

999 Peachtree Street

STRATEGIC ACQUISITION

Entrance to Midtown Atlanta Submarket | October 2021

STRATEGIC RATIONALE



Off-market entry into Midtown Atlanta, providing immediate scale in one of the country's fastest growing submarkets.



Weighted average in-place rents are ~20% below current market rents (~\$44/SF).



Acquired for \$360/SF, a 44% discount vs. Green Street Advisors' estimated new development costs of \$650/SF. ⁽¹⁾



Efficient capital rotation from the sale of suburban Boston and other non-core asset sales.



Significant repositioning plan (~\$35/SF) to transform, reposition, and elevate the asset to drive rents and occupancy.



Increases Piedmont's SunBelt Annualized Lease Revenue to 55%...Atlanta and Dallas alone comprise 41%.

(1) Green Street Advisors September 2021

Property Overview

999 PEACHTREE

622,000

Square footage

1987

Year Built

28

Stories

77%

Current Occupancy

\$223.9

Acquisition Price
(\$M)

\$360

Acquisition Price
(\$/SF)

~6.5%

In-place GAAP Yield

~7.5%

Stabilized GAAP
Yield



LEED Platinum



WHY MIDTOWN?

999 Peachtree Street

39.7%

Est. Population Growth
Highest in Metro
(2010-2020)

76.9%

Residents with Bachelor Degree or Higher
(Age 25+)

47.4%

Millennial Residents
(Born from 1981-1998)

275,000

Pipeline Talent Across 66 Colleges & Universities
(37,500 in Midtown)

3,600+

New Jobs announced for Midtown
(Since 2020)

27,163

New Jobs Announced
(since 2015)

46%

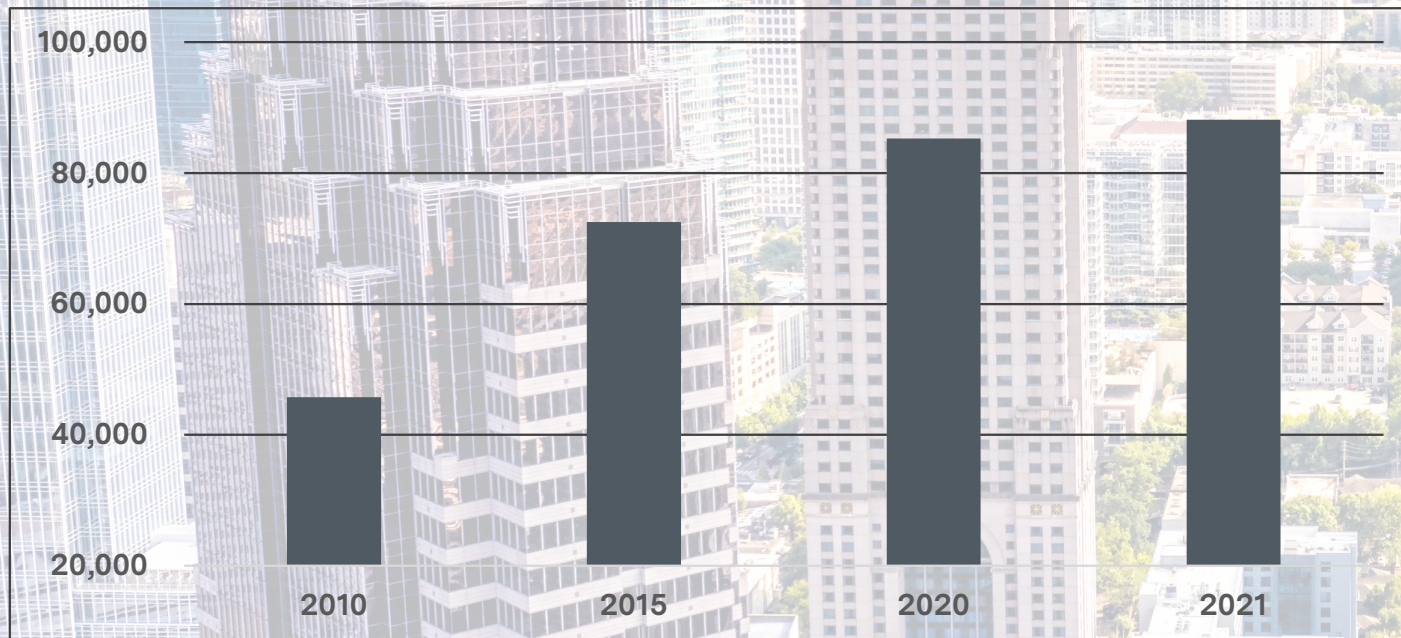
of Atlanta's Professional Tech, Science, & Management jobs
(are in Midtown)

Source: JLL, Metro Atlanta Chamber

Corporate Presence

MIDTOWN EMPLOYMENT BASE

Midtown Atlanta Total Job Growth



82,076 JOBS IN MIDTOWN (2021)

Source: JLL, Midtown Alliance

Announced Commitments to Midtown



Corporate Innovation Centers in Midtown



999 Peachtree

HEARTBEAT OF MIDTOWN

In the
heart
of it all
MIDTOWN Atlanta
MidtownATL.com

Source: JLL, Midtown Alliance

5X

Population Growth
compared to City of
Atlanta since 2000.

92

999 Peachtree -
Walker's Paradise

4,300+

Rooms in luxury, boutique,
and historic hotels. 1,400+ new
hotel rooms in pipeline.



3,000+ Annual
Cultural Events



112,750+

Housing choices within a 5-mi.
radius of the Midtown ATL core.
6,000+ Residential Units in Pipeline.



Avg. asking rents are
\$2,129/mo. Highest
in metro Atlanta.



5-miles of bike
lanes with another
10-miles planned.

17,000

Existing residential
units with 6,000+ under
construction, nearly
double since 2010.



300+

Acres of greenspace &
multi-use trails. Direct
access to Piedmont
Park & Atlanta Beltline
Eastside Trail.



\$400M in private &
public improvements
for streetscapes.

Thriving Office Environment

MOMENTUM OF MIDTOWN

Midtown Market Asking Rents



Source: JLL, Midtown Alliance



Q2 2021 Class A direct asking rates lead the market at \$41.19 RSF.



Class A direct asking rates increased 32.6% from 2016 (31.07) to \$41.19 (2021).



Class A direct asking rates just \$0.10 lower than pre-pandemic peak rates of \$41.29 / RSF (Q1 2020).

Large Transactions (2019-2021)

Microsoft 523,000 SF	Google 520,000 SF	Anthem 310,000 SF
BlackRock 132,000 SF	facebook 36,000 SF	CISCO 80,000 SF
Invesco 300,000 SF	McKinsey & Company 64,000 SF	VISA 123,000 SF
FANDUEL 68,308 SF	JONES DAY 115,000 SF	Square 29,556 SF
		mailchimp 300,000 SF
		samsara 65,000 SF

Notable Renewals

SEYFARTH SHAW 95,000 SF	Honeywell 55,000 SF <i>*Expansion</i>	DLA PIPER 46,000 SF
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Asset Overview

MERITS OF 999 PEACHTREE

- Located at the corner of 10th & Peachtree, one of Midtown's most prominent intersections
- Enhanced on-site outdoor collaboration and green spaces planned for 2022
- Direct access to two Midtown "pocket parks" (planned \$350k enhancements in 2022)
- One of the most accessible sites in Midtown: 1.5 blocks from MARTA, four stop lights to I-75/I-85 connector, and pending construction for direct access connecting to the Atlanta Beltline (2023)
- Five-minute walk to Piedmont Park (300 acres of green space)
- Over 6,000 multifamily units within a 1/2 mile radius, another 1,500 units under construction within four blocks
- Weighted average lease term of 4.25 years
- Approximately 70% of the building's facade provides floor to ceiling glass
- ~13' slab to slab ceiling heights



REINVENTING 999 PEACHTREE



Creation of tenant balconies
and enhanced activation in the
heart of Midtown



Reimagined lobby and building entrance from Peachtree Street



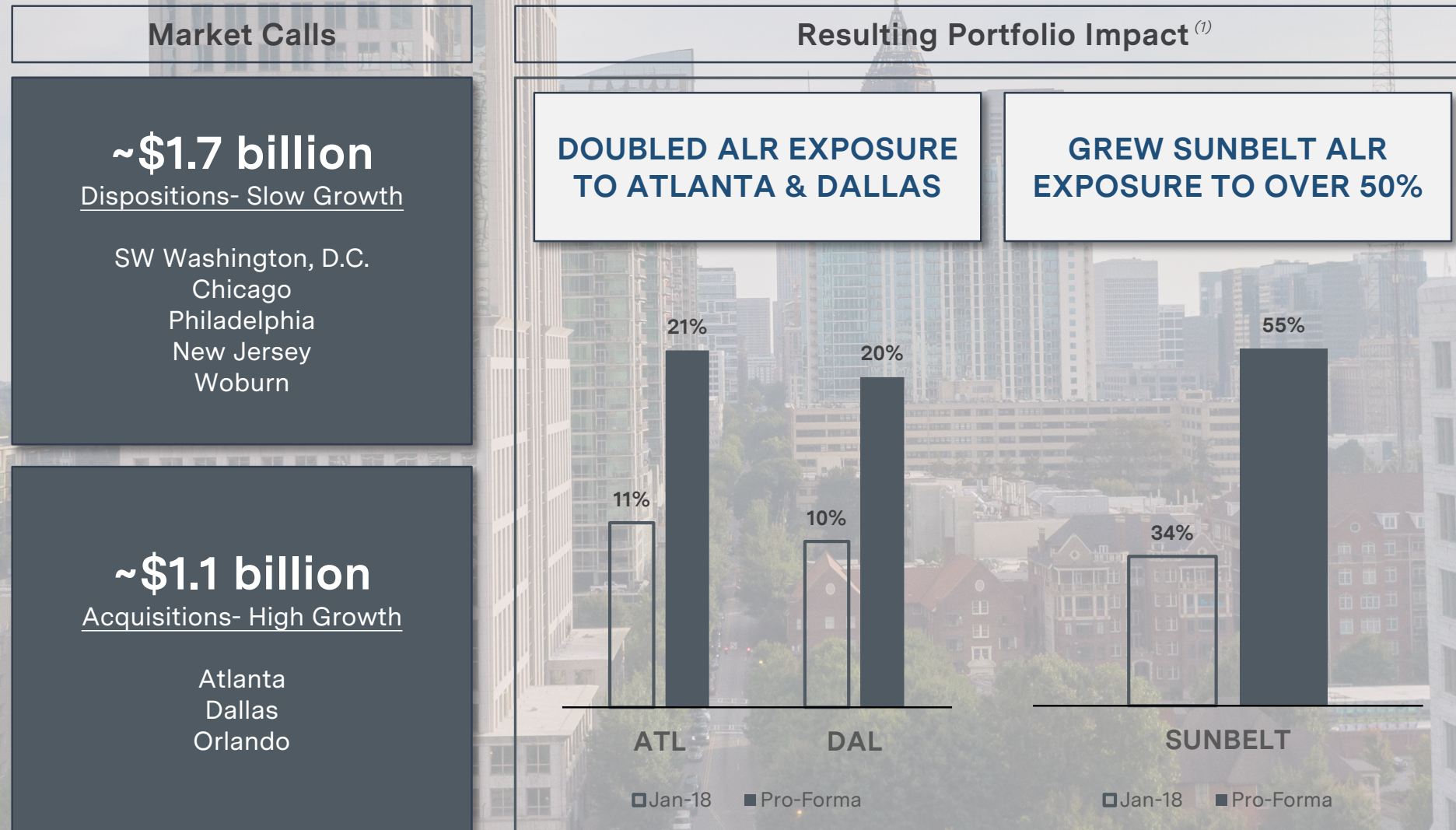
Transformation of new outdoor collaboration space



Food & Beverage and property amenitization at the corner of 10th and Peachtree

PIEDMONT'S EVOLUTION

Since 2018, Piedmont has significantly repositioned its portfolio, disposing of slow growth assets and reinvesting in high growth markets.



⁽¹⁾ Adjusted for pending disposition of 225 and 235 Presidential Way in Woburn, MA.



www.piedmontreit.com