Piedmont Office Realty Trust, Inc.
Form 424B5
August 08, 2016
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**Filed Pursuant to Rule 424(b)(5)**

**Registration No. 333-212973**

**CALCULATION OF REGISTRATION FEE**

| Title of Each Class of Securities to Be Registered | Maximum Aggregate Offering Price | Amount of Registration Fee(1) |
|---|---|---|
| Common Stock, par value $0.01 per share, of Piedmont Office Realty Trust, Inc. | $250,000,000 | $25,175 |

(1) This registration fee has been calculated and is being paid in accordance with Rule 457(r) and Rule 456(b) under the Securities Act of 1933, as amended.

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**Prospectus supplement**

(To Prospectus dated August 8, 2016)

**$250,000,000**

**Piedmont Office Realty Trust, Inc.**

**Common shares**

This prospectus supplement and the accompanying prospectus relate to the offer and sale from time to time of shares of our common stock, par value $0.01 per share, having an aggregate gross sales price of up to $250,000,000. Our common shares to which this prospectus supplement relates will be offered over a period of time and from time to time through J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC and SunTrust Robinson Humphrey, Inc. as our agents, which we refer to collectively as the Agents, for resale, in accordance with the terms of the equity distribution agreement we have entered into with the Agents. Sales of our common shares, if any, may be made in negotiated transactions or transactions that are deemed to be at-the-market offerings as defined in Rule 415 under the Securities Act of 1933, as amended, which we refer to as the Securities Act, including sales made directly on the New York Stock Exchange, or the NYSE, or sales made to or through a market maker other than on an exchange.

Our common shares are listed on the NYSE under the symbol PDM. The last reported sale price of our common shares as reported on the NYSE on August 5, 2016 was $21.32 per share.

We will pay each of the Agents a commission of up to 2% of the gross proceeds of common shares sold by such Agent, as our agent, pursuant to this prospectus supplement. Subject to the terms and conditions of the equity distribution agreement, the Agents will use commercially reasonable efforts consistent with their normal trading and sales practices to sell the shares on our behalf. The offering of common stock pursuant to the equity distribution agreement will terminate upon the earlier of (1) the sale of all the shares of our common stock subject to the equity distribution agreement, and (2) the termination of the equity distribution agreement, pursuant to its terms, by either the Agents or us.

We may also sell our common shares to the Agents as principals for their own accounts at prices agreed upon at the time of sale. If we sell our common shares to any of the Agents as principals, we will enter into a separate terms agreement with such Agents.

**Investing in our common shares involves risks. See Risk factors beginning on page S-3 of this prospectus supplement to read about factors you should consider before buying our common shares.**

**Neither the Securities and Exchange Commission, which we refer to as the SEC, nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

**J.P. Morgan** **BofA Merrill Lynch** **Morgan Stanley** **SunTrust Robinson Humphrey**

August 8, 2016

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## Table of contents

### Prospectus supplement



### Prospectus

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## About this prospectus supplement

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. Generally, when we refer only to the prospectus, we are referring to both parts combined. This prospectus supplement may add to, update or change information in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement or the prospectus.

If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement. This prospectus supplement, the accompanying prospectus and the documents incorporated into each by reference include important information about us, the shares being offered and other information you should know before investing in our common shares.

You should rely only on the information incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the Agents have not, authorized anyone to provide you with information that is in addition to or different from that contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the Agents are not, offering to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than as of the date of this prospectus supplement or the accompanying prospectus, as the case may be, or in the case of the documents incorporated by reference, the date of such documents regardless of the time of delivery of this prospectus supplement and the accompanying prospectus or any sale of our common shares. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

Piedmont Office Realty Trust, Inc. is a Maryland corporation. Our principal executive offices are located at 11695 Johns Creek Parkway, Suite 350, Johns Creek, Georgia 30097. Our main telephone number is (770) 418-8800. Our website is http://www.piedmontreit.com. Information contained on our website is not a part of this prospectus supplement or the accompanying prospectus.

Unless otherwise stated or the context otherwise requires, references in this prospectus to Piedmont, we, us and our refer, collectively, to Piedmont Office Realty Trust, Inc. and its consolidated subsidiaries, including Piedmont Operating Partnership, LP; the Company refers only to Piedmont Office Realty Trust, Inc. and not to any of its subsidiaries or affiliates; and the Operating Partnership refers only to Piedmont Operating Partnership, LP and not to its parent or subsidiaries or affiliates.

## Cautionary note regarding forward-looking statements

Certain statements made in or incorporated by reference into this prospectus supplement, and other written or oral statements made by us or on our behalf, may constitute forward-looking statements within the meaning of the federal securities laws. In addition, we, or our executive officers on our behalf, may from time to time make forward-looking statements in reports and other documents that Piedmont files with the SEC or in connection with oral statements made to the press, potential investors or others. Statements regarding future events and developments and our future performance, as well as management s expectations, beliefs, plans, estimates, or projections relating to the future, are forward-looking statements within the meaning of these laws. Forward-looking statements include statements preceded by, followed by, or that include the words may, will, expect, intend, anticipate, estimate, believe, or other similar words. These forward-looking statements are based on beliefs and assumptions of our management, which in turn are based on information available at the time the statements are made. Important assumptions relating

to the forward-looking statements include, among others, assumptions regarding the demand for office space in the markets in which we

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operate, competitive conditions, and general economic conditions. These assumptions could prove inaccurate. The forward-looking statements also involve risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. Many of these factors are beyond our ability to control or predict. Such factors include, but are not limited to, the following:

- Economic, regulatory, and/or socio-economic changes (including accounting standards) that impact the real estate market generally, or that could affect patterns of use of commercial office space, may cause our operating results to suffer and decrease the value of our real estate properties;

- 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 the specific markets in which we operate, particularly in Washington, D.C., the New York metropolitan area, and Chicago, where we have high concentrations of office properties;

- Lease terminations or lease defaults, particularly by one of our large lead tenants;

- Adverse market and economic conditions may negatively affect us and could cause us to recognize impairment charges on both our long-lived assets or goodwill or otherwise impact our performance;

- The success of our real estate strategies and investment objectives, including our ability to identify and consummate suitable acquisitions and divestures;

- The illiquidity of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our properties;

- Acquisitions of properties may have unknown risks and other liabilities at the time of acquisition;

- Development and construction delays and resultant increased costs and risks may negatively impact our operating results;

- Our real estate development strategies may not be successful;

- Future acts of terrorism in any of in the major metropolitan areas in which we own properties, or future cybersecurity attacks against us or any of our tenants, could significantly impact the demand for, and value

of, our properties;

Costs of complying with governmental laws and regulations;

Additional risks and costs associated with directly managing properties occupied by government tenants;

Future offerings of debt or equity securities may adversely affect the market price of our common stock;

Changes in market interest rates may have an effect on the value of our common stock;

Uncertainties associated with environmental and other regulatory matters;

Potential changes in the domestic or global political environment, or any potential reduction in federal or state funding of our governmental tenants;

We may be subject to litigation, which could have a material adverse effect on our financial condition;

Changes in tax laws impacting real estate investment trusts, or REITs, and real estate in general, as well as Piedmont s ability to continue to qualify as a REIT under the Internal Revenue Code (the Code ); and

Other factors, including the risk factors discussed in the section entitled Risk factors beginning on page S-3 of this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2015, which we refer to as our Form 10-K.

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Management believes these forward-looking statements are reasonable; however, undue reliance should not be placed on any forward-looking statements, which are based on current expectations. Further, forward-looking statements speak only as of the date they are made, and management undertakes no obligation to update publicly any of them in light of new information or future events.

Additional information concerning the risks and uncertainties listed above and other factors that you may wish to consider with respect to any investment in our securities is contained elsewhere in our filings with the SEC.

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## Summary

*The following summary highlights information more fully described elsewhere or incorporated by reference in this prospectus. This summary is not complete and may not contain all of the information that may be important to you. Before making an investment decision to invest in our common shares, you should carefully read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein, including the sections entitled Risk factors beginning on page S-3 of this prospectus supplement and in our Form 10-K, which is incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary is qualified in its entirety by the more detailed information and financial statements, including the notes thereto, appearing elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus.*

**Piedmont Office Realty Trust, Inc. and Piedmont Operating Partnership, LP**

Piedmont Office Realty Trust, Inc. is a Maryland corporation that operates in a manner so as to qualify as a REIT for federal income tax purposes and engages in the acquisition and ownership of commercial real estate properties throughout the United States, including properties that are under construction, are newly constructed, or have operating histories. The Company was incorporated in 1997, commenced operations in 1998, and listed its common stock on the NYSE in 2010. We conduct business primarily through Piedmont Operating Partnership, LP, a Delaware limited partnership, as well as performing the management of our buildings through two wholly-owned subsidiaries, Piedmont Government Services, LLC and Piedmont Office Management, LLC. We own 99.9% of, and are the sole general partner of the Operating Partnership and as such, possess full legal control and authority over the operations of the Operating Partnership. The remaining 0.1% ownership interest of the Operating Partnership is held indirectly by us through our wholly-owned subsidiary, Piedmont Office Holdings, Inc., or POH, the sole limited partner of the Operating Partnership. The Operating Partnership owns properties directly, through wholly-owned subsidiaries and through both consolidated and unconsolidated joint ventures.

As of June 30, 2016, Piedmont owned 66 in-service office properties, one redevelopment asset and two development assets, and one building through an unconsolidated joint venture. Piedmont s 66 in-service office properties comprise approximately 18.5 million square feet of primarily Class A commercial office space, and were approximately 91.4% leased as of June 30, 2016. As of June 30, 2016, approximately 80% of our annualized lease revenue was generated from select office sub-markets in the following cities: Atlanta, Boston, Chicago, Dallas, Minneapolis, New York, Orlando and Washington, D.C.

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## The offering

*The following summary contains basic information about the common shares and the offering and is not intended to be complete. It does not contain all the information that is important to you. For a complete understanding of the common shares, you should read the section of the accompanying prospectus entitled Description of Piedmont Office Realty Trust, Inc. capital stock and Certain provisions of Maryland law and Piedmont Office Realty Trust, Inc. s Charter and Bylaws.*

| | |
|---|---|
| **Issuer** | Piedmont Office Realty Trust, Inc. |
| **Common shares offered** | Common shares, par value $0.01 per share, having aggregate gross sales proceeds of up to $250,000,000. |
| **Use of proceeds after expenses** | We intend to use the net proceeds from this offering for working capital, capital expenditures and other general corporate purposes, which may include the acquisition, development and redevelopment of office properties and repayment and refinancing of debt. |
| **Restrictions on ownership** | To facilitate maintenance of our qualification as a REIT for federal income tax purposes, the ownership limit under our articles of incorporation, as amended, which we refer to as our Charter, prohibits ownership, directly or by virtue of the attribution provisions of the Code, by any person or persons acting as a group of more than 9.8% of our issued and outstanding common shares, subject to certain exceptions. Further, our Charter includes provisions allowing us to stop transfers of our shares and to redeem our shares that are intended to assist us in complying with these requirements. See Description of Piedmont Office Realty Trust, Inc. capital stock and Certain provisions of Maryland law and Piedmont Office Realty Trust, Inc. s Charter and Bylaws beginning on page 17 of the accompanying prospectus. |
| **Risk factors** | Your investment in our common shares involves substantial risks. In consultation with your financial and legal advisors, you should carefully consider the matters discussed under the sections entitled Risk factors beginning on page S-3 of this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2015, which is incorporated by reference in this prospectus supplement and the accompanying prospectus. |
| **NYSE symbol** | PDM |

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## Risk factors

*Your investment in our common shares involves substantial risks. In consultation with your own financial and legal advisers, you should carefully consider, among other matters, the factors set forth below and other information that we file with the SEC before making a decision to invest in our common shares. If any of the risks contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus develop into actual events, our business, financial condition, liquidity, results of operations, cash flows and prospects could be materially and adversely affected, the market price of our common shares could decline and you may lose all or part of your investment.*

***This offering may be dilutive and there may be future dilution of our common shares.***

Giving effect to the issuance of common shares in this offering, the receipt of the expected net proceeds and the use of those proceeds, this offering may have a dilutive effect on our expected net income available to common shareholders per share and funds from operations per share. The actual amount of dilution cannot be determined at this time and will be based on numerous factors. Additionally, we are not restricted from issuing additional securities in the future, including common shares, securities that are convertible into or exchangeable for, or that represent the right to receive, common shares or any substantially similar securities. Our dividends can be paid as a combination of cash and stock in order to satisfy the annual distribution requirements applicable to REITs. To the extent that management considers it advisable to distribute gains from any asset sales to shareholders in the form of a special dividend, we may pay any such dividend in the form of stock. See Material U.S. federal income tax considerations in the accompanying prospectus for a discussion of the federal income tax consequences of receiving a dividend in the form of REIT shares. The market price of our common shares could decline as a result of issuances or sales of a large amount of our common shares in the market after this offering or the perception that such issuances or sales could occur. Additionally, future issuances or sales of substantial amounts of our common shares may be at prices below the offering price of the common shares offered by this prospectus supplement and may adversely impact the market price of our common shares.

***Debt financing may not be available and additional equity issuances could be dilutive to our shareholders.***

Our ability to execute our business strategy depends on our access to an appropriate blend of debt financing, including unsecured lines of credit and other forms of secured and unsecured debt, and equity financing, including common and preferred equity.

Debt financing may not be available in sufficient amounts, or on favorable terms or at all. Instability in the credit markets may negatively impact our ability to borrow and refinance existing borrowings at acceptable rates or at all. In addition, if we issue additional equity securities to finance developments and acquisitions instead of incurring debt, the interests of existing shareholders could be diluted.

***There are significant price and volume fluctuations in the public markets, including on the exchange which we listed our common stock.***

The U.S. stock markets, including the NYSE on which our common stock is listed, have historically experienced significant price and volume fluctuations. The market price of our common stock may be highly volatile and could be subject to wide fluctuations and investors in our common stock may experience a decrease in the value of their shares, including decreases unrelated to our operating performance or prospects. If the market price of our common stock declines significantly, stockholders may be unable to resell their shares at or above their purchase price. We cannot assure stockholders that the market price of our common stock will not fluctuate or decline significantly in the future.

Some of the factors that could negatively affect our stock price or result in fluctuations in the price or trading volume of our common stock include the following:

- actual or anticipated variations in our quarterly operating results;

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changes in our earnings estimates or publication of research reports about us or the real estate industry, although no assurance can be given that any research reports about us will be published or the accuracy of such reports;

changes in our dividend policy;

future sales of substantial amounts of our common stock by our existing or future stockholders;

increases in market interest rates, which may lead purchasers of our stock to demand a higher yield;

changes in market valuations of similar companies;

adverse market reaction to any increased indebtedness we incur in the future;

additions or departures of key personnel;

actions by institutional stockholders;

material, adverse litigation judgments;

speculation in the press or investment community; and

general market and economic conditions.

***Our management team will have broad discretion regarding the use of net proceeds from this offering, and we may use the proceeds in ways with which you disagree.***

Our management team will have broad discretion regarding the use of net proceeds from this offering and could use the proceeds in ways that do not improve our results of operations or enhance the value of our common shares. As a result, investors will be relying on the judgment of management for the application of the proceeds from this offering. You will not have the opportunity, as part of your investment decision, to assess whether the proceeds will be used in ways with which you agree. Our failure to apply these funds effectively could have a material adverse effect on our business and financial condition.

***Our failure to qualify as a REIT could adversely affect our operations and our ability to make distributions.***

We are owned and operated in a manner intended to qualify us as a REIT for U.S. federal income tax purposes; however, we do not have a ruling from the IRS as to our REIT status. In addition, we own all of the common stock of a subsidiary that has elected to be treated as a REIT, and if our subsidiary REIT were to fail to qualify as a REIT, it is

possible that we also would fail to qualify as a REIT unless we (or the subsidiary REIT) could qualify for certain relief provisions. Our qualification and the qualification of our subsidiary REIT as a REIT will depend on satisfaction, on an annual or quarterly basis, of numerous requirements set forth in highly technical and complex provisions of the Code for which there are only limited judicial or administrative interpretations. A determination as to whether such requirements are satisfied involves various factual matters and circumstances not entirely within our control. The fact that we hold substantially all of our assets through our operating partnership and its subsidiaries further complicates the application of the REIT requirements for us. No assurance can be given that we, or our subsidiary REIT, will qualify as a REIT for any particular year.

If we, or our subsidiary REIT, were to fail to qualify as a REIT in any taxable year for which a REIT election has been made, the non-qualifying REIT would not be allowed a deduction for dividends paid to its stockholders in computing our taxable income and would be subject to U.S. federal income tax (including any applicable alternative minimum tax) on its taxable income at corporate rates. Moreover, unless the non-qualifying REIT were to obtain relief under certain statutory provisions, the non-qualifying REIT also would be disqualified from treatment as a REIT for the four taxable years following the year during which qualification is lost. This treatment would reduce our net earnings available for investment or distribution to our stockholders because of the additional tax liability to us for the years involved. As a result of such additional tax liability, we might need to borrow funds or liquidate certain investments on terms that may be disadvantageous to us in order to pay the applicable tax.

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***Our board of directors could elect for us to be subject to certain Maryland law limitations on changes in control that could have the effect of preventing transactions in the best interest of our stockholders.***

Certain provisions of Maryland law may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control under certain circumstances that otherwise could provide the holders of shares of our common stock with the opportunity to realize a premium over the then-prevailing market price of such shares, including:

- business combination provisions that, subject to limitations, prohibit certain business combinations between us and an interested stockholder (defined generally as any person who beneficially owns 10% or more of the voting power of our outstanding voting stock or any affiliate or associate of ours who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of our then outstanding stock) or an affiliate thereof for five years after the most recent date on which the stockholder becomes an interested stockholder and thereafter impose supermajority voting requirements on these combinations; and

- control share provisions that provide that control shares of our company (defined as shares which, when aggregated with other shares controlled by the stockholder, except solely by virtue of a revocable proxy, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a control share acquisition (defined as the direct or indirect acquisition of ownership or control of control shares) have no voting rights except to the extent approved by our stockholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding all interested shares.

Our bylaws contain a provision exempting any acquisition by any person of shares of our stock from the control share acquisition statute, and our board of directors has adopted a resolution exempting any business combination with any person from the business combination statute. As a result, these provisions currently will not apply to a business combination or control share acquisition involving our company. However, our board of directors may opt into the business combination provisions and the control share provisions of Maryland law in the future.

Additionally, Maryland law permits our board of directors, without stockholder approval and regardless of what is currently provided in our charter or our bylaws, to implement takeover defenses, some of which (for example, a classified board) we do not currently employ. These provisions may have the effect of inhibiting a third party from making an acquisition proposal for our company or of delaying, deferring, or preventing a change in control of our company under circumstances that otherwise could provide the holders of our common stock with the opportunity to realize a premium over the then-current market price.

Our charter, our bylaws, the limited partnership agreement of our operating partnership, and Maryland law also contain other provisions that may delay, defer, or prevent a transaction or a change of control that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders. In addition, the employment agreements with our named executive officers contain, and grants under our incentive plan also may contain, change-in-control provisions that might similarly have an anti-takeover effect, inhibit a change of our management, or inhibit in certain circumstances tender offers for our common stock or proxy contests to change our board.

***Our common shares constitute equity and are subordinate to our existing and future indebtedness and our preferred stock, and effectively subordinated to all the indebtedness and other non-common equity claims against***

***our subsidiaries.***

Our common shares represent equity interests in us and do not constitute indebtedness. Accordingly, our common shares will rank junior to all of our existing and future indebtedness and to other non-equity claims on Piedmont with respect to assets available to satisfy such claims. Holders of our common shares are also subject to the prior dividend and liquidation rights of the holders of our preferred stock. In addition, our right to

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participate in any distribution of assets of any of our subsidiaries upon the subsidiary s liquidation or otherwise, and thus your ability as a holder of our common shares to benefit indirectly from such distribution, will be subject to the prior claims of creditors of that subsidiary, except to the extent that any of our claims as a creditor of such subsidiary may be recognized. As a result, holders of our common shares will be effectively subordinated to all existing and future liabilities and obligations of our subsidiaries.

***We may issue debt and equity securities or securities convertible into equity securities, any of which may be senior to our common shares as to distributions and in liquidation, which could negatively affect the value of our common shares.***

In the future, we may attempt to increase our capital resources by entering into debt or debt-like financing that is unsecured or secured, or by issuing additional debt or equity securities, which could include issuances of medium-term notes, senior notes, subordinated notes, guarantees, preferred shares, hybrid securities, or securities convertible into or exchangeable for equity securities. In the event of our liquidation, our lenders and holders of our debt and preferred securities would receive distributions of our available assets before distributions to the holders of our common shares. Because our decision to incur debt and issue securities in future offerings may be influenced by market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, or nature of our future offerings or debt financings. Further, market conditions could require us to accept less favorable terms for the issuance of our securities in the future.

***Resales of our common shares in the public market following this offering may cause the market price of our common shares to fall.***

We may issue common shares having aggregate gross sales proceeds of up to $250,000,000 from time to time in connection with this offering. This issuance from time to time of these new shares of our common stock, or our ability to issue these common shares in this offering, could result in resales of our common shares by our current shareholders concerned about the potential dilution of their holdings. In turn, these resales could have the effect of depressing the market price for our common shares.

***We may not be able to maintain our current dividend level.***

We pay regular quarterly dividends to holders of our common stock. On August 3, 2016, we announced quarterly dividends on our common shares of $0.21 per share for the third quarter of 2016. To the extent we continue to pay dividends at the current dividend rate, we expect to use cash flows from operations reduced by annual operating capital expenditures to fund the dividend payments to common stockholders in 2016. We expect to use cash and cash equivalents and, if our net cash flows from operations are not sufficient to meet our anticipated dividend payment rate, line of credit borrowings to fund dividend payments in 2016.

Our board of directors reviews our dividend quarterly. Our dividends can be paid as a combination of cash and stock in order to satisfy the annual distribution requirements applicable to REITs. To the extent that management considers it advisable to distribute gains from any asset sales to shareholders in the form of a special dividend, we may pay a portion of such dividend in the form of stock.

Future dividend payments by us will be paid at the discretion of the board of directors. In evaluating whether to pay any dividends and the level and form of such dividends, we anticipate that the board will consider, among other factors, the following:

the impact of the additional shares issued in this offering;

the application of the use of proceeds from this offering;

funds from our operations, our financial condition and capital requirements in light of the current economic climate;

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the annual distribution requirements under the REIT provisions of the Code;

the impact of the payment of any special dividend, including any additional shares issued in connection with a special dividend paid in the form of stock; and

other factors that the board of directors deems relevant.

There can be no assurance that the current dividend level will be maintained in future periods.

## Use of proceeds

We intend to use the net proceeds from this offering for working capital, capital expenditures and other general corporate purposes, which may include the acquisition, development and redevelopment of office properties and repayment and refinancing of debt.

Affiliates of each Agent serve as lender or in other roles under one or more of our $300 million unsecured 2011 term loan, our $300 million unsecured 2013 term loan, our $170 million unsecured 2015 term loan and our $500 million unsecured 2015 line of credit. As described above, we may use part or all of the net proceeds of this offering to reduce borrowings outstanding under such debt from time to time, in which case those affiliates will receive a portion of the net proceeds from this offering through the repayment of such debt. See Plan of distribution (Conflicts of interest).

## Price range of common shares

Our common shares are listed and traded on the NYSE under the symbol PDM. As of August 2, 2016, there were 145,229,642 of our common shares issued and outstanding, held by 11,995 shareholders of record. The following table sets forth for the fiscal quarters indicated, high and low reported sales prices per share on the NYSE and the cash distributions per share with respect to such fiscal quarter.

| | Share price | | Dividends |
|---|---|---|---|
| | High | Low | declared |
| **2016:** | | | |
| First Quarter | $ 20.49 | $ 17.10 | $ 0.21 |
| Second Quarter | $ 21.54 | $ 19.36 | $ 0.21 |
| Third Quarter (through August 5, 2016) | $ 22.00 | $ 21.09 | $ 0.21 |
| **2015:** | | | |
| First Quarter | $ 20.15 | $ 17.61 | $ 0.21 |
| Second Quarter | $ 19.04 | $ 16.83 | $ 0.21 |
| Third Quarter | $ 18.95 | $ 16.54 | $ 0.21 |
| Fourth Quarter | $ 19.85 | $ 17.77 | $ 0.21 |
| **2014:** | | | |
| First Quarter | $ 17.42 | $ 15.83 | $ 0.20 |
| Second Quarter | $ 19.80 | $ 16.82 | $ 0.20 |
| Third Quarter | $ 19.97 | $ 17.64 | $ 0.20 |
| Fourth Quarter | $ 20.05 | $ 17.44 | $ 0.21 |

| | | | |
|---|---|---|---|
| **2013:** | | | |
| First Quarter | $ 20.00 | $ 17.94 | $ 0.20 |
| Second Quarter | $ 21.09 | $ 16.49 | $ 0.20 |
| Third Quarter | $ 19.06 | $ 16.83 | $ 0.20 |
| Fourth Quarter | $ 18.94 | $ 15.86 | $ 0.20 |

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On August 5, 2016, the last reported sale price of our common stock on the NYSE was $21.32 per share.

**Dividend policy**

We pay regular quarterly dividends to holders of our common shares. We expect to use cash and cash equivalents and, if our net cash flows from operations are not sufficient to meet our anticipated dividend payment rate, line of credit borrowings to fund dividend payments in 2016.

Our board of directors reviews the dividend quarterly. Our dividends can be paid as a combination of cash and stock in order to satisfy the annual distribution requirements applicable to REITs. To the extent that management considers it advisable to distribute gains from any asset sales to shareholders in the form of a special dividend, we may pay a portion of such dividend in the form of stock.

Future dividend payments by us will be paid at the discretion of the board of directors. In evaluating whether to pay any dividends and the level of such dividends, we anticipate that the board will consider, among other factors, the following:

- the impact of the additional shares issued in this offering;
- the application of the use of proceeds from this offering;
- funds from our operations, our financial condition and capital requirements in light of the current economic climate;
- the annual distribution requirements under the REIT provisions of the Code;
- the impact of the payment of any special dividend, including any additional shares issued in connection with a special dividend paid in the form of stock; and
- other factors that the board of directors deems relevant.

There can be no assurance that the current dividend level will be maintained in future periods.

Please see Material U.S. federal income tax considerations Taxation of the Company beginning on page 28 of the accompanying prospectus for more information on our annual distribution requirements as a REIT.

**Plan of distribution (Conflicts of interest)**

We have entered into an equity distribution agreement with our Agents, under which we may, from time to time, offer and sell shares of our common stock, having an aggregate gross sales price of up to $250,000,000.

Sales of the shares of our common stock through our Agents, if any, will be made by means of ordinary brokers transactions on the NYSE at market prices prevailing at the time of sale, at prices related to such prevailing market prices or negotiated prices, in block transactions, or as otherwise agreed upon by us and our Agents. Our Agents will not engage in any transactions that stabilize the price of our common stock.

Subject to the terms and conditions of the equity distribution agreement, our Agents will use their commercially reasonable efforts consistent with their normal trading and sales practices to sell, as our Agents, the common shares offered hereby, from time to time, based upon instructions from us (including any price, time or size limits or other customary parameters or conditions we may impose). Either we or our Agents may suspend the offering of shares of our common stock pursuant to the equity distribution agreement by notifying the other party. Our Agents are not required to sell any specific number or dollar amount of shares of our common stock.

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For their services as our Agent, we will pay to each of our Agents a commission that will not exceed 2.0% of the gross sales price per share of our common stock that each of our Agents sells pursuant to the equity distribution agreement. The remaining sales proceeds, after deducting any expenses payable by us and any transaction fees imposed by any governmental, regulatory or self-regulatory organization in connection with the sales, will equal our net proceeds for the sale of such shares. We have agreed to reimburse each of our Agents for certain of their legal expenses in certain circumstances. We estimate that the total expenses associated with the commencement of the offering payable by us, excluding compensation payable to our Agents under the equity distribution agreement, will be approximately $335,000.

Each of our Agents will provide written confirmation to us following the close of trading on the NYSE on each day in which shares of our common stock are sold by our Agents on our behalf under the equity distribution agreement. Each confirmation will include the number of shares sold on that day, the gross offering proceeds received from such sales, the volume weighted average price for all sales of the common stock and the compensation payable by us to our Agents.

Settlement for sales of our common stock will occur on the third business day following the date on which any sales were made, or such earlier day as is industry practice for regular-way trading, in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

We will deliver to the NYSE copies of this prospectus supplement pursuant to the rules of the NYSE. We will report at least quarterly the aggregate number of common shares sold through our Agents under the equity distribution agreement, the net proceeds to us and the compensation paid by us to our Agents in connection with the sales of our common stock.

In connection with the sale of the common stock on our behalf, our Agents may be deemed to be an underwriter within the meaning of the Securities Act, and the compensation paid to our Agents may be deemed to be underwriting commissions or discounts. We have agreed in the equity distribution agreement to provide indemnification and contribution to our Agents against certain civil liabilities, including liabilities under the Securities Act.

The offering of our common stock pursuant to equity distribution agreement will terminate upon the earlier of (1) the sale of all of the shares of our common stock subject to the equity distribution agreement and (2) the termination of the equity distribution agreement by us, by our Agent or by its terms, as applicable.

Each of our Agents and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Each of our Agents and its affiliates may, from time to time, perform various financial advisory, financing and investment banking services for us, for which they will receive customary fees and expenses.

SunTrust Robinson Humphrey, Inc. is one of two joint lead arrangers and joint book runners, SunTrust Bank, an affiliate of SunTrust Robinson Humphrey, Inc., is syndication agent, and J.P. Morgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, and Bank of America, N.A., an affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, are each lenders under our $300 million unsecured 2011 term loan. To any extent our $300 million unsecured 2011 term loan is fully or partially repaid using proceeds from this offering, SunTrust Bank, J.P. Morgan Chase Bank, N.A. and Bank of America, N.A. will each receive a portion of any proceeds used to make payments under our unsecured 2011 term loan agreement.

J.P. Morgan Securities LLC and SunTrust Robinson Humphrey, Inc. are the co-lead arrangers and book managers, J.P. Morgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, is the agent and SunTrust Bank, an affiliate of SunTrust Robinson Humphrey, Inc., is the syndication agent under our $300 million unsecured 2013 term loan. To any extent our $300 million unsecured 2013 term loan is fully or partially repaid

using proceeds from this offering, J.P. Morgan Securities LLC, SunTrust Robinson Humphrey, Inc., J.P. Morgan Chase Bank, N.A. and SunTrust Bank will each receive a portion of any proceeds used to make payments under our unsecured 2013 term loan agreement.

SunTrust Robinson Humphrey, Inc. is one of three joint lead arrangers and one of three joint bookrunners, JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, Bank of America, N.A., an affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, and Morgan Stanley Bank, N.A., an affiliate of Morgan Stanley & Co. LLC, are three of the four documentation agents, SunTrust Bank, an affiliate of SunTrust Robinson Humphrey, Inc., is administrative agent, and each of Bank of America, N.A., JPMorgan Chase Bank, N.A., Morgan Stanley Bank, N.A. and SunTrust Bank is a lender under our $500 million unsecured 2015 line of credit. To any extent our $500 million unsecured 2015 line of credit is fully or partially repaid using proceeds from this offering, SunTrust Robinson Humphrey, Inc., SunTrust Bank, J.P. Morgan Securities LLC, J.P. Morgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Bank of America, N.A., Morgan Stanley & Co. LLC and Morgan Stanley Bank, N.A. will each receive a portion of any proceeds used to make payments under our revolving credit agreement.

J.P. Morgan Securities LLC and SunTrust Robinson Humphrey, Inc. are two of the three co-lead arrangers and book managers, J.P. Morgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, is the agent and SunTrust Bank, an affiliate of SunTrust Robinson Humphrey, Inc., is the documentation agent under our $170 million unsecured 2015 term loan. To any extent our $170 million unsecured 2015 term loan is fully or partially repaid using proceeds from this offering, J.P. Morgan Securities LLC, SunTrust Robinson Humphrey, Inc., J.P. Morgan Chase Bank, N.A. and SunTrust Bank will each receive a portion of any proceeds used to make payments under our unsecured 2013 term loan agreement.

To the extent proceeds from this offering are used to make any payments under our unsecured 2011 term loan, unsecured 2013 term loan, unsecured 2015 term loan or unsecured 2015 line of credit, the amounts of such payments may exceed 5% of the proceeds of this offering (not including the Agents discounts, if any, and commissions). Nonetheless, in accordance with Rule 5121 of the Financial Industry Regulatory Authority Inc., or FINRA, the appointment of a qualified independent underwriter is not necessary in connection with this offering because, under FINRA Rule 5121, REITs are excluded from that requirement.

In addition, in the ordinary course of their various business activities, each of our Agents and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. Each of our Agents and its affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

We have determined that our common shares are an actively-traded security excepted from the requirements of Rule 101 of Regulation M under the Securities Exchange Act of 1934, as amended, or the Exchange Act, by Rule 101(c)(1). If we have reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied, we will promptly notify the Agents and sales of the common shares under equity distribution agreement will be suspended until that or other exemptive provisions have been satisfied in the judgment of any our Agents, individually, and us.

No action has been or will be taken in any jurisdiction (except in the United States) that would permit a public offering of the shares of our common stock, or the possession, circulation, or distribution of this prospectus

supplement or the accompanying prospectus or any other material relating to us or the shares of our common stock in any jurisdiction where action for that purpose is required. Accordingly, the shares of our common stock offered by this prospectus supplement and the accompanying prospectus may not be offered or sold, directly or

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indirectly, and this prospectus supplement, the accompanying prospectus and any other offering material or advertisements in connection with the shares of our common stock may not be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction

## Validity of the shares

The validity of the common shares offered hereby will be passed upon for us by Venable LLP, Baltimore, Maryland. Hogan Lovells US LLP will act as counsel for the Agents.

## Experts

The consolidated financial statements of Piedmont Office Realty Trust, Inc. appearing in Piedmont Office Realty Trust, Inc. s Annual Report on Form 10-K filed on February 17, 2016 for the year ended December 31, 2015 (including the schedule appearing therein), and the effectiveness of Piedmont Office Realty Trust, Inc. s internal control over financial reporting as of December 31, 2015 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements and related schedule are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

## Where you can find more information

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC s website at http://www.sec.gov. Except as specifically described below, information included on the SEC s website is not incorporated by reference into this prospectus supplement. You may also read and copy any document we file with the SEC at its public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. Our SEC filings are also available at the offices of the NYSE. For further information on obtaining copies of our public filings at the NYSE, you should call (212) 656-5060.

We incorporate by reference into this prospectus supplement some of the documents that we have filed and will file with the SEC, which means that we can disclose important information to you by referring you to these documents. The information incorporated by reference is an important part of this prospectus supplement, and information that we file subsequently with the SEC will automatically update this prospectus supplement. We incorporate by reference the documents and information listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act, after the date of this prospectus supplement and up until we sell all the securities offered by this prospectus supplement (except for information furnished under Item 2.02 or Item 7.01 of Form 8-K or other information furnished to the SEC, which is not deemed filed and not incorporated by reference in this prospectus supplement and the accompanying prospectus):

- Annual Report on Form 10-K for the year ended December 31, 2015, which incorporates certain sections of our Definitive Proxy Statement on Schedule 14A filed on March 22, 2016;

- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016 and June 30, 2016;

Current Reports on Form 8-K filed on February 17, 2016 and May 12, 2016; and

The description of our common shares contained in our Registration Statement on Form 8-A, filed on February 5, 2010, including any amendment or report filed for the purpose of updating such description.

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You may request a copy of these filings (other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing) at no cost, by contacting us at the following address or telephone number:

Piedmont Office Realty Trust, Inc.

11695 Johns Creek Parkway, Suite 350

Johns Creek, Georgia 30097

Attention: Secretary

We have filed a registration statement (No. 333-212973) with the SEC relating to the securities offered by this prospectus supplement and the accompanying prospectus. This prospectus supplement is part of the registration statement. You may obtain from the SEC a copy of the registration statement and exhibits that we filed with the SEC when we registered the common stock. The registration statement may contain additional information that may be important to you.

We also maintain an Internet site at http://www.piedmontreit.com at which there is additional information about our business, but the contents of that site are not incorporated by reference into, and are not otherwise a part of, this prospectus supplement.

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**PROSPECTUS**

**PIEDMONT OFFICE REALTY TRUST, INC.**

**Common Stock and Preferred Stock**

**PIEDMONT OPERATING PARTNERSHIP, LP**

**Debt Securities**

**Guarantee of Debt Securities of Piedmont Operating Partnership, LP by Piedmont Office Realty Trust, Inc.**

We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and any applicable prospectus supplement carefully before you invest. We may offer and sell these securities from time to time in one or more offerings.

Each time that we sell securities under this prospectus, we will provide a prospectus supplement or other offering material that will contain specific information about the terms of that offering.

Piedmont Office Realty Trust, Inc. common stock is traded on the New York Stock Exchange under the symbol PDM.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**This prospectus is dated August 8, 2016.**

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WE HAVE NOT AUTHORIZED ANY DEALER, SALESPERSON OR OTHER PERIOD TO PROVIDE YOU WITH ANY INFORMATION OTHER THAN THE INFORMATION CONTAINED IN THIS PROSPECTUS AND ANY ACCOMPANYING PROSPECTUS SUPPLEMENT, INCLUDING IN EACH CASE ANY INFORMATION INCORPORATED THEREIN BY REFERENCE. WE TAKE NO RESPONSIBILITY FOR, OR PROVIDE YOU WITH ANY ASSURANCE AS TO THE RELIABILITY OF, ANY OTHER INFORMATION THAT OTHERS MAY PROVIDE YOU. THIS PROSPECTUS AND ANY ACCOMPANYING PROSPECTUS SUPPLEMENT CONSTITUTE AN OFFER TO SELL ONLY THE SECURITIES OFFERED HEREBY AND THEREBY, AND ONLY UNDER CIRCUMSTANCES AND IN JURISDICTIONS WHERE IT IS LAWFUL TO DO SO. THE INFORMATION CONTAINED IN THIS PROSPECTUS, ANY ACCOMPANYING PROSPECTUS SUPPLEMENT OR ANY DOCUMENT INCORPORATED BY REFERENCE IS ACCURATE ONLY AS OF THEIR RESPECTIVE DATES.

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Unless otherwise stated or the context otherwise requires, references in this prospectus to Piedmont, we, us and our refer, collectively, to Piedmont Office Realty Trust, Inc. and its consolidated subsidiaries, including Piedmont Operating Partnership, LP; references to the Company refer only to Piedmont Office Realty Trust, Inc., and not to any of its subsidiaries or affiliates; and references to the Operating Partnership refer only to Piedmont Operating Partnership, LP, and not to its parent or subsidiaries or affiliates.

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## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission (the SEC ) using a shelf registration process. Under this shelf process, we may sell:

debt securities of the Operating Partnership, guaranteed by the Company,

common stock of the Company, and

preferred stock of the Company

in one or more offerings. This prospectus provides you with a general description of those securities. Each time we sell securities, we will provide a prospectus supplement and, if applicable, a pricing supplement that will contain specific information about the terms of that offering. The prospectus supplement and any pricing supplement may also add to, update or change information contained in this prospectus. You should carefully read this prospectus, any applicable prospectus supplement and any pricing supplement together with the additional information described under the heading Where You Can Find More Information.

The registration statement that contains this prospectus (including the exhibits to the registration statement) contains additional information about the Company and the Operating Partnership and the securities offered under this prospectus. That registration statement can be read at the SEC s web site or at the SEC s offices mentioned under the heading Where You Can Find More Information.

## PIEDMONT OFFICE REALTY TRUST, INC. AND PIEDMONT OPERATING PARTNERSHIP, LP

Piedmont Office Realty Trust, Inc., or the Company, is a Maryland corporation that operates in a manner so as to qualify as a real estate investment trust (a REIT ) for federal income tax purposes and engages in the acquisition and ownership of commercial real estate properties throughout the United States, including properties that are under construction, are newly constructed, or have operating histories. The Company was incorporated in 1997, commenced operations in 1998, and listed its common stock on the New York Stock Exchange in 2010. The Company conducts its business primarily through Piedmont Operating Partnership, LP, a Delaware limited partnership, or the Operating Partnership, and performs the management of its buildings through two wholly-owned subsidiaries, Piedmont Government Services, LLC and Piedmont Office Management, LLC. The Company is the sole general partner of the Operating Partnership and possesses full legal control and authority over its operations. The Operating Partnership is directly and indirectly 100% owned by the Company. The Operating Partnership owns properties directly, through wholly-owned subsidiaries and through both consolidated and unconsolidated joint ventures.

Our principal executive offices are located at 11695 Johns Creek Parkway, Suite 350, Johns Creek, Georgia 30097. Our main telephone number is (770) 418-8800. Our website is www.piedmontreit.com. Information contained on our website is not a part of this prospectus.

## WHERE YOU CAN FIND MORE INFORMATION

The Company is subject to the information and periodic reporting requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act ), and the Company files annual, quarterly and current reports and other

information with the SEC. You can read the Company s SEC filings over the Internet at the SEC s website at www.sec.gov. To receive copies of public records not posted to the SEC s web site at prescribed rates, you may complete an online form at http://www.sec.gov, send a fax to (202) 772-9337 or submit a written request to the SEC, Office of FOIA/PA Operations, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information. The Company s SEC filings are also available in the investor relations portion of the Company s website at www.piedmontreit.com. The information on, or accessible through, our website is not part of this prospectus unless specifically incorporated herein by reference.

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## INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference information in documents that have been filed with it. We have elected to use a similar procedure in connection with this prospectus and any prospectus supplement, which means that we can disclose important information about us by referring you to those documents that are considered part of this prospectus and any prospectus supplement. Any statement contained in this prospectus, any prospectus supplement or a document incorporated by reference in this prospectus or any prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus or any prospectus supplement to the extent that a statement contained herein or therein, or in any other subsequently filed document that also is deemed to be incorporated herein or therein by reference, modifies or supersedes such statement. A statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus or any prospectus supplement. We incorporate by reference the documents listed below that were filed by us with the SEC and any future filings made by us with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the time that we sell all the securities offered by this prospectus or any prospectus supplement; provided, however, that we are not incorporating by reference any information furnished (but not filed) under Item 2.02 or Item 7.01 of any Current Report on Form 8-K:

- Annual Report on Form 10-K for the year ended December 31, 2015, which incorporates certain sections of our Definitive Proxy Statement on Schedule 14A filed on March 22, 2016;
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016 and June 30, 2016;
- Current Reports on Form 8-K filed on February 17, 2016 and May 12, 2016; and
- the description of the Company s capital stock contained in the Company s Registration Statement on Form 8-A filed on February 5, 2010, including any amendment or report filed for the purpose of updating such description.

You may request a copy of these filings (other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing) at no cost, by writing to us at the following address:

Piedmont Office Realty Trust, Inc.

11695 Johns Creek Parkway, Suite 350

Johns Creek, Georgia 30097

Attention: Secretary

**You should rely only on the information incorporated by reference or provided in this prospectus, any prospectus supplement and any pricing supplement. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any pricing supplement is accurate as of any date other than the date on the front of the document and that any**

**information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.**

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and any prospectus supplement and the documents incorporated by reference herein and therein contain forward-looking statements within the meaning of the federal securities laws. In addition, we, or our executive officers on our behalf, may from time to time make forward-looking statements in reports and other documents that Piedmont files with the SEC or in connection with oral statements made to the press, potential investors or others. Statements regarding future events and developments and our future performance, as well as management s expectations, beliefs, plans, estimates, or projections relating to the future, are forward-

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looking statements within the meaning of these laws. Forward-looking statements include statements preceded by, followed by, or that include the words may, will, expect, intend, anticipate, estimate, believe, continue, similar words. These forward-looking statements are based on beliefs and assumptions of our management, which in turn are based on information available at the time the statements are made. Important assumptions relating to the forward-looking statements include, among others, assumptions regarding the demand for office space in the sectors in which we operate, competitive conditions, and general economic conditions. These assumptions could prove inaccurate. The forward-looking statements also involve risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. Many of these factors are beyond our ability to control or predict. Such factors include, but are not limited to, the factors, including the risk factors discussed under Item 1A of the Company s Annual Report on Form 10-K for the year ended December 31, 2015, which has been incorporated into this prospectus by reference.

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## RISK FACTORS

Investment in any securities offered pursuant to this prospectus involves risks. Before acquiring any offered securities pursuant to this prospectus, you should carefully consider the information contained or incorporated by reference in this prospectus or in any accompanying prospectus supplement, including the risk factors incorporated by reference to the Company s most recent Annual Report on Form 10-K, and the other information contained or incorporated by reference in this prospectus, as updated by the Company s subsequent filings under the Exchange Act, and the risk factors and other information contained in the applicable prospectus supplement before acquiring any of such securities. The occurrence of any of these risks might cause you to lose all or a part of your investment in the offered securities.

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## USE OF PROCEEDS

Unless otherwise indicated in a prospectus supplement, we intend to use the net proceeds from the sale of any of our securities under this prospectus for general corporate purposes, including working capital, investment in real estate and repayment of debt. Further details relating to the use of the net proceeds from the sale of securities under this prospectus will be set forth in the applicable prospectus supplement. Pending such uses, we anticipate that we will invest the net proceeds in interest-bearing accounts and short-term, interest-bearing securities in a manner consistent with the Company s intention to continue to qualify for taxation as a REIT.

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## RATIOS OF EARNINGS TO FIXED CHARGES AND

## TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The table below presents our ratio of earnings to fixed charges for each of the periods indicated:

| | Years Ended December 31, | | | | | Six Months Ended June 30, | |
|---|---|---|---|---|---|---|---|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2016 | 2015 |
| Ratio of Earnings to Fixed Charges | 3.2 | 1.5 | 2.1 | 1.9 | 2.2 | 3.6 | 2.3 |

We have computed the consolidated ratio of earnings to fixed charges by dividing earnings by fixed charges. Earnings consist of income from continuing operations and gain on sale of real estate assets, less equity income of unconsolidated joint ventures, plus operating distributions received from unconsolidated joint ventures, plus fixed charges, less preferred dividends of consolidated subsidiaries. Fixed charges consist of interest expense, including interest expense included in discontinued operations.

There was no preferred stock outstanding for any of the periods shown above. Accordingly, the ratio of earnings to combined fixed charges and preferred stock dividends was identical to the ratio of earnings to fixed charges for each period.

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## DESCRIPTION OF DEBT SECURITIES

As used in this section, references to the Operating Partnership, we, our or us refer solely to Piedmont Operating Partnership, LP and not to any of its subsidiaries and references to the Company or guarantor refer solely to Piedmont Office Realty Trust, Inc. and not to any of its subsidiaries, unless otherwise expressly stated or the context otherwise requires.

This section describes the general terms and provisions of our debt securities. When we offer to sell a particular series of debt securities, we will describe the specific terms of the series in a supplement to this prospectus, along with any applicable modifications of or additions to the general terms of the debt securities as described in this prospectus, including the terms of any related guarantees by the Company. To the extent the information contained in the prospectus supplement differs from this summary description, you should rely on the information in the prospectus supplement.

The debt securities may be offered either separately, or together with, or upon the conversion or exercise of or in exchange for, other securities described in this prospectus. Debt securities will be the Operating Partnership s senior unsecured obligations and may be issued in one or more series.

Unless otherwise specified in a prospectus supplement, the debt securities will be issued under an indenture between the Company, the Operating Partnership and U.S. Bank National Association, as trustee. The indenture will contain the full legal text of the matters described in this section. We have summarized select portions of the indenture below. The summary is not complete and is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of the terms used in the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in a prospectus supplement, those sections or defined terms are incorporated by reference into this prospectus or the applicable prospectus supplement, and this summary also is subject to and qualified by reference to the description of the particular terms of a particular series of debt securities described in the applicable prospectus supplement. The form of the indenture has been filed as an exhibit to the registration statement, and you should read the indenture for provisions that may be important to you. Capitalized terms used in the summary and not defined herein have the meanings specified in the indenture.

### General

The terms of each series of debt securities will be established by or pursuant to a resolution of the Company s board of directors and set forth or determined in the manner provided in a resolution of the Company s board of directors, in an officer s certificate or by a supplemental indenture. The particular terms of each series of debt securities, along with any applicable modifications of or additions to the general terms of the debt securities as described in this prospectus, will be described in a prospectus supplement relating to such series (including any pricing supplement or term sheet). A prospectus supplement may change any of the terms of the debt securities described in this prospectus.

Unless we state otherwise in the applicable prospectus supplement, we can issue an unlimited amount of the debt securities under the indenture that may be in one or more series with the same or various maturities, at par, at a premium, or at a discount. We will set forth in a prospectus supplement (including any pricing supplement or term sheet) relating to any series of debt securities being offered, the aggregate principal amount and the following terms of the debt securities, if applicable:

- the title of the debt securities;

the price or prices (expressed as a percentage of the principal amount) at which we will sell the debt securities;

any limit on the aggregate principal amount of the debt securities;

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the date or dates on which we will pay the principal of and premium, if any, on the debt securities;

the rate or rates (which may be fixed or variable) per annum or the method used to determine the rate or rates (including any commodity, commodity index, stock exchange index or financial index) at which the debt securities will bear interest, the date or dates from which interest will accrue, the date or dates on which interest will commence and be payable and any regular record date for the interest payable on any interest payment date;

the place or places where principal of, premium, if any, and interest on the debt securities will be payable;

the price or prices and the terms and conditions upon which we may redeem the debt securities;

any obligation we have to redeem or purchase the debt securities pursuant to any sinking fund or analogous provisions or at the option of a holder of debt securities;

the dates on which and the price or prices at which we will repurchase debt securities at the option of the holders of debt securities and other detailed terms and provisions of these repurchase obligations;

the denominations in which the debt securities will be issued, if other than denominations of $2,000 and integral multiples of $1,000 in excess thereof;

whether the debt securities will be issued in the form of certificated debt securities or global debt securities;

the portion of principal amount of the debt securities payable upon declaration of acceleration of the maturity date, if other than the principal amount;

the designation of the currency, currencies or currency units in which payment of principal of, premium, if any, and interest on the debt securities will be made and, if payments of principal, premium or interest on the debt securities will be made in one or more currencies or currency units other than that or those in which the debt securities are denominated, the manner in which the exchange rate with respect to these payments will be determined;

the manner in which the amounts of payment of principal of, premium, if any, or interest on the debt securities will be determined, if these amounts may be determined by reference to an index based on a currency or currencies other than that in which the debt securities are denominated or designated to be payable or by reference to a commodity, commodity index, stock exchange index or financial index;

any addition to, deletion of or change in the Events of Default described in this prospectus or in the indenture with respect to the debt securities and any change in the acceleration provisions described in this prospectus or in the indenture with respect to the debt securities;

any addition to, deletion of or change in the covenants described in this prospectus or in the indenture with respect to the debt securities;

any depositaries, interest rate calculation agents, exchange rate calculation agents or other agents with respect to the debt securities; and

any other terms of the debt securities, which may supplement, modify or delete any provision of the indenture as it applies to that series.

As discussed above, we may issue debt securities that provide for an amount less than their stated principal amount to be due and payable upon declaration of acceleration of their maturity pursuant to the terms of the indenture. In addition, we may denominate the purchase price of any of the debt securities in a foreign currency or currencies or a foreign currency unit or units, and the principal of and any premium and interest on any series of debt securities may be payable in a foreign currency or currencies or a foreign currency unit or units. The applicable prospectus supplement will provide you with information on the federal income tax considerations and other special considerations applicable to any of the debt securities.

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**No Protection in the Event of a Change of Control**

Except to the extent described below under Merger, Consolidation and Sale of Assets or in the applicable prospectus supplement, the indenture will not prohibit the Operating Partnership or the Company or any of the Operating Partnership s or the Company s Subsidiaries from incurring additional indebtedness or issuing preferred equity in the future, nor will the indenture afford holders of any series of debt securities protection in the event of (1) a recapitalization or other highly leveraged or similar transaction involving the Operating Partnership or the Company, (2) a change of control of the Operating Partnership or the Company or (3) a merger, consolidation, reorganization, restructuring or transfer or lease of all or substantially all of the Operating Partnership s or the Company s assets or similar transactions that may adversely affect the holders of a series of debt securities.

**Covenants**

We will set forth in the applicable prospectus supplement any restrictive covenants applicable to any issue of any series of debt securities.

**Ranking**

The debt securities will be the Operating Partnership s senior unsecured obligations and will rank equally in right of payment with all the Operating Partnership s other existing and future senior unsecured indebtedness. The debt securities will be effectively subordinated in right of payment to:

- all of the Operating Partnership s existing and future mortgage indebtedness and other secured indebtedness (to the extent of the value of the collateral securing such indebtedness); and
- all existing and future indebtedness and other liabilities, whether secured or unsecured, of the Operating Partnership s subsidiaries.

**Guarantee**

The Company will fully and unconditionally guarantee the Operating Partnership s obligations under the debt securities, including the due and punctual payment of principal of and premium, if any, and interest on the debt securities, whether at stated maturity, upon acceleration, upon redemption or otherwise. Under the terms of the Company s guarantee, holders of the debt securities will not be required to exercise their remedies against the Operating Partnership before they proceed directly against the Company. The Company s obligations under the guarantee will be limited to the maximum amount that will not, after giving effect to all other contingent and fixed liabilities of the Company, result in the guarantee constituting a fraudulent transfer or conveyance. The guarantee will be a senior unsecured obligation of the Company and will rank equally in right of payment with all other existing and future senior unsecured indebtedness and guarantees of the Company. The Company s guarantee will be effectively subordinated in right of payment to:

- all existing and future mortgage indebtedness and other secured indebtedness and secured guarantees of the Company (to the extent of the value of the collateral securing such indebtedness and guarantees); and

all existing and future indebtedness and other liabilities, whether secured or unsecured, of the Company s subsidiaries.

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**Merger, Consolidation and Sale of Assets**

Unless we state otherwise in the applicable prospectus supplement, the Operating Partnership may not merge into or consolidate with or sell, lease, transfer, convey or otherwise dispose of its properties and assets substantially as an entirety to any Person or Persons unless:

- the successor entity is a corporation organized and existing under the laws of the United States of America or any state or the District of Columbia;
- the successor corporation assumes by supplemental indenture all of the obligations of the Operating Partnership under the indenture;
- immediately after giving effect to the transaction, no event of default and no event which, after notice or the lapse of time or both, would become an event of default, will have occurred and be continuing; and
- an officer s certificate and opinion of counsel have been delivered to the trustee to the effect that the conditions set forth above have been satisfied.

Unless we state otherwise in the applicable prospectus supplement, the Company may not merge into or consolidate with or sell, lease, transfer, convey or otherwise dispose its properties substantially as an entirety to any Person or Persons unless:

- the successor entity is a corporation organized and existing under the laws of the United States of America or any state or the District of Columbia;
- the successor corporation assumes by supplemental indenture all of the Company s obligations under the indenture, including as guarantor;
- immediately after giving effect to the transaction, no event of default and no event which, after notice or the lapse of time or both, would become an event of default, will have occurred and be continuing; and
- an officer s certificate and an opinion of counsel have been delivered to the trustee to the effect that the conditions set forth have been satisfied.

The restrictions above shall not be applicable to the merger, amalgamation, arrangement or consolidation of the Operating Partnership or the Company with a Subsidiary of the Company if the Company s board of directors determines in good faith that the purpose of such transaction is principally to change the state of incorporation or convert the form of organization to another form.

In the case of any such merger, amalgamation, arrangement, consolidation, sale, transfer, conveyance or other disposition, but not a lease, in a transaction in which there is a successor entity, the successor entity will succeed to, and be substituted for, the Operating Partnership or the Company, as the case may be, under the indenture and, subject to the terms of the indenture, the Operating Partnership or the Company, as the case may be, will be released from its obligations under the indenture.

*Person* means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof, or any other entity or organization.

*Subsidiary* means, with respect to the Company or the Operating Partnership, (1) any Person, a majority of the outstanding voting stock, partnership interests, membership interests or other equity interest, as the case may be, of which is owned or controlled, directly or indirectly, by the Company or the Operating Partnership, as the case may be, or by one or more other Subsidiaries of the Company or the Operating Partnership, as the case may be, and (2) any other entity the accounts of which are consolidated with the Company s or the Operating Partnership s accounts, as the case may be. For the purposes of this definition, voting stock means stock having voting power for the election of directors, trustees or managers, as the case may be, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

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**Events of Default**

Unless we state otherwise in the applicable prospectus supplement, the following will be Events of Default with respect to any series of debt securities:

(1) the failure to pay interest on the debt securities of such series when the same becomes due and payable, and the Default continues for a period of 30 days;

(2) the failure to pay the principal (or premium, if any) of the debt securities of such series, when such principal (or premium, if any) becomes due and payable, at maturity, upon acceleration, upon redemption or otherwise;

(3) a Default in the observance or performance of any other covenant or agreement contained in the indenture with respect to such series of debt securities, and the Default continues for a period of 60 days after the Operating Partnership receives written notice specifying the Default (and demanding that such Default be remedied) from the trustee or the holders of at least 25% of the outstanding principal amount of such series of debt securities;

(4) default under any bond, debenture, note, mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Debt of the Company, of the Operating Partnership or of any Subsidiary of the Company or the Operating Partnership, having an aggregate principal amount outstanding of at least $50 million, whether such default shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within 60 days after written notice to the Operating Partnership by the trustee or holders of at least 25% in principal amount of the outstanding debt securities of such series; or

(5) certain events of bankruptcy or insolvency affecting the Company, the Operating Partnership or any other Significant Subsidiary.

A supplemental indenture establishing the terms of a particular series of debt securities may delete, modify or add to the Events of Default described above.

If an Event of Default (other than an Event of Default specified in clause (5) above) with respect to the debt securities of a particular series shall occur and be continuing, the trustee or the holders of at least 25% of the principal amount of the debt securities of such series may declare the principal of, and accrued interest on, to be due and payable by notice in writing to the Operating Partnership and the trustee (if given by the holders) specifying the respective Event of Default and that it is a notice of acceleration, and the same shall become immediately due and payable.

Notwithstanding the foregoing, if an Event of Default specified in clause (5) above with respect to the debt securities of a particular series occurs and is continuing, then all unpaid principal of and premium, if any, and accrued and unpaid interest on the debt securities of such series shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder.

The indenture will provide that, at any time after a declaration of acceleration with respect to a series of debt securities as described in the preceding paragraph, the holders of a majority in principal amount of such series of debt securities may rescind and cancel such declaration and its consequences if:

the rescission would not conflict with any judgment or decree;

all existing Events of Default have been cured or waived except nonpayment of principal or interest that has become due solely because of the acceleration;

to the extent the payment of such interest is lawful, interest on overdue installments of interest and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid; and

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the Operating Partnership has paid the trustee its reasonable compensation and reimbursed the trustee for its expenses, disbursements and advances.

No such rescission shall affect any subsequent Event of Default or impair any right consequent thereto.

Holders of a majority in principal amount of a series of affected debt securities may waive any existing Default or Event of Default and its consequences with respect to the series, except a Default (i) in the payment of the principal of or interest on the debt securities or (ii) in respect of a covenant or provision contained in the indenture that cannot be modified or amended without the consent of the holder of each debt security affected thereby.

The trustee will be required to give notice to the holders of an affected series of debt securities within 90 days of a default under the indenture unless the default has been cured or waived; provided, however, that the trustee may withhold notice to the holders of such series of debt securities of any default with respect to such series of debt securities (except a default in the payment of the principal of or premium, if any, or interest on the series of debt securities) if specified responsible officers of the trustee consider the withholding to be in the interest of the holders.

The indenture will provide that no holders of a series of debt securities may institute any proceedings, judicial or otherwise, with respect to the indenture or for any remedy thereunder, except in the case of failure of the trustee, for 60 days, to act after it has received a written request to institute proceedings in respect of an Event of Default with respect to such series of debt securities from the holders of not less than 25% in principal amount of the outstanding debt securities of such series, as well as an offer of reasonable indemnity and no direction inconsistent with that request has been given to the trustee by holders of a majority in aggregate principal amount of the outstanding debt securities of such series. This provision will not prevent, however, any holder of debt securities of a series from instituting suit for the enforcement of payment of the principal of or premium if any, or interest on the debt securities of such series on or after the respective due dates thereof.

Subject to provisions in the indenture relating to its duties in case of default, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any holders of any series of debt securities then outstanding under the indenture, unless the holders of such series of debt securities shall have offered to the trustee reasonable security or indemnity. The holders of not less than a majority in principal amount of the outstanding debt securities of a series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or of exercising any trust or power conferred upon the trustee. However, the trustee may refuse to follow any direction which is in conflict with any law or the indenture or which may involve the trustee in personal liability or be unduly prejudicial to the holders of the debt securities of such series not joining therein.

The Operating Partnership will be required to provide an officers certificate to the trustee promptly upon becoming aware of any Default or Event of Default, specifying such Default or Event of Default and further stating what action the Operating Partnership has taken, is taking or proposes to take with respect thereto. In addition, within 120 days after the close of each fiscal year, the Operating Partnership and the Company must deliver a certificate of an officer certifying to the trustee whether or not the officer has knowledge of any default under the indenture and, if so, specifying each default and the nature and status thereof.

*Default* means an event or condition the occurrence of which is, or with the lapse of time or the giving of notice or both would be, an Event of Default.

*Significant Subsidiary* means any Subsidiary that is a significant subsidiary within the meaning of Rule 1-02(w) of Regulation S-X under the Securities Act of 1933, as amended (the Securities Act ).

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**Modification of the Indenture**

Unless we state otherwise in the applicable prospectus supplement, from time to time, the Operating Partnership, the Company and the trustee, without the consent of the holders of the affected series of debt securities, may amend the indenture and the terms of the affected series of debt securities for certain specified purposes, including:

- to cure any ambiguity, defect or inconsistency;
- to comply with the requirements of the SEC in order to effect or maintain the qualification of the indenture under the Trust Indenture Act of 1939, as amended (the Trust Indenture Act );
- to evidence and provide for the acceptance of appointment by a successor trustee;
- to conform the terms of the indenture, the series of debt securities and/or the guarantee to this Description of Debt Securities and to the additional terms set forth in the applicable prospectus supplement;
- to provide for the assumption by a successor corporation, partnership, trust or limited liability company of the Operating Partnership s or the Company s obligations under the indenture and the series of debt securities, in each case in compliance with the provisions thereof;
- to comply with the rules of any applicable securities depository;
- to make any change that would provide any additional rights or benefits to the holders of a series of debt securities (including to secure such series of debt securities, add guarantees with respect thereto, transfer any property to or with the trustee, add to the Operating Partnership s covenants for the benefit of the holders of such series of debt securities, add any additional events of default for such series of debt securities, or surrender any right or power conferred upon the Operating Partnership or the Company) or that does not adversely affect the legal rights hereunder of any holder of such series of debt securities in any respect; or
- to supplement any provision of the indenture as shall be necessary to permit or facilitate the defeasance and discharge of such series of debt securities in accordance with the indenture; provided that such action shall not adversely affect the interests of any of the holders of such series of debt securities in any material respect.

In formulating its opinion on such matters, the trustee will be entitled to rely on such evidence as it deems appropriate, including, without limitation, solely on an opinion of counsel. Other modifications and amendments of the indenture may be made with the consent of the holders of a majority in principal amount of all then outstanding debt securities of the affected series, except that, without the consent of each holder of debt securities of the affected series, no amendment may:

reduce the above-stated percentage of outstanding debt securities of such series necessary to modify or amend the indenture, to waive compliance with certain provisions thereof or certain defaults and consequences thereunder or to change voting requirements set forth in the indenture;

reduce the rate of, change or have the effect of changing the time for payment of interest, including defaulted interest, on such series of debt securities;

reduce the principal amount of, change or have the effect of changing the stated maturity of such series of debt securities, or change the date on which such series of debt securities may be subject to redemption or repurchase or reduce the redemption price or repurchase price therefor;

make such series of debt securities payable in currency other than that stated in such series of debt securities or change the place of payment of such series of debt securities from that stated in such series of debt securities or in the indenture;

make any change in provisions of the indenture protecting the right of each holder of debt securities of such series to receive payment of principal of and interest on such series of debt securities on or after

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the due date thereof or to bring suit to enforce such payment, or permitting holders of a majority in principal amount of debt securities of such series to waive Defaults or Events of Default;

make any change to or modify in any manner adverse to the holders of debt securities of such series the terms and conditions of the obligations of the Company under the guarantee;

make any change to or modify the ranking of such series of debt securities that would adversely affect the holders thereof;

make any change in these amendment and waiver provisions; or

modify any of the foregoing provisions or any of the provisions relating to the waiver of certain past defaults or certain covenants, except to increase the required percentage to effect the action or to provide that certain other provisions may not be modified or waived without the consent of the holders of the debt securities of such series.

In determining whether the holders of the requisite principal amount of outstanding debt securities of a series have given any request, demand, authorization, direction, notice, consent or waiver thereunder, the indenture will provide that debt securities of such series owned by the Operating Partnership, the Company or any other obligor upon such series of debt securities or any affiliate of the Operating Partnership, the Company, or of the other obligor shall be disregarded.

**Satisfaction, Discharge and Defeasance**

The Operating Partnership and the Company may terminate their obligations under the indenture with respect to one or more series of debt securities, when:

either:

all the debt securities of such series that have been authenticated and delivered have been delivered to the trustee for cancellation; or

all the debt securities of such series issued that have not been delivered to the trustee for cancellation have become due and payable or will become due and payable at their stated maturity within one year ( discharge ) or are to be called for redemption on a redemption date within one year under arrangements satisfactory to the trustee for the giving of notice of redemption by such trustee in the Operating Partnership s name and at the Operating Partnership s expense, and the Operating Partnership has deposited or caused to be deposited with the trustee, in trust, sufficient funds to pay and discharge the entire indebtedness on such series of debt securities to pay principal (and premium, if any), interest and any additional amounts, to the date of such deposit (if the debt securities of such series have become due and payable) or to the maturity date or redemption date, as the case may be;

the Operating Partnership has paid or caused to be paid all other sums then due and payable under the indenture with respect to the debt securities of such series; and

the Operating Partnership has delivered to the trustee an officer s certificate and an opinion of counsel stating that all conditions precedent under the indenture relating to the satisfaction and discharge of the indenture with respect to the debt securities of such series have been complied with.

The Operating Partnership and the Company may elect to have their obligations under the indenture discharged with respect to the outstanding debt securities of one or more series ( legal defeasance ). Legal defeasance means that the Operating Partnership will be deemed to have paid and discharged the entire indebtedness represented by the outstanding debt securities of such series and to have satisfied all of its obligations under the debt securities of such series and the indenture with respect to such series of debt securities, except for:

the rights of holders of such series of debt securities to receive principal (and premium, if any), interest, if any, on such series of debt securities and any additional amounts when due;

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the Operating Partnership s obligations with respect to such series of debt securities concerning the issuance of temporary debt securities; registration and transfer of debt securities; replacement of mutilated, destroyed, lost or stolen debt securities; compensation of the trustee from time to time for its services rendered under the indenture; maintenance of an office or agency for payment; and holding in trust sums sufficient for the payment of additional amounts, if any;

the rights, powers, trusts, duties and immunities of the trustee; and

the legal defeasance provisions of the indenture.

In addition, the Operating Partnership and the Company may elect to have their obligations released with respect to one or more series of debt securities with respect to certain covenants in the indenture ( covenant defeasance ). Any failure to comply with these obligations will not constitute an Event of Default with respect to such series of debt securities. In the event covenant defeasance occurs, certain events (not including non-payment, bankruptcy and insolvency events) described under Events of default will no longer constitute an event of default with respect to the debt securities of such series. Upon any legal defeasance (but not covenant defeasance) the Company will be released from its guarantee of the debt securities of such series.

In order to exercise either legal defeasance or covenant defeasance with respect to outstanding debt securities of a series:

the Operating Partnership or the Company must irrevocably have deposited or caused to be deposited with the trustee as trust funds for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to the benefit of the holders of debt securities of such series:

money in dollars or in such foreign currency in which debt securities of such series are payable in at stated maturity;

non-callable U.S. government obligations; or

a combination of money and non-callable U.S. government obligations,

in each case sufficient without reinvestment, in the written opinion of a nationally recognized firm of independent public accountants to pay and discharge, and which shall be applied by the trustee to pay and discharge, the principal of, premium, if any, and interest on the outstanding debt securities of such series on the day on which such payments are due and payable in accordance with the terms of the indenture and of the debt securities of such series. Before such deposit, the Operating Partnership may make arrangements satisfactory to the trustee for the redemption of any debt securities of such series at a future date in accordance with any redemption provisions contained in any supplemental indenture relating to such series of debt securities, which shall be given effect in applying the foregoing;

in the case of legal defeasance, the Operating Partnership has delivered to the trustee an opinion of counsel to the effect that (i) the Operating Partnership shall have received from, or there has been published by, the Internal Revenue Service a ruling, or (ii) since the date of the indenture there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the holders of debt securities of such series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such legal defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such legal defeasance had not occurred;

in the case of covenant defeasance, the Operating Partnership has delivered to the trustee an opinion of counsel to the effect that the holders of debt securities of such series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such covenant defeasance and will be subject to the same U.S. federal income tax as would be the case if the covenant defeasance had not occurred;

no Event of Default or event with which notice or lapse of time or both would become an Event of Default with respect to such series of debt securities has occurred and is continuing at the date of such

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deposit, or solely in the case of events of default due to certain events of bankruptcy, insolvency or reorganization, during the period ending on the 91st day after the date of, such deposit;

such legal defeasance or covenant defeasance will not cause the trustee to have a conflicting interest for the purposes of the Trust Indenture Act with respect to any of the Operating Partnership s or the Company s securities;

such legal defeasance or covenant defeasance will not result in a breach or violation of, or constitute a default under, the indenture or any other agreement or instrument to which the Operating Partnership or the Company are a party, or by which the Operating Partnership or the Company are bound;

such legal defeasance or covenant defeasance will not cause any securities listed on any registered national stock exchange under the Exchange Act to be delisted;

such legal defeasance or covenant defeasance will be effected in compliance with any additional terms, conditions or limitations which may be imposed on the Operating Partnership or the Company in connection therewith; and

the Operating Partnership has delivered to the trustee an officer s certificate and an opinion of counsel stating that all conditions precedent with respect to such legal defeasance or covenant defeasance have been complied with.

**No Conversion Rights**

The debt securities will not be convertible into or exchangeable for any capital stock of the Company or equity interest in the Operating Partnership.

**Governing Law**

The indenture, the debt securities and the guarantees endorsed on the debt securities will be governed by, and construed in accordance with, the internal laws of the State of New York.

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## DESCRIPTION OF PIEDMONT OFFICE REALTY TRUST, INC. CAPITAL STOCK

We have summarized certain terms and provisions of the Company s common stock in this section. The summary is not complete. We have also filed the Company s charter and bylaws as exhibits to the registration statement. The rights of the Company s stockholders are also subject to Maryland law, under which the Company was incorporated. You should read the charter and bylaws for additional information before you buy any common stock.

As used in this section, references to we, our or us refer solely to Piedmont Office Realty Trust, Inc. and not to any of its subsidiaries, unless otherwise expressly stated or the context otherwise requires.

### General

The following description of our capital stock is not complete, but is a summary of portions of our charter and is qualified in its entirety by reference to our charter. Under our charter, we have authority to issue a total of 1,000,000,000 shares of capital stock. Of the total shares authorized, 750,000,000 shares are designated as common stock with a par value of $0.01 per share, 100,000,000 shares are designated as preferred stock, and 150,000,000 shares are designated as shares-in-trust, which would be issued only in the event that there is a purported transfer of, or other change in or affecting the ownership of, our capital stock that would result in a violation of the restrictions on ownership and transfer described below. As of August 2, 2016, (i) 145,229,642 shares of our common stock were issued and outstanding and (ii) no shares of preferred stock or shares-in-trust were issued and outstanding. Our board of directors, without any action on the part of our stockholders, may amend our charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we have the authority to issue. Under Maryland law, stockholders generally are not liable for the corporation s debts or obligations.

### Common Stock

Except as may otherwise be specified in the terms of any other class or series of common stock, the holders of common stock are entitled to one vote per share on all matters voted on by stockholders, including election of our directors. Our charter does not provide for cumulative voting in the election of directors. As such, the holders of a majority of the outstanding shares of our common stock can elect our entire board of directors, including all of the directors then standing for election, and the holders representing a minority of the outstanding shares of our common stock will be unable to elect any directors. Subject to any preferential rights of any outstanding class or series of preferred stock and to the distribution of specified amounts upon liquidation with respect to shares-in-trust, the holders of common stock are entitled to such distributions as may be authorized from time to time by our board of directors in its discretion and declared by us out of funds legally available therefor, and, upon liquidation, are entitled to receive all assets available for distribution to stockholders. Holders of shares of our common stock will neither have preemptive rights, which provide an automatic option to purchase any new shares that we issue, nor any appraisal rights.

### Preferred Stock

Our charter authorizes our board of directors to designate and issue one or more classes or series of preferred stock without stockholder approval. Our board of directors may determine the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption of each class or series of preferred stock so issued, which may be more beneficial than the rights, preferences and privileges attributable to the common stock. No shares of our preferred stock are presently outstanding. Our board of directors may issue preferred stock at any time in the future without stockholder approval.

If the board of directors approves the issuance of preferred stock, such issuance could, depending upon the terms of such class or series, delay, defer or prevent a transaction or a change in control of us that might involve a premium price for holders of our common stock or otherwise be in their best interests.

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**Power to Reclassify Shares of Our Stock**

Subject to the provisions of any outstanding shares of capital stock, our charter authorizes our board of directors to classify and reclassify any unissued shares of stock into other classes or series of stock, including our preferred stock. Prior to issuance of shares of each class or series, our board of directors is required by Maryland law and by our charter to set, subject to restrictions on the transfer and ownership of our stock contained in our charter, the terms of such class or series, including the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series.

**Power to Issue Additional Shares of Common Stock and Preferred Stock**

Our board of directors has the power, without stockholder approval, to amend our charter from time to time to increase or decrease the aggregate number of authorized shares of capital stock or the number of shares of any class or series that we have authority to issue. We believe that these powers, together with the power to issue additional authorized but unissued shares of our common stock or preferred stock and the power to classify or reclassify any unissued shares of stock into other classes or series of stock, will provide us with increased flexibility in structuring possible future financings and acquisitions and in meeting other capital needs. The additional classes or series, as well as our common stock, will be available for issuance without further action by our stockholders unless stockholder action is required by applicable law or the rules of any national securities exchange on which our securities may be listed or traded.

**Restrictions on Ownership and Transfer**

In order for us to qualify as a REIT, during the last half of each taxable year, not more than 50% of the value of our outstanding shares may be owned, directly or indirectly, by five or fewer individuals, as defined in the Internal Revenue Code of 1986, as amended (the Code ), to include certain entities. In addition, the outstanding shares must be beneficially owned by 100 or more persons during at least 335 days of a 12-month taxable year or during a proportionate part of a shorter taxable year. We may prohibit certain acquisitions and transfers of shares so as to ensure our continued qualification as a REIT under the Code. However, we cannot assure you that this prohibition will be effective.

In order to assist us in preserving our status as a REIT, among other purposes, our charter generally prohibits any person (unless exempted by our board of directors) from actually or constructively owning more than 9.8% (by value or number of shares, whichever is more restrictive) of the outstanding shares of our common stock or the outstanding shares of any class or series of our preferred stock. Our charter further prohibits any person from (a) transferring shares of our stock if the transfer would result in our stock being actually owned by fewer than 100 persons or (b) actually or constructively owning shares of our stock that would result in our (i) being closely held under Section 856(h) of the Code, (ii) constructively owning 9.9% or more of the ownership interests in any of our tenants or any tenant of the Operating Partnership or any of our direct or indirect subsidiaries or (iii) otherwise failing to qualify as a REIT. Our board of directors may, prospectively or retroactively, exempt a person from the 9.8% ownership limit upon receipt of evidence deemed satisfactory by it, in its sole discretion, that a proposed acquisition or transfer will not result in our being closely held under Section 856(h) of the Code or otherwise failing to qualify as a REIT.

Any transfer of shares of our stock that, if effective, would result in a violation of any of the foregoing restrictions on ownership and transfer of our stock will be null and void and the intended transferee will acquire no rights in such shares. However, if there is a transfer of shares of our stock in violation of any of the foregoing restrictions, the number of shares causing the violation (rounded up to the next whole number of shares) will be automatically converted into an equal number of shares-in-trust having terms, rights, restrictions and qualifications identical thereto,

except to the extent our charter requires different terms, and will be transferred to a trust for the exclusive benefit of one or more charitable beneficiaries. The transfer to the trust will be effective

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as of the close of business on the business day preceding the date of the violative transfer. We will designate a trustee of the share trust that will not be affiliated with us. We will also name one or more charitable organizations as a beneficiary of the share trust. Shares-in-trust will remain issued and outstanding shares and will be entitled to the same rights and privileges as all other shares of the same class or series. The trustee will receive all dividends and other distributions on the shares-in-trust and will hold such dividends or other distributions in trust for the benefit of the beneficiary. The trustee may vote any shares held in trust.

Any dividend or other distribution with a record date on or after the date shares of our stock were converted to shares-in-trust which is paid to the intended transferee will be repaid to the share trust and any dividend or other distribution declared but unpaid will be paid to the trustee to hold in trust for the benefit of the beneficiary. We will take all measures that we determine are necessary to recover the amount of any dividend or other distribution paid to the intended transferee, including, if necessary, withholding any portion of future dividends or other distributions payable on shares of our stock owned by the intended transferee and, as soon as reasonably practicable thereafter, paying to the share trust for the benefit of the beneficiary the dividends or other distributions so withheld. The trustee will be entitled to vote the shares-in-trust on any matters on which holders of shares of the same class or series are entitled to vote. Subject to Maryland law, any vote cast by the intended transferee prior to our discovery that shares have been converted into shares-in-trust will be rescinded and recast by the trustee in its sole and absolute discretion. However, if we have already taken irreversible corporate action, then the trustee will not have the authority to rescind and recast the vote.

Shares-in-trust will be deemed to have been offered for sale to us, or our designee, at a price per share equal to the lesser of (i) the price per share in the transaction that created the shares-in-trust (or, in the case of a devise or gift, the market price at the time of the devise or gift) and (ii) the market price on the date we, or our designee, accept the offer. We will have the right to accept the offer for a period of 20 days after the later of the date of the transaction resulting in the conversion of shares of our stock into shares-in-trust or, if we did not receive notice of the transaction, the date that we determine in good faith that such transaction occurred.

If we do not purchase the shares-in-trust, the trustee will sell the number of shares represented by the shares-in-trust to a person designated by the trustee, whose ownership of the shares will not violate the above restrictions on ownership and transfer of our stock. Within five business days after the closing of the sale, the intended transferee will receive the lesser of (i) the price per share in the transaction that created the shares-in-trust (or, in the case of a devise or gift, the market price on the date of such transfer) and (ii) the price per share received by the trustee net of any commissions and other expenses of the sale. Any amount received by the trustee in excess of the amount paid to the intended transferee will be distributed to the beneficiary.

Any person who (1) acquires shares in violation of the foregoing restrictions or who owns shares that were transferred to any such trust is required to give immediate written notice to us of such event and (2) any person who proposes or attempts to transfer or own such shares is required to give us 15 days written notice prior to such transaction.

In both cases, such persons shall provide to us such other information as we may request in order to determine the effect, if any, of such transfer on our status as a REIT.

The foregoing restrictions will continue to apply until our board of directors determines it is no longer in our best interest to continue to qualify as a REIT or that compliance is no longer required for REIT qualification. The restrictions on ownership and transfer of our stock generally do not apply to the underwriter in a public offering of shares for a period of 60 days following the initial purchase by the underwriter of shares in the offering.

Any person who owns more than 5% (or such lower percentage as determined pursuant to regulations under the Code or as may be requested by our board of directors in its sole discretion) of our outstanding shares during any taxable year must give us written notice setting forth such person s name and address, the number of shares beneficially owned, directly or indirectly, and a description of how such shares are held. Each such owner must

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provide us with such additional information as we may request in order to determine the effect, if any, of such person s beneficial ownership on our status as a REIT and to ensure compliance with the ownership limits and other restrictions on ownership and transfer of stock set forth in our charter. In addition, each stockholder must promptly provide us with such information as we may request in order to determine our status as a REIT and to comply with the requirements of any taxing authority or other governmental agency or to determine such compliance.

**Meetings, Voting Requirements and Access to Records**

An annual meeting of our stockholders will be held each year. Special meetings of stockholders may be called by our board of directors, the chairman of our board, the chief executive officer or the president and must be called, subject to the satisfaction of certain procedural and information requirements by the stockholders requesting the meeting, by our secretary upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on any matter that may properly be considered at such meeting. The presence either in person or by proxy of stockholders entitled to cast 50% of all the votes entitled to be cast at such meeting on any matter shall constitute a quorum. Generally, a majority of the votes cast is necessary to take stockholder action at a meeting at which a quorum is present, except that a plurality of the votes cast at a meeting of stockholders duly called and at which a quorum is present is sufficient to elect a director and except for those matters described in Certain Provisions of Maryland Law and Piedmont Office Realty Trust, Inc. s Charter and Bylaws Removal of Directors and Approval of Extraordinary Corporate Action; Amendment of Charter and Bylaws.

Stockholders have rights under Rule 14a-7 under the Exchange Act which provides that, upon the request of investors and the payment of the expenses of the distribution, we are required to distribute specific materials to stockholders in the context of the solicitation of proxies for voting on matters presented to stockholders or, at our option, provide requesting stockholders with a copy of a list of our stockholders so that the requesting stockholders may make the distribution of proxies themselves. The list provided by us will include each stockholder s name and address and the number of shares owned by each stockholder and will be sent within five business days of the receipt by us of the request.

**Listing**

Our common stock is listed on the NYSE under the symbol PDM.

**Transfer Agent and Registrar**