fourth quarter of 2020 in the amount of \$0.21 per common share outstanding to stockholders of record as of the close of business on November 27, 2020. The dividend is expected to be paid on January 4, 2021.

Guidance for 2020

The longer-term consequences on the economy and our tenants as a result of the COVID-19 pandemic continue to be unknown. Notwithstanding the economic backdrop, Piedmont has a strong, diversified tenant base, a majority of which is investment grade quality. During the third quarter of 2020, the Company collected approximately 99% of billed tenant receivables, net of approximately \$2.0 million of tenant rental billings that have been deferred until later in 2020 or 2021. Year to date, the Company has entered into approximately 60 agreements with various tenants that primarily defer approximately \$6.7 million of 2020 rent payments until either later in 2020 or into 2021. The Company has a prudent balance sheet with excellent liquidity, including approximately \$24 million of cash and full availability under its \$500 million line of credit as of September 30, 2020, as well as no debt maturities until late 2021. Additionally, the Company has recorded a \$4.8 million general reserve against billed and straight-line rent tenant receivables.

Additional information regarding the Company's year-to-date performance, identified trends, and current expectations related to the pandemic's impact on 2020 annual performance as compared to the Company's original expectations for the year are as follows:

- While the Company has experienced an uptick in leasing tours and proposals during the third and early fourth quarters, overall "new tenant" leasing for 2020 will be less than originally expected, modestly lowering 2020 net operating income ("NOI") by approximately \$5 million.
- Piedmont's transient parking income is estimated to be lower by approximately \$2 to \$3 million for the year.
- Overall retail NOI, which comprises approximately 1% of the Company's total 2020 revenues, is estimated to be lower by approximately \$2 million for the year.
- During the nine months ended September 30, 2020, the Company has taken approximately \$2.6 million in bad debt charges against rental revenue in recognition of an increase in collectibility risk. The Company also has recorded a \$4.8 million general reserve against billed and straight-line rent tenant receivables.
- Reduced operating expenses (net of tenants' share) at its buildings during 2020 is anticipated to be \$3 to \$4 million for the year.
- The Company anticipates \$5 million lower interest expense for 2020 due to lower prevailing interest rates.
- The Company anticipates \$1 to \$2 million in lower general and administrative expenses for the year.

The above identified impacts of the COVID-19 pandemic on NOI during 2020 equate to a net reduction of approximately \$6 to \$8 million from our original expectations for the year.

Based on management's current expectations, the Company is reinstating guidance for the year ending December 31, 2020, which represents an approximately 6% increase over 2019 results, as follows:

<i>(in millions, except per share data)</i>	Low	High
Net Income	\$217	\$218
Add:		
Depreciation	110	111
Amortization	93	94
Less: Gain on Sale of Real Estate Assets	(191)	(192)
NAREIT FFO applicable to common stock	\$229	\$231
NAREIT FFO per diluted share	\$1.81	\$1.83
Less: Loss on Early Extinguishment of Debt	9	9
Core FFO applicable to common stock	\$238	\$240
Core FFO per diluted share	\$1.88	\$1.90

These estimates reflect management's view of current market conditions and incorporate the impacts and trends noted above as well as the effects of the fourth quarter acquisition and disposition activity noted above. The above guidance is based on information available to management as of the date of this supplemental report. Actual results could differ materially from these estimates based on a variety of factors as discussed on page 45.

Piedmont Office Realty Trust, Inc.
Consolidated Balance Sheets
Unaudited (in thousands)

	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Assets:					
Real estate, at cost:					
Land assets	\$ 505,228	\$ 505,228	\$ 505,234	\$ 485,560	\$ 485,610
Buildings and improvements	3,283,980	3,258,713	3,249,947	2,943,685	2,920,067
Buildings and improvements, accumulated depreciation	(803,160)	(776,870)	(755,152)	(730,750)	(706,774)
Intangible lease asset	161,870	164,145	167,972	125,171	131,843
Intangible lease asset, accumulated amortization	(63,353)	(58,148)	(52,538)	(50,766)	(50,474)
Construction in progress	56,393	51,045	42,028	29,920	13,866
Real estate assets held for sale, gross	—	—	233,951	233,951	508,624
Real estate assets held for sale, accumulated depreciation & amortization	—	—	(96,164)	(94,261)	(153,936)
Total real estate assets	3,140,958	3,144,113	3,295,278	2,942,510	3,148,826
Cash and cash equivalents	23,958	36,469	7,920	13,545	10,284
Tenant receivables, net of allowance for doubtful accounts	11,301	8,494	10,596	8,226	10,091
Straight line rent receivable	154,620	147,418	139,617	132,342	128,786
Escrow deposits and restricted cash	1,781	1,769	1,758	1,841	1,820
Prepaid expenses and other assets	28,074	33,017	23,933	25,427	27,143
Goodwill	98,918	98,918	98,918	98,918	98,918
Deferred lease costs, gross	463,447	459,398	463,760	413,071	396,724
Deferred lease costs, accumulated amortization	(169,975)	(159,883)	(148,972)	(147,324)	(139,092)
Other assets held for sale, gross	—	—	63,524	63,158	111,661
Other assets held for sale, accumulated amortization	—	—	(35,516)	(34,957)	(43,230)
Total assets	\$ 3,753,082	\$ 3,769,713	\$ 3,920,816	\$ 3,516,757	\$ 3,751,931
Liabilities:					
Unsecured debt, net of discount	\$ 1,588,411	\$ 1,592,693	\$ 1,743,905	\$ 1,292,374	\$ 1,689,793
Secured debt	28,424	28,784	188,779	189,030	189,451
Accounts payable, accrued expenses, and accrued capital expenditures	120,763	95,419	90,459	143,923	114,812
Deferred income	36,613	35,226	35,443	34,609	27,985
Intangible lease liabilities, less accumulated amortization	38,324	41,179	44,646	25,069	26,814
Interest rate swaps	10,618	28,575	26,709	5,121	6,862
Other liabilities held for sale	—	—	7,158	7,657	15,431
Total liabilities	\$ 1,823,153	\$ 1,821,876	\$ 2,137,099	\$ 1,697,783	\$ 2,071,148
Stockholders' equity:					
Common stock	1,260	1,260	1,259	1,258	1,258
Additional paid in capital	3,692,634	3,691,377	3,690,821	3,686,398	3,685,504
Cumulative distributions in excess of earnings	(1,740,670)	(1,723,147)	(1,889,109)	(1,871,375)	(2,007,438)
Other comprehensive loss	(24,993)	(23,360)	(20,976)	967	(283)
Piedmont stockholders' equity	1,928,231	1,946,130	1,781,995	1,817,248	1,679,041
Non-controlling interest	1,698	1,707	1,722	1,726	1,742
Total stockholders' equity	1,929,929	1,947,837	1,783,717	1,818,974	1,680,783
Total liabilities, redeemable common stock and stockholders' equity	\$ 3,753,082	\$ 3,769,713	\$ 3,920,816	\$ 3,516,757	\$ 3,751,931
<i>Common stock outstanding at end of period</i>	<i>126,029</i>	<i>126,025</i>	<i>125,921</i>	<i>125,783</i>	<i>125,783</i>

Piedmont Office Realty Trust, Inc.
Consolidated Statements of Income
Unaudited (in thousands except for per share data)

	Three Months Ended				
	9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019
Revenues:					
Rental income ⁽¹⁾	\$ 108,071	\$ 109,714	\$ 111,496	\$ 106,742	\$ 105,207
Tenant reimbursements ⁽¹⁾	20,209	21,533	20,658	22,950	25,372
Property management fee revenue	751	622	773	579	405
Other property related income	2,662	2,762	4,244	3,882	4,437
	131,693	134,631	137,171	134,153	135,421
Expenses:					
Property operating costs	53,293	53,148	53,190	52,582	54,613
Depreciation	28,255	27,200	27,884	26,011	27,131
Amortization	22,990	24,349	23,631	21,000	19,505
Impairment loss on real estate assets	—	—	—	7,000	1,953
General and administrative	5,469	5,937	8,643	8,159	7,950
	110,007	110,634	113,348	114,752	111,152
Other income / (expense):					
Interest expense	(12,725)	(13,953)	(15,264)	(14,844)	(16,145)
Other income / (expense)	319	349	149	279	263
Gain / (loss) on extinguishment of debt	—	(9,336)	—	—	—
Gain / (loss) on sale of real estate ⁽²⁾	(340)	191,369	3	157,640	32
	8,940	192,426	8,711	162,476	8,419
Less: Net (income) / loss attributable to noncontrolling interest	3	1	(2)	2	3
Net income attributable to Piedmont	\$ 8,943	\$ 192,427	\$ 8,709	\$ 162,478	\$ 8,422
<i>Weighted average common shares outstanding - diluted</i>	126,385	126,500	126,360	126,359	126,240
Net income per share available to common stockholders - diluted	\$ 0.07	\$ 1.52	\$ 0.07	\$ 1.29	\$ 0.07
<i>Common stock outstanding at end of period</i>	126,029	126,025	125,921	125,783	125,783

(1) The presentation method used for this line is not in conformance with GAAP. To be in conformance with the current GAAP standard, the Company would need to combine amounts presented on the rental income line with amounts presented on the tenant reimbursements line and present that aggregated figure on one line entitled "rental and tenant reimbursement income." The amounts presented on this line were determined based upon the Company's interpretation of the rental charges and billing method provisions in each of the Company's lease documents.

(2) The gain on sale of real estate reflected in the second quarter of 2020 was primarily related to the sale of 1901 Market Street in Philadelphia, PA. The gain on sale of real estate reflected in the fourth quarter of 2019 was nearly all related to the sale of 500 West Monroe Street in Chicago, IL.

Piedmont Office Realty Trust, Inc.
Consolidated Statements of Income
Unaudited (in thousands except for per share data)

	Three Months Ended				Nine Months Ended			
	9/30/2020	9/30/2019	Change (\$)	Change (%)	9/30/2020	9/30/2019	Change (\$)	Change (%)
Revenues:								
Rental income ⁽¹⁾	\$ 108,071	\$ 105,207	\$ 2,864	2.7 %	\$ 329,281	\$ 311,503	\$ 17,778	5.7 %
Tenant reimbursements ⁽¹⁾	20,209	25,372	(5,163)	(20.3)%	62,400	70,710	(8,310)	(11.8)%
Property management fee revenue	751	405	346	85.4 %	2,146	2,819	(673)	(23.9)%
Other property related income	2,662	4,437	(1,775)	(40.0)%	9,668	13,993	(4,325)	(30.9)%
	<u>131,693</u>	<u>135,421</u>	<u>(3,728)</u>	<u>(2.8)%</u>	<u>403,495</u>	<u>399,025</u>	<u>4,470</u>	<u>1.1 %</u>
Expenses:								
Property operating costs	53,293	54,613	1,320	2.4 %	159,631	158,798	(833)	(0.5)%
Depreciation	28,255	27,131	(1,124)	(4.1)%	83,339	80,004	(3,335)	(4.2)%
Amortization	22,990	19,505	(3,485)	(17.9)%	70,970	55,666	(15,304)	(27.5)%
Impairment loss on real estate assets	—	1,953	1,953	100.0 %	—	1,953	1,953	100.0 %
General and administrative	5,469	7,950	2,481	31.2 %	20,049	29,736	9,687	32.6 %
	<u>110,007</u>	<u>111,152</u>	<u>1,145</u>	<u>1.0 %</u>	<u>333,989</u>	<u>326,157</u>	<u>(7,832)</u>	<u>(2.4)%</u>
Other income / (expense):								
Interest expense	(12,725)	(16,145)	3,420	21.2 %	(41,942)	(46,750)	4,808	10.3 %
Other income / (expense)	319	263	56	21.3 %	817	1,292	(475)	(36.8)%
Gain / (loss) on extinguishment of debt	—	—	—		(9,336)	—	(9,336)	(100.0)%
Gain / (loss) on sale of real estate ⁽²⁾	(340)	32	(372)	(1,162.5)%	191,032	39,370	151,662	385.2 %
Net income	8,940	8,419	521	6.2 %	210,077	66,780	143,297	214.6 %
Less: Net (income) / loss attributable to noncontrolling interest	3	3	—	— %	2	3	(1)	(33.3)%
Net income attributable to Piedmont	\$ 8,943	\$ 8,422	\$ 521	6.2 %	\$ 210,079	\$ 66,783	\$ 143,296	214.6 %
<i>Weighted average common shares outstanding - diluted</i>	<i>126,385</i>	<i>126,240</i>			<i>126,302</i>	<i>126,190</i>		
Net income per share available to common stockholders - diluted	\$ 0.07	\$ 0.07			\$ 1.66	\$ 0.53		
<i>Common stock outstanding at end of period</i>	<i>126,029</i>	<i>125,783</i>			<i>126,029</i>	<i>125,783</i>		

(1) The presentation method used for this line is not in conformance with GAAP. To be in conformance with the current GAAP standard, the Company would need to combine amounts presented on the rental income line with amounts presented on the tenant reimbursements line and present that aggregated figure on one line entitled "rental and tenant reimbursement income." The amounts presented on this line were determined based upon the Company's interpretation of the rental charges and billing method provisions in each of the Company's lease documents.

(2) The gain on sale of real estate for the nine months ended September 30, 2020 was primarily related to the sale of 1901 Market Street in Philadelphia, PA. The gain on sale of real estate for the nine months ended September 30, 2019 was primarily related to the sale of One Independence Square in Washington, DC, on which the Company recorded a total gain of \$33.2 million.

Piedmont Office Realty Trust, Inc.

Key Performance Indicators

Unaudited (in thousands except for per share data)

This section of our supplemental report includes non-GAAP financial measures, including, but not limited to, Earnings Before Interest, Taxes, Depreciation, and Amortization for real estate (EBITDAre), Core Earnings Before Interest, Taxes, Depreciation, and Amortization (Core EBITDA), Funds from Operations (FFO), Core Funds from Operations (Core FFO), and Adjusted Funds from Operations (AFFO). Definitions of these non-GAAP measures are provided on page 39 and reconciliations are provided beginning on page 41.

For comparison purposes, on January 1, 2020, Piedmont placed back into service one redevelopment property, Two Pierce Place in Itasca, IL. The building was approximately 42% leased at the time it was placed back into service. No other properties were placed back into service during any of the periods presented.

Selected Operating Data	Three Months Ended				
	9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019
Percent leased ⁽¹⁾	86.9 %	88.6 %	89.6 %	91.2 %	91.9 %
Percent leased - excluding NJ portfolio sale assets ⁽¹⁾	87.4 %				
Percent leased - economic ⁽¹⁾⁽²⁾	80.7 %	81.1 %	84.0 %	85.5 %	86.4 %
Total revenues	\$131,693	\$134,631	\$137,171	\$134,153	\$135,421
Net income attributable to Piedmont	\$8,943	\$192,427	\$8,709	\$162,478	\$8,422
Core EBITDA	\$73,228	\$75,874	\$75,467	\$73,671	\$73,100
Core FFO applicable to common stock	\$60,219	\$61,603	\$59,875	\$58,591	\$56,743
Core FFO per share - diluted	\$0.48	\$0.49	\$0.47	\$0.46	\$0.45
AFFO applicable to common stock	\$37,606	\$44,968	\$18,557	\$34,906	\$36,662
Gross regular dividends ⁽³⁾	\$26,466	\$26,465	\$26,443	\$26,415	\$26,415
Regular dividends per share ⁽³⁾	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21
Selected Balance Sheet Data					
Total real estate assets, net	\$3,140,958	\$3,144,113	\$3,295,278	\$2,942,510	\$3,148,826
Total assets	\$3,753,082	\$3,769,713	\$3,920,816	\$3,516,757	\$3,751,931
Total liabilities	\$1,823,153	\$1,821,876	\$2,137,099	\$1,697,783	\$2,071,148
Ratios & Information for Debt Holders					
Core EBITDA margin ⁽⁴⁾	55.6 %	56.4 %	55.0 %	54.9 %	54.0 %
Fixed charge coverage ratio ⁽⁵⁾	5.5 x	5.3 x	4.8 x	4.7 x	4.3 x
Average net debt to Core EBITDA ⁽⁶⁾	5.5 x	6.2 x	5.7 x	5.4 x	6.0 x
Total gross real estate assets	\$4,007,471	\$3,979,131	\$4,199,132	\$3,818,287	\$4,060,010
Net debt ⁽⁷⁾	\$1,602,237	\$1,590,007	\$1,930,834	\$1,473,301	\$1,874,929

(1) Please refer to page 27 for additional leased percentage information.

(2) Economic leased percentage excludes the square footage associated with executed but not commenced leases for currently vacant spaces and the square footage associated with tenants receiving rental abatements (after proportional adjustments for tenants receiving only partial rental abatements). Due to variations in rental abatement structures whereby some abatements are provided for the first few months of each lease year as opposed to being provided entirely at the beginning of the lease, there will be variability to the economic leased percentage over time as abatements commence and expire. Please see the Future Lease Commencements and Abatements section of Financial Highlights for details on near-term abatements for large leases.

(3) Dividends are reflected in the quarter in which the record date occurred.

(4) Core EBITDA margin is calculated as Core EBITDA divided by total revenues.

(5) The fixed charge coverage ratio is calculated as Core EBITDA divided by the sum of interest expense, principal amortization, capitalized interest and preferred dividends. The Company had no preferred dividends during any of the periods presented; the Company had capitalized interest of \$236,290 for the quarter ended September 30, 2020, \$183,846 for the quarter ended June 30, 2020, \$176,040 for the quarter ended March 31, 2020, \$502,646 for the quarter ended December 31, 2019, and \$542,505 for the quarter ended September 30, 2019; the Company had principal amortization of \$269,838 for the quarter ended September 30, 2020, \$266,128 for the quarter ended June 30, 2020, \$175,383 for the quarter ended March 31, 2020, \$345,948 for the quarter ended December 31, 2019, and \$255,303 for the quarter ended September 30, 2019.

(6) For the purposes of this calculation, we annualize the period's Core EBITDA and use the average daily balance of debt outstanding during the period, less cash and cash equivalents and escrow deposits and restricted cash as of the end of the period.

(7) Net debt is calculated as the total principal amount of debt outstanding minus cash and cash equivalents and escrow deposits and restricted cash as of the end of the period.

Piedmont Office Realty Trust, Inc.

Funds From Operations, Core Funds From Operations and Adjusted Funds From Operations

Unaudited (in thousands except for per share data)

	Three Months Ended		Nine Months Ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
GAAP net income applicable to common stock	\$ 8,943	\$ 8,422	\$ 210,079	\$ 66,783
Depreciation ^{(1) (2)}	27,960	26,909	82,384	79,346
Amortization ⁽¹⁾	22,976	19,491	70,930	55,622
Impairment loss	—	1,953	—	1,953
Loss / (gain) on sale of properties	340	(32)	(191,032)	(39,370)
NAREIT funds from operations applicable to common stock	60,219	56,743	172,361	164,334
Adjustments:				
Retirement and separation expenses associated with senior management transition	—	—	—	3,175
Loss / (gain) on extinguishment of debt	—	—	9,336	—
Core funds from operations applicable to common stock	60,219	56,743	181,697	167,509
Adjustments:				
Amortization of debt issuance costs, fair market adjustments on notes payable, and discount on senior notes	931	526	2,180	1,574
Depreciation of non real estate assets	286	214	930	634
Straight-line effects of lease revenue ⁽¹⁾	(6,315)	(1,531)	(20,378)	(7,437)
Stock-based compensation adjustments	1,336	(3,015)	4,281	1,949
Amortization of lease-related intangibles ⁽¹⁾	(3,240)	(1,923)	(9,517)	(6,009)
Non-incremental capital expenditures ⁽³⁾	(15,611)	(14,352)	(58,062)	(27,410)
Adjusted funds from operations applicable to common stock	\$ 37,606	\$ 36,662	\$ 101,131	\$ 130,810
Weighted average common shares outstanding - diluted	126,385	126,240	126,302	126,190
Funds from operations per share (diluted)	\$ 0.48	\$ 0.45	\$ 1.36	\$ 1.30
Core funds from operations per share (diluted)	\$ 0.48	\$ 0.45	\$ 1.44	\$ 1.33
<i>Common stock outstanding at end of period</i>	<i>126,029</i>	<i>125,783</i>	<i>126,029</i>	<i>125,783</i>

(1) Includes our proportionate share of amounts attributable to consolidated properties.

(2) Excludes depreciation of non real estate assets.

(3) Non-incremental capital expenditures are defined on page 39. Non-incremental capital expenditures for the nine months ended September 30, 2020 include approximately \$20.4 million of leasing commissions, with the largest contributor to that amount being the leasing commissions related to the 20-year, approximately 500,000 square foot lease renewal with the State of New York at 60 Broad Street in New York, NY.

Piedmont Office Realty Trust, Inc.
Same Store Net Operating Income (Cash Basis)
Unaudited (in thousands)

	Three Months Ended		Nine Months Ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Net income attributable to Piedmont	\$ 8,943	\$ 8,422	\$ 210,079	\$ 66,783
Net income / (loss) attributable to noncontrolling interest	(3)	(3)	(2)	(3)
Interest expense	12,725	16,145	41,942	46,750
Depreciation ⁽¹⁾	28,247	27,124	83,315	79,982
Amortization ⁽¹⁾	22,976	19,491	70,930	55,622
Impairment loss	—	1,953	—	1,953
Loss / (gain) on sale of properties	340	(32)	(191,032)	(39,370)
EBITDAre	73,228	73,100	215,232	211,717
Retirement and separation expenses associated with senior management transition	—	—	—	3,175
(Gain) / loss on extinguishment of debt	—	—	9,336	—
Core EBITDA ⁽²⁾	73,228	73,100	224,568	214,892
General & administrative expenses	5,469	7,950	20,049	26,561
Non-cash general reserve for uncollectible accounts ⁽³⁾	(33)	—	4,831	—
Management fee revenue ⁽⁴⁾	(422)	(203)	(1,098)	(2,226)
Other (income) / expense ⁽¹⁾⁽⁵⁾	(104)	(47)	(170)	(165)
Straight-line effects of lease revenue ⁽¹⁾	(6,315)	(1,531)	(20,378)	(7,437)
Amortization of lease-related intangibles ⁽¹⁾	(3,240)	(1,923)	(9,517)	(6,009)
Property net operating income (cash basis)	68,583	77,346	218,285	225,616
Deduct net operating (income) / loss from:				
Acquisitions ⁽⁶⁾	(10,165)	(2,771)	(28,379)	(3,691)
Dispositions ⁽⁷⁾	(56)	(11,800)	(9,035)	(38,977)
Other investments ⁽⁸⁾	18	(896)	(288)	(1,181)
Same store net operating income (cash basis) ⁽⁹⁾	\$ 58,380	\$ 61,879	\$ 180,583	\$ 181,767
<i>Change period over period</i>	<i>(5.7)%</i>	<i>N/A</i>	<i>(0.7)%</i>	<i>N/A</i>

(1) Includes our proportionate share of amounts attributable to consolidated properties.

(2) The Company has historically recognized approximately \$2 to \$3 million of termination income on an annual basis (over the last 5 years). Given the size of its asset base and the number of tenants with which it conducts business, Piedmont considers termination income of that magnitude to be a normal part of its operations and a recurring part of its revenue stream; however, the recognition of termination income is typically variable between quarters and throughout any given year and is dependent upon when during the year the Company receives termination notices from tenants. During the three months ended September 30, 2020, Piedmont recognized \$0.8 million in termination income, as compared with none during the same period in 2019. During the nine months ended September 30, 2020, Piedmont recognized \$1.9 million in termination income, as compared with \$2.3 million during the same period in 2019. During the calendar year 2019, Piedmont recognized a total of \$2.8 million in termination income.

(3) As a result of COVID-19 and as a precautionary measure, during the second quarter of 2020, the Company established a general reserve for potential future losses amounting to \$4.9 million. A small reduction to the general reserve of \$33,000 was made during the third quarter of 2020. The general reserve is non-cash in nature and, therefore, any changes in the reserve are removed from the calculation of cash basis same store net operating income. No such reserves were made in any periods prior to the second quarter of 2020.

(4) Presented net of related operating expenses incurred to earn the revenue; therefore, the information presented on this line will not tie to the data presented on the income statements.

(5) Figures presented on this line may not tie back to the relevant sources as some activity is attributable to property operations and is, therefore, presented in property net operating income.

(6) Acquisitions consist of Galleria 100 in Atlanta, GA, purchased on May 6, 2019; Galleria 400 and Galleria 600 in Atlanta, GA, purchased on August 23, 2019; and One Galleria Tower, Two Galleria Tower and Three Galleria Tower in Dallas, TX, purchased on February 12, 2020.

(7) Dispositions consist of One Independence Square in Washington, D.C., sold on February 28, 2019; The Dupree in Atlanta, GA, sold on September 4, 2019; 500 West Monroe Street in Chicago, IL, sold on October 28, 2019; and 1901 Market Street in Philadelphia, PA, sold on June 25, 2020.

(8) Other investments consist of active out-of-service redevelopment and development projects, land, and recently completed redevelopment and development projects for which some portion of operating expenses were capitalized during the current and/or prior year reporting periods. Additional information on our land holdings can be found on page 38. The operating results from Two Pierce Place in Itasca, IL, are included in this line item.

(9) For the three months ended and the nine months ended September 30, 2020, amounts reflect a decrease in cash collections of approximately \$2.0 million and \$5.9 million, respectively, of primarily rent deferrals as a result of COVID-19 rent relief agreements.

Piedmont Office Realty Trust, Inc.

Same Store Net Operating Income (Cash Basis)

Unaudited (in thousands)

Same Store Net Operating Income (Cash Basis) Contributions from Strategic Operating Markets	Three Months Ended				Nine Months Ended			
	9/30/2020		9/30/2019		9/30/2020		9/30/2019	
	\$	%	\$	%	\$	%	\$	%
Boston ⁽¹⁾	\$ 10,421	17.9	\$ 9,980	16.1	\$ 30,678	17.0	\$ 29,865	16.4
Washington, D.C. ⁽²⁾	9,650	16.5	8,591	13.9	29,270	16.2	25,238	13.9
Minneapolis ⁽³⁾	8,962	15.4	9,482	15.3	27,192	15.1	28,239	15.6
New York ⁽⁴⁾	7,538	12.9	11,117	18.0	25,334	14.0	33,690	18.5
Atlanta	8,657	14.8	8,219	13.3	25,192	14.0	25,850	14.2
Orlando ⁽⁵⁾	6,724	11.5	8,159	13.2	22,435	12.4	24,823	13.7
Dallas ⁽⁶⁾	6,856	11.7	7,129	11.5	22,384	12.4	19,791	10.9
Other ⁽⁷⁾	(428)	(0.7)	(798)	(1.3)	(1,902)	(1.1)	(5,729)	(3.2)
Total	\$ 58,380	100.0	\$ 61,879	100.0	\$ 180,583	100.0	\$ 181,767	100.0

NOTE: The Company has provided disaggregated financial data for informational purposes for readers; however, regardless of the presentation approach used, we continue to evaluate and utilize our consolidated financial results in making operating decisions, allocating resources, and assessing our performance.

- (1) The increase in Boston Same Store Net Operating Income for the nine months ended September 30, 2020 as compared to the same period in 2019 was primarily due to increased economic occupancy at 80 Central Street in Boxborough, MA, in addition to a large tenant renewal at a higher rate at 225 and 235 Presidential Way in Woburn, MA.
- (2) The increase in Washington, D.C. Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily due to increased economic occupancy as a result of recent leasing activity at 1201 Eye Street in Washington, D.C. and Arlington Gateway in Arlington, VA.
- (3) The decrease in Minneapolis Same Store Net Operating Income for the nine months ended September 30, 2020 as compared to the same period in 2019 was primarily due to decreased occupancy at US Bancorp Center in Minneapolis, MN, and Crescent Ridge II in Minnetonka, MN.
- (4) The decrease in New York Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily attributable to decreased economic occupancy as a result of 1) a lease expiration during the second half of 2019, 2) temporary vacancy due to the restacking of the State of New York space related to its long-term lease renewal, and 3) a rental rate roll down, all at 60 Broad Street in New York, NY.
- (5) The decrease in Orlando Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily due to decreased economic occupancy related to a lease expiration during the second half of 2019 and pandemic-related decreased parking activity at 200 South Orange Avenue in Orlando, FL.
- (6) The increase in Dallas Same Store Net Operating Income for the nine months ended September 30, 2020 as compared to the same period in 2019 was primarily due to increased economic occupancy associated with the cash rent commencement for a whole-building lease at 6011 Connection Drive and the recognition of lease termination income in 2020 at Las Colinas Corporate Center I, both located in Irving, TX.
- (7) The decrease in Other Same Store Net Operating Loss for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily attributable to increased economic occupancy at 1430 Enclave Parkway in Houston, TX, as a result of the expiration of the rental abatement period for the building's primary tenant. Other Same Store Net Operating Income remains negative in 2020 primarily as a result of the gross rental abatement that remains in effect under the recently commenced, 301,000 square foot, full-building lease at Enclave Place in Houston, TX.

Piedmont Office Realty Trust, Inc.
Same Store Net Operating Income (Accrual Basis)
Unaudited (in thousands)

	Three Months Ended		Nine Months Ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Net income attributable to Piedmont	\$ 8,943	\$ 8,422	\$ 210,079	\$ 66,783
Net income / (loss) attributable to noncontrolling interest	(3)	(3)	(2)	(3)
Interest expense	12,725	16,145	41,942	46,750
Depreciation ⁽¹⁾	28,247	27,124	83,315	79,982
Amortization ⁽¹⁾	22,976	19,491	70,930	55,622
Impairment loss	—	1,953	—	1,953
Loss / (gain) on sale of properties	340	(32)	(191,032)	(39,370)
EBITDAre	73,228	73,100	215,232	211,717
Retirement and separation expenses associated with senior management transition	—	—	—	3,175
(Gain) / loss on extinguishment of debt	—	—	9,336	—
Core EBITDA ⁽²⁾	73,228	73,100	224,568	214,892
General & administrative expenses	5,469	7,950	20,049	26,561
Management fee revenue ⁽³⁾	(422)	(203)	(1,098)	(2,226)
Other (income) / expense ⁽¹⁾⁽⁴⁾	(104)	(47)	(170)	(165)
Property net operating income (accrual basis)	78,171	80,800	243,349	239,062
Deduct net operating (income) / loss from:				
Acquisitions ⁽⁵⁾	(14,222)	(3,627)	(38,008)	(4,782)
Dispositions ⁽⁶⁾	(56)	(12,740)	(10,711)	(40,566)
Other investments ⁽⁷⁾	(80)	(889)	(319)	(1,158)
Same store net operating income (accrual basis)	\$ 63,813	\$ 63,544	\$ 194,311	\$ 192,556
<i>Change period over period</i>	<i>0.4 %</i>	<i>N/A</i>	<i>0.9 %</i>	<i>N/A</i>
<i>For informational purposes ⁽⁸⁾</i>				
Add back: Non-cash general reserve for uncollectible accounts	(33)	—	4,831	—
Adjusted same store net operating income (accrual basis)	\$ 63,780	\$ 63,544	\$ 199,142	\$ 192,556
<i>Change period over period</i>	<i>0.4 %</i>	<i>N/A</i>	<i>3.4 %</i>	<i>N/A</i>

(1) Includes our proportionate share of amounts attributable to consolidated properties.

(2) The Company has historically recognized approximately \$2 to \$3 million of termination income on an annual basis (over the last 5 years). Given the size of its asset base and the number of tenants with which it conducts business, Piedmont considers termination income of that magnitude to be a normal part of its operations and a recurring part of its revenue stream; however, the recognition of termination income is typically variable between quarters and throughout any given year and is dependent upon when during the year the Company receives termination notices from tenants. During the three months ended September 30, 2020, Piedmont recognized \$0.8 million in termination income, as compared with none during the same period in 2019. During the nine months ended September 30, 2020, Piedmont recognized \$1.9 million in termination income, as compared with \$2.3 million during the same period in 2019. During the calendar year 2019, Piedmont recognized a total of \$2.8 million in termination income.

(3) Presented net of related operating expenses incurred to earn the revenue; therefore, the information presented on this line will not tie to the data presented on the income statements.

(4) Figures presented on this line may not tie back to the relevant sources as some activity is attributable to property operations and is, therefore, presented in property net operating income.

(5) Acquisitions consist of Galleria 100 in Atlanta, GA, purchased on May 6, 2019; Galleria 400 and Galleria 600 in Atlanta, GA, purchased on August 23, 2019; and One Galleria Tower, Two Galleria Tower and Three Galleria Tower in Dallas, TX, purchased on February 12, 2020.

(6) Dispositions consist of One Independence Square in Washington, D.C., sold on February 28, 2019; The Dupree in Atlanta, GA, sold on September 4, 2019; 500 West Monroe Street in Chicago, IL, sold on October 28, 2019; and 1901 Market Street in Philadelphia, PA, sold on June 25, 2020.

(7) Other investments consist of active out-of-service redevelopment and development projects, land, and recently completed redevelopment and development projects for which some portion of operating expenses were capitalized during the current and/or prior year reporting periods. Additional information on our land holdings can be found on page 38. The operating results from Two Pierce Place in Itasca, IL, are included in this line item.

(8) As a result of COVID-19 and as a precautionary measure, during the second quarter of 2020, the Company established a general reserve for potential future losses amounting to \$4.9 million. A small reduction to the general reserve of \$33,000 was made during the third quarter of 2020. The initial establishment of the general reserve reduced the Company's accrual basis same store net operating income. Because of the unique nature of the reserve and its effect on the Company's financial results, the Company has provided this supplemental disclosure to calculate what the accrual basis same store net operating income growth would have been had no general reserve for potential future losses been established. No such reserves were made in any periods prior to the second quarter of 2020.

Piedmont Office Realty Trust, Inc.
Same Store Net Operating Income (Accrual Basis)
Unaudited (in thousands)

Same Store Net Operating Income (Accrual Basis) Contributions from Strategic Operating Markets	Three Months Ended				Nine Months Ended			
	9/30/2020		9/30/2019		9/30/2020		9/30/2019	
	\$	%	\$	%	\$	%	\$	%
Boston ⁽¹⁾	\$ 10,575	16.5	\$ 10,424	16.4	\$ 31,825	16.4	\$ 33,117	17.2
New York ⁽²⁾	8,583	13.5	10,792	17.0	31,040	16.0	32,029	16.6
Washington, D.C. ⁽³⁾	10,068	15.8	9,138	14.4	29,883	15.4	28,985	15.1
Atlanta ⁽⁴⁾	9,628	15.1	8,976	14.1	28,573	14.7	27,389	14.2
Minneapolis ⁽⁵⁾	8,632	13.5	8,879	14.0	25,397	13.1	26,612	13.8
Orlando ⁽⁶⁾	7,854	12.3	8,571	13.5	24,785	12.7	26,396	13.7
Dallas ⁽⁷⁾	7,069	11.1	7,534	11.8	22,773	11.7	21,744	11.3
Other ⁽⁸⁾	1,404	2.2	(770)	(1.2)	35	—	(3,716)	(1.9)
Total	\$ 63,813	100.0	\$ 63,544	100.0	\$ 194,311	100.0	\$ 192,556	100.0

NOTE: The Company has provided disaggregated financial data for informational purposes for readers; however, regardless of the presentation approach used, we continue to evaluate and utilize our consolidated financial results in making operating decisions, allocating resources, and assessing our performance.

- (1) The decrease in Boston Same Store Net Operating Income for the nine months ended September 30, 2020 as compared to the same period in 2019 was primarily due to lower income as a result of decreased occupancy related to several small lease expirations at 25 Burlington Mall Road in Burlington, MA, along with a large tenant renewal at a lower effective accrual basis rental rate at 225 and 235 Presidential Way in Woburn, MA.
- (2) The decrease in New York Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily due to decreased rental income as a result of lower occupancy as well as receivable write-offs.
- (3) The increase in Washington, D.C. Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily due to recent leasing activity at 1201 Eye Street in Washington, D.C. and Arlington Gateway in Arlington, VA.
- (4) The increase in Atlanta Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily due to increased rental income attributable to the commencement of new leases at higher accrual basis rental rates at 1155 Perimeter Center West and Glenridge Highlands Two, both located in Atlanta, GA.
- (5) The decrease in Minneapolis Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily due to decreased occupancy at US Bancorp Center in Minneapolis, MN, and Crescent Ridge II in Minnetonka, MN.
- (6) The decrease in Orlando Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was due to a decrease in rental income as a result of decreased occupancy related to a lease expiration during the second half of 2019 and pandemic-related decreased parking activity at 200 South Orange Avenue in Orlando, FL.
- (7) The increase in Dallas Same Store Net Operating Income for the nine months ended September 30, 2020 as compared to the same period in 2019 was primarily due to increased rental income resulting from the commencement of the final portion of a whole-building lease at 6011 Connection Drive, along with the recognition of approximately \$1.2 million of lease termination income in 2020 at Las Colinas Corporate Center I, both located in Irving, TX.
- (8) The increase in Other Same Store Net Operating Income for the three months and the nine months ended September 30, 2020 as compared to the same periods in 2019 was primarily due to increased rental income from the commencement of the whole-building lease at Enclave Place in Houston, TX. Contributing to the increase in Same Store Net Operating Income for the nine months ended September 30, 2020 was the expiration of the operating expense recovery abatement related to the lease renewal and expansion of the building's primary tenant at 1430 Enclave Parkway, both located in Houston, TX. Offsetting the increase in Other Same Store Net Operating Income for the nine months ended September 30, 2020 was the establishment of a general reserve for tenant receivable losses as a result of COVID-19. The reserve is considered general in nature and is, therefore, presented in Other Same Store Net Operating Income.

Piedmont Office Realty Trust, Inc.
Capitalization Analysis
Unaudited (in thousands except for per share data)

	As of September 30, 2020	As of December 31, 2019
Market Capitalization		
Common stock price	\$13.57	\$22.24
Total shares outstanding	126,029	125,783
Equity market capitalization ⁽¹⁾	\$1,710,210	\$2,797,423
Total debt - principal amount outstanding (excludes premiums, discounts, and deferred financing costs)	\$1,627,976	\$1,488,687
Total market capitalization ⁽¹⁾	\$3,338,186	\$4,286,110
Total debt / Total market capitalization ⁽¹⁾	48.8 %	34.7 %
Ratios & Information for Debt Holders		
Total gross assets ⁽²⁾	\$4,789,570	\$4,574,815
Total debt / Total gross assets ⁽²⁾	34.0 %	32.5 %
Average net debt to Core EBITDA ⁽³⁾	5.5 x	5.4 x

(1) Reflects common stock closing price, shares outstanding, and outstanding debt as of the end of the reporting period, as appropriate.

(2) Total gross assets is defined as total assets with the add-back of accumulated depreciation and accumulated amortization related to real estate assets and accumulated amortization related to deferred lease costs.

(3) For the purposes of this calculation, we annualize the Core EBITDA for the quarter and use the average daily balance of debt outstanding during the quarter, less cash and cash equivalents and escrow deposits and restricted cash as of the end of the quarter.

Piedmont Office Realty Trust, Inc.

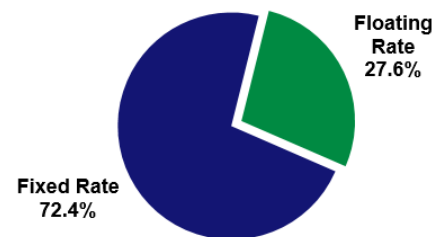
Debt Summary

As of September 30, 2020

Unaudited (\$ in thousands)

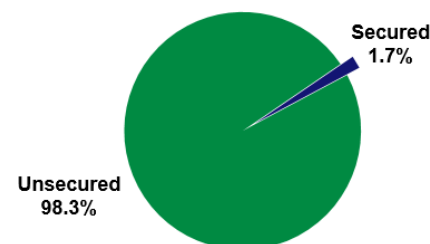
Floating Rate & Fixed Rate Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Floating Rate	\$450,000 ⁽³⁾	1.14%	27.3 months
Fixed Rate	1,177,976	3.76%	58.6 months
Total	\$1,627,976	3.03%	50.0 months



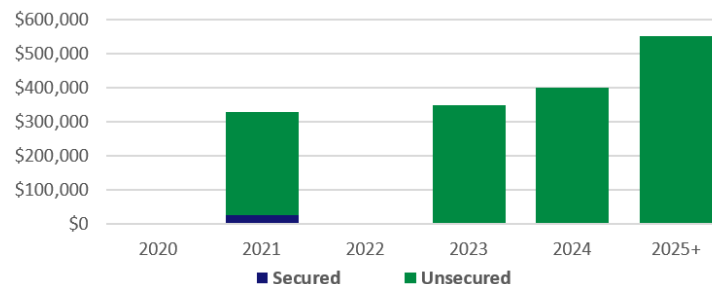
Unsecured & Secured Debt

Debt ⁽¹⁾	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁾	Weighted Average Maturity
Unsecured	\$1,600,000	2.99%	50.7 months
Secured	27,976	5.55%	11.0 months
Total	\$1,627,976	3.03%	50.0 months



Debt Maturities ⁽⁴⁾

Maturity Year	Secured Debt - Principal Amount Outstanding ⁽¹⁾	Unsecured Debt - Principal Amount Outstanding ⁽¹⁾	Weighted Average Stated Interest Rate ⁽²⁾	Percentage of Total
2020	\$—	\$—	N/A	—%
2021	27,976	300,000	1.53%	20.1%
2022	—	—	N/A	—%
2023	—	350,000	3.40%	21.5%
2024	—	400,000	4.45%	24.6%
2025 +	—	550,000	2.66%	33.8%
Total	\$27,976	\$1,600,000	3.03%	100.0%



(1) All of Piedmont's outstanding debt as of September 30, 2020 was interest-only debt with the exception of the \$28.0 million mortgage associated with 5 Wall Street located in Burlington, MA.

(2) Weighted average stated interest rate is calculated based upon the principal amounts outstanding.

(3) The amount of floating rate debt is comprised of the \$150 million in principal amount of the \$250 million unsecured term loan that closed in 2018 that remained unhedged as of September 30, 2020 and the entire principal balance of the \$300 million unsecured term loan that closed in 2011. There is an additional \$500 million unsecured revolving credit facility which has a floating interest rate structure, but it had no outstanding balance as of September 30, 2020. The \$250 million unsecured term loan that closed in 2018 has a stated variable rate. However, Piedmont entered into \$100 million in notional amount of seven-year interest rate swap agreements resulting in an effectively fixed interest rate for \$100 million in principal amount of the term loan (at 3.56% as of September 30, 2020; this rate can change only with a credit rating change for the Company) through the loan's maturity date of March 31, 2025. Additional details regarding the floating rate debt can be found on the following page.

(4) For loans which provide extension options that are conditional solely upon the Company providing proper notice to the loan's administrative agent and the payment of an extension fee, the final extended maturity date is reflected herein.

Piedmont Office Realty Trust, Inc.

Debt Detail

Unaudited (\$ in thousands)

Facility ⁽¹⁾	Property	Stated Rate	Maturity	Principal Amount Outstanding as of September 30, 2020
Secured				
\$35.0 Million Fixed-Rate Loan ⁽²⁾	5 Wall Street	5.55 % ⁽³⁾	9/1/2021	\$ 27,976
Subtotal / Weighted Average ⁽⁴⁾		5.55 %		\$ 27,976
Unsecured				
\$300.0 Million Unsecured 2011 Term Loan	N/A	1.16 % ⁽⁵⁾	11/30/2021	\$ 300,000
\$350.0 Million Unsecured 2013 Senior Notes	N/A	3.40 % ⁽⁶⁾	6/1/2023	350,000
\$500.0 Million Unsecured Line of Credit ⁽⁷⁾	N/A	— % ⁽⁸⁾	9/29/2023	—
\$400.0 Million Unsecured 2014 Senior Notes	N/A	4.45 % ⁽⁹⁾	3/15/2024	400,000
\$250.0 Million Unsecured 2018 Term Loan	N/A	2.08 % ⁽¹⁰⁾	3/31/2025	250,000
\$300.0 Million Unsecured 2020 Senior Notes	N/A	3.15 % ⁽¹¹⁾	8/15/2030	300,000
Subtotal / Weighted Average ⁽⁴⁾		2.99 %		\$ 1,600,000
Total Debt - Principal Amount Outstanding / Weighted Average Stated Rate ⁽⁴⁾		3.03 %		\$ 1,627,976
GAAP Accounting Adjustments ⁽¹²⁾				(11,141)
Total Debt - GAAP Amount Outstanding				\$ 1,616,835

(1) All of Piedmont's outstanding debt as of September 30, 2020, was interest-only debt with the exception of the \$28.0 million mortgage associated with 5 Wall Street located in Burlington, MA.

(2) The loan is amortizing based on a 25-year amortization schedule.

(3) The loan has a stated interest rate of 5.55%; however, upon acquiring 5 Wall Street and assuming the loan, the Company marked the debt to its estimated fair value as of that time, resulting in an effective interest rate of 3.75%.

(4) Weighted average is based on the principal amounts outstanding and interest rates at September 30, 2020.

(5) The \$300 million unsecured 2011 term loan has a variable interest rate. Piedmont may select from multiple interest rate options, including the prime rate and various length LIBOR locks. The all-in interest rate associated with each LIBOR interest period selection is comprised of the relevant base LIBOR interest rate plus a credit spread (1.00% as of September 30, 2020) based on Piedmont's then current credit rating.

(6) The \$350 million unsecured senior notes were offered for sale at 99.601% of the principal amount. The resulting effective cost of the financing is approximately 3.45% before the consideration of transaction costs and proceeds from interest rate hedges. After the application of proceeds from interest rate hedges, the effective cost of the financing is approximately 3.43%.

(7) All of Piedmont's outstanding debt as of September 30, 2020 was term debt with the exception of our unsecured revolving credit facility (which had no balance outstanding as of September 30, 2020). The \$500 million unsecured revolving credit facility has an initial maturity date of September 30, 2022; however, there are two, six-month extension options available under the facility providing for a total extension of up to one year to September 29, 2023. The final extended maturity date is presented on this schedule.

(8) There was no balance outstanding under our unsecured revolving credit facility as of the end of the third quarter of 2020; therefore, no interest rate is presented. Had any draws been made under the \$500 million unsecured revolving credit facility as of the end of the third quarter of 2020, the applicable interest rate would have been approximately 1.05%. Piedmont may select from multiple interest rate options with each draw under the facility, including the prime rate and various length LIBOR locks. The all-in interest rate associated with each LIBOR interest period selection is comprised of the relevant base LIBOR interest rate plus a credit spread (0.90% as of September 30, 2020) based on Piedmont's then current credit rating.

(9) The \$400 million unsecured senior notes were offered for sale at 99.791% of the principal amount. The resulting effective cost of the financing is approximately 4.48% before the consideration of transaction costs and proceeds from interest rate hedges. After the application of proceeds from interest rate hedges, the effective cost of the financing is approximately 4.10%.

(10) The \$250 million unsecured term loan that closed in 2018 has a stated variable interest rate; however, Piedmont entered into \$100 million in notional amount of seven-year interest rate swap agreements that effectively fixed the interest rate on \$100 million of the term loan (at 3.56% as of September 30, 2020; this rate can change only with a credit rating change for the Company) through the loan's maturity date of March 31, 2025. For the portion of the loan that continues to have a variable interest rate, Piedmont may select from multiple interest rate options, including the prime rate and various length LIBOR locks. The all-in interest rate associated with each LIBOR interest period selection is comprised of the relevant base LIBOR interest rate plus a credit spread (0.95% as of September 30, 2020) based on Piedmont's then current credit rating.

(11) The \$300 million unsecured senior notes were offered for sale at 99.236% of the principal amount. The resulting effective cost of the financing is approximately 3.24% before the consideration of transaction costs and the impact of interest rate hedges. After incorporating the results of the related interest rate hedging activity, the effective cost of the financing is approximately 3.90%.

(12) The GAAP accounting adjustments relate to original issue discounts, third-party fees, and lender fees resulting from the procurement processes for our various debt facilities, along with debt fair value adjustments associated with the assumed 5 Wall Street debt. The original issue discounts and fees, along with the debt fair value adjustments, are amortized to interest expense over the contractual term of the related debt.

Piedmont Office Realty Trust, Inc.
Debt Covenant & Ratio Analysis (for Debt Holders)
As of September 30, 2020
Unaudited

Bank Debt Covenant Compliance ⁽¹⁾	Required	Three Months Ended				
		9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019
Maximum leverage ratio	0.60	0.35	0.34	0.38	0.31	0.37
Minimum fixed charge coverage ratio ⁽²⁾	1.50	4.54	4.32	4.14	4.12	4.07
Maximum secured indebtedness ratio	0.40	0.01	0.01	0.04	0.04	0.04
Minimum unencumbered leverage ratio	1.60	2.85	2.91	2.71	3.39	2.74
Minimum unencumbered interest coverage ratio ⁽³⁾	1.75	5.13	4.92	4.74	4.70	4.60

Bond Covenant Compliance ⁽⁴⁾	Required	Three Months Ended				
		9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019
Total debt to total assets	60% or less	40.3%	40.5%	46.0%	38.8%	46.3%
Secured debt to total assets	40% or less	0.7%	0.7%	4.5%	4.9%	4.6%
Ratio of consolidated EBITDA to interest expense	1.50 or greater	5.52	5.15	4.88	4.80	4.73
Unencumbered assets to unsecured debt	150% or greater	249%	248%	224%	273%	223%

Other Debt Coverage Ratios for Debt Holders	Three Months Ended	Nine Months Ended	Twelve Months Ended
	September 30, 2020	September 30, 2020	December 31, 2019
Average net debt to core EBITDA ⁽⁵⁾	5.5 x	5.8 x	5.8 x
Fixed charge coverage ratio ⁽⁶⁾	5.5 x	5.2 x	4.5 x
Interest coverage ratio ⁽⁷⁾	5.6 x	5.3 x	4.5 x

(1) Bank debt covenant compliance calculations relate to specific calculations detailed in the relevant credit agreements.

(2) Defined as EBITDA for the trailing four quarters (including the Company's share of EBITDA from unconsolidated interests), excluding one-time or non-recurring gains or losses, less a \$0.15 per square foot capital reserve, and excluding the impact of straight line rent leveling adjustments and amortization of intangibles divided by the Company's share of fixed charges, as more particularly described in the credit agreements. This definition of fixed charge coverage ratio as prescribed by our credit agreements is different from the fixed charge coverage ratio definition employed elsewhere within this report.

(3) Defined as net operating income for the trailing four quarters for unencumbered assets (including the Company's share of net operating income from partially-owned entities and subsidiaries that are deemed to be unencumbered) less a \$0.15 per square foot capital reserve divided by the Company's share of interest expense associated with unsecured financings only, as more particularly described in the credit agreements.

(4) Bond covenant compliance calculations relate to specific calculations prescribed in the relevant debt agreements. Please refer to the Indenture dated May 9, 2013, the Indenture and the First Supplemental Indenture dated March 6, 2014, and the Second Supplemental Indenture dated August 12, 2020, for detailed information about the calculations.

(5) For the purposes of this calculation, we use the average daily balance of debt outstanding during the period, less cash and cash equivalents and escrow deposits and restricted cash as of the end of the period.

(6) Fixed charge coverage ratio is calculated as Core EBITDA divided by the sum of interest expense, principal amortization, capitalized interest and preferred dividends. The Company had no preferred dividends during the periods ended September 30, 2020 and December 31, 2019. The Company had capitalized interest of \$236,290 for the three months ended September 30, 2020, \$596,177 for the nine months ended September 30, 2020, and \$2,135,150 for the twelve months ended December 31, 2019. The Company had principal amortization of \$269,838 for the three months ended September 30, 2020, \$711,349 for the nine months ended September 30, 2020, and \$1,018,979 for the twelve months ended December 31, 2019.

(7) Interest coverage ratio is calculated as Core EBITDA divided by the sum of interest expense and capitalized interest. The Company had capitalized interest of \$236,290 for the three months ended September 30, 2020, \$596,177 for the nine months ended September 30, 2020, and \$2,135,150 for the twelve months ended December 31, 2019.

Piedmont Office Realty Trust, Inc.
Tenant Diversification ⁽¹⁾
As of September 30, 2020
(in thousands except for number of properties)

Tenant	Credit Rating ⁽²⁾	Number of Properties	Lease Expiration ⁽³⁾	Annualized Lease Revenue	Percentage of Annualized Lease Revenue (%)	Leased Square Footage	Percentage of Leased Square Footage (%)
US Bancorp	A+ / A1	3	2023 / 2024	\$26,567	5.0	787	5.3
State of New York	AA+ / Aa2	1	2024 / 2039	25,722	4.8	504	3.4
City of New York	AA / Aa2	1	In Holdover ⁽⁴⁾	15,528	2.9	313	2.1
Amazon	AA- / A2	3	2024 / 2025	13,672	2.6	337	2.3
Transocean	CCC- / Caa3	1	2036	10,225	1.9	301	2.0
Harvard University	AAA / Aaa	2	2032 / 2033	8,520	1.6	129	0.9
Raytheon	A- / Baa1	2	2024	8,453	1.6	440	2.9
Schlumberger Technology	A / A2	1	2028	7,857	1.5	254	1.7
Gartner	BB / Ba2	2	2034	7,325	1.4	207	1.4
Nuance Communications	BB- / Ba3	1	2030	6,750	1.3	201	1.3
VMware, Inc.	BBB- / Baa2	1	2027	6,705	1.2	215	1.4
First Data Corporation / subsidiary of Fiserv	BBB / Baa2	1	2027	6,496	1.2	195	1.3
Epsilon Data Management / subsidiary of Publicis	BBB / Baa2	1	2026	6,487	1.2	222	1.5
Applied Predictive Technologies / subsidiary of MasterCard	A+ / A1	1	2028	6,198	1.2	133	0.9
CVS Caremark	BBB / Baa2	1	2022	6,100	1.1	208	1.4
International Food Policy Research Institute	No Rating Available	1	2029	6,015	1.1	102	0.7
WeWork	CCC+ / NR	3	2035 / 2036	6,008	1.1	173	1.2
Bank of America	A- / A2	5	2020 - 2025	5,866	1.1	123	0.8
Ryan, Inc.	No Rating Available	1	2023	5,731	1.1	170	1.1
Cargill	A / A2	1	2023	5,217	1.0	268	1.8
Other			Various	341,895	64.1	9,630	64.6
Total				\$533,337	100.0	14,912	100.0

(1) This schedule presents all tenants contributing 1.0% or more to Annualized Lease Revenue.

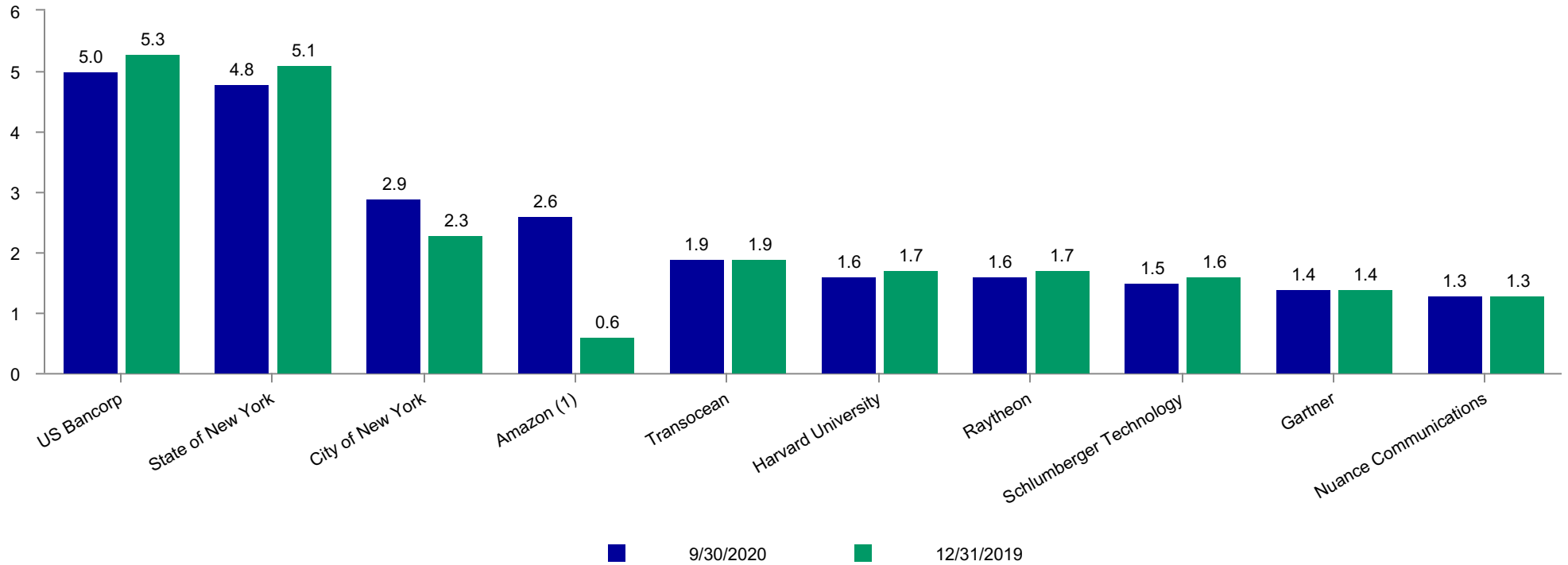
(2) Credit rating may reflect the credit rating of the parent or a guarantor. When available, both the Standard & Poor's credit rating and the Moody's credit rating are provided. The absence of a credit rating for a tenant is not an indication of the creditworthiness of the tenant; in most cases, the lack of a credit rating reflects that the tenant has not sought such a rating.

(3) Unless otherwise indicated, Lease Expiration represents the expiration year of the majority of the square footage leased by the tenant.

(4) For additional information on the current leasing status, please refer to page 7 in Financial Highlights.

Piedmont Office Realty Trust, Inc.
Tenant Diversification
As of September 30, 2020

Percentage of Annualized Leased Revenue (%)
September 30, 2020 as compared to December 31, 2019



(1) The growth in the tenant's contribution to Annualized Lease Revenue is related to the acquisition of the Dallas Galleria Office Towers in Dallas, TX and the tenant's expansion at those properties.

,Piedmont Office Realty Trust, Inc.
Tenant Credit Rating & Lease Distribution Information
As of September 30, 2020

Tenant Credit Rating ⁽¹⁾

Rating Level	Annualized Lease Revenue (in thousands)	Percentage of Annualized Lease Revenue (%)
AAA / Aaa	\$20,421	3.8
AA / Aa	59,666	11.2
A / A	94,070	17.7
BBB / Baa	53,306	10.0
BB / Ba	29,402	5.5
B / B	12,943	2.4
Below	21,934	4.1
Not rated ⁽²⁾	241,595	45.3
Total	\$533,337	100.0

Lease Distribution

Lease Size	Number of Leases	Percentage of Leases (%)	Annualized Lease Revenue (in thousands)	Percentage of Annualized Lease Revenue (%)	Leased Square Footage (in thousands)	Percentage of Leased Square Footage (%)
2,500 or Less	347	35.5	\$23,825	4.5	256	1.7
2,501 - 10,000	351	36.0	64,774	12.1	1,811	12.1
10,001 - 20,000	111	11.4	53,458	10.0	1,530	10.3
20,001 - 40,000	85	8.7	85,821	16.1	2,370	15.9
40,001 - 100,000	49	5.0	106,411	20.0	2,976	20.0
Greater than 100,000	33	3.4	199,048	37.3	5,969	40.0
Total	976	100.0	\$533,337	100.0	14,912	100.0

(1) Credit rating may reflect the credit rating of the parent or a guarantor. Where differences exist between the Standard & Poor's credit rating for a tenant and the Moody's credit rating for a tenant, the higher credit rating is selected for this analysis.

(2) The classification of a tenant as "not rated" is not an indication of the creditworthiness of the tenant; in most cases, the lack of a credit rating reflects that the tenant has not sought such a rating. Included in this category are such tenants as Piper Sandler, Brother International, Ernst & Young, KPMG, PwC, and RaceTrac Petroleum.

Piedmont Office Realty Trust, Inc.
Leased Percentage Information
(in thousands)

	Three Months Ended September 30, 2020			Three Months Ended September 30, 2019		
	Leased Square Footage	Rentable Square Footage	Percent Leased ⁽¹⁾	Leased Square Footage	Rentable Square Footage	Percent Leased ⁽¹⁾
As of June 30, 20xx	15,215	17,164	88.6 %	15,081	16,288	92.6 %
Properties placed in service	—	—		—	—	
Restated As of June 30, 20xx	15,215	17,164	88.6 %	15,081	16,288	92.6 %
Leases signed during the period	229			564		
Less:						
Lease renewals signed during period	(151)			(369)		
New leases signed during period for currently occupied space	(10)			(11)		
Leases expired during period and other	(371)	1		(307)	1	
Subtotal	14,912	17,165	86.9 %	14,958	16,289	91.8 %
Acquisitions during period ⁽²⁾	—	—		723	864	
Dispositions during period ⁽²⁾	—	—		(48)	(138)	
As of September 30, 20xx	14,912	17,165	86.9 %	15,633	17,015	91.9 %
Less: NJ portfolio sale assets	(552)	(739)				
As of September 30, 2020 excluding NJ portfolio sale assets	14,360	16,426	87.4 %			

	Nine Months Ended September 30, 2020			Nine Months Ended September 30, 2019		
	Leased Square Footage	Rentable Square Footage	Percent Leased ⁽¹⁾	Leased Square Footage	Rentable Square Footage	Percent Leased ⁽¹⁾
As of December 31, 20xx	14,633	16,046	91.2 %	15,128	16,208	93.3 %
Properties placed in service	204	487		—	—	
Restated As of December 31, 20xx	14,837	16,533	89.7 %	15,128	16,208	93.3 %
Leases signed during the period	917			1,880		
Less:						
Lease renewals signed during period	(707)			(1,293)		
New leases signed during period for currently occupied space	(47)			(223)		
Leases expired during period and other	(654)	(2)		(599)	1	
Subtotal	14,346	16,531	86.8 %	14,893	16,209	91.9 %
Acquisitions and properties placed in service during period ⁽²⁾	1,367	1,435		1,101	1,278	
Dispositions and properties taken out of service during period ⁽²⁾	(801)	(801)		(361)	(472)	
As of September 30, 20xx	14,912	17,165	86.9 %	15,633	17,015	91.9 %

Same Store Analysis						
Less acquisitions / dispositions after September 30, 2019 and developments / out-of-service redevelopments ⁽²⁾⁽³⁾	(1,543)	(1,920)	80.4 %	(1,765)	(1,768)	99.8 %
Same Store Leased Percentage	13,369	15,245	87.7 %	13,868	15,247	91.0 %

- (1) Calculated as square footage associated with commenced leases as of period end with the addition of square footage associated with uncommenced leases for spaces vacant as of period end, divided by total rentable square footage as of period end, expressed as a percentage.
- (2) For additional information on acquisitions and dispositions completed during the last year and current developments and out-of-service redevelopments, please refer to pages 37 and 38, respectively.
- (3) Dispositions completed during the previous twelve months are deducted from the previous period data and acquisitions completed during the previous twelve months are deducted from the current period data. Redevelopments that commenced during the previous twelve months that were taken out of service are deducted from the previous period data and developments and redevelopments placed in service during the previous twelve months are deducted from the current period data.

Piedmont Office Realty Trust, Inc.
Rental Rate Roll Up / Roll Down Analysis ⁽¹⁾
(in thousands)

	Three Months Ended September 30, 2020				
	Square Feet	% of Total Signed During Period	% of Rentable Square Footage	% Change Cash Rents ⁽²⁾	% Change Accrual Rents ^{(3) (4)}
Leases executed for spaces vacant one year or less	77	33.7%	0.4%	6.5%	9.1%
Leases executed for spaces excluded from analysis ⁽⁵⁾	152	66.3%			
	Nine Months Ended September 30, 2020				
	Square Feet	% of Total Signed During Period	% of Rentable Square Footage	% Change Cash Rents ⁽²⁾	% Change Accrual Rents ^{(3) (4)}
Leases executed for spaces vacant one year or less	530	57.9%	3.1%	4.8%	11.3%
Leases executed for spaces excluded from analysis ⁽⁵⁾	387	42.1%			

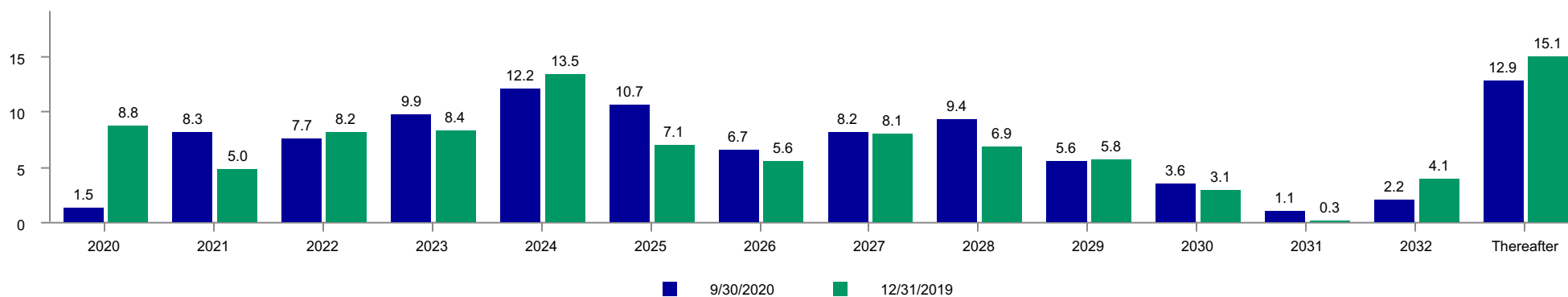
- (1) The populations analyzed for this analysis consist of consolidated leases executed during the relevant period with lease terms of greater than one year. Leases associated with storage spaces, management offices, and newly acquired assets for which there is less than one year of operating history are excluded from this analysis.
- (2) For the purposes of this analysis, the last twelve months of cash paying rents of the previous leases are compared to the first twelve months of cash paying rents of the new leases in order to calculate the percentage change.
- (3) For the purposes of this analysis, the accrual basis rents of the previous leases are compared to the accrual basis rents of the new leases in order to calculate the percentage change. For newly signed leases which have variations in accrual basis rents, whether because of known future expansions, contractions, lease expense recovery structure changes, or other similar reasons, the weighted average of such varying accrual basis rents is used for the purposes of this analysis.
- (4) For leases under which a tenant may use, at its discretion, a portion of its tenant improvement allowance for expenses other than those related to improvements to its space, an assumption is made that the tenant elects to use any such portion of its tenant improvement allowance for improvements to its space prior to the commencement of its lease, unless the Company is notified otherwise by the tenant. This assumption is made based upon historical usage patterns of tenant improvement allowances by the Company's tenants.
- (5) Represents leases signed at our consolidated office assets that do not qualify for inclusion in the analysis, primarily because the spaces for which the new leases were signed had been vacant for more than one year.

Piedmont Office Realty Trust, Inc.
Lease Expiration Schedule
As of September 30, 2020
(in thousands)

Expiration Year	Annualized Lease Revenue ⁽¹⁾	Percentage of Annualized Lease Revenue (%)	Rentable Square Footage	Percentage of Rentable Square Footage (%)
Vacant	\$—	—	2,253	13.1
2020 ⁽²⁾	8,278	1.5	271	1.6
2021 ⁽³⁾	44,305	8.3	1,174	6.8
2022	41,020	7.7	1,325	7.7
2023	52,684	9.9	1,648	9.6
2024	65,273	12.2	2,230	13.0
2025	56,829	10.7	1,620	9.4
2026	35,888	6.7	1,074	6.3
2027	43,546	8.2	1,181	6.9
2028	49,997	9.4	1,397	8.1
2029	29,911	5.6	790	4.6
2030	19,257	3.6	527	3.1
2031	5,951	1.1	153	0.9
2032	11,561	2.2	256	1.5
Thereafter	68,837	12.9	1,266	7.4
Total / Weighted Average	\$533,337	100.0	17,165	100.0

Average Lease Term Remaining	
9/30/2020	6.3 years
12/31/2019	7.0 years

Percentage of Annualized Lease Revenue (%)



- (1) Annualized rental income associated with each newly executed lease for currently occupied space is incorporated herein only at the expiration date for the current lease. Annualized rental income associated with each such new lease is removed from the expiry year of the current lease and added to the expiry year of the new lease. These adjustments effectively incorporate known roll ups and roll downs into the expiration schedule.
- (2) Includes leases with an expiration date of September 30, 2020, comprised of approximately 16,000 square feet and Annualized Lease Revenue of \$0.1 million.
- (3) Leases and other revenue-producing agreements on a month-to-month basis, comprised of approximately 322,000 square feet and Annualized Lease Revenue of \$15.8 million, are assigned a lease expiration date of a year and a day beyond the period end date. The 313,000 square foot City of New York lease that is in holdover status at 60 Broad Street in New York, NY is included in this classification.

Piedmont Office Realty Trust, Inc.
Lease Expirations by Quarter
As of September 30, 2020
(in thousands)

Location	Q4 2020 ⁽¹⁾		Q1 2021		Q2 2021		Q3 2021	
	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾
Atlanta	104	\$2,884	21	\$632	71	\$2,227	98	\$2,944
Boston	12	523	65	1,429	—	—	28	1,097
Dallas	47	976	37	937	42	1,397	80	2,630
Minneapolis	27	1,012	1	97	30	993	24	890
New York	32	1,400	2	106	14	958	6	292
Orlando	23	561	9	280	—	—	25	826
Washington, D.C.	9	421	5	229	81	4,150	1	35
Other	17	440	—	—	—	—	—	—
Total / Weighted Average ⁽³⁾	271	\$8,217	140	\$3,710	238	\$9,725	262	\$8,714

(1) Includes leases with an expiration date of September 30, 2020, comprised of approximately 16,000 square feet and expiring lease revenue of \$0.1 million. No such adjustments are made to other periods presented.

(2) Expiring Lease Revenue is calculated as expiring square footage multiplied by the gross rent per square foot of the tenant currently leasing the space.

(3) Total expiring lease revenue in any given year will not tie to the expiring Annualized Lease Revenue presented on the Lease Expiration Schedule on the previous page as the Lease Expiration Schedule accounts for the revenue effects of newly signed leases. Reflected herein are expiring revenues based on in-place rental rates.

Piedmont Office Realty Trust, Inc.
Lease Expirations by Year
As of September 30, 2020
(in thousands)

Location	12/31/2020 ⁽¹⁾		12/31/2021		12/31/2022		12/31/2023		12/31/2024	
	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾	Expiring Square Footage	Expiring Lease Revenue ⁽²⁾
Atlanta	104	\$2,884	286	\$8,506	381	\$11,758	188	\$6,247	253	\$8,069
Boston	12	523	96	2,525	118	5,439	114	4,694	479	11,194
Dallas	47	976	228	7,379	542	16,457	448	15,054	213	7,566
Minneapolis	27	1,012	90	3,336	59	1,991	702	19,612	529	18,617
New York	32	1,400	336	16,933 ⁽³⁾	96	2,803	21	1,176	187	7,232
Orlando	23	561	38	1,224	90	3,123	102	3,169	373	8,154
Washington, D.C.	9	421	91	4,600	37	1,573	69	3,409	183	8,640
Other	17	440	9	249	2	37	4	134	13	405
Total / Weighted Average ⁽⁴⁾	271	\$8,217	1,174	\$44,752	1,325	\$43,181	1,648	\$53,495	2,230	\$69,877

(1) Includes leases with an expiration date of September 30, 2020, comprised of approximately 16,000 square feet and expiring lease revenue of \$0.1 million. No such adjustments are made to other periods presented.

(2) Expiring Lease Revenue is calculated as expiring square footage multiplied by the gross rent per square foot of the tenant currently leasing the space.

(3) For presentation purposes in this schedule, the City of New York lease, which is currently in holdover, is assigned a lease expiration date of a year and a day beyond the period end date.

(4) Total expiring lease revenue in any given year will not tie to the expiring Annualized Lease Revenue presented on the Lease Expiration Schedule on page 29 as the Lease Expiration Schedule accounts for the revenue effects of newly signed leases. Reflected herein are expiring revenues based on in-place rental rates.

Piedmont Office Realty Trust, Inc.
Capital Expenditures
For the quarter ended September 30, 2020
Unaudited (in thousands)

	For the Three Months Ended				
	9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019
Non-incremental					
Building / construction / development	\$ 6,665	\$ 3,244	\$ 7,697	\$ 6,726	\$ 3,452
Tenant improvements	7,396	2,601	8,530	10,327	5,692
Leasing costs	1,550	1,844	18,535	5,190	5,208
Total non-incremental	15,611	7,689	34,762	22,243	14,352
Incremental					
Building / construction / development	9,343	12,639	13,833	7,722	10,147
Tenant improvements	2,225	2,088	1,789	27,952	5,096
Leasing costs	1,330	1,467	1,032	2,644	5,634
Total incremental	12,898	16,194	16,654	38,318	20,877
Total capital expenditures	\$ 28,509	\$ 23,883	\$ 51,416	\$ 60,561	\$ 35,229

NOTE: The information presented on this page is for all consolidated assets.

Piedmont Office Realty Trust, Inc.
Contractual Tenant Improvements and Leasing Commission

	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2020	For the Year Ended				2016 to 2020 (Weighted Average Total)
			2019	2018	2017	2016	
Renewal Leases							
Square feet	150,901	706,551	2,032,452	735,969	1,198,603	880,289	5,553,864
Tenant improvements per square foot per year of lease term ⁽¹⁾	\$1.02	\$2.94	\$4.28	\$4.15	\$1.84	\$1.35	\$3.30
Leasing commissions per square foot per year of lease term	\$1.07	\$1.72	\$1.63	\$1.69	\$1.12	\$1.05	\$1.47
Total per square foot per year of lease term	\$2.09	\$4.66	\$5.91 ⁽²⁾	\$5.84 ⁽³⁾	\$2.96	\$2.40	\$4.77
New Leases							
Square feet	77,778	210,089	697,880	864,113	855,069	1,065,630	3,692,781
Tenant improvements per square foot per year of lease term ⁽¹⁾	\$8.56	\$6.59	\$4.07	\$4.58	\$4.73	\$5.01	\$4.72
Leasing commissions per square foot per year of lease term	\$2.10	\$2.19	\$1.85	\$1.73	\$1.83	\$1.86	\$1.83
Total per square foot per year of lease term	\$10.66	\$8.78 ⁽⁴⁾	\$5.92	\$6.31 ⁽³⁾	\$6.56	\$6.87	\$6.55
Total							
Square feet	228,679	916,640	2,730,332	1,600,082	2,053,672	1,945,919	9,246,645
Tenant improvements per square foot per year of lease term ⁽¹⁾	\$6.13	\$4.37	\$4.21	\$4.46	\$3.55	\$3.70	\$4.04
Leasing commissions per square foot per year of lease term	\$1.77	\$1.90	\$1.70	\$1.72	\$1.54	\$1.57	\$1.66
Total per square foot per year of lease term	\$7.90	\$6.27 ⁽⁴⁾	\$5.91 ⁽²⁾	\$6.18 ⁽³⁾	\$5.09	\$5.27	\$5.70
Less Adjustment for Commitment Expirations ⁽⁵⁾							
Expired tenant improvements (not paid out) per square foot per year of lease term	-\$0.15	-\$0.37	-\$0.05	-\$0.54	-\$0.44	-\$0.16	-\$0.27
Adjusted total per square foot per year of lease term	\$7.75	\$5.90	\$5.86	\$5.64	\$4.65	\$5.11	\$5.43

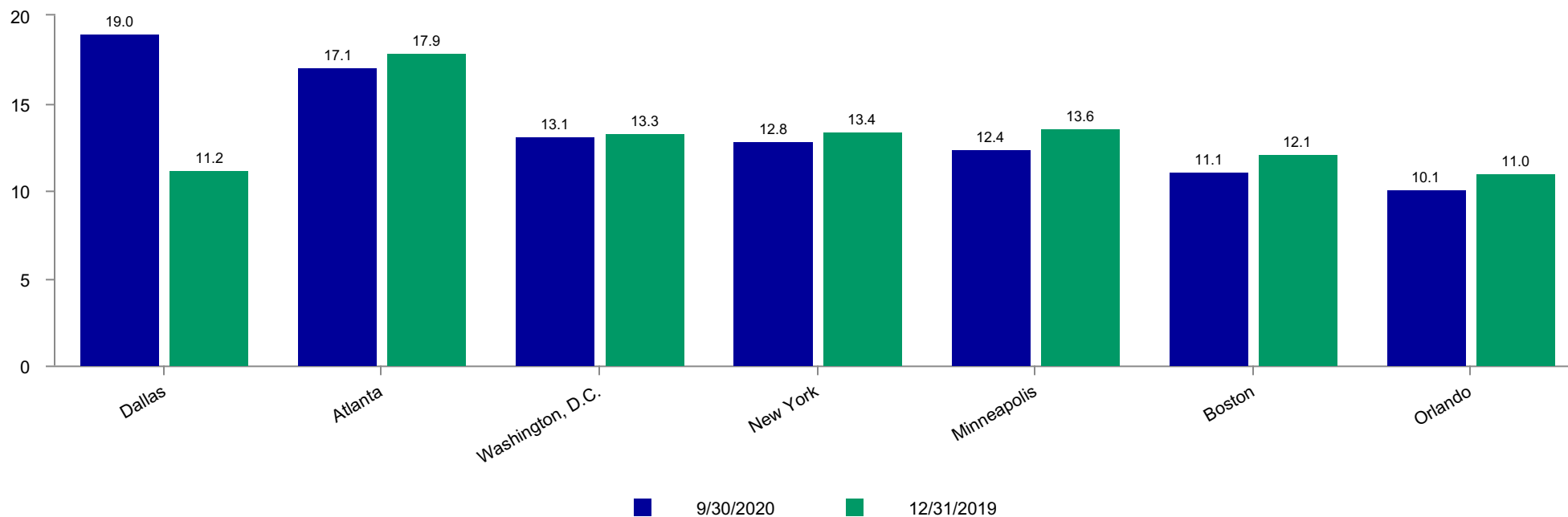
NOTE: This information is presented for our consolidated office assets only and excludes activity associated with storage and license spaces.

- (1) For leases under which a tenant may use, at its discretion, a portion of its tenant improvement allowance for expenses other than those related to improvements to its space, an assumption is made that the tenant elects to use any such portion of its tenant improvement allowance for improvements to its space prior to the commencement of its lease, unless the Company is notified otherwise by the tenant. This assumption is made based upon historical usage patterns of tenant improvement allowances by the Company's tenants.
- (2) During 2019, we completed three large lease renewals with significant capital commitments: VMware at 1155 Perimeter Center West in Atlanta, GA, Siemens at Crescent Ridge II in Minnetonka, MN, and the State of New York at 60 Broad Street in New York, NY. If the costs associated with these leases were to be removed from the average committed capital cost calculation, the average committed capital cost per square foot per year of lease term for renewal leases and total leases completed during the twelve months ended December 31, 2019 would be \$3.41 and \$5.04, respectively.
- (3) During 2018, we completed two large leasing transactions in the Houston, TX market with large capital commitments: a 254,000 square foot lease renewal and expansion with Schlumberger Technology Corporation at 1430 Enclave Parkway and a 301,000 square foot, full-building lease with Transocean Offshore Deepwater Drilling at Enclave Place. If the costs associated with those leases were to be removed from the average committed capital cost calculation, the average committed capital cost per square foot per year of lease term for renewal leases, new leases and total leases completed during the twelve months ended December 31, 2018 would be \$5.27, \$6.02, and \$5.70, respectively.
- (4) During 2020, we completed five new leasing transactions (amounting to 97,000 square feet in total) in the Washington, DC market with large capital commitments. If the costs associated with those leases were to be removed from the average committed capital cost calculation, the average committed capital cost per square foot per year of lease term for new leases and total leases completed during the nine months ended September 30, 2020 would be \$5.68 and \$4.86, respectively.
- (5) The Company has historically reported the maximum amount of capital to which it committed in leasing transactions as of the signing of the leases with no subsequent updates for variations and/or changes in tenants' uses of tenant improvement allowances. Many times, tenants do not fully use the allowances provided in their leases or let portions of their tenant improvement allowances expire. In an effort to provide additional clarity on the actual costs of completed leasing transactions, tenant improvement allowances that expired or became no longer available to tenants are disclosed in this section and are deducted from the capital commitments per square foot of leased space in the periods in which they expired in an effort to provide a better estimation of leasing transaction costs over time.

Piedmont Office Realty Trust, Inc.
Geographic Diversification
As of September 30, 2020
(\$ and square footage in thousands)

Location	Number of Properties	Annualized Lease Revenue	Percentage of Annualized Lease Revenue (%)	Rentable Square Footage	Percentage of Rentable Square Footage (%)	Leased Square Footage	Percent Leased (%)
Dallas	13	\$101,250	19.0	3,549	20.7	3,045	85.8
Atlanta	9	91,044	17.1	3,388	19.7	2,928	86.4
Washington, D.C.	6	70,105	13.1	1,619	9.4	1,329	82.1
New York	4	68,287	12.8	1,770	10.3	1,531	86.5
Minneapolis	6	66,318	12.4	2,104	12.3	1,972	93.7
Boston	10	59,098	11.1	1,882	11.0	1,737	92.3
Orlando	6	53,882	10.1	1,754	10.2	1,627	92.8
Other	3	23,353	4.4	1,099	6.4	743	67.6
Total / Weighted Average	57	\$533,337	100.0	17,165	100.0	14,912	86.9

Percentage of Annualized Lease Revenue (%)



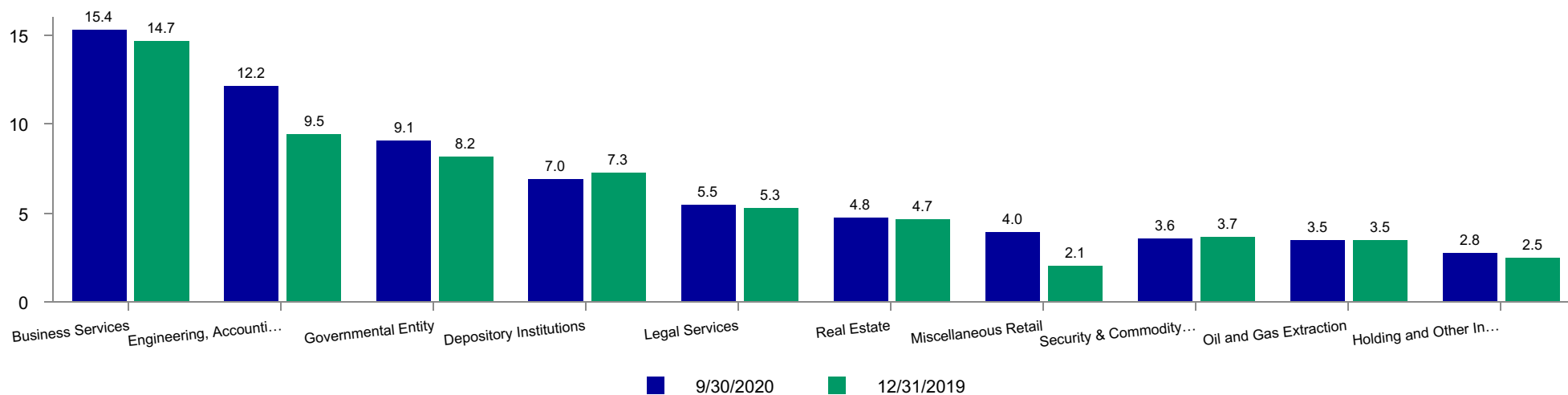
Piedmont Office Realty Trust, Inc.
Geographic Diversification by Location Type
As of September 30, 2020
(square footage in thousands)

Location	State	CBD				URBAN INFILL / SUBURBAN				TOTAL			
		Number of Properties	Percentage of Annualized Lease Revenue (%)	Rentable Square Footage	Percentage of Rentable Square Footage (%)	Number of Properties	Percentage of Annualized Lease Revenue (%)	Rentable Square Footage	Percentage of Rentable Square Footage (%)	Number of Properties	Percentage of Annualized Lease Revenue (%)	Rentable Square Footage	Percentage of Rentable Square Footage (%)
Dallas	TX	—	—	—	—	13	19.0	3,549	20.7	13	19.0	3,549	20.7
Atlanta	GA	—	—	—	—	9	17.1	3,388	19.7	9	17.1	3,388	19.7
Washington, D.C.	DC, VA	3	5.6	721	4.2	3	7.5	898	5.2	6	13.1	1,619	9.4
New York	NY, NJ	1	9.5	1,031	6.0	3	3.3	739	4.3	4	12.8	1,770	10.3
Minneapolis	MN	1	6.5	937	5.5	5	5.9	1,167	6.8	6	12.4	2,104	12.3
Boston	MA	—	—	—	—	10	11.1	1,882	11.0	10	11.1	1,882	11.0
Orlando	FL	4	8.4	1,445	8.4	2	1.7	309	1.8	6	10.1	1,754	10.2
Other		—	—	—	—	3	4.4	1,099	6.4	3	4.4	1,099	6.4
Total / Weighted Average		9	30.0	4,134	24.1	48	70.0	13,031	75.9	57	100.0	17,165	100.0

Piedmont Office Realty Trust, Inc.
Industry Diversification
As of September 30, 2020
(\$ and square footage in thousands)

Industry	Number of Tenants	Percentage of Total Tenants (%)	Annualized Lease Revenue	Percentage of Annualized Lease Revenue (%)	Leased Square Footage	Percentage of Leased Square Footage (%)
Business Services	96	13.0	\$82,205	15.4	2,377	15.9
Engineering, Accounting, Research, Management & Related Services	110	14.9	65,205	12.2	1,791	12.0
Governmental Entity	6	0.8	48,523	9.1	972	6.5
Depository Institutions	17	2.3	37,473	7.0	1,036	6.9
Legal Services	71	9.6	29,497	5.5	859	5.8
Real Estate	41	5.5	25,610	4.8	761	5.1
Miscellaneous Retail	10	1.4	21,298	4.0	590	4.0
Security & Commodity Brokers, Dealers, Exchanges & Services	51	6.9	19,221	3.6	546	3.7
Oil and Gas Extraction	5	0.7	18,443	3.5	564	3.8
Holding and Other Investment Offices	28	3.8	14,820	2.8	419	2.8
Communications	49	6.6	13,893	2.6	358	2.4
Health Services	21	2.8	13,831	2.6	374	2.5
Measuring, Analyzing, And Controlling Instruments; Medical and Other Goods	7	0.9	13,384	2.5	607	4.1
Automotive Repair, Services & Parking	6	0.8	11,547	2.2	4	—
Educational Services	6	0.8	11,227	2.1	205	1.4
Other	216	29.2	107,160	20.1	3,449	23.1
Total	740	100.0	\$533,337	100.0	14,912	100.0

Percentage of Annualized Lease Revenue (%)



NOTE: The Company's coworking sector exposure is presented within the Real Estate industry line above. As of September 30, 2020, coworking contributes approximately 2.5% to Annualized Lease Revenue.

Piedmont Office Realty Trust, Inc.
Property Investment Activity
As of September 30, 2020
(\$ and square footage in thousands)

Acquisitions Over Previous Eighteen Months

Property	Market / Submarket	Acquisition Date	Percent Ownership (%)	Year Built	Purchase Price	Rentable Square Footage	Percent Leased at Acquisition (%)
Galleria 100	Atlanta / Northwest	5/6/2019	100	1982	\$91,624	414	91
Galleria Atlanta Land	Atlanta / Northwest	5/6/2019	100	NA	3,500	NA	NA
Galleria 400	Atlanta / Northwest	8/23/2019	100	1999	116,633	430	94
Galleria 600	Atlanta / Northwest	8/23/2019	100	2002	95,769	434	73
Galleria Atlanta Land	Atlanta / Northwest	8/23/2019	100	NA	18,800	NA	NA
One Galleria Tower	Dallas / Lower North Tollway	2/12/2020	100	1982	123,223	470	92
Two Galleria Tower	Dallas / Lower North Tollway	2/12/2020	100	1985	124,592	434	99
Three Galleria Tower	Dallas / Lower North Tollway	2/12/2020	100	1991	144,343	531	95
Galleria Dallas Land	Dallas / Lower North Tollway	2/12/2020	100	NA	4,000	NA	NA
Total / Weighted Average					\$722,484	2,713	91

Dispositions Over Previous Eighteen Months

Property	Market / Submarket	Disposition Date	Percent Ownership (%)	Year Built	Sale Price	Rentable Square Footage	Percent Leased at Disposition (%)
The Dupree	Atlanta / Northwest	9/4/2019	100	1997	\$12,650	138	35
500 West Monroe Street	Chicago / West Loop	10/28/2019	100	1991	412,000	967	100
1901 Market Street	Philadelphia / Market Street West	6/25/2020	100	1987	360,000	801	100
Total / Weighted Average					\$784,650	1,906	95

Acquisitions Subsequent to Quarter End

Property	Market / Submarket	Acquisition Date	Percent Ownership (%)	Year Built	Purchase Price	Rentable Square Footage	Percent Leased at Acquisition (%)
222 South Orange Avenue	Orlando / CBD	10/29/2020	100	1959	\$20,000	127	—

Dispositions Subsequent to Quarter End

Property	Market / Submarket	Disposition Date	Percent Ownership (%)	Year Built	Sale Price	Rentable Square Footage	Percent Leased at Disposition (%)
New Jersey Portfolio ⁽¹⁾	New York / Route 78	10/28/2020	100	Various	\$130,000	739	75

(1) On October 28, 2020, Piedmont completed the disposition of its remaining three assets in New Jersey comprised of 200 Bridgewater Crossing and 400 Bridgewater Crossing in Bridgewater, NJ; and 600 Corporate Drive in Lebanon, NJ.

Piedmont Office Realty Trust, Inc.
Other Investments
As of September 30, 2020
(\$ and square footage in thousands)

Developable Land Parcels

Property	Market / Submarket	Adjacent Piedmont Property	Acres	Real Estate Book Value
Gavitello	Atlanta / Buckhead	The Medici	2.0	\$2,643
Glenridge Highlands Three	Atlanta / Central Perimeter	Glenridge Highlands One and Two	3.0	2,015
Galleria Atlanta	Atlanta / Northwest	Galleria 100, 200, 300, 400 and 600	11.7	22,126
State Highway 161	Dallas / Las Colinas	Las Colinas Corporate Center I and II, 161 Corporate Center	4.5	3,320
Royal Lane	Dallas / Las Colinas	6011, 6021 and 6031 Connection Drive	10.6	2,834
John Carpenter Freeway	Dallas / Las Colinas	750 West John Carpenter Freeway	3.5	1,000
Galleria Dallas	Dallas / Lower North Tollway	One Galleria Tower, Two Galleria Tower, Three Galleria Tower	1.9	4,006
TownPark	Orlando / Lake Mary	400 and 500 TownPark	18.9	7,535
Total			56.1	\$45,479

Piedmont Office Realty Trust, Inc.

Supplemental Definitions

Included below are definitions of various terms used throughout this supplemental report, including definitions of certain non-GAAP financial measures and the reasons why the Company's management believes these measures provide useful information to investors about the Company's financial condition and results of operations. Reconciliations of any non-GAAP financial measures defined below are included beginning on page [41](#).

Adjusted Funds From Operations ("AFFO"): The Company calculates AFFO by starting with Core FFO and adjusting for non-incremental capital expenditures and acquisition-related costs (that are not capitalized) and then adding back non-cash items including: non-real estate depreciation, straight-lined rents and fair value lease adjustments, non-cash components of interest expense and compensation expense, and by making similar adjustments for unconsolidated partnerships and joint ventures. AFFO is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that AFFO is helpful to investors as a meaningful supplemental comparative performance measure of our ability to make incremental capital investments. Other REITs may not define AFFO in the same manner as the Company; therefore, the Company's computation of AFFO may not be comparable to that of other REITs.

Annualized Lease Revenue ("ALR"): ALR is calculated by multiplying (i) rental payments (defined as base rent plus operating expense reimbursements, if payable by the tenant on a monthly basis under the terms of a lease that has been executed, but excluding a) rental abatements and b) rental payments related to executed but not commenced leases for space that was covered by an existing lease), by (ii) 12. In instances in which contractual rents or operating expense reimbursements are collected on an annual, semi-annual, or quarterly basis, such amounts are multiplied by a factor of 1, 2, or 4, respectively, to calculate the annualized figure. For leases that have been executed but not commenced relating to un-leased space, ALR is calculated by multiplying (i) the monthly base rental payment (excluding abatements) plus any operating expense reimbursements for the initial month of the lease term, by (ii) 12. Unless stated otherwise, this measure excludes revenues associated with development properties and properties taken out of service for redevelopment, if any.

Core EBITDA: The Company calculates Core EBITDA as net income (computed in accordance with GAAP) before interest, taxes, depreciation and amortization and incrementally removing any impairment losses, gains or losses from sales of property and other significant infrequent items that create volatility within our earnings and make it difficult to determine the earnings generated by our core ongoing business. Core EBITDA is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that Core EBITDA is helpful to investors as a supplemental performance measure because it provides a metric for understanding the performance of the Company's results from ongoing operations without taking into account the effects of non-cash expenses (such as depreciation and amortization), as well as items that are not part of normal day-to-day operations of the Company's business. Other REITs may not define Core EBITDA in the same manner as the Company; therefore, the Company's computation of Core EBITDA may not be comparable to that of other REITs.

Core Funds From Operations ("Core FFO"): The Company calculates Core FFO by starting with FFO, as defined by NAREIT, and adjusting for gains or losses on the extinguishment of swaps and/or debt, acquisition-related expenses (that are not capitalized) and any significant non-recurring items. Core FFO is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that Core FFO is helpful to investors as a supplemental performance measure because it excludes the effects of certain items which can create significant earnings volatility, but which do not directly relate to the Company's core business operations. As a result, the Company believes that Core FFO can help facilitate comparisons of operating performance between periods and provides a more meaningful predictor of future earnings potential. Other REITs may not define Core FFO in the same manner as the Company; therefore, the Company's computation of Core FFO may not be comparable to that of other REITs.

EBITDA: EBITDA is defined as net income before interest, taxes, depreciation and amortization.

EBITDAre: The Company calculates EBITDAre in accordance with the current National Association of Real Estate Investment Trusts ("NAREIT") definition. NAREIT currently defines EBITDAre as net income (computed in accordance with GAAP) adjusted for gains or losses from sales of property, impairment losses, depreciation on real estate assets, amortization on real estate assets, interest expense and taxes, along with the same adjustments for unconsolidated partnerships and joint ventures. Some of the adjustments mentioned can vary among owners of identical assets in similar conditions based on historical cost accounting and useful-life estimates. EBITDAre is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that EBITDAre is helpful to investors as a supplemental performance measure because it provides a metric for understanding the Company's results from ongoing operations without taking into account the effects of non-cash expenses (such as depreciation and amortization) and capitalization and capital structure expenses (such as interest expense and taxes). The Company also believes that EBITDAre can help facilitate comparisons of operating performance between periods and with other REITs. However, other REITs may not define EBITDAre in accordance with the NAREIT definition, or may interpret the current NAREIT definition differently than the Company; therefore, the Company's computation of EBITDAre may not be comparable to that of such other REITs.

Funds From Operations ("FFO"): The Company calculates FFO in accordance with the current National Association of Real Estate Investment Trusts ("NAREIT") definition. NAREIT currently defines FFO as net income (computed in accordance with GAAP), excluding gains or losses from sales of property and impairment losses, adding back depreciation and amortization on real estate assets, and after the same adjustments for unconsolidated partnerships and joint ventures. These adjustments can vary among owners of identical assets in similar conditions based on historical cost accounting and useful-life estimates. FFO is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that FFO is helpful to investors as a supplemental performance measure because it excludes the effects of depreciation, amortization and gains or losses from sales of real estate, all of which are based on historical costs, which implicitly assumes that the value of real estate diminishes predictably over time. The Company also believes that FFO can help facilitate comparisons of operating performance between periods and with other REITs. However, other REITs may not define FFO in accordance with the NAREIT definition, or may interpret the current NAREIT definition differently than the Company; therefore, the Company's computation of FFO may not be comparable to that of such other REITs.

Gross Assets: Gross Assets is defined as total assets with the add-back of accumulated depreciation and accumulated amortization related to real estate assets and accumulated amortization related to deferred lease costs.

Gross Real Estate Assets: Gross Real Estate Assets is defined as total real estate assets with the add-back of accumulated depreciation and accumulated amortization related to real estate assets.

Incremental Capital Expenditures: Incremental Capital Expenditures are defined as capital expenditures of a non-recurring nature that incrementally enhance the underlying assets' income generating capacity. Tenant improvements, leasing commissions, building capital and deferred lease incentives ("Leasing Costs") incurred to lease space that was vacant at acquisition, Leasing Costs for spaces vacant for greater than one year, Leasing Costs for spaces at newly acquired properties for which in-place leases expire shortly after acquisition, improvements associated with the expansion of a building, renovations that change the underlying classification of a building, and deferred building maintenance capital identified at and completed shortly after acquisition are included in this measure.

Non-Incremental Capital Expenditures: Non-Incremental Capital Expenditures are defined as capital expenditures of a recurring nature related to tenant improvements and leasing commissions that do not incrementally enhance the underlying assets' income generating capacity. We exclude first generation tenant improvements and leasing commissions from this measure, in addition to other capital expenditures that qualify as Incremental Capital Expenditures, as defined above.

Property Net Operating Income ("Property NOI"): The Company calculates Property NOI by starting with Core EBITDA and adjusting for general and administrative expense, income associated with property management performed by Piedmont for other organizations and other income or expense items for the Company, such as interest income from loan investments or costs from the pursuit of non-consummated transactions. The Company may present this measure on an accrual basis or a cash basis. When presented on a cash basis, the effects of straight lined rents and fair value lease revenue are also eliminated. Property NOI is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that Property NOI is helpful to investors as a supplemental comparative performance measure of income generated by its properties alone without the administrative overhead of the Company. Other REITs may not define Property NOI in the same manner as the Company; therefore, the Company's computation of Property NOI may not be comparable to that of other REITs.

Same Store Net Operating Income ("Same Store NOI"): The Company calculates Same Store NOI as Property NOI attributable to the properties for which the following criteria were met during the entire span of the current and prior year reporting periods: (i) they were owned, (ii) they were not under development / redevelopment, and (iii) none of the operating expenses for which were capitalized. Same Store NOI also excludes amounts attributable to land assets. The Company may present this measure on an accrual basis or a cash basis. When presented on a cash basis, the effects of straight lined rents and fair value lease revenue are also eliminated. Same Store NOI is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of the Company's operating performance. The Company believes that Same Store NOI is helpful to investors as a supplemental comparative performance measure of the income generated from the same group of properties from one period to the next. Other REITs may not define Same Store NOI in the same manner as the Company; therefore, the Company's computation of Same Store NOI may not be comparable to that of other REITs.

Same Store Properties: Same Store Properties is defined as those properties for which the following criteria were met during the entire span of the current and prior year reporting periods: (i) they were owned, (ii) they were not under development / redevelopment, and (iii) none of the operating expenses for which were capitalized. Same Store Properties excludes land assets.

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Piedmont Office Realty Trust, Inc.

Funds From Operations, Core Funds From Operations, and Adjusted Funds From Operations Reconciliations

Unaudited (in thousands)

	Three Months Ended					Nine Months Ended	
	9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019	9/30/2020	9/30/2019
GAAP net income applicable to common stock	\$ 8,943	\$ 192,427	\$ 8,709	\$ 162,478	\$ 8,422	\$ 210,079	\$ 66,783
Depreciation ⁽¹⁾⁽²⁾	27,960	26,873	27,551	25,765	26,909	82,384	79,346
Amortization ⁽¹⁾	22,976	24,336	23,618	20,988	19,491	70,930	55,622
Impairment loss	—	—	—	7,000	1,953	—	1,953
Loss / (gain) on sale of properties	340	(191,369)	(3)	(157,640)	(32)	(191,032)	(39,370)
NAREIT funds from operations applicable to common stock	60,219	52,267	59,875	58,591	56,743	172,361	164,334
Adjustments:							
Retirement and separation expenses associated with senior management transition	—	—	—	—	—	—	3,175
Loss / (gain) on extinguishment of debt	—	9,336	—	—	—	9,336	—
Core funds from operations applicable to common stock	60,219	61,603	59,875	58,591	56,743	181,697	167,509
Adjustments:							
Amortization of debt issuance costs, fair market adjustments on notes payable, and discount on senior notes	931	672	577	527	526	2,180	1,574
Depreciation of non real estate assets	286	319	325	238	214	930	634
Straight-line effects of lease revenue ⁽¹⁾	(6,315)	(7,278)	(6,785)	(2,974)	(1,531)	(20,378)	(7,437)
Stock-based compensation adjustments	1,336	645	2,300	3,081	(3,015)	4,281	1,949
Amortization of lease-related intangibles ⁽¹⁾	(3,240)	(3,304)	(2,973)	(2,314)	(1,923)	(9,517)	(6,009)
Non-incremental capital expenditures	(15,611)	(7,689)	(34,762)	(22,243)	(14,352)	(58,062)	(27,410)
Adjusted funds from operations applicable to common stock	\$ 37,606	\$ 44,968	\$ 18,557	\$ 34,906	\$ 36,662	\$ 101,131	\$ 130,810

(1) Includes our proportionate share of amounts attributable to consolidated properties.

(2) Excludes depreciation of non real estate assets.

Piedmont Office Realty Trust, Inc.
Same Store Net Operating Income (Cash Basis)
Unaudited (in thousands)

	Three Months Ended					Nine Months Ended	
	9/30/2020	6/30/2020	3/31/2020	12/31/2019	9/30/2019	9/30/2020	9/30/2019
Net income attributable to Piedmont	\$ 8,943	\$ 192,427	\$ 8,709	\$ 162,478	\$ 8,422	\$ 210,079	\$ 66,783
Net income / (loss) attributable to noncontrolling interest	(3)	(1)	2	(2)	(3)	(2)	(3)
Interest expense	12,725	13,953	15,264	14,844	16,145	41,942	46,750
Depreciation	28,247	27,192	27,877	26,003	27,124	83,315	79,982
Amortization	22,976	24,336	23,618	20,988	19,491	70,930	55,622
Impairment loss	—	—	—	7,000	1,953	—	1,953
Loss / (gain) on sale of properties	340	(191,369)	(3)	(157,640)	(32)	(191,032)	(39,370)
EBITDAre	73,228	66,538	75,467	73,671	73,100	215,232	211,717
Retirement and separation expenses associated with senior management transition	—	—	—	—	—	—	3,175
(Gain) / loss on extinguishment of debt	—	9,336	—	—	—	9,336	—
Core EBITDA	73,228	75,874	75,467	73,671	73,100	224,568	214,892
General & administrative expenses	5,469	5,937	8,643	8,159	7,950	20,049	26,561
Non-cash general reserve for uncollectible accounts	(33)	4,865	—	—	—	4,831	—
Management fee revenue	(422)	(282)	(395)	(292)	(203)	(1,098)	(2,226)
Other (income) / expense	(104)	(134)	67	(64)	(47)	(170)	(165)
Straight-line effects of lease revenue	(6,315)	(7,278)	(6,785)	(2,974)	(1,531)	(20,378)	(7,437)
Amortization of lease-related intangibles	(3,240)	(3,304)	(2,973)	(2,314)	(1,923)	(9,517)	(6,009)
Property net operating income (cash basis)	68,583	75,678	74,024	76,186	77,346	218,285	225,616
Deduct net operating (income) / loss from:							
Acquisitions	(10,165)	(10,109)	(8,105)	(4,538)	(2,771)	(28,379)	(3,691)
Dispositions	(56)	(4,384)	(4,595)	(6,792)	(11,800)	(9,035)	(38,977)
Other investments	18	(224)	(82)	(23)	(896)	(288)	(1,181)
Same store net operating income (cash basis)	\$ 58,380	\$ 60,961	\$ 61,242	\$ 64,833	\$ 61,879	\$ 180,583	\$ 181,767

Piedmont Office Realty Trust, Inc.
Property Detail - In-Service Portfolio ⁽¹⁾
As of September 30, 2020
(in thousands)

Property	City	State	Percent Ownership	Year Built / Major Refurbishment	Rentable Square Footage Owned	Leased Percentage	Commenced Leased Percentage	Economic Leased Percentage ⁽²⁾
Atlanta								
Glenridge Highlands One	Atlanta	GA	100.0%	1998	288	93.8 %	93.8 %	91.7 %
Glenridge Highlands Two	Atlanta	GA	100.0%	2000	424	98.3 %	98.3 %	97.2 %
1155 Perimeter Center West	Atlanta	GA	100.0%	2000	377	79.0 %	79.0 %	79.0 %
Galleria 100	Atlanta	GA	100.0%	1982	415	84.3 %	84.3 %	79.3 %
Galleria 200	Atlanta	GA	100.0%	1984	432	78.7 %	78.5 %	75.9 %
Galleria 300	Atlanta	GA	100.0%	1987	432	97.9 %	97.9 %	89.1 %
Galleria 400	Atlanta	GA	100.0%	1999	430	90.9 %	90.9 %	90.2 %
Galleria 600	Atlanta	GA	100.0%	2002	434	67.3 %	66.8 %	66.8 %
The Medici	Atlanta	GA	100.0%	2008	156	94.2 %	94.2 %	92.9 %
Metropolitan Area Subtotal / Weighted Average					3,388	86.4 %	86.3 %	83.8 %
Boston								
1414 Massachusetts Avenue	Cambridge	MA	100.0%	1873 / 1956	78	100.0 %	100.0 %	100.0 %
One Brattle Square	Cambridge	MA	100.0%	1991	96	97.9 %	97.9 %	97.9 %
One Wayside Road	Burlington	MA	100.0%	1997	201	100.0 %	100.0 %	100.0 %
5 & 15 Wayside Road	Burlington	MA	100.0%	1999 & 2001	272	86.4 %	86.4 %	86.4 %
5 Wall Street	Burlington	MA	100.0%	2008	182	100.0 %	100.0 %	100.0 %
25 Burlington Mall Road	Burlington	MA	100.0%	1987	288	74.7 %	74.7 %	72.9 %
225 Presidential Way	Woburn	MA	100.0%	2001	202	100.0 %	100.0 %	100.0 %
235 Presidential Way	Woburn	MA	100.0%	2000	238	100.0 %	100.0 %	100.0 %
80 Central Street	Boxborough	MA	100.0%	1988	150	78.0 %	78.0 %	78.0 %
90 Central Street	Boxborough	MA	100.0%	2001	175	100.0 %	100.0 %	100.0 %
Metropolitan Area Subtotal / Weighted Average					1,882	92.3 %	92.3 %	92.0 %
Dallas								
161 Corporate Center	Irving	TX	100.0%	1998	105	80.0 %	80.0 %	80.0 %
750 West John Carpenter Freeway	Irving	TX	100.0%	1999	316	91.5 %	91.5 %	87.7 %
6011 Connection Drive	Irving	TX	100.0%	1999	152	100.0 %	100.0 %	100.0 %
6021 Connection Drive	Irving	TX	100.0%	2000	222	100.0 %	100.0 %	100.0 %
6031 Connection Drive	Irving	TX	100.0%	1999	233	51.5 %	39.5 %	39.5 %
6565 North MacArthur Boulevard	Irving	TX	100.0%	1998	260	71.9 %	71.9 %	68.1 %
Las Colinas Corporate Center I	Irving	TX	100.0%	1998	161	38.5 %	38.5 %	38.5 %
Las Colinas Corporate Center II	Irving	TX	100.0%	1998	225	82.7 %	82.7 %	80.4 %
One Lincoln Park	Dallas	TX	100.0%	1999	262	87.4 %	86.3 %	83.6 %
Park Place on Turtle Creek	Dallas	TX	100.0%	1986	178	86.5 %	83.1 %	83.1 %
One Galleria Tower	Dallas	TX	100.0%	1982	470	90.2 %	72.8 %	72.8 %
Two Galleria Tower	Dallas	TX	100.0%	1985	434	99.5 %	94.9 %	94.9 %
Three Galleria Tower	Dallas	TX	100.0%	1991	531	94.9 %	94.9 %	93.2 %
Metropolitan Area Subtotal / Weighted Average					3,549	85.8 %	81.9 %	80.7 %

Property	City	State	Percent Ownership	Year Built / Major Refurbishment	Rentable Square Footage Owned	Leased Percentage	Commenced Leased Percentage	Economic Leased Percentage ⁽²⁾
Minneapolis								
US Bancorp Center	Minneapolis	MN	100.0%	2000	937	94.9 %	94.9 %	92.8 %
Crescent Ridge II	Minnetonka	MN	100.0%	2000	301	83.4 %	82.4 %	81.4 %
Norman Pointe I	Bloomington	MN	100.0%	2000	214	85.0 %	85.0 %	69.2 %
9320 Excelsior Boulevard	Hopkins	MN	100.0%	2010	268	100.0 %	100.0 %	100.0 %
One Meridian Crossings	Richfield	MN	100.0%	1997	195	100.0 %	100.0 %	100.0 %
Two Meridian Crossings	Richfield	MN	100.0%	1998	189	98.9 %	98.9 %	98.9 %
Metropolitan Area Subtotal / Weighted Average					2,104	93.7 %	93.6 %	90.9 %
New York								
60 Broad Street	New York	NY	100.0%	1962	1,031	95.0 %	91.8 %	82.1 %
200 Bridgewater Crossing	Bridgewater	NJ	100.0%	2002	309	90.9 %	90.9 %	90.9 %
400 Bridgewater Crossing	Bridgewater	NJ	100.0%	2002	305	88.9 %	88.9 %	88.9 %
600 Corporate Drive	Lebanon	NJ	100.0%	2005	125	— %	— %	— %
Metropolitan Area Subtotal / Weighted Average					1,770	86.5 %	84.6 %	79.0 %
Orlando								
400 TownPark	Lake Mary	FL	100.0%	2008	175	92.0 %	92.0 %	92.0 %
500 TownPark	Lake Mary	FL	100.0%	2016	134	100.0 %	100.0 %	100.0 %
200 South Orange Avenue	Orlando	FL	100.0%	1988	646	88.2 %	77.2 %	75.9 %
501 West Church Street	Orlando	FL	100.0%	2003	182	100.0 %	100.0 %	100.0 %
CNL Center I	Orlando	FL	99.0%	1999	347	89.9 %	89.9 %	77.5 %
CNL Center II	Orlando	FL	99.0%	2006	270	99.3 %	99.3 %	99.3 %
Metropolitan Area Subtotal / Weighted Average					1,754	92.8 %	88.7 %	85.7 %
Washington, D.C.								
400 Virginia Avenue	Washington	DC	100.0%	1985	225	88.0 %	68.9 %	64.4 %
1201 Eye Street	Washington	DC	98.6% ⁽³⁾	2001	271	51.3 %	51.3 %	50.9 %
1225 Eye Street	Washington	DC	98.1% ⁽³⁾	1986	225	89.3 %	89.3 %	88.0 %
3100 Clarendon Boulevard	Arlington	VA	100.0%	1987 / 2015	261	76.2 %	69.3 %	62.1 %
4250 North Fairfax Drive	Arlington	VA	100.0%	1998	308	98.1 %	97.1 %	90.6 %
Arlington Gateway	Arlington	VA	100.0%	2005	329	88.1 %	88.1 %	83.3 %
Metropolitan Area Subtotal / Weighted Average					1,619	82.1 %	78.1 %	73.9 %
Other								
1430 Enclave Parkway	Houston	TX	100.0%	1994	313	82.7 %	82.7 %	82.7 %
Enclave Place	Houston	TX	100.0%	2015	301	100.0 %	100.0 %	— %
Two Pierce Place	Itasca	IL	100.0%	1991	485	37.7 %	37.7 %	31.8 %
Subtotal/Weighted Average					1,099	67.6 %	67.6 %	37.6 %
Grand Total					17,165	86.9 %	85.1 %	80.7 %

NOTE: The Company has provided disaggregated financial and operational data for informational purposes for readers; however, regardless of the presentation approach used, we continue to evaluate and utilize our consolidated financial results in making operating decisions, allocating resources, and assessing our performance.

- (1) This schedule includes information for Piedmont's in-service portfolio of properties only. Information on investments excluded from this schedule can be found on page 38.
- (2) Economic leased percentage excludes the square footage associated with executed but not commenced leases for currently vacant spaces and the square footage associated with tenants receiving rental abatements (after proportional adjustments for tenants receiving only partial rental abatements).
- (3) Although Piedmont owns 98.6% of 1201 Eye Street and 98.1% of 1225 Eye Street, it is entitled to 100% of the cash flows for each asset pursuant to the terms of each property ownership entity's joint venture agreement.

Piedmont Office Realty Trust, Inc. Supplemental Operating & Financial Data Risks, Uncertainties and Limitations

Certain statements contained in this supplemental package constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We intend for all such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act, as applicable. Such information is subject to certain risks and uncertainties, as well as known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. Therefore, such statements are not intended to be a guarantee of our performance in future periods. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue" or similar words or phrases that are predictions of future events or trends and which do not relate solely to historical matters. Examples of such statements in this supplemental package include the estimated financial impacts associated with the COVID-19 pandemic, estimated Core FFO and Core FFO per diluted share for calendar year 2020, expected future capital expenditures, and potential future acquisition, disposition and financing activity.

The following are some of the factors that could cause our actual results and expectations to differ materially from those described in our forward-looking statements: actual or threatened public health epidemics or outbreaks, such as the novel coronavirus (COVID-19) pandemic that the world is currently experiencing, and governmental and private measures taken to combat such health crises, which may affect our personnel, tenants, demand for office space, and the costs of operating our assets; the adequacy of our general reserve for potential future collectibility issues established as a result of the COVID-19 pandemic, as well as the impact of any increase in this reserve or the establishment of any special reserve in the future; economic, regulatory, socio-economic changes, and/or technology changes (including accounting standards) that impact the real estate market generally, or that could affect patterns of use of commercial office space; the impact of competition on our efforts to renew existing leases or re-let space on terms similar to existing leases; changes in the economies and other conditions affecting the office sector in general and specifically the seven markets in which we primarily operate where we have high concentrations of our annualized lease revenue; lease terminations, lease defaults, or changes in the financial condition of our tenants, particularly by one of our large lead tenants; adverse market and economic conditions, including any resulting impairment charges on both our long-lived assets or goodwill resulting therefrom; the success of our real estate strategies and investment objectives, including our ability to identify and consummate suitable acquisitions and divestitures; the illiquidity of real estate investments, including regulatory restrictions to which REITs are subject and the resulting impediment on our ability to quickly respond to adverse changes in the performance of our properties; the risks and uncertainties associated with our acquisition and disposition of properties, many of which risks and uncertainties may not be known at the time of acquisition or disposition; development and construction delays and resultant increased costs and risks; our real estate development strategies may not be successful; future acts of terrorism, civil unrest, or armed hostilities in any of the major metropolitan areas in which we own properties, or future cybersecurity attacks against us or any of our tenants; costs of complying with governmental laws and regulations; additional risks and costs associated with directly managing properties occupied by government tenants, including an increased risk of default by government tenants during periods in which state or federal governments are shut down or on furlough; significant price and volume fluctuations in the public markets, including on the exchange which we listed our common stock; changes in the method pursuant to which the LIBOR rates are determined and the phasing out of LIBOR after 2021; the effect of future offerings of debt or equity securities or changes in market interest rates on the value of our common stock; uncertainties associated with environmental and other regulatory matters; potential changes in political environment and reduction in federal and/or state funding of our governmental tenants; changes in the financial condition of our tenants directly or indirectly resulting from geopolitical developments that could negatively affect international trade, including the uncertainty surrounding the United Kingdom's withdrawal from the European Union, the termination or threatened termination of existing international trade agreements, or the implementation of tariffs or retaliatory tariffs on imported or exported goods; the effect of any litigation to which we are, or may become, subject; additional risks and costs associated with owning properties occupied by co-working tenants, including risks of default during start-up and during economic downturns; changes in tax laws impacting REITs and real estate in general, as well as our ability to continue to qualify as a REIT under the Internal Revenue Code of 1986 or otherwise adversely affect our stockholders; the future effectiveness of our internal controls and procedures; and other factors, including the risk factors discussed under Item 1A. of Piedmont's most recent Annual Report on Form 10-K and other documents we file with the Securities and Exchange Commission.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this supplemental report. We cannot guarantee the accuracy of any such forward-looking statements contained in this supplemental report, and we do not intend to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.