



INVESTOR  
PRESENTATION

AUGUST 2022

NYSE: CIO

# FORWARD-LOOKING STATEMENTS

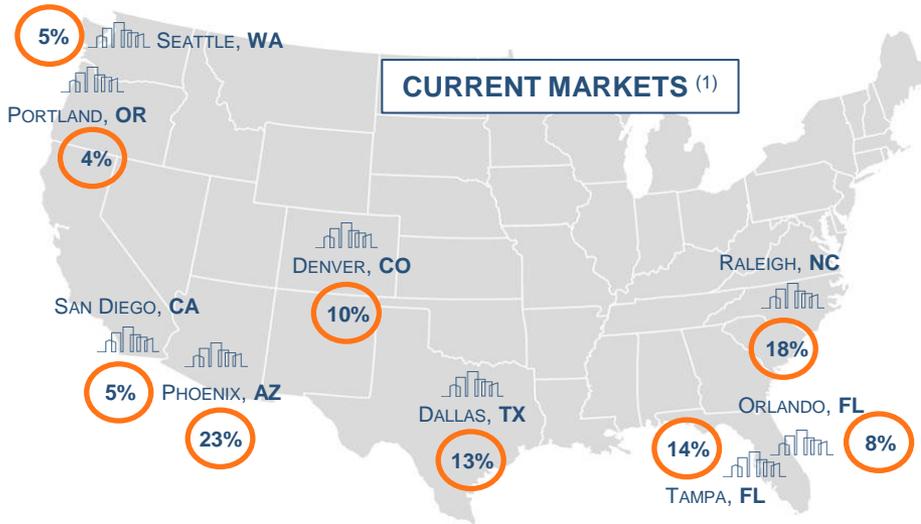


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# COMPANY OVERVIEW

City Office owns a diversified portfolio of premier office properties in high-growth Sun Belt markets



Market	No. of Buildings	NRA (000s SF)	Annualized Gross Rent per SF	In Place Occupancy	Lease Term Remaining
Phoenix, AZ	23	1,520	\$30.29	86.3%	4.4
Raleigh, NC	2	495	\$37.12	68.3%	7.9
Tampa, FL	5	1,051	\$27.34	90.3%	4.5
Dallas, TX	4	587	\$41.33	84.8%	3.6
Denver, CO	6	805	\$31.82	82.8%	5.1
Orlando, FL	8	716	\$26.56	88.2%	4.3
San Diego, CA	4	281	\$38.24	88.0%	3.8
Seattle, WA	3	207	\$27.17	100.0%	6.6
Portland, OR	5	331	\$28.11	99.0%	2.8
<b>Total</b>	<b>60</b>	<b>5,993</b>	<b>\$30.92</b>	<b>86.9%</b>	<b>4.9</b>



(1) Note: All information as of June 30, 2022  
Percentages based on management's estimate of aggregate gross asset value in each market

## INVESTING IN LEADING SUN BELT MARKETS



- ❑ Attractive Sun Belt markets are capitalizing on labor force migration and corporate relocations
- ❑ Population shift to the Sun Belt has been accelerated by the pandemic
- ❑ 26% rent growth over the last five years with healthy future growth expected <sup>(1)</sup>

## HIGH-QUALITY, DIVERSIFIED PORTFOLIO



- ❑ 6.0 million square feet of well-located properties across 60 buildings
- ❑ Majority of the portfolio is Class A, core assets with strong tenancy
- ❑ Entire portfolio had 99%+ rental collections throughout the pandemic

## MANAGEMENT TEAM WITH AN EXCELLENT TRACK RECORD



- ❑ CIO's ten dispositions have generated over \$570 million of gains on sale
- ❑ CIO's 81% total return is second highest in the office REIT sector since IPO in 2014 <sup>(2)</sup>
- ❑ 60% growth in Core FFO per share since the start of the pandemic

## OPPORTUNITIES TO CREATE VALUE



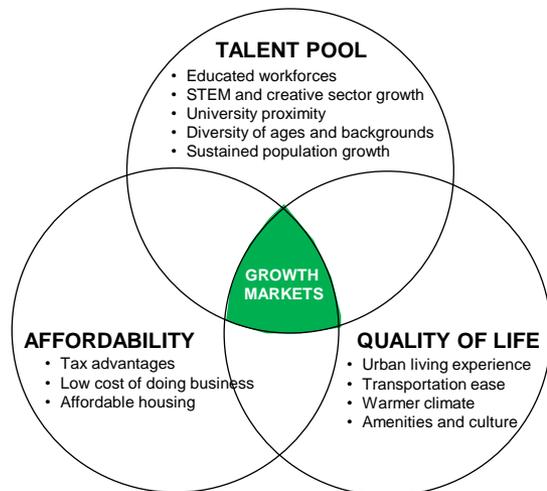
- ❑ Strategic investments in property upgrades and spec suites to optimally position the portfolio for leasing
- ❑ Selective capital recycling and share repurchases to enhance value
- ❑ Long term opportunities: acquisitions, development, redevelopment and investment participation options

<sup>(1)</sup> 26% growth in gross rental rates for the Company's top five markets (Phoenix, Raleigh, Dallas, Tampa, Denver) as reported by JLL as of January 2022

<sup>(2)</sup> Total return includes reinvestment of dividends. Total return from April 14, 2014 to June 30, 2022

# INVESTING IN LEADING SUN BELT MARKETS

## ATTRACTIVE MARKET CHARACTERISTICS

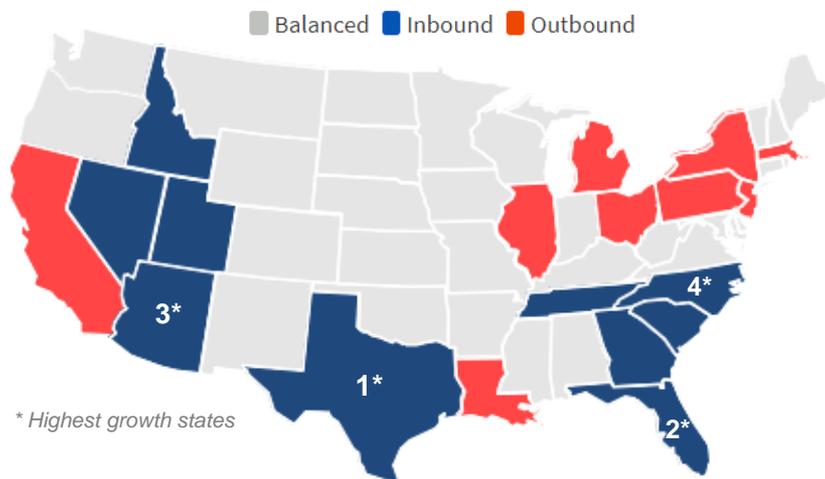


## NATION-LEADING OFFICE DEMAND DRIVERS <sup>(1)</sup>

	US Overall	Gateway Markets	CIO Top-5 Markets	Phoenix	Raleigh	Dallas	Tampa	Denver
2010-present population growth	7.4%	7.1%	18.3%	15.6%	25.1%	20.0%	14.1%	16.5%
20-29 growth rate	4.7%	5.5%	15.8%	16.6%	17.4%	16.3%	10.7%	18.0%
Bachelor's degree	33.1%	45.4%	38.2%	31.1%	48.0%	36.3%	31.6%	43.9%
5 yr rent growth (%)	19.2%	17.2%	25.5%	16.8%	32.9%	22.3%	28.0%	27.4%
Under construction (% of inventory)	2.2%	2.6%	1.7%	1.2%	4.5%	1.4%	0.5%	0.8%

Indicates superior to US Overall

## 2021 NET MIGRATION FAVORS SOUTH AND WEST <sup>(2)</sup>



## PORTFOLIO LOCATED IN DESIRABLE SUBMARKETS

- ❑ **Phoenix:** Downtown, Scottsdale, Tempe, Camelback Corridor, Chandler
- ❑ **Raleigh:** Downtown – Glenwood South
- ❑ **Tampa:** Downtown Tampa, Downtown St. Petersburg
- ❑ **Dallas:** Preston Center, Uptown
- ❑ **Denver:** Denver Technology Center, Northwest Corridor
- ❑ **Orlando:** Downtown Orlando, Florida Research Park
- ❑ **San Diego:** Mission Valley
- ❑ **Seattle:** Eastside / Bothell
- ❑ **Portland:** Sunset Corridor

(1) Source: JLL, as of January 2022. Gateway markets represent New York, NY, Boston, MA, Chicago, IL, Los Angeles, CA, San Francisco, CA and Washington, D.C.

(2) Source: U.S. Census Bureau, net change in state population between July 1, 2020 and July 1, 2021. Map shows top ten states for both positive and negative net migration

# HIGH-QUALITY, DIVERSIFIED PORTFOLIO

- 6.0 million square feet of properties across nine high-growth markets predominantly in the Sun Belt
  - High-quality urban living experiences in amenitized settings desired by tenants
- Recent acquisition of three properties in Raleigh, Phoenix and Dallas for \$614 million enhanced and diversified portfolio
  - Best-in-class properties: superb locations, new construction, leading amenities and modern tenant spaces
  - Strong tenancies with long weighted average lease terms, generating long-term stable cash flow



**Bloc 83**  
Raleigh, NC  
Top Raleigh asset at epicenter of amenities



**Block 23**  
Phoenix, AZ  
Adjacent to Phoenix Suns arena



**The Terraces**  
Dallas, TX  
Newest building in desirable Preston Center



**Park Tower**  
Tampa, FL  
Renovated tower within heart of CBD



**Circle Point**  
Denver, CO  
Leading campus in high growth NW Corridor



**Mission City**  
San Diego, CA  
Adjacent to new SDSU major expansion



**Canyon Park**  
Seattle, WA  
Seattle Genetics (~\$30B market cap) campus



**The Quad**  
Phoenix, AZ  
Newly redeveloped creative office experience

# MANAGEMENT TEAM WITH AN EXCELLENT TRACK RECORD

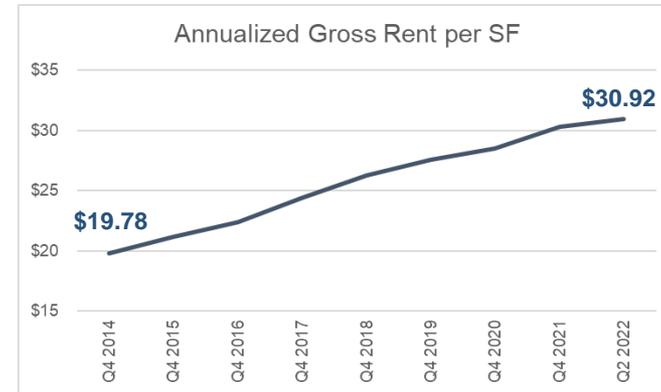
## \$570 MILLION OF GAINS ACROSS 10 DISPOSITIONS

- 2021 life science portfolio sale generated \$429 million gain
- \$22 million gain from Lake Vista Pointe sale in June 2022

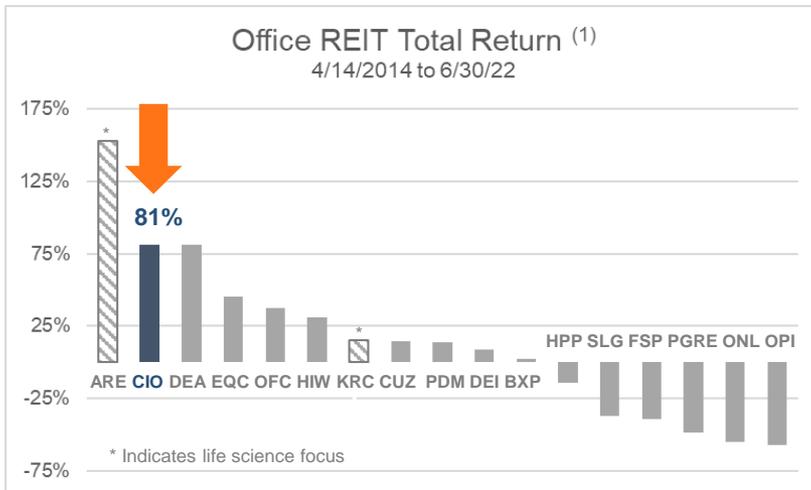


## 56% GROWTH IN GROSS RENT PER SF SINCE 2014 IPO

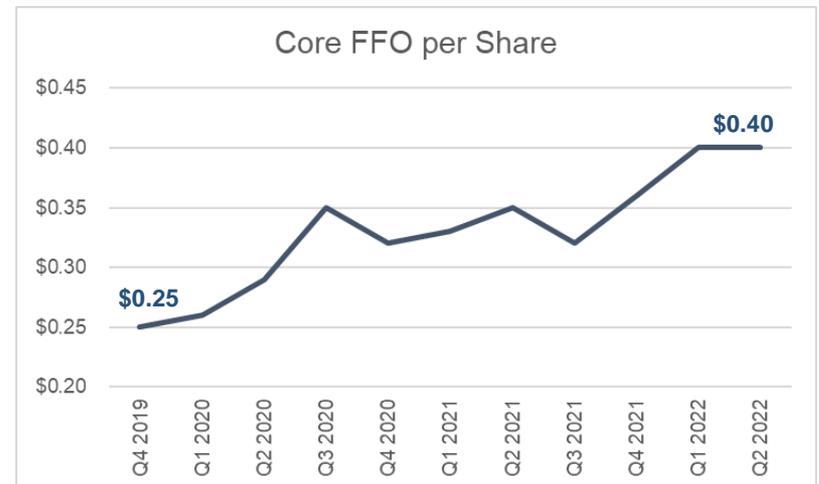
- Active leasing, strong markets, upgraded properties



## SECTOR-LEADING RETURNS SINCE 2014 IPO



## 60% GROWTH IN CORE FFO / SHARE SINCE PANDEMIC



(1) Total return includes reinvestment of dividends. Chart includes companies that began trading after April 14, 2014 from the date such company began trading.

Continue to generate strong returns by driving property cash flow growth and enhancing NAV

## 2022 ACTIVE APPROACH TO CREATING VALUE

- ❑ Strategic property and common area enhancements to optimally position the portfolio
  - ❑ Tenant demand highest for well-amenitized, modern spaces
- ❑ Invest in spec suites and vacancy conditioning to win greater leasing market share
  - ❑ Inventory of 33,000 SF of completed spec suites, with over 100,000 additional SF under construction in 2022
  - ❑ 17 spec suites leased year-to-date in 2022, comprised of 64,000 SF; 3 conditioned spaces leased for 38,000 SF <sup>(1)</sup>
- ❑ Enhance cash flow through stabilization of recent acquisitions and lease-up of portfolio vacancy
- ❑ Strategically recycle capital
- ❑ Selective share repurchase program
- ❑ Long term: acquisitions, development, redevelopment and strategic investment participation options



(1) As of August 2, 2022

# ENHANCEMENT CASE STUDY – 190 OFFICE CENTER

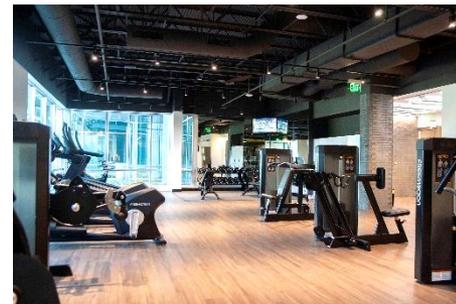
## Drive leasing results through thoughtful and impactful capital improvements

- Our goal is to be the most memorable space option for prospective tenants touring their options
- Re-envision properties with modern build-outs, fitness facilities and impactful collaboration and recreation space
- 190 Office Center improvements have elevated it to a top building in the submarket with a modest \$2.1 million budget

### AFTER RENOVATION



### BEFORE RENOVATION



# CIO STOCK REPURCHASE PROGRAM

## Highly attractive investment profile. Investing in great assets at steep discount to value

- Year to date, CIO has repurchased 2,302,694 shares of common stock at an average price of \$13.11 per share
- The average repurchase price represents a significant discount to CIO's view of the value of the portfolio
  - The repurchases translate to CIO purchasing its own portfolio at a 7.9% implied portfolio cap rate / \$221 per SF
  - Excluding the three recent acquisitions, repurchases translate to a 10.9% implied cap rate / \$142 per SF on the balance of portfolio <sup>(1)</sup>

As of June 30, 2022

(in millions)

### Share Price

Fully Diluted Shares Outstanding - June 30, 2022

### Implied Equity Value

Net Debt

Liquidation Value of Preferred Stock

Value of Development Land <sup>(2)</sup>

Working Capital Adjustment <sup>(3)</sup>

Estimated Minority Interest Value <sup>(4)</sup>

Implied Enterprise Value of Portfolio

2022 Cash NOI <sup>(5)</sup>

### Implied Cap Rate - Portfolio

Implied Cap Rate - Three Recent Acquisitions <sup>(6)(7)</sup>

**Implied Cap Rate - Balance of Portfolio <sup>(8)</sup>**

Implied Price per SF - Portfolio

Implied Price per SF - Three Recent Acquisitions <sup>(1)</sup>

**Implied Price per SF - Balance of Portfolio**

	At 52-Week High \$21.70	Repurchase Avg Price \$13.11
Fully Diluted Shares Outstanding - June 30, 2022	44,052	44,052
Implied Equity Value	\$ 955.9	\$ 577.5
Net Debt	\$ 589.2	\$ 589.2
Liquidation Value of Preferred Stock	112.0	112.0
Value of Development Land <sup>(2)</sup>	(4.5)	(4.5)
Working Capital Adjustment <sup>(3)</sup>	36.0	36.0
Estimated Minority Interest Value <sup>(4)</sup>	14.5	14.5
Implied Enterprise Value of Portfolio	1,703.2	1,324.8
2022 Cash NOI <sup>(5)</sup>	\$ 105.0	\$ 105.0
Implied Cap Rate - Portfolio	6.2%	7.9%
Implied Cap Rate - Three Recent Acquisitions <sup>(6)(7)</sup>	4.5%	4.5%
<b>Implied Cap Rate - Balance of Portfolio <sup>(8)</sup></b>	<b>7.1%</b>	<b>10.9%</b>
Implied Price per SF - Portfolio	\$ 284	\$ 221
Implied Price per SF - Three Recent Acquisitions <sup>(1)</sup>	\$ 629	\$ 629
<b>Implied Price per SF - Balance of Portfolio</b>	<b>\$ 217</b>	<b>\$ 142</b>

## VALUATION DISCONNECT - ILLUSTRATION

### Lake Vista Sale Versus CIO Balance of Portfolio



- Lake Vista sale in June 2022 represented one of CIO's lowest quality, suburban properties relative to its portfolio:
  - Longer property WALT of 10 years was offset by suburban location and cheaper tilt-up construction
  - **Nonetheless, the Lake Vista sale achieved a 6.1% exit cap rate and \$268 per SF. CIO's Balance of Portfolio properties are generally superior in quality but trading at inferior implied valuations**

(1) Calculated using recent acquisitions at December 2021 cost of \$613.5 million

(2) Deducts the development land book value at FRP Collection, Intellicenter and Circle Point to isolate the value of the Company's office properties

(3) Working capital adjustment – Add: Rents Receivable & Other Assets; Less: Straight Line Rent Receivable, Accounts Payable and Accrued Liabilities, Deferred Rent, Tenant Rent Deposits and Other Liabilities

(4) Estimated minority interest value in five properties as of June 30, 2022

(5) Calculated as \$112.0 million midpoint of 2022 NOI Guidance, less \$3.4 million of non-recurring termination fees, less \$9.9 million of non-cash GAAP adjustments, plus \$6.3 million of 2022 free rent and bridge rent credits paid by the sellers of Bloc B3, Block 23 and The Terraces

(6) Recent acquisitions projected to stabilize to a blended cap rate of approximately 5.4% (shown here at 4.5% due to certain leases not having a full year of paying rent in 2022 and the timing of projected vacant space lease-up)

(7) Cap rate calculated as \$27.7 million of Cash NOI (including 2022 free rent and bridge rent credits paid by the sellers at the time of acquisition) / December 2021 cost of \$613.5 million

(8) Cap rate calculated as \$77.3 million of Cash NOI / (Implied Enterprise Value of Portfolio less recent acquisitions at cost of \$613.5 million)

# RECENT HIGHLIGHTS AND 2022 OUTLOOK

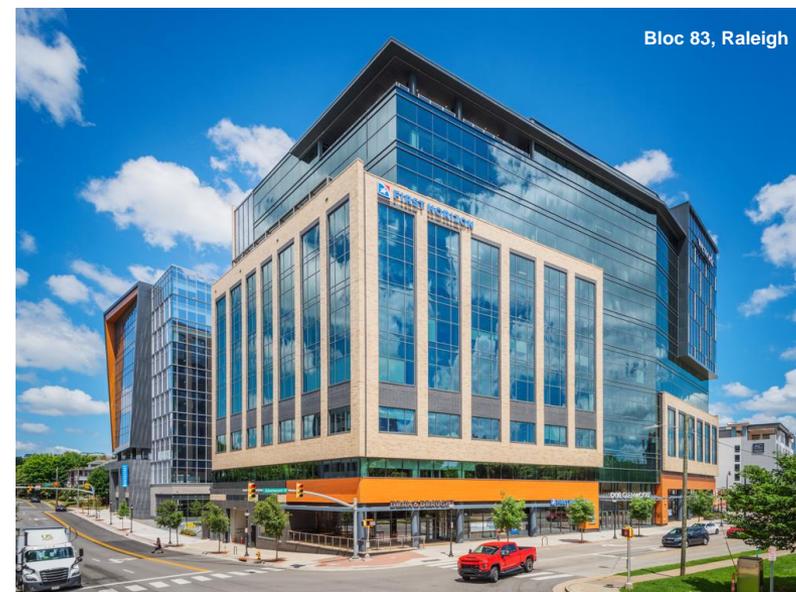
## SECOND QUARTER 2022

- Core FFO per share of \$0.40 and AFFO per share of \$0.18
  - Matches highest Core FFO per share in the Company's history
- Quarterly common dividend of \$0.20 per share
- Executed approximately 254,000 SF of new and renewal leases
- During the quarter and subsequent to quarter end, completed the repurchase of 2,302,694 shares of common stock at an average gross price of \$13.11 per share for an aggregate cost of approximately \$30.2 million

## 2022 UPDATED GUIDANCE <sup>(1)</sup>

	Previous		Updated	
	Low	High	Low	High
<b>Full Year 2022</b>				
Acquisitions	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Dispositions	\$0.0M	\$44.0M	\$43.8M	\$43.8M
Net Operating Income	\$113.0M	\$115.0M	\$111.5M	\$112.5M
Interest Expense	\$24.0M	\$25.0M	\$26.0M	\$27.0M
Core FFO per Share	\$1.56	\$1.60	\$1.54	\$1.57
December 31, 2022 Occupancy	86.5%	88.5%	85.5%	87.0%
Same Store Cash NOI Change	(6.0%)	(4.0%)	(6.0%)	(4.0%)

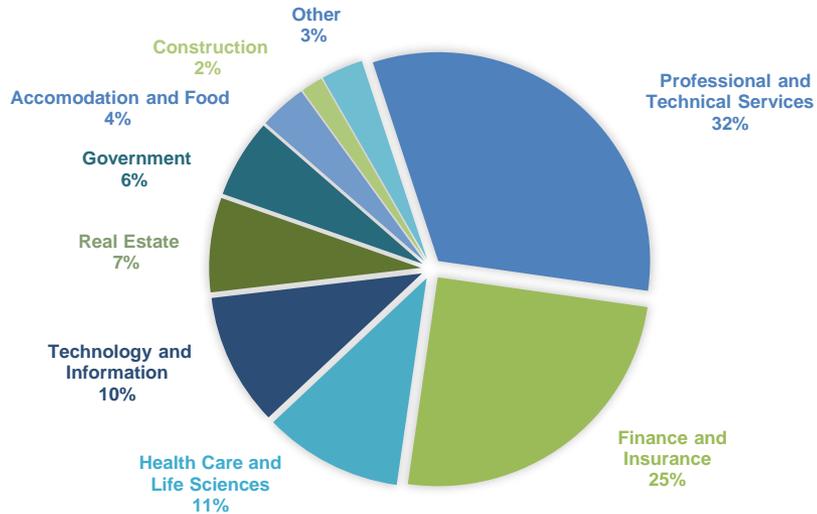
- Midpoint of 2022 Core FFO per Share guidance is 14% higher than actual 2021 Core FFO per Share
- Q2 2022 updates to guidance reflect higher interest expense projections, adjusted lease timing expectations and impact of completed share repurchases
- High end of guidance assumes completion of the balance of the \$50 million share repurchase program



<sup>(1)</sup> See the Company's Q2 2022 earnings press release for further discussion of the material assumptions underlying the Company's guidance. This outlook reflects management's current view of current and future operations and market conditions, which management cannot guarantee will occur as expected, or at all, including the impact of the COVID-19 pandemic, which is impossible to predict

# DIVERSE TENANT PROFILE

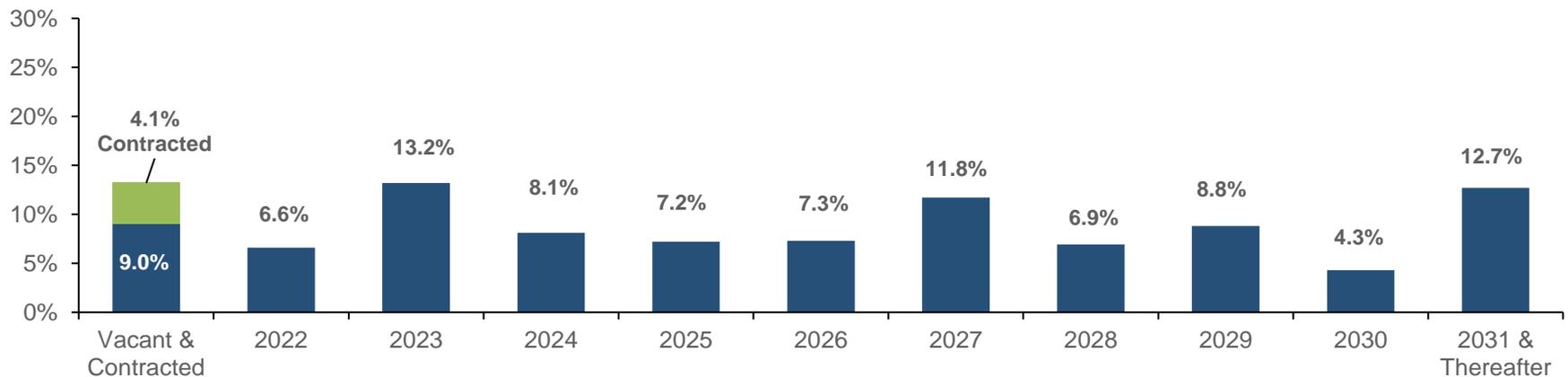
## DIVERSIFIED TENANT BASE (1)(2)



## TOP TEN TENANTS OF OUR PROPERTIES (2)

Tenant / Parent	Credit Rating (S&P / Moody's)	Tenant Since	NRA (000s)	% of Net Rentable Area
Seattle Genetics Inc.	--	2019	207	3.5%
WeWork	--	2019	177	3.0%
United Healthcare Services, Inc.	A+	2008	173	2.9%
HF Management Services LLC	--	2012	155	2.6%
H. Lee Moffitt Cancer Center	A2	2008	155	2.6%
Toyota Motor Credit Corporation	A+	2011	133	2.2%
Jackson National Life Insurance	A2	2007	122	2.0%
Paychex, Inc.	--	2009	120	2.0%
Investnet Asset Management	--	2021	109	1.8%
GSA US Attorneys Office <sup>(3)</sup>	AA+	1998	108	1.8%
<b>Total</b>			<b>1,459</b>	<b>24.4%</b>

## LEASE MATURITIES – STABLE, LONG-TERM TENANCY PROFILE WITH WELL-STAGGERED EXPIRATIONS (2)



(1) Represents percentages of occupied net rentable area  
 (2) As of June 30, 2022  
 (3) Credit rating indicated is for the United States Government

# CONSERVATIVE STRUCTURE WITH STRONG LIQUIDITY



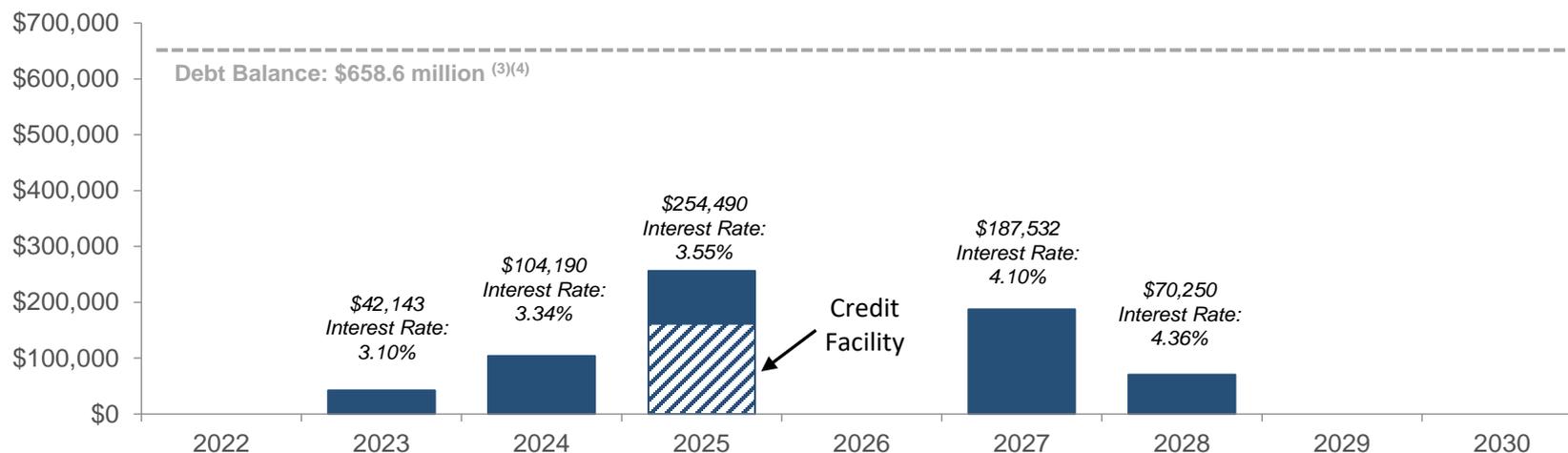
## DEBT METRICS AS OF JUNE 30, 2022

- 3.7% weighted average interest rate
- 5.8x Net Debt to Annualized Adjusted EBITDA <sup>(1)</sup>
- 75.4% fixed rate debt <sup>(2)</sup>
- 3.8 year weighted average debt maturity
- No debt maturities until September 2023

## LIQUIDITY AS OF JUNE 30, 2022

- \$26 million of cash and cash equivalents
- \$43 million of restricted cash at property level
- \$350 million unsecured credit facility of which \$50 million is a term loan and \$300 million is a revolving line of credit
- \$162 million of the \$300 million revolving line of credit was drawn at June 30, 2022

## WELL-STAGGERED DEBT MATURITIES (\$000s) – JUNE 30, 2022



(1) Net debt calculated as debt principal less cash, cash equivalents and restricted cash

(2) Included in fixed rate debt is \$50 million of term loan debt that has been effectively fixed throughout the duration of the term loan pursuant to a swap agreement

(3) \$658.6 million represents the principal debt balance as of June 30, 2022 before deferred financing costs and unamortized fair value adjustments

(4) \$6.7 million of indebtedness attributable to non-controlling interests

## JAMIE FARRAR, CHIEF EXECUTIVE OFFICER

- ❑ Over 20 years of real estate, private equity and corporate finance industry experience
- ❑ Completed the acquisition of over \$3.0 billion of real estate since 2010
- ❑ Prior experience with a family office focused on real estate and hospitality as well as the private equity group of the TD Bank

## GREG TYLEE, CHIEF OPERATING OFFICER & PRESIDENT

- ❑ Over 20 years of diverse real estate experience that includes acquisitions of income-producing properties as well as high-rise development
- ❑ Involved in real estate transactions, including development and management, with a combined enterprise value of over \$4.0 billion
- ❑ Former President of Bosa Properties Inc., a prominent real estate development company with over 400 employees

## TONY MARETIC, CHIEF FINANCIAL OFFICER, SECRETARY & TREASURER

- ❑ Over 20 years of experience in senior financial and operational roles
- ❑ Former Chief Operating Officer and Chief Financial Officer of Earls Restaurants Ltd., a multi-national hospitality company
- ❑ Held financial management positions with BentallGreenOak and a senior living real estate company

## BOARD OF DIRECTORS

John McLernon, Chairman ✓

Jamie Farrar, CEO & Director

William Flatt, Director ✓

Sabah Mirza, Director ✓

Mark Murski, Director ✓

John Sweet, Director ✓

# APPENDIX: PROPERTY OVERVIEW



Metropolitan Area	Property	Economic Interest	NRA (000s SF)	In Place Occupancy	Annualized Base Rent per SF	Annualized Gross Rent per SF <sup>1</sup>	Annualized Base Rent (000s) <sup>2</sup>	Largest Tenant by NRA
Phoenix, AZ	Block 23	100.0%	307	94.0%	\$29.63	\$31.88	\$8,552	Western Alliance Bank
	Pima Center	100.0%	272	63.9%	\$28.63	\$28.63	\$4,976	First American Title Insurance
	SanTan	100.0%	267	96.5%	\$30.10	\$30.10	\$7,746	Toyota Motor Credit Corporation
	5090 N 40th St	100.0%	176	95.4%	\$31.88	\$31.88	\$5,335	Bar-S-Foods Co.
	Camelback Square	100.0%	172	69.9%	\$33.56	\$33.56	\$4,026	Digital Air Strike
	The Quad	100.0%	163	100.0%	\$31.15	\$31.46	\$5,078	Opendoor Labs, Inc.
	Papago Tech	100.0%	163	86.1%	\$23.39	\$23.39	\$3,277	Regional Acceptance Corp.
Tampa, FL	Park Tower	94.8%	478	86.4%	\$27.27	\$27.27	\$11,253	GSA US Attorneys Office
	City Center	95.0%	245	85.0%	\$27.84	\$27.84	\$5,791	Kobie Marketing, Inc.
	Intellicenter	100.0%	204	100.0%	\$25.64	\$25.64	\$5,219	H. Lee Moffitt Cancer Center
	Carillon Point	100.0%	124	100.0%	\$29.52	\$29.52	\$3,666	Paychex, Inc.
Denver, CO	Denver Tech	100.0%	381	93.2%	\$23.98	\$28.08	\$8,425	Jackson National Life Insurance Company
	Circle Point	100.0%	272	75.4%	\$19.42	\$33.28	\$3,984	Epsilon Data Management, LLC
	Superior Pointe	100.0%	152	91.3%	\$18.77	\$31.77	\$2,609	KeyBank National Association
Orlando, FL	Florida Research Park	96.5%	393	80.7%	\$25.37	\$27.34	\$7,973	Sedgwick Claims
	Central Fairwinds	97.0%	168	94.6%	\$27.26	\$27.26	\$4,337	Fairwinds Credit Union
	Greenwood Blvd	100.0%	155	100.0%	\$24.25	\$24.25	\$3,760	HF Management Services LLC
Dallas, TX	190 Office Center	100.0%	303	75.5%	\$27.11	\$27.11	\$6,210	United Healthcare Services, Inc.
	The Terraces	100.0%	173	95.9%	\$37.99	\$57.99	\$6,290	WeWork
	2525 McKinnon	100.0%	111	93.0%	\$27.05	\$46.05	\$2,801	The Retail Connection
Portland, OR	AmberGlen	76.0%	203	98.4%	\$23.55	\$26.45	\$4,695	Planar Systems, Inc.
	Cascade Station	100.0%	128	100.0%	\$28.77	\$30.68	\$3,685	Wells Fargo Bank, N.A.
San Diego, CA	Mission City	100.0%	281	88.0%	\$38.24	\$38.24	\$9,466	Willis Towers Watson
Seattle, WA	Canyon Park	100.0%	207	100.0%	\$23.17	\$27.17	\$4,791	Seattle Genetics Inc.
Total / Weighted Average - Excl Acquisitions in Lease-Up <sup>3</sup>			5,498	88.6%	\$27.54	\$30.49	\$133,945	
Raleigh, NC	Bloc 83	100.0%	495	68.3%	\$37.03	\$37.12	\$12,527	Envestnet Asset Mgmt
Total / Weighted Average - June 30, 2022			5,993	86.9%	\$28.16	\$30.92	\$146,472	

(1) Annualized gross rent per square foot includes adjustment for estimated expense reimbursements of triple net leases

(2) Annualized base rent is calculated by multiplying (i) rental payments (defined as cash rents before abatements) for the month ended June 30, 2022 by (ii) 12.

(3) Averages weighted based on the property's NRA, adjusted for occupancy. Including contracted leases, occupancy was 85.2% at Bloc 83 as of June 30, 2022

# APPENDIX: FINANCIAL HIGHLIGHTS

(in thousands, except per share data)  
(unaudited)

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
<b>INCOME ITEMS</b>					
Net income	\$ 3,063	\$ 24,691	\$ 433,175	\$ 1,244	\$ 1,852
NOI	\$ 28,662	\$ 28,363	\$ 25,143	\$ 29,709	\$ 25,785
Same Store Cash NOI Change	(7.1%)	(4.7%)	(0.5%)	1.4%	2.7%
Net income/(loss) per common share - diluted	\$ 0.02	\$ 0.51	\$ 9.76	\$ (0.02)	\$ 0.00
Core FFO / Share	\$ 0.40	\$ 0.40	\$ 0.36	\$ 0.32	\$ 0.35
AFFO / Share	\$ 0.18	\$ 0.19	\$ 0.17	\$ 0.19	\$ 0.22
EBITDA (CIO share)	\$ 25,642	\$ 25,411	\$ 23,722	\$ 21,830	\$ 22,958
<b>CAPITALIZATION</b>					
Common shares	43,331	43,554	43,554	43,554	43,554
Unvested restricted shares	721	892	560	558	554
Total common shares - diluted	44,052	44,446	44,114	44,113	44,109
Weighted average common shares outstanding - diluted <sup>1</sup>	44,482	44,406	44,162	44,112	44,116
Share price at quarter end	\$ 12.95	\$ 17.66	\$ 19.72	\$ 17.86	\$ 12.43
Market value of common equity	\$ 570,474	\$ 784,915	\$ 869,929	\$ 787,854	\$ 548,272
Total Series A preferred shares outstanding	4,480	4,480	4,480	4,480	4,480
Liquidation preference per preferred share	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Aggregate liquidation preference of preferred shares	\$ 112,000	\$ 112,000	\$ 112,000	\$ 112,000	\$ 112,000
Net debt (CIO share)	\$ 584,224	\$ 614,360	\$ 611,218	\$ 530,818	\$ 574,088
Total enterprise value (including net debt)	\$ 1,266,698	\$ 1,511,275	\$ 1,593,147	\$ 1,430,672	\$ 1,234,360
<b>DEBT STATISTICS AND RATIOS</b>					
Total principal debt (CIO share)	\$ 651,953	\$ 660,317	\$ 651,860	\$ 599,484	\$ 608,915
Weighted average maturity	3.8 years	4.0 years	4.2 years	4.0 years	4.2 years
Weighted average interest rate	3.7%	3.4%	3.4%	3.6%	3.6%
Fixed rate debt as a percentage of total debt <sup>2</sup>	75.4%	77.2%	78.4%	85.5%	84.4%
<b>LEASING STATISTICS</b>					
In-Place occupancy	86.9%	85.7%	84.9%	88.7%	89.7%
Weighted average remaining lease term	4.9 years	5.0 years	4.9 years	4.4 years	4.3 years

(1) Q2 2022, Q1 2022 and Q4 2021 are calculated in accordance with ASC 260 guidance on contingently issuable shares and include approximately 49,000 additional performance stock units that had not yet been issued as of June 30, 2022, March 31, 2022 and December 31, 2021, respectively.

(2) The fixed rate debt percentage factors in an interest rate swap applied against the \$50 million Term Loan which effectively fixes the 30-day LIBOR rate component of the Term Loan at 1.27% throughout the duration of the loan.

# APPENDIX: FFO, CORE FFO AND AFFO

(in thousands, except per share data)  
(unaudited)

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
<b>Net income/(loss) attributable to common stockholders</b>	\$ 1,044	\$ 22,665	\$ 431,194	\$ (989)	\$ (193)
(+) Depreciation and amortization	15,701	15,815	13,299	14,648	14,954
(-) Net gain on sale of real estate property	-	(21,658)	(429,250)	-	-
	<u>16,745</u>	<u>16,822</u>	<u>15,243</u>	<u>13,659</u>	<u>14,761</u>
Non-controlling interests in properties:					
(+) Share of net income	164	171	126	378	190
(-) Share of FFO	(312)	(319)	(282)	(563)	(340)
<b>Funds from Operations ("FFO")</b>	<u>\$ 16,597</u>	<u>\$ 16,674</u>	<u>\$ 15,087</u>	<u>\$ 13,474</u>	<u>\$ 14,611</u>
(+) Stock based compensation	992	904	665	666	666
<b>Core FFO</b>	<u>\$ 17,589</u>	<u>\$ 17,578</u>	<u>\$ 15,752</u>	<u>\$ 14,140</u>	<u>\$ 15,277</u>
(-/+ Net recurring straight-line rent/expense adjustment	(1,355)	(1,210)	(963)	310	114
(+/-) Net amortization of above and below market leases	17	62	61	(18)	194
(+) Net amortization of deferred financing costs and debt fair value	300	310	460	265	270
(-) Net recurring tenant improvements and incentives	(4,866)	(3,759)	(4,548)	(2,400)	(1,702)
(-) Net recurring leasing commissions	(2,055)	(2,217)	(1,222)	(2,805)	(2,773)
(-) Net recurring capital expenditures	(1,679)	(2,513)	(1,850)	(958)	(1,469)
<b>Adjusted Funds from Operations ("AFFO")</b>	<u>\$ 7,951</u>	<u>\$ 8,251</u>	<u>\$ 7,690</u>	<u>\$ 8,534</u>	<u>\$ 9,911</u>
<b>FFO per common share</b>	<u>\$ 0.37</u>	<u>\$ 0.38</u>	<u>\$ 0.34</u>	<u>\$ 0.31</u>	<u>\$ 0.33</u>
<b>Core FFO per common share</b>	<u>\$ 0.40</u>	<u>\$ 0.40</u>	<u>\$ 0.36</u>	<u>\$ 0.32</u>	<u>\$ 0.35</u>
<b>AFFO per common share</b>	<u>\$ 0.18</u>	<u>\$ 0.19</u>	<u>\$ 0.17</u>	<u>\$ 0.19</u>	<u>\$ 0.22</u>
<b>Dividends declared per common share</b>	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.15	\$ 0.15
<b>FFO Payout Ratio</b>	54%	53%	59%	49%	45%
<b>Core FFO Payout Ratio</b>	51%	51%	56%	47%	43%
<b>AFFO Payout Ratio</b>	112%	108%	115%	78%	67%
Weighted average common shares outstanding - diluted	44,482	44,406	44,162	44,112	44,116

## Creating sustainable, long-term results for stakeholders and the environment

### OUR ESG GOALS

- ✓ Foster a culture committed to strengthening ESG initiatives
- ✓ Increase sustainability tracking, benchmarking and reporting
- ✓ Invest in opportunities to reduce resource consumption, waste production and emissions
- ✓ Promote diversity, equality and inclusion at all levels
- ✓ Support the health and wellbeing of our tenants and employees
- ✓ Operate in a transparent, ethical and stockholder-friendly manner
- ✓ Promote long-term value creation through strong governance

### CONTINUED FOCUS & ENHANCEMENT

- ✓ Implemented a board diversity policy and human rights policy
- ✓ Executive pay linked with ESG performance
- ✓ Annual ESG report to enhance accountability and disclosure
- ✓ Annual employee satisfaction survey; created various programs to promote employee satisfaction

### ESG HIGHLIGHTS

- ✓ 1,368 solar panels installed at our Mission City, San Diego property
- ✓ Active support for employee engagement in charity and volunteerism
- ✓ 100% of employees believe CIO has a positive company culture <sup>(1)</sup>



(1) Based on the 2021 CIO employee satisfaction survey



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