



Piedmont Closes on Sale of 800 North Brand in CA and Expands Boston Presence with Acquisition of 25 Burlington Mall Road in Burlington Submarket

December 17, 2018

Atlanta, GA, Dec. 17, 2018 (GLOBE NEWSWIRE) -- Piedmont Office Realty Trust (NYSE: PDM) today announced two completed capital market transactions. On November 30, 2018, Piedmont completed the sale of 800 North Brand Boulevard in Glendale, CA for approximately \$160 million in total proceeds. On December 12, 2018, the company completed the acquisition of 25 Burlington Mall Road in Burlington, MA for approximately \$74 million.

Commenting on the transactions, Donald A. Miller, CFA, Piedmont's Chief Executive Officer, said "The successful disposition of 800 North Brand in Glendale, CA coupled with the acquisition of 25 Burlington Mall Road is reflective of our strategy of disposing of select non-core and mature assets at low yields and reinvesting proceeds accretively into our strategic markets where Piedmont has an existing presence and dominant market share. When you analyze the combined capital allocation decisions we made during the fourth quarter (including the previously announced acquisition of 9320 Excelsior Boulevard near Minneapolis, MN for \$49 million on October 25, 2018), we estimate Piedmont will realize approximately \$0.03 per share annualized in FFO accretion, while paying down debt by approximately \$35 million."

25 Burlington Mall Road, Burlington, MA

Totaling 287,776 square feet of leasable space, 25 Burlington Mall Road is presently 88% leased to a diverse tenant roster anchored by Lahey Hospital & Medical Center, and Bank of America, Merrill Lynch. Strategically situated in close proximity to Burlington's shopping, dining and entertainment options and adjacent to the full-service Boston Marriott Burlington Hotel, the 25 Burlington Mall Road property provides easy access to Interstate 95 (Route 128) and Route 3, complemented by MBTA bus service to the Alewife Red Line station.

C. Brent Smith, President and Chief Investment Officer for Piedmont, noted, "The Mall Road purchase builds upon our dominant position on Rt. 128N in Boston, within close proximity to four other Piedmont-owned assets in Burlington. This acquisition will allow us to expand our operational synergies and capture almost 40% of the Class-A market share in this quality Boston submarket."

About Piedmont Office Realty Trust:

Piedmont Office Realty Trust, Inc. (NYSE: PDM) is an owner, manager, developer, and operator of high-quality, Class A office properties located in eight major cities in the eastern half of the U.S. The almost \$5 billion portfolio is comprised of approximately 17 million square feet of office space. The Company is a fully-integrated, self-managed real estate investment trust (REIT) with local management offices in each of its major markets and is investment-grade rated by Standard & Poor's (BBB) and Moody's (Baa2). For more information, see www.piedmontreit.com.

Forward Looking Statements

Certain statements contained in this press release 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"). The Company intends 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 forward-looking statements can generally be identified by our use of forward-looking terminology such as "estimate," "may," "will," "expect," "intend," "anticipate," "believe," "continue" or similar words or phrases that are predictions of future events or trends and which do not relate solely to historical matters. Certain matters discussed in this press release are forward-looking statements that are subject to certain risks and uncertainties that could cause the actual results or performance to differ materially from those discussed in such statements. Additional risks are discussed in the Company's filings with the Securities and Exchange Commission.

Contact: Stephanie Scurlock
Company: Piedmont Office Realty Trust
Phone: 1 770 418 8800
Email: investor.relations@Piedmontreit.com



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