UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 8, 2024

ORION OFFICE REIT INC.
(Exact name of Registrant as specified in its charter)

Maryland	**001-40873**	**87-1656425**
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

2398 E. Camelback Road, Suite 1060
Phoenix, AZ 85016
(Address of principal executive offices, including zip code)

(602) 698-1002
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class:	*Trading symbol(s):*	*Name of each exchange on which registered:*
Common Stock $0.001 par value per share	ONL	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On May 8, 2024, Orion Office REIT Inc. furnished the following documents: (i) a press release relating to its first quarter 2024 results, attached hereto as Exhibit 99.1; and (ii) supplemental information for the quarter ended March 31, 2024, attached hereto as Exhibit 99.2. The information set forth in this Item 2.02 and in the attached Exhibits 99.1 and 99.2 is deemed to be "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information set forth in this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release issued May 8, 2024 relating to First Quarter 2024 Results
99.2	Supplemental Information for the Quarter Ended March 31, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ORION OFFICE REIT INC.

By: /s/ Gavin B. Brandon
Name: Gavin B. Brandon
Title: Chief Financial Officer, Executive Vice President and Treasurer

Date: May 8, 2024

Exhibit 99.1

FOR IMMEDIATE RELEASE

Orion Office REIT Inc. Announces First Quarter 2024 Results

- Completed 108,000 Square Feet of Leasing and an Additional 414,000 Square Feet Subsequent to Quarter End -
- Declares Dividend of $0.10 Per Share for First Quarter 2024 -
- Company Reaffirms 2024 Outlook -

Phoenix, AZ, May 8, 2024 -- Orion Office REIT Inc. (NYSE: ONL) (“Orion” or the “Company”), a fully-integrated real estate investment trust (“REIT”) focused on the ownership, acquisition and management of a diversified portfolio of single-tenant net lease office properties located across the U.S., announced today its operating results for the first quarter ended March 31, 2024.

Paul McDowell, Orion’s Chief Executive Officer, commented, “We continued to execute against our current business plan: retaining existing tenants, filling empty spaces and streamlining the portfolio through non-core asset disposals, as we completed 522,000 square feet of new and renewal leasing thus far in 2024 and have agreements in place to sell 790,000 square feet of vacant space. This performance nearly doubles our total 2023 leasing activity and includes the signing of two long-term leases with the United States Government. Regarding the maintenance of our low leveraged balance sheet, subsequent to quarter end, we secured an amendment to our credit facility revolver that more effectively aligns capacity and financial covenants to our business model. We expect later this quarter to exercise our option to extend the maturity out 18 months from November 2024 to May 2026.”

First Quarter 2024 Financial and Operating Highlights

- Total revenues of $47.2 million
- Net loss attributable to common stockholders of $(26.2) million, or $(0.47) per share
- Funds from Operations (“FFO”) of $18.4 million, or $0.33 per share
- Core FFO of $20.4 million, or $0.36 per share
- EBITDA of $7.4 million, EBITDAre of $27.0 million and Adjusted EBITDA of $26.7 million

Financial Results

During the first quarter 2024, the Company generated total revenues of $47.2 million, as compared to $50.2 million in the same quarter of 2023. The Company’s net loss attributable to common stockholders was $(26.2) million, or $(0.47) per share, during the first quarter of 2024, as compared to $(8.9) million, or $(0.16) per share, reported in the same quarter of 2023. Core FFO for the first quarter of 2024 was $20.4 million, or $0.36 per share, as compared to $25.3 million, or $0.45 per share in the same quarter of 2023. First quarter results include $3.8 million, or $0.07 per share, of lease termination income and expense reimbursements from former tenants at certain of our recently vacated properties, that will not recur.

Leasing Activity

During the first quarter 2024, the Company entered into the following new leases and lease renewals (square feet in thousands):

Location	New Lease or Renewal	Square Feet	Term	Expected Commencement or Previous Expiration	New Expected Expiration
Lincoln, NE	New Lease	86	15.0 years	Q3 2025	Q3 2040
Tulsa, OK	New Lease	6	10.0 years	March 2024	March 2034
Eagle Pass, TX	Renewal	9	17.0 years	January 2024	January 2041
The Woodlands, TX	Renewal	5	5.3 years	December 2024	April 2030
The Woodlands, TX	Renewal	2	5.0 years	February 2024	February 2029

With respect to the new lease with the United States Government at the Lincoln, NE property, the tenant will be backfilling space that is currently vacant and is expected to take occupancy in the third quarter of 2025, following landlord's build-out of the United States Government premises, at which time the Lincoln, NE property will be fully leased to two tenants.

Subsequent to the first quarter of 2024, the United States Government exercised a 4.0-year renewal option for 413,000 square feet at the Company's property in Covington, KY. The Company also remains in discussions with the United States Government on a longer-term extension at this property for a substantial portion of the tenant's existing square footage. Additionally, the Company entered into a 2.3-year lease for approximately 1,000 square feet at one of its properties in The Woodlands, TX.

Disposition Activity
The Company has agreements currently in place to sell eight properties, representing 790,000 square feet, for an aggregate gross sales price of $48.1 million, including the six property former Walgreens campus in Deerfield, IL. Our pending sale agreements are subject to a variety of conditions outside of our control, such as the buyer's satisfactory completion of its due diligence and receipt of governmental approvals, and therefore, we cannot provide any assurance the transactions will close on the agreed upon price or other terms, or at all.

Real Estate Portfolio
As of March 31, 2024, the Company's real estate portfolio consisted of 75 properties as well as a 20% ownership interest in the Arch Street Joint Venture, the Company's Unconsolidated Joint Venture with an affiliate of Arch Street Capital Partners, LLC, comprising six properties. The Company's Occupancy Rate was 75.8%, with 70.1% of Annualized Base Rent derived from Investment-Grade Tenants, and the portfolio's Weighted Average Remaining Lease Term was 4.1 years. Adjusted for properties that are currently under agreements to be sold, the Company's Occupancy Rate was 83.2%.

As of March 31, 2024, the Unconsolidated Joint Venture owned six real estate assets for total Gross Real Estate Investments of approximately $227.8 million.

Balance Sheet and Liquidity
As of March 31, 2024, the Company had total debt of $498.3 million, comprising $116.0 million under the Company's credit facility revolver, $355.0 million under the Company's securitized mortgage loan (the "CMBS Loan") and $27.3 million which represents the Company's pro rata share of mortgage indebtedness of the Unconsolidated Joint Venture, unchanged from year-end 2023. The Company has two debt maturities in late 2024: the credit facility revolver and the Unconsolidated Joint Venture mortgage debt are both scheduled to mature in November 2024. These debt obligations include extension options which may be exercised if applicable conditions are met.

On May 3, 2024, the Company entered into an amendment to its credit facility revolver. Under the terms of the amendment, the Company has rightsized the revolver to $350.0 million, through a $75.0 million-capacity reduction, while making a proportional reduction in the minimum value of the unencumbered asset pool required under the credit agreement and certain other modifications to financial covenants. The Company does not expect the reduced commitment under the credit facility revolver to adversely impact the execution of its business plan and the reduced commitment will modestly benefit the Company by lowering the unused fees it is obligated to pay the lenders. The Company intends to elect the extension option to extend the maturity date on the credit facility revolver an additional 18 months from November 12, 2024 to May 12, 2026, during the second quarter of 2024.

As of March 31, 2024 and after giving effect to the amendment to the credit facility revolver discussed above, the Company had $258.3 million of liquidity, comprising $24.3 million cash and cash equivalents, including the Company's pro rata share of cash from the Unconsolidated Joint Venture, as well as $234.0 million of available capacity on the credit facility revolver.

Dividend
On May 7, 2024, the Company's Board of Directors declared a quarterly cash dividend of $0.10 per share for the second quarter of 2024, payable on July 15, 2024, to stockholders of record as of June 28, 2024.

2024 Outlook
The Company reaffirms its 2024 guidance:

	Low		High
Core FFO per share	$0.93	-	$1.01
General and Administrative Expenses	$19.5 million	-	$20.5 million
Net Debt to Adjusted EBITDA	6.2x	-	7.0x

The Company's guidance is based on current plans and assumptions and subject to the risks and uncertainties more fully described in the Company's filings with the SEC. The Company reminds investors that its guidance estimates include assumptions with regard to rent receipts and property operating expense reimbursements, the amount and timing of acquisitions, dispositions, leasing transactions, capital expenditures, interest rate fluctuations and expected borrowings, and other factors. These assumptions are uncertain and difficult to accurately predict and actual results may differ materially from our estimates. See "Forward-Looking Statements" below.

Webcast and Conference Call Information
Orion will host a webcast and conference call to review its financial results at 10:00 a.m. ET on Thursday, May 9, 2024. The webcast and call will be hosted by Paul McDowell, Chief Executive Officer and President, and Gavin Brandon, Chief Financial Officer, Executive Vice President and Treasurer. To participate, the webcast can be accessed live by visiting the "Investors" section of Orion's website at onlreit.com/investors. To join the conference call, callers from the United States and Canada should dial 1-877-407-3982, and international callers should dial 1-201-493-6780, ten minutes prior to the scheduled call time.

Replay Information
A replay of the webcast may be accessed by visiting the "Investors" section of Orion's website at onlreit.com/investors. The conference call replay will be available after 1:00 p.m. ET on Thursday, May 9, 2024 through 11:59 a.m. ET on Thursday, May 23, 2024. To access the replay, callers may dial 1-844-512-2921 (domestic) or 1-412-317-6671 (international) and use passcode, 13745190.

Non-GAAP Financial Measures
To supplement the presentation of the Company's financial results prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), this press release and the accompanying quarterly supplemental information as of and for the quarter ended March 31, 2024 contain certain financial measures that are not prepared in accordance with GAAP, including Funds from Operations ("FFO"), Core Funds from Operations ("Core FFO"), Funds Available for Distribution ("FAD"), Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("EBITDAre"), and Adjusted EBITDA. Please see the attachments to this press release for how Orion defines these non-GAAP financial measures and a reconciliation to the most directly comparable GAAP measure.

About Orion Office REIT Inc.
Orion Office REIT Inc. is an internally-managed real estate investment trust engaged in the ownership, acquisition and management of a diversified portfolio of office buildings located in high-quality suburban markets across the U.S. and leased primarily on a single-tenant net lease basis to creditworthy tenants. The Company was founded on July 1, 2021, spun-off from Realty Income (NYSE: O) on November 12, 2021 and began trading on the New York Stock Exchange on November 15, 2021. The Company is headquartered in Phoenix, Arizona and has an office in New York, New York. For additional information on the Company and its properties, please visit onlreit.com.

Investor Relations:
Email: investors@onlreit.com
Phone: 602-675-0338

About the Data

This data and other information described herein are as of and for the three months ended March 31, 2024, unless otherwise indicated. Future performance may not be consistent with past performance and is subject to change and inherent risks and uncertainties. This information should be read in conjunction with the consolidated and combined financial statements and the Management's Discussion and Analysis of Financial Condition and Results of Operations sections contained in Orion Office REIT Inc.'s (the "Company," "Orion," "us," "our" and "we") Quarterly Report on Form 10-Q for the period ended March 31, 2024 and the Annual Report on Form 10-K for the year ended December 31, 2023.

Definitions

Annualized Base Rent is the monthly aggregate cash amount charged to tenants under our leases (including monthly base rent receivables and certain fixed contractually obligated reimbursements by our tenants), as of the final date of the applicable period, multiplied by 12, including the Company's pro rata share of such amounts related to the Unconsolidated Joint Venture. Annualized Base Rent is not indicative of future performance.

CPI refers to a lease in which base rent is adjusted based on changes in a consumer price index.

Credit Rating of a tenant refers to the Standard & Poor's or Moody's credit rating and such rating also may reflect the rating assigned by Standard & Poor's or Moody's to the lease guarantor or the parent company as applicable.

Double Net Lease ("NN") is a lease under which the tenant agrees to pay all operating expenses associated with the property (e.g., real estate taxes, insurance, maintenance), but excludes some or all major repairs (e.g., roof, structure, parking lot, in each case, as further defined in the applicable lease).

Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("EBITDAre") and Adjusted EBITDA

Due to certain unique operating characteristics of real estate companies, as discussed below, the National Association of Real Estate Investment Trusts, Inc. ("Nareit"), an industry trade group, has promulgated a supplemental performance measure known as Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate. Nareit defines EBITDAre as net income (loss) computed in accordance with GAAP, adjusted for interest expense, income tax expense (benefit), depreciation and amortization, impairment write-downs on real estate, gains or losses from disposition of property and our pro rata share of EBITDAre adjustments related to the Unconsolidated Joint Venture. We calculated EBITDAre in accordance with Nareit's definition described above.

In addition to EBITDAre, we use Adjusted EBITDA as a non-GAAP supplemental performance measure to evaluate the operating performance of the Company. Adjusted EBITDA, as defined by the Company, represents EBITDAre, modified to exclude non-routine items such as transaction related expenses and spin related expenses. We also exclude certain non-cash items such as impairments of intangible and right of use assets, gains or losses on derivatives, gains or losses on the extinguishment or forgiveness of debt, amortization of intangibles, above-market lease assets and deferred lease incentives, net of amortization of below-market lease liabilities and our pro rata share of Adjusted EBITDA adjustments related to the Unconsolidated Joint Venture. Management believes that excluding these costs from EBITDAre provides investors with supplemental performance information that is consistent with the performance models and analysis used by management, and provides investors a view of the performance of our portfolio over time. Therefore, EBITDAre and Adjusted EBITDA should not be considered as an alternative to net income (loss), as determined under GAAP. The Company uses Adjusted EBITDA as one measure of its operating performance when formulating corporate goals and evaluating the effectiveness of the Company's strategies. EBITDAre and Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

Enterprise Value equals the sum of the Implied Equity Market Capitalization and Net Debt, in each case, as of an applicable date.

Fixed Charge Coverage Ratio is (a) Adjusted EBITDA divided by (b) the sum of (i) Interest Expense, excluding non-cash amortization and (ii) secured debt principal amortization on Adjusted Principal Outstanding. Management believes that Fixed Charge Coverage Ratio is a useful supplemental measure of our ability to satisfy fixed financing obligations.

Fixed Dollar or Percent Increase refers to a lease that requires contractual rent increases during the term of the lease agreement. A Fixed Dollar or Percent Increase lease may include a period of free rent at the beginning or end of the lease.

Flat refers to a lease that requires equal rent payments, with no contractual increases, throughout the term of the lease agreement. A Flat lease may include a period of free rent at the beginning or end of the lease.

Funds Available for Distribution ("FAD")

Funds available for distribution, as defined by the Company, represents Core FFO, as defined below, modified to exclude capital expenditures and leasing costs, as well as certain non-cash items such as amortization of above market leases, net of amortization of below market lease liabilities, straight-line rental revenue, amortization of the Unconsolidated Joint Venture basis difference and our pro rata share of FAD adjustments related to the Unconsolidated Joint Venture. Management believes that adjusting these items from Core FFO provides investors with supplemental performance information that is consistent with the performance models and analysis used by management and provides useful information regarding the Company's ability to fund its dividend.

However, not all REITs calculate FAD and those that do may not calculate FAD the same way, so comparisons with other REITs may not be meaningful. FAD should not be considered as an alternative to net income (loss) or cash flow provided by (used in) operating activities as determined under GAAP.

Nareit Funds from Operations ("Nareit FFO" or "FFO") and Core Funds from Operations ("Core FFO")

Due to certain unique operating characteristics of real estate companies, as discussed below, Nareit has promulgated a supplemental performance measure known as FFO, which we believe to be an appropriate supplemental performance measure to reflect the operating performance of the Company. FFO is not equivalent to our net income (loss) as determined under GAAP.

Nareit defines FFO as net income (loss) computed in accordance with GAAP adjusted for gains or losses from disposition of real estate assets, depreciation and amortization of real estate assets, impairment write-downs on real estate, and our pro rata share of FFO adjustments related to the Unconsolidated Joint Venture. We calculate FFO in accordance with Nareit's definition described above.

In addition to FFO, we use Core FFO as a non-GAAP supplemental financial performance measure to evaluate the operating performance of the Company. Core FFO, as defined by the Company, excludes from FFO items that we believe do not reflect the ongoing operating performance of our business such as transaction related expenses, spin related expenses, amortization of deferred lease incentives, amortization of deferred financing costs, equity-based compensation, amortization of premiums and discounts on debt, net and gains or losses on extinguishment of swaps and/or debt, and our pro rata share of Core FFO adjustments related to the Unconsolidated Joint Venture.

We believe that FFO and Core FFO allow for a comparison of the performance of our operations with other publicly-traded REITs, as FFO and Core FFO, or a substantially similar measure, are routinely reported by publicly-traded REITs, each adjust for items that we believe do not reflect the ongoing operating performance of our business and we believe are often used by analysts and investors for comparison purposes.

For all of these reasons, we believe FFO and Core FFO, in addition to net income (loss), as determined under GAAP, are helpful supplemental performance measures and useful in understanding the various ways in which our management evaluates the performance of the Company over time. However, not all REITs calculate FFO and Core FFO the same way, so comparisons with other REITs may not be meaningful. FFO and Core FFO should not be considered as alternatives to net income (loss) and are not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs. Neither the SEC, Nareit, nor any other regulatory body has evaluated the acceptability of the exclusions used to adjust FFO in order to calculate Core FFO and its use as a non-GAAP financial performance measure.

GAAP is an abbreviation for generally accepted accounting principles in the United States.

Gross Lease is a lease under which the landlord is responsible for all expenses associated with the property (e.g., real estate taxes, insurance, maintenance and repairs).

Gross Real Estate Investments represent total gross real estate and related assets of Operating Properties and the Company's pro rata share of such amounts related to properties owned by the Unconsolidated Joint Venture, net of gross intangible lease liabilities. Gross Real Estate Investments should not be considered as an alternative to the Company's real estate investments balance as determined under GAAP or any other GAAP financial measures and should only be considered together with, and as a supplement to, the Company's financial information prepared in accordance with GAAP.

GSA CPI refers to a General Services Administration ("GSA") lease that includes a contractually obligated operating cost component of rent which is adjusted annually based on changes in a consumer price index.

Implied Equity Market Capitalization equals shares of common stock outstanding as of an applicable date, multiplied by the closing sale price of the Company's stock as reported on the New York Stock Exchange on such date.

Industry is derived from the Global Industry Classification Standard ("GICS") Methodology that was developed by Morgan Stanley Capital International ("MSCI") in collaboration with S&P Dow Jones Indices to establish a global, accurate, complete and widely accepted approach to defining industries and classifying securities by industry.

Interest Coverage Ratio equals Adjusted EBITDA divided by Interest Expense, excluding non-cash amortization. Management believes that Interest Coverage Ratio is a useful supplemental measure of our ability to service our debt obligations.

Interest Expense, excluding non-cash amortization is a non-GAAP measure that represents interest expense incurred on the outstanding principal balance of our debt and the Company's pro rata share of the Unconsolidated Joint Venture's interest expense incurred on its outstanding principal balance. This measure excludes the amortization of deferred financing costs, premiums and discounts, which is included in interest expense in accordance with GAAP. Interest Expense, excluding non-cash amortization should not be considered as an alternative to the Company's interest expense as determined under GAAP or any other GAAP financial measures and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

Investment-Grade Tenants are those with a Credit Rating of BBB- or higher from Standard & Poor’s or a Credit Rating of Baa3 or higher from Moody’s. The ratings may reflect those assigned by Standard & Poor’s or Moody’s to the lease guarantor or the parent company, as applicable.

Leased Square Feet is Rentable Square Feet leased and includes such amounts related to the Unconsolidated Joint Venture.

Modified Gross Lease is a lease under which the landlord is responsible for most expenses associated with the property (e.g., real estate taxes, insurance, maintenance and repairs), but passes through some operating expenses to the tenant.

Month-to-Month refers to a lease that is outside of the contractual lease expiration, but the tenant has not vacated and continues to pay rent which may also include holdover rent if applicable.

Net Debt, Principal Outstanding and Adjusted Principal Outstanding

Principal Outstanding is a non-GAAP measure that represents the Company's outstanding principal debt balance, excluding certain GAAP adjustments, such as premiums and discounts, financing and issuance costs, and related accumulated amortization. Adjusted Principal Outstanding includes the Company's pro rata share of the Unconsolidated Joint Venture's outstanding principal debt balance. We believe that the presentation of Principal Outstanding and Adjusted Principal Outstanding, which show our contractual debt obligations, provides useful information to investors to assess our overall financial flexibility, capital structure and leverage. Principal Outstanding and Adjusted Principal Outstanding should not be considered as alternatives to the Company's consolidated debt balance as determined under GAAP or any other GAAP financial measures and should only be considered together with, and as a supplement to, the Company's financial information prepared in accordance with GAAP.

Net Debt is a non-GAAP measure used to show the Company's Adjusted Principal Outstanding, less all cash and cash equivalents and the Company's pro rata share of the Unconsolidated Joint Venture's cash and cash equivalents, and less cash deposited with the credit facility lenders that was, in accordance with the terms of the credit facility revolver, used to prepay borrowings upon expiration or termination of the Company’s interest rate swap agreements. We believe that the presentation of Net Debt provides useful information to investors because our management reviews Net Debt as part of its management of our overall liquidity, financial flexibility, capital structure and leverage.

Net Debt Leverage Ratio equals Net Debt divided by Gross Real Estate Investments.

Net Operating Income ("NOI") and Cash NOI

NOI is a non-GAAP performance measure used to evaluate the operating performance of a real estate company. NOI represents total revenues less property operating expenses and excludes fee revenue earned for services to the Unconsolidated Joint Venture, impairment, depreciation and amortization, general and administrative expenses, transaction related expenses and spin related expenses. Cash NOI excludes the impact of certain GAAP adjustments included in rental revenue, such as straight-line rental revenue, amortization of above-market intangible lease assets and below-market lease intangible liabilities, and amortization of deferred lease incentives. Cash NOI includes the pro rata share of such amounts from properties owned by the Unconsolidated Joint Venture. It is management's view that NOI and Cash NOI provide investors relevant and useful information because it reflects only income and operating expense items that are incurred at the property level and presents them on an unleveraged basis. NOI and Cash NOI should not be considered as an alternative to operating income in accordance with GAAP. Further, NOI and Cash NOI may not be comparable to similarly titled measures of other companies.

Occupancy Rate equals the sum of Leased Square Feet divided by Rentable Square Feet and includes the Company's pro rata share of such amounts related to the Unconsolidated Joint Venture, in each case, as of an applicable date.

Operating Properties refers to all properties owned and consolidated by the Company as of the applicable date.

Property Operating Expense includes reimbursable and non-reimbursable costs to operate a property, including real estate taxes, utilities, insurance, repairs, maintenance, legal, property management fees, etc.

Rentable Square Feet is leasable square feet of Operating Properties and the Company's pro rata share of leasable square feet of properties owned by the Unconsolidated Joint Venture.

Triple Net Lease ("NNN") is a lease under which the tenant agrees to pay all expenses associated with the property (e.g., real estate taxes, insurance, maintenance and repairs in accordance with the lease terms).

Unconsolidated Joint Venture means the Company's investment in the unconsolidated joint venture with an affiliate of Arch Street Capital Partners, LLC.

Unencumbered Asset Ratio equals Unencumbered Gross Real Estate Investments divided by Gross Real Estate Investments. Management believes that Unencumbered Asset Ratio is a useful supplemental measure of our overall liquidity and leverage.

Unencumbered Gross Real Estate Investments equals Gross Real Estate Investments, excluding Gross Real Estate Investments related to properties serving as collateral for the Company's CMBS Loan and the Company's pro rata share of properties owned by the Unconsolidated Joint Venture that are pledged as collateral under mortgage debt. Unencumbered Gross Real Estate Investments includes otherwise unencumbered properties which are part of the unencumbered property pool under our credit facility and therefore generally are not available to simultaneously serve as collateral under other borrowings.

Weighted Average Remaining Lease Term is the number of years remaining on each respective lease as of the applicable date, weighted based on Annualized Base Rent and includes the years remaining on each of the respective leases of the Unconsolidated Joint Venture, weighted based on the Company's pro rata share of Annualized Base Rent related to the Unconsolidated Joint Venture.

Forward-Looking Statements

Information set forth in this press release includes “forward-looking statements” which reflect the Company's expectations and projections regarding future events and plans, future financial condition, results of operations, liquidity and business, including leasing and occupancy, acquisitions, dispositions, rent receipts, expected borrowings and financing costs and the payment of future dividends. Generally, the words "anticipates," "assumes," "believes," "continues," "could," "estimates," "expects," "goals," "intends," "may," "plans," "projects," "seeks," "should," "targets," "will," "guidance," variations of such words and similar expressions identify forward-looking statements. These forward-looking statements are based on information currently available to the Company and involve a number of known and unknown assumptions and risks, uncertainties and other factors, which may be difficult to predict and beyond the Company's control, that could cause actual events and plans or could cause the Company's business, 2024 financial outlook, financial condition, liquidity and results of operations to differ materially from those expressed or implied in the forward-looking statements. Further, information regarding historical rent collections should not serve as an indication of future rent collections.

The following factors, among others, could cause actual results to differ materially from those set forth in the forward-looking statements:

- the risk of rising interest rates, including that our borrowing costs may increase and we may be unable to extend or refinance our debt obligations on favorable terms and in a timely manner, or at all;
- the risk of inflation, including that our operating costs, such as insurance premiums, utilities, real estate taxes, capital expenditures and repair and maintenance costs, may rise;
- conditions associated with the global market, including an oversupply of office space, tenant credit risk and general economic conditions and geopolitical conditions;
- the extent to which changes in workplace practices and office space utilization, including remote and hybrid work arrangements, will continue and the impact that may have on demand for office space at our properties;
- our ability to acquire new properties and sell non-core assets on favorable terms and in a timely manner, or at all;
- our ability to comply with the terms of our credit agreements or to meet the debt obligations on our properties, including our ability to satisfy the conditions to extend our credit facility revolver;
- our ability to access the capital markets to raise additional equity or refinance maturing debt on favorable terms and in a timely manner, or at all;
- changes in the real estate industry and in performance of the financial markets and interest rates and our ability to effectively hedge against interest rate changes;
- the risk of tenants defaulting on their lease obligations, which is heightened due to our focus on single-tenant properties;
- our ability to renew leases with existing tenants or re-let vacant space to new tenants on favorable terms and in a timely manner, or at all;
- the cost of rent concessions, tenant improvement allowances and leasing commissions;
- the potential for termination of existing leases pursuant to tenant termination rights;
- the amount, growth and relative inelasticity of our expenses;
- risks associated with the ownership and development of real property;
- risks accompanying the management of OAP/VER Venture, LLC (the “Arch Street Joint Venture”), our unconsolidated joint venture, in which we hold a non-controlling ownership interest;
- our ability to close pending real estate transactions, which may be subject to conditions that are outside of our control;
- our ability to accurately forecast the payment of future dividends on our common stock, and the amount of such dividends;
- risks associated with acquisitions, including the risk that we may not be in a position, or have the opportunity in the future, to make suitable property acquisitions on advantageous terms and/or that such acquisitions will fail to perform as expected;
- risks associated with the fact that we have a limited operating history and our future performance is difficult to predict;
- our properties may be subject to impairment charges;
- risks resulting from losses in excess of insured limits or uninsured losses;
- risks associated with the potential volatility of our common stock; and
- the risk that we may fail to maintain our income tax qualification as a real estate investment trust.

Additional factors that may affect future results are contained in the Company's filings with the SEC, which are available at the SEC’s website at www.sec.gov. The Company disclaims any obligation to publicly update or revise any forward-looking statements, whether as a result of changes in underlying assumptions or factors, new information, future events or otherwise, except as required by law.

ORION OFFICE REIT INC.
CONSOLIDATED BALANCE SHEETS
(In thousands)

	(Unaudited) March 31, 2024	December 31, 2023
Assets		
Real estate investments, at cost:		
Land	$ 223,439	$ 223,264
Buildings, fixtures and improvements	1,081,788	1,097,132
Total real estate investments, at cost	1,305,227	1,320,396
Less: accumulated depreciation	165,490	158,791
Total real estate investments, net	1,139,737	1,161,605
Accounts receivable, net	24,942	24,663
Intangible lease assets, net	110,145	126,364
Cash and cash equivalents	23,618	22,473
Other assets, net	87,077	88,828
Total assets	**$ 1,385,519**	**$ 1,423,933**
Liabilities and Equity		
Mortgages payable, net	$ 353,028	$ 352,856
Credit facility revolver	116,000	116,000
Accounts payable and accrued expenses	23,732	30,479
Below-market lease liabilities, net	6,753	8,074
Distributions payable	5,587	5,578
Other liabilities, net	24,468	23,943
Total liabilities	**529,568**	**536,930**
Common stock	56	56
Additional paid-in capital	1,145,264	1,144,636
Accumulated other comprehensive loss	(45)	(264)
Accumulated deficit	(290,710)	(258,805)
Total stockholders' equity	854,565	885,623
Non-controlling interest	1,386	1,380
Total equity	**855,951**	**887,003**
Total liabilities and equity	**$ 1,385,519**	**$ 1,423,933**

ORION OFFICE REIT INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except for per share data) (Unaudited)

	Three Months Ended March 31,	
	2024	2023
Revenues:		
Rental	$ 46,995	$ 49,990
Fee income from unconsolidated joint venture	202	200
Total revenues	**47,197**	**50,190**
Operating expenses:		
Property operating	15,999	15,344
General and administrative	4,949	4,309
Depreciation and amortization	24,504	28,166
Impairments	19,685	3,754
Transaction related	110	105
Total operating expenses	**65,247**	**51,678**
Other (expenses) income:		
Interest expense, net	(8,146)	(7,139)
Other income, net	163	36
Equity in loss of unconsolidated joint venture, net	(116)	(123)
Total other (expenses) income, net	**(8,099)**	**(7,226)**
Loss before taxes	**(26,149)**	**(8,714)**
Provision for income taxes	(77)	(160)
Net loss	**(26,226)**	**(8,874)**
Net income attributable to non-controlling interest	(6)	(11)
Net loss attributable to common stockholders	**$ (26,232)**	**$ (8,885)**
Weighted-average shares outstanding - basic and diluted	55,803	56,642
Basic and diluted net loss per share attributable to common stockholders	**$ (0.47)**	**$ (0.16)**

ORION OFFICE REIT INC.
FFO, CORE FFO and FAD
(In thousands, except for per share data) (Unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Net loss attributable to common stockholders	$ (26,232)	$ (8,885)
Adjustments:		
Depreciation and amortization of real estate assets	24,472	28,142
Impairment of real estate	19,685	3,754
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	464	462
FFO attributable to common stockholders	**$ 18,389**	**$ 23,473**
Transaction related	110	105
Amortization of deferred financing costs	924	1,048
Amortization of deferred lease incentives, net	123	102
Equity-based compensation	790	526
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	29	29
Core FFO attributable to common stockholders	**$ 20,365**	**$ 25,283**
Amortization of above and below market leases, net	(537)	(215)
Straight-line rental revenue	(549)	(2,684)
Unconsolidated Joint Venture basis difference amortization	114	133
Capital expenditures and leasing costs	(3,445)	(3,338)
Other adjustments, net	108	131
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	(21)	(40)
FAD attributable to common stockholders	**$ 16,035**	**$ 19,270**
Weighted-average shares outstanding - basic	55,803	56,642
Effect of weighted-average dilutive securities (1)	55	18
Weighted-average shares outstanding - diluted	**55,858**	**56,660**
FFO attributable to common stockholders per diluted share	$ 0.33	$ 0.41
Core FFO attributable to common stockholders per diluted share	$ 0.36	$ 0.45
FAD attributable to common stockholders per diluted share	$ 0.29	$ 0.34

(1) Dilutive securities include unvested restricted stock units net of assumed repurchases in accordance with the treasury stock method and exclude performance-based restricted stock units for which the performance thresholds have not been met by the end of the applicable reporting period. Such dilutive securities are not included when calculating net loss per diluted share applicable to the Company for the three months ended March 31, 2024 and 2023, as the effect would be antidilutive.

ORION OFFICE REIT INC.
EBITDA, EBITDAre AND ADJUSTED EBITDA
(In thousands) (Unaudited)

	Three Months Ended March 31,	
	2024	**2023**
Net loss attributable to common stockholders	$ (26,232)	$ (8,885)
Adjustments:		
Interest expense	8,146	7,139
Depreciation and amortization	24,504	28,166
Provision for income taxes	77	160
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	860	854
EBITDA	**$ 7,355**	**$ 27,434**
Impairment of real estate	19,685	3,754
EBITDAre	**$ 27,040**	**$ 31,188**
Transaction related	110	105
Amortization of above and below market leases, net	(537)	(215)
Amortization of deferred lease incentives, net	123	101
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	(7)	(7)
Adjusted EBITDA	**$ 26,729**	**$ 31,172**

ORION OFFICE REIT INC.
FINANCIAL AND OPERATIONS STATISTICS AND RATIOS
(Dollars in thousands) (Unaudited)

	Three Months Ended March 31,	
	2024	2023
Interest expense - as reported	$ 8,146	$ 7,139
Adjustments:		
Amortization of deferred financing costs and other non-cash charges	(924)	(1,049)
Proportionate share of Unconsolidated Joint Venture Interest Expense, excluding non-cash amortization	366	363
Interest Expense, excluding non-cash amortization	**$ 7,588**	**$ 6,453**

	Three Months Ended March 31,	
Interest Coverage Ratio	2024	2023
Interest Expense, excluding non-cash amortization [(1)]	$ 7,588	$ 6,453
Adjusted EBITDA [(2)]	26,729	31,172
Interest Coverage Ratio	3.52x	4.83x
Fixed Charge Coverage Ratio		
Interest Expense, excluding non-cash amortization [(1)]	$ 7,588	$ 6,453
Secured debt principal amortization	—	—
Total fixed charges	7,588	6,453
Adjusted EBITDA [(2)]	26,729	31,172
Fixed Charge Coverage Ratio	3.52x	4.83x

(1) Refer to the Statement of Operations for interest expense calculated in accordance with GAAP and to the Supplemental Information Package for the required reconciliation to the most directly comparable GAAP financial measure.

(2) Refer to the Statement of Operations for net income calculated in accordance with GAAP and to the EBITDAre and Adjusted EBITDA section above for the required reconciliation to the most directly comparable GAAP financial measure.

Net Debt	March 31, 2024	December 31, 2023
Mortgages payable, net	$ 353,028	$ 352,856
Credit facility revolver	116,000	116,000
Total debt - as reported	**469,028**	**468,856**
Deferred financing costs, net	1,972	2,144
Principal Outstanding	**471,000**	**471,000**
Proportionate share of Unconsolidated Joint Venture Principal Outstanding	27,332	27,332
Adjusted Principal Outstanding	**498,332**	**498,332**
Cash and cash equivalents	(23,618)	(22,473)
Proportionate share of Unconsolidated Joint Venture cash and cash equivalents	(633)	(650)
Net Debt	**$ 474,081**	**$ 475,209**

ORION OFFICE REIT INC.
FINANCIAL AND OPERATIONS STATISTICS AND RATIOS
(Dollars in thousands) (Unaudited)

	March 31, 2024	December 31, 2023
Total real estate investments, at cost - as reported	$ 1,305,227	$ 1,320,396
Adjustments:		
Gross intangible lease assets	311,914	333,658
Gross intangible lease liabilities	(29,779)	(31,250)
Proportionate share of Unconsolidated Joint Venture Gross Real Estate Investments	45,552	45,548
Gross Real Estate Investments	**$ 1,632,914**	**$ 1,668,352**

	March 31, 2024	December 31, 2023
Net Debt Ratios		
Net Debt [1]	$ 474,081	$ 475,209
Adjusted EBITDA [2]	106,916	118,542
Net Debt to Adjusted EBITDA Ratio [2]	4.43x	4.01x
Net Debt [1]	$ 474,081	$ 475,209
Gross Real Estate Investments [1]	1,632,914	1,668,352
Net Debt Leverage Ratio	29.0 %	28.5 %
Unencumbered Assets/Real Estate Assets		
Unencumbered Gross Real Estate Investments	$ 1,021,402	$ 1,060,660
Gross Real Estate Investments [1]	1,632,914	1,668,352
Unencumbered Asset Ratio	62.6 %	63.6 %

(1) Refer to the Balance Sheets for total debt and real estate investments, at cost calculated in accordance with GAAP and to the table above for the required reconciliation to the most directly comparable GAAP financial measure.

(2) Adjusted EBITDA for the quarter ended March 31, 2024 has been annualized for the purpose of this calculation.

Exhibit 99.2

Orion
Office REIT

Supplemental Information Package

2024

First Quarter

Orion Supplemental Information

March 31, 2024

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About the Data

This data and other information described herein are as of and for the quarter ended March 31, 2024, unless otherwise indicated. Future performance may not be consistent with past performance and is subject to change and inherent risks and uncertainties. This information should be read in conjunction with the consolidated and combined financial statements and the Management's Discussion and Analysis of Financial Condition and Results of Operations sections contained in Orion Office REIT Inc.'s (the "Company," "Orion," "us," "our" and "we") Quarterly Report on Form 10-Q for the period ended March 31, 2024 and Annual Report on Form 10-K for the year ended December 31, 2023.

Forward-Looking Statements

Information set forth herein includes “forward-looking statements” which reflect the Company's expectations and projections regarding future events and plans, future financial condition, results of operations, liquidity and business, including leasing and occupancy, acquisitions, dispositions, rent receipts, expected borrowings and financing costs and the payment of future dividends. Generally, the words "anticipates," "assumes," "believes," "continues," "could," "estimates," "expects," "goals," "intends," "may," "plans," "projects," "seeks," "should," "targets," "will," "guidance," variations of such words and similar expressions identify forward-looking statements. These forward-looking statements are based on information currently available to the Company and involve a number of known and unknown assumptions and risks, uncertainties and other factors, which may be difficult to predict and beyond the Company's control, that could cause actual events and plans or could cause the Company's business, financial condition, liquidity and results of operations to differ materially from those expressed or implied in the forward-looking statements. Further, information regarding historical rent collections should not serve as an indication of future rent collections.

The following factors, among others, could cause actual results to differ materially from those set forth in the forward-looking statements:

- the risk of rising interest rates, including that our borrowing costs may increase and we may be unable to extend or refinance our debt obligations on favorable terms and in a timely manner, or at all;
- the risk of inflation, including that our operating costs, such as insurance premiums, utilities, real estate taxes, capital expenditures and repair and maintenance costs, may rise;
- conditions associated with the global market, including an oversupply of office space, tenant credit risk and general economic conditions and geopolitical conditions;
- the extent to which changes in workplace practices and office space utilization, including remote and hybrid work arrangements, will continue and the impact that may have on demand for office space at our properties;
- our ability to acquire new properties and sell non-core assets on favorable terms and in a timely manner, or at all;
- our ability to comply with the terms of our credit agreements or to meet the debt obligations on our properties, including our ability to satisfy the conditions to extend our credit facility revolver;
- our ability to access the capital markets to raise additional equity or refinance maturing debt on favorable terms and in a timely manner, or at all;
- changes in the real estate industry and in performance of the financial markets and interest rates and our ability to effectively hedge against interest rate changes;
- the risk of tenants defaulting on their lease obligations, which is heightened due to our focus on single-tenant properties;
- our ability to renew leases with existing tenants or re-let vacant space to new tenants on favorable terms and in a timely manner, or at all;
- the cost of rent concessions, tenant improvement allowances and leasing commissions;
- the potential for termination of existing leases pursuant to tenant termination rights;
- the amount, growth and relative inelasticity of our expenses;
- risks associated with the ownership and development of real property;
- risks accompanying the management of OAP/VER Venture, LLC, our unconsolidated joint venture, in which we hold a non-controlling ownership interest;
- our ability to close pending real estate transactions, which may be subject to conditions that are outside of our control;
- our ability to accurately forecast the payment of future dividends on our common stock, and the amount of such dividends;
- risks associated with acquisitions, including the risk that we may not be in a position, or have the opportunity in the future, to make suitable property acquisitions on advantageous terms and/or that such acquisitions will fail to perform as expected;
- risks associated with the fact that we have a limited operating history and our future performance is difficult to predict;
- our properties may be subject to impairment charges;
- risks resulting from losses in excess of insured limits or uninsured losses;
- risks associated with the potential volatility of our common stock; and
- the risk that we may fail to maintain our income tax qualification as a real estate investment trust.

Additional factors that may affect future results are contained in the Company's filings with the SEC, which are available at the SEC's website at www.sec.gov. The Company disclaims any obligation to publicly update or revise any forward-looking statements, whether as a result of changes in underlying assumptions or factors, new information, future events or otherwise, except as required by law.

Company Overview

(unaudited)

***Orion** is a real estate company incorporated in the state of Maryland on July 1, 2021, which has elected to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes, commencing with our initial taxable year ended December 31, 2021.*

Orion is an internally managed REIT engaged in the ownership, acquisition and management of a diversified portfolio of office buildings in high-quality suburban markets across the U.S. and leased primarily on a single-tenant net lease basis to creditworthy tenants. Our portfolio is comprised of traditional office buildings, as well as governmental office, medical office, flex/laboratory and R&D, and flex/industrial properties. As of March 31, 2024, Orion owned and operated a portfolio of 75 office properties totaling approximately 8.7 million leasable square feet located within 29 states. In addition, Orion owns a 20% equity interest in one Unconsolidated Joint Venture with an affiliate of Arch Street Capital Partners, which, as of March 31, 2024, owned a portfolio consisting of six office properties totaling approximately 1.0 million leasable square feet located within six states. As of March 31, 2024, approximately 70.1% of our Annualized Base Rent was from Investment-Grade Tenants, our Occupancy Rate was 75.8%, or 83.2% adjusted for properties that are currently under agreements to be sold, and our Weighted Average Remaining Lease Term was 4.1 years.

Orion's Annualized Base Rent as of March 31, 2024 was approximately $132.8 million. The top tenants, tenant industries and geographic locations of the Company's properties are outlined in the following sections: "Tenants Comprising Over 1% of Annualized Base Rent," "Tenant Industry Diversification," and "Property Geographic Diversification," respectively.

Tenants, Trademarks and Logos

Orion is not affiliated or associated with, is not endorsed by, does not endorse, and is not sponsored by or a sponsor of the tenants or of their products or services pictured or mentioned. The names, logos and all related product and service names, design marks and slogans are the trademarks or service marks of their respective companies.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Company Overview (cont.)

Senior Management

Paul H. McDowell, Chief Executive Officer, President

Gavin B. Brandon, Executive Vice President, Chief Financial Officer and Treasurer

Christopher H. Day, Executive Vice President, Chief Operating Officer

Gary E. Landriau, Executive Vice President, Chief Investment Officer

Paul C. Hughes, General Counsel and Secretary

Revea L. Schmidt, Senior Vice President, Chief Accounting Officer

Board of Directors

Reginald H. Gilyard, Non-Executive Chairman, Independent Director

Kathleen R. Allen, Ph.D., Independent Director

Richard J. Lieb, Independent Director

Gregory J. Whyte, Independent Director

Paul H. McDowell, Chief Executive Officer, President and Director

Corporate Offices and Contact Information

2398 E. Camelback Road, Suite 1060
Phoenix, AZ 85016
602-698-1002
www.ONLREIT.com

122 E. 42nd Street, Suite 5100
New York, NY 10168

Trading Symbol: *ONL*

Stock Exchange Listing: *New York Stock Exchange*

Transfer Agent

Computershare Trust Company, N.A.
462 South 4th Street, Suite 1600
Louisville, KY 40202
855-866-0787

Balance Sheets

(unaudited, in thousands)

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Assets					
Real estate investments, at cost:					
Land	$ 223,439	$ 223,264	$ 227,203	$ 229,105	$ 236,966
Buildings, fixtures and improvements	1,081,788	1,097,132	1,106,383	1,111,646	1,127,590
Total real estate investments, at cost	1,305,227	1,320,396	1,333,586	1,340,751	1,364,556
Less: accumulated depreciation	165,490	158,791	156,904	149,147	141,093
Total real estate investments, net	1,139,737	1,161,605	1,176,682	1,191,604	1,223,463
Accounts receivable, net	24,942	24,663	26,911	24,960	24,697
Intangible lease assets, net	110,145	126,364	144,304	161,885	182,629
Cash and cash equivalents	23,618	22,473	32,286	42,209	23,755
Real estate assets held for sale, net	—	—	3,818	16,251	2,502
Other assets, net	87,077	88,828	120,390	90,998	89,826
Total assets	**$ 1,385,519**	**$ 1,423,933**	**$ 1,504,391**	**$ 1,527,907**	**$ 1,546,872**
Liabilities and Equity					
Mortgages payable, net	$ 353,028	$ 352,856	$ 352,683	$ 352,509	$ 352,337
Credit facility term loan, net	—	—	—	—	174,153
Credit facility revolver	116,000	116,000	175,000	175,000	—
Accounts payable and accrued expenses	23,732	30,479	30,570	22,326	19,957
Below-market lease liabilities, net	6,753	8,074	9,481	10,996	12,526
Distributions payable	5,587	5,578	5,578	5,670	5,666
Other liabilities, net	24,468	23,943	21,811	23,682	22,286
Total liabilities	**529,568**	**536,930**	**595,123**	**590,183**	**586,925**
Common stock	56	56	56	57	57
Additional paid-in capital	1,145,264	1,144,636	1,143,825	1,148,155	1,147,466
Accumulated other comprehensive (loss) income	(45)	(264)	986	3,026	4,540
Accumulated deficit	(290,710)	(258,805)	(237,026)	(214,929)	(193,516)
Total stockholders' equity	854,565	885,623	907,841	936,309	958,547
Non-controlling interest	1,386	1,380	1,427	1,415	1,400
Total equity	**855,951**	**887,003**	**909,268**	**937,724**	**959,947**
Total liabilities and equity	**$ 1,385,519**	**$ 1,423,933**	**$ 1,504,391**	**$ 1,527,907**	**$ 1,546,872**

Statements of Operations

(unaudited, in thousands, except per share data)

	Three Months Ended				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Revenues:					
Rental	$ 46,995	$ 43,551	$ 48,876	$ 51,824	$ 49,990
Fee income from unconsolidated joint venture	202	200	200	200	200
Total revenues	**47,197**	**43,751**	**49,076**	**52,024**	**50,190**
Operating expenses:					
Property operating	15,999	14,446	15,506	15,487	15,344
General and administrative	4,949	5,479	4,367	4,565	4,309
Depreciation and amortization	24,504	26,055	27,013	27,877	28,166
Impairments	19,685	6,136	11,403	11,819	3,754
Transaction related	110	148	101	150	105
Total operating expenses	**65,247**	**52,264**	**58,390**	**59,898**	**51,678**
Other (expenses) income:					
Interest expense, net	(8,146)	(7,928)	(7,380)	(7,222)	(7,139)
Gain on disposition of real estate assets	—	13	18	—	—
Loss on extinguishment of debt, net	—	—	—	(504)	—
Other income, net	163	273	437	165	36
Equity in loss of unconsolidated joint venture, net	(116)	(109)	(108)	(95)	(123)
Total other (expenses) income, net	**(8,099)**	**(7,751)**	**(7,033)**	**(7,656)**	**(7,226)**
Loss before taxes	**(26,149)**	**(16,264)**	**(16,347)**	**(15,530)**	**(8,714)**
Provision for income taxes	(77)	49	(160)	(185)	(160)
Net loss	**(26,226)**	**(16,215)**	**(16,507)**	**(15,715)**	**(8,874)**
Net (income) loss attributable to non-controlling interest	(6)	47	(12)	(15)	(11)
Net loss attributable to common stockholders	**$ (26,232)**	**$ (16,168)**	**$ (16,519)**	**$ (15,730)**	**$ (8,885)**
Weighted-average shares outstanding - basic and diluted	55,803	55,782	56,543	56,680	56,642
Basic and diluted net loss per share attributable to common stockholders	**$ (0.47)**	**$ (0.29)**	**$ (0.29)**	**$ (0.28)**	**$ (0.16)**

Funds From Operations (FFO), Core FFO and Funds Available for Distribution (FAD)

(unaudited, in thousands, except per share data)

	Three Months Ended				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Net loss attributable to common stockholders	$ (26,232)	$ (16,168)	$ (16,519)	$ (15,730)	$ (8,885)
Adjustments:					
Depreciation and amortization of real estate assets	24,472	26,029	26,988	27,852	28,142
Gain on disposition of real estate assets	—	(13)	(18)	—	—
Impairment of real estate	19,685	6,136	11,403	11,819	3,754
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	464	463	463	463	462
FFO attributable to common stockholders	**$ 18,389**	**$ 16,447**	**$ 22,317**	**$ 24,404**	**$ 23,473**
Transaction related	110	148	101	150	105
Amortization of deferred financing costs	924	933	933	1,060	1,048
Amortization of deferred lease incentives, net	123	115	(14)	99	102
Equity-based compensation	790	826	687	689	526
Loss on extinguishment of debt, net	—	—	—	504	—
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	29	30	29	29	29
Core FFO attributable to common stockholders	**$ 20,365**	**$ 18,499**	**$ 24,053**	**$ 26,935**	**$ 25,283**
Amortization of above and below market leases, net	(537)	(361)	(346)	(274)	(215)
Straight-line rental revenue	(549)	679	(1,369)	(2,275)	(2,684)
Unconsolidated Joint Venture basis difference amortization	114	114	113	114	133
Capital expenditures and leasing costs	(3,445)	(7,443)	(8,359)	(2,172)	(3,338)
Other adjustments, net	108	116	66	74	131
Proportionate share of Unconsolidated Joint Venture adjustments for the items above, as applicable	(21)	(36)	(40)	(41)	(40)
FAD attributable to common stockholders	**$ 16,035**	**$ 11,568**	**$ 14,118**	**$ 22,361**	**$ 19,270**
Weighted-average shares outstanding - basic	55,803	55,782	56,543	56,680	56,642
Effect of weighted-average dilutive securities (1)	55	37	26	11	18
Weighted-average shares outstanding - diluted	**55,858**	**55,819**	**56,569**	**56,691**	**56,660**
FFO attributable to common stockholders per diluted share	$ 0.33	$ 0.29	$ 0.39	$ 0.43	$ 0.41
Core FFO attributable to common stockholders per diluted share	$ 0.36	$ 0.33	$ 0.43	$ 0.48	$ 0.45
FAD attributable to common stockholders per diluted share	$ 0.29	$ 0.21	$ 0.25	$ 0.39	$ 0.34

(1) Dilutive securities include unvested restricted stock units net of assumed repurchases in accordance with the treasury stock method and exclude performance-based restricted stock units for which the thresholds have not been met by the end of the applicable reporting period. Such dilutive securities are not included when calculating net loss per diluted share applicable to the Company for the periods presented above, as the effect would be antidilutive.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

EBITDA, EBITDAre and Adjusted EBITDA

(unaudited, in thousands)

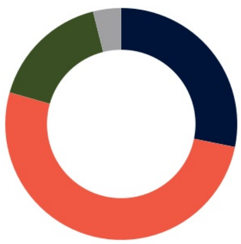
	Three Months Ended				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Net loss attributable to common stockholders	$ (26,232)	$ (16,168)	$ (16,519)	$ (15,730)	$ (8,885)
Adjustments:					
Interest expense	8,146	7,928	7,380	7,222	7,139
Depreciation and amortization	24,504	26,055	27,013	27,877	28,166
Provision for income taxes	77	(49)	160	185	160
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	860	864	864	861	854
EBITDA	**$ 7,355**	**$ 18,630**	**$ 18,898**	**$ 20,415**	**$ 27,434**
Gain on disposition of real estate assets	—	(13)	(18)	—	—
Impairment of real estate	19,685	6,136	11,403	11,819	3,754
EBITDAre	**$ 27,040**	**$ 24,753**	**$ 30,283**	**$ 32,234**	**$ 31,188**
Transaction related	110	148	101	150	105
Amortization of above and below market leases, net	(537)	(361)	(346)	(274)	(215)
Amortization of deferred lease incentives, net	123	115	(14)	100	101
Loss on extinguishment of debt, net	—	—	—	504	—
Proportionate share of Unconsolidated Joint Venture adjustments for items above, as applicable	(7)	(8)	(7)	(8)	(7)
Adjusted EBITDA	**$ 26,729**	**$ 24,647**	**$ 30,017**	**$ 32,706**	**$ 31,172**

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Capital Structure

(unaudited, dollars and shares in thousands, except per share amounts)

Capitalization
(as of March 31, 2024)



Common equity	28.2%
Mortgages payable	51.2%
Credit facility revolver [4]	16.7%
Proportionate share of Unconsolidated Joint Venture debt	3.9%

Fixed vs. Variable Rate Debt

Fixed and Swapped to Fixed	76.7 %
Variable [4]	23.3 %

Orion Capitalization Table

			March 31, 2024
Common stock outstanding			55,870
Stock price			$ 3.51
Implied Equity Market Capitalization			**$ 196,104**
	Wtd. Avg. Maturity (Years)	**Interest Rate [1]**	**March 31, 2024**
Mortgages payable	2.9	4.97 %	$ 355,000
Proportionate share of Unconsolidated Joint Venture debt [2]	0.7	5.19 %	27,332
Total secured debt	**2.7**	**4.99 %**	**$ 382,332**
Total unsecured credit facility revolver [3] [4]	**2.1**	**8.66 %**	**$ 116,000**
Total Principal Outstanding	**2.6**	**5.84 %**	**$ 498,332**
Total Capitalization			**$ 694,436**
Cash and cash equivalents			23,618
Proportionate share of Unconsolidated Joint Venture cash and cash equivalents			633
Enterprise Value			**$ 670,185**
Net Debt/Enterprise Value			70.7 %
Net Debt/Gross Real Estate Investments			29.0 %
Fixed Charge Coverage Ratio			3.52x
Liquidity [5]			$ 258,251
Net Debt/Annualized Adjusted EBITDA			4.43x

(1) Interest rate for variable rate debt represents the interest rate in effect as of March 31, 2024.

(2) The Unconsolidated Joint Venture mortgages payable mature on November 27, 2024 with two successive one-year options to extend the maturity an additional 24 months until November 27, 2026 if certain financial and operating covenants and other customary conditions are satisfied. We cannot provide any assurance that the Unconsolidated Joint Venture will be able to satisfy the extension conditions or otherwise extend or refinance this debt obligation on or prior to maturity. The Unconsolidated Joint Venture mortgages payable have a variable interest rate which is determined, at the election of the borrower, on the basis of Daily Simple SOFR or a base rate, in the case of a SOFR loan, plus 1.60% per annum, and in the case of a base rate loan, plus 0.50% per annum; however, the Unconsolidated Joint Venture has entered into an interest rate swap agreement which effectively fixes the interest rate on the mortgage notes at 5.19% per annum until May 27, 2024. Upon the scheduled expiration of the interest rate swap agreement, the borrowing cost on the Unconsolidated Joint Venture mortgages payable will no longer be effectively fixed, but rather will float and immediately shift to prevailing short-term interest rates based on the benchmark and applicable margin described above, and the Unconsolidated Joint Venture will be exposed to interest rate fluctuations on these borrowings.

(3) Under the related loan agreements, these borrowings which are secured only by a pledge of equity interests are treated as unsecured indebtedness. The Company's otherwise unencumbered properties are part of the unencumbered property pool under the related loan agreements and therefore, generally are not available to simultaneously serve as collateral under other borrowings.

(4) The credit facility revolver matures on November 12, 2024 with an option to extend the maturity an additional 18 months until May 12, 2026 if customary conditions are satisfied. This table assumes exercise of the extension option, however, we cannot provide any assurance we will be able to satisfy the extension conditions. There was $116.0 million outstanding on the credit facility revolver as of March 31, 2024 and it is a variable rate facility with the interest rate determined, at the election of the borrower, on the basis of Daily Simple SOFR, Term SOFR or a base rate, in the case of a SOFR loan, plus 3.35% per annum, and in the case of a base rate loan, plus 2.25% per annum. However, the Company entered into interest rate collar agreements on a total notional amount of $60.0 million to hedge against interest rate volatility on the credit facility revolver. Under the agreements, the benchmark rate for the credit facility revolver will float between 5.50% per annum and 4.20% per annum on $25.0 million, and 5.50% per annum and 4.035% per annum on $35.0 million, effective from November 13, 2023 until May 12, 2025.

(5) Liquidity represents cash and cash equivalents of $24.3 million, including the Company's pro rata share of cash from the Unconsolidated Joint Venture, as well as $234.0 million available capacity on our credit facility revolver as of March 31, 2024 and after giving effect to the May 3, 2024 amendment to the credit facility revolver. On May 3, 2024, the Company entered into an amendment to its credit facility revolver. Under the terms of the amendment, the Company has rightsized the revolver to $350.0 million, through a $75.0 million-capacity reduction, while making a proportional reduction in the minimum value of the unencumbered asset pool required under the credit agreement and certain other modifications to financial covenants.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Debt Detail

(unaudited, dollars in thousands)

Principal Payments Due	Total	2024	2025	2026	2027
Credit facility revolver (1)	$ 116,000	$ —	$ —	$ 116,000	$ —
Mortgages payable	355,000	—	—	—	355,000
Proportionate share of Unconsolidated Joint Venture debt(2)	27,332	27,332	—	—	—
Total Principal Outstanding	**$ 498,332**	**$ 27,332**	**$ —**	**$ 116,000**	**$ 355,000**

Debt Type	Percentage of Principal Outstanding	Interest Rate (3)	Weighted-Average Years to Maturity
Credit facility revolver (1)	23.3 %	8.66 %	2.1
Mortgages payable	71.2 %	4.97 %	2.9
Proportionate share of Unconsolidated Joint Venture debt (2)	5.5 %	5.19 %	0.7
Total	**100.0 %**	**5.84 %**	**2.6**
Total unsecured debt	23.3 %	8.66 %	2.1
Total secured debt	76.7 %	4.99 %	2.7
Total	**100.0 %**	**5.84 %**	**2.6**
Total fixed-rate and swapped to fixed-rate debt	76.7 %	4.99 %	2.7
Total variable-rate debt	23.3 %	8.66 %	2.1
Total	**100.0 %**	**5.84 %**	**2.6**

(1) The credit facility revolver matures on November 12, 2024 with an option to extend the maturity an additional 18 months until May 12, 2026 if customary conditions are satisfied. This table assumes exercise of the extension option, however, we cannot provide any assurance we will be able to satisfy the extension conditions. There was $116.0 million outstanding on the credit facility revolver as of March 31, 2024 and it is a variable rate facility with the interest rate determined, at the election of the borrower, on the basis of Daily Simple SOFR, Term SOFR or a base rate, in the case of a SOFR loan, plus 3.35% per annum, and in the case of a base rate loan, plus 2.25% per annum. However, the Company entered into interest rate collar agreements on a total notional amount of $60.0 million to hedge against interest rate volatility on the credit facility revolver. Under the agreements, the benchmark rate for the credit facility revolver will float between 5.50% per annum and 4.20% per annum on $25.0 million, and 5.50% per annum and 4.035% per annum on $35.0 million, effective from November 13, 2023 until May 12, 2025.

(2) The Unconsolidated Joint Venture mortgages payable mature on November 27, 2024 with two successive one-year options to extend the maturity an additional 24 months until November 27, 2026 if certain financial and operating covenants and other customary conditions are satisfied. We cannot provide any assurance that the Unconsolidated Joint Venture will be able to satisfy the extension conditions or otherwise extend or refinance this debt obligation on or prior to maturity. The Unconsolidated Joint Venture mortgages payable have a variable interest rate which is determined, at the election of the borrower, on the basis of Daily Simple SOFR or a base rate, in the case of a SOFR loan, plus 1.60% per annum, and in the case of a base rate loan, plus 0.50% per annum; however, the Unconsolidated Joint Venture has entered into an interest rate swap agreement which effectively fixes the interest rate on the mortgage notes at 5.19% per annum until May 27, 2024. Upon the scheduled expiration of the interest rate swap agreement, the borrowing cost on the Unconsolidated Joint Venture mortgages payable will no longer be effectively fixed, but rather will float and immediately shift to prevailing short-term interest rates based on the benchmark and applicable margin described above, and the Unconsolidated Joint Venture will be exposed to interest rate fluctuations on these borrowings.

(3) Interest rate for variable rate debt represents the interest rate in effect as of March 31, 2024.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Ratio Analysis

(unaudited, dollars in thousands)

	Three Months Ended				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Interest Coverage Ratio					
Interest Expense, excluding non-cash amortization (1)	$ 7,588	$ 7,365	$ 6,818	$ 6,529	$ 6,453
Adjusted EBITDA (2)	26,729	24,647	30,017	32,706	31,172
Interest Coverage Ratio	3.52x	3.35x	4.40x	5.01x	4.83x
Fixed Charge Coverage Ratio					
Interest Expense, excluding non-cash amortization (1)	$ 7,588	$ 7,365	$ 6,818	$ 6,529	$ 6,453
Secured debt principal amortization	—	—	—	—	—
Total fixed charges	7,588	7,365	6,818	6,529	6,453
Adjusted EBITDA (2)	26,729	24,647	30,017	32,706	31,172
Fixed Charge Coverage Ratio	3.52x	3.35x	4.40x	5.01x	4.83x

(1) Refer to the Statements of Operations section for interest expense calculated in accordance with GAAP and to the Definitions section for the required reconciliation to the most directly comparable GAAP financial measure.

(2) Refer to the Statements of Operations section for net loss calculated in accordance with GAAP and to the EBITDAre and Adjusted EBITDA section for the required reconciliation to the most directly comparable GAAP financial measure.

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Net Debt Ratios					
Net Debt (1)	$ 474,081	$ 475,209	$ 491,140	$ 514,418	$ 532,850
Adjusted EBITDA (2)	106,916	118,542	120,068	130,824	124,688
Net Debt to Adjusted EBITDA Ratio	4.43x	4.01x	4.09x	3.93x	4.27x
Net Debt (1)	$ 474,081	$ 475,209	$ 491,140	$ 514,418	$ 532,850
Gross Real Estate Investments (1)	1,632,914	1,668,352	1,698,387	1,716,594	1,734,559
Net Debt Leverage Ratio	29.0 %	28.5 %	28.9 %	30.0 %	30.7 %
Unencumbered Assets/Real Estate Assets					
Unencumbered Gross Real Estate Investments (1)	$ 1,021,402	$ 1,060,660	$ 1,092,464	$ 1,112,811	$ 1,131,272
Gross Real Estate Investments (1)	1,632,914	1,668,352	1,698,387	1,716,594	1,734,559
Unencumbered Asset Ratio	62.6 %	63.6 %	64.3 %	64.8 %	65.2 %

(1) Refer to the Balance Sheets section for total debt and real estate investments, at cost calculated in accordance with GAAP and to the Definitions section for the required reconciliation to the most directly comparable GAAP financial measure. The Company's otherwise unencumbered properties are part of the unencumbered property pool under the related loan agreements and therefore, generally are not available to simultaneously serve as collateral under other borrowings.

(2) Adjusted EBITDA for the quarters ended March 31, 2024, September 30, 2023, June 30, 2023, and March 31, 2023 has been annualized for the purpose of this calculation.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Credit Facility Revolver Covenants

(unaudited)

The following is a summary of financial covenants for the Company's credit facility revolver as defined and calculated per the terms of the facility's credit agreement. These calculations are presented to investors to show the Company's compliance with the financial cove nants and are not measures of our liquidity or performance. As of March 31, 2024, the Company believes it is in compliance with these covenants based on the covenant limits and calculations in place at that time.

Credit Facility Revolver Financial Covenants	Required	March 31, 2024
Ratio of total indebtedness to total asset value	≤ 60%	38.5%
Ratio of adjusted EBITDA to fixed charges	≥ 1.5x	3.50x
Ratio of secured indebtedness to total asset value	≤ 40%	29.4%
Ratio of unsecured indebtedness to unencumbered asset value	≤ 60% (1)	13.8%
Ratio of unencumbered adjusted NOI to unsecured interest expense	≥ 2.00x	7.00x
Unencumbered asset value (2)	≥ $600.0 million	$773.4 million

(1) If the ratio of unsecured indebtedness to unencumbered asset value exceeds 35% as of the end of two consecutive fiscal quarters, the Company will be required, within 90 days and subject to cure rights, to grant the administrative agent a first priority lien on all the properties included in the pool of unencumbered assets (other than properties identified for disposition by the Company so long as such properties are sold within one year of such identification).

(2) On May 3, 2024, the Company closed on an amendment to its credit facility revolver. Under the terms of the amendment, among other things, the minimum unencumbered asset value under the credit facility revolver has been reduced to $500.0 million, from $600.0 million.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Net Operating Income (NOI) and Cash NOI

(unaudited, dollars in thousands)

	Three Months Ended				
	March 31, 2024	**December 31, 2023**	**September 30, 2023**	**June 30, 2023**	**March 31, 2023**
Rental revenue:					
Cash rental revenue	$ 31,678	$ 33,466	$ 35,491	$ 36,410	$ 36,104
Fixed reimbursements	1,446	1,436	1,737	1,399	1,384
Variable reimbursements	11,196	7,646	9,203	10,679	8,482
Straight-line rental revenue	549	(679)	1,369	2,275	2,684
Amortization of above and below market leases, net	537	361	346	274	215
Amortization of deferred lease incentives, net	(123)	(115)	14	(100)	(101)
Other rental revenue	1,712	1,436	716	887	1,222
Total rental revenue	46,995	43,551	48,876	51,824	49,990
Property operating expense	(15,999)	(14,446)	(15,506)	(15,487)	(15,344)
NOI	**$ 30,996**	**$ 29,105**	**$ 33,370**	**$ 36,337**	**$ 34,646**
Adjustments:					
Straight-line rental revenue	(549)	679	(1,369)	(2,275)	(2,684)
Amortization of above and below market leases, net	(537)	(361)	(346)	(274)	(215)
Amortization of deferred lease incentives, net	123	115	(14)	100	101
Other non-cash adjustments	48	49	47	48	48
Proportionate share of Unconsolidated Joint Venture Cash NOI	880	868	863	861	862
Cash NOI	**$ 30,961**	**$ 30,455**	**$ 32,551**	**$ 34,797**	**$ 32,758**

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Leasing Activity

(unaudited, square feet and dollars in thousands)

During the three months ended March 31, 2024 and 2023, we entered into new and renewal leases as summarized in the following tables:

	Three Months Ended March 31, 2024		
	New Leases	Renewals	Total
Number of leases	2	3	5
Rentable square feet leased	92	16	108
Weighted average rental rate change (cash basis) (1) (2)	N/A	32.6 %	32.6 %
Tenant rent concessions and leasing costs (3)	$ 8,432	$ 688	$ 9,120
Tenant rent concessions and leasing costs per rentable square foot (4)	$ 91.46	$ 43.33	$ 84.39
Weighted average lease term (by rentable square feet) (years) (5)	7.2	10.8	7.7
Tenant rent concessions and leasing costs per rentable square foot per year	$ 12.68	$ 4.01	$ 10.91

	Three Months Ended March 31, 2023		
	New Leases	Renewals	Total
Number of leases	2	2	4
Rentable square feet leased	15	68	83
Weighted average rental rate change (cash basis) (1) (2)	(20.3)%	26.9 %	19.7 %
Tenant rent concessions and leasing costs (3)	$ 756	$ 984	$ 1,740
Tenant rent concessions and leasing costs per rentable square foot (4)	$ 50.38	$ 14.68	$ 21.21
Weighted average lease term (by rentable square feet) (years) (5)	8.8	14.3	13.3
Tenant rent concessions and leasing costs per rentable square foot per year	$ 5.72	$ 1.03	$ 1.60

(1) Represents weighted average percentage increase or decrease in (i) the annualized monthly cash amount charged to the applicable tenants (including monthly base rent receivables and certain fixed contractually obligated reimbursements by the applicable tenants, which may include estimates) as of the commencement date of the new lease term (excluding any full or partial rent abatement period) compared to (ii) the annualized monthly cash amount charged to the applicable tenants (including the monthly base rent receivables and certain fixed contractually obligated reimbursements by the applicable tenants, which may include estimates) as of the expiration date of the prior lease term. Contractually obligated reimbursements include estimated amortization of certain landlord funded improvements under our United States Government leases. If a space has been vacant for more than 12 months prior to the execution of a new lease or was previously otherwise not generating full cash rental revenue, the lease will be excluded from the rental rate change calculation.

(2) Excludes two new leases for approximately 92,000 square feet of space for the three months ended March 31, 2024 and one new lease for approximately 4,000 square feet of space for the three months ended March 31, 2023 that had been vacant for more than 12 months at the time the new lease was executed.

(3) Includes tenant improvement allowances and base building allowances, leasing commissions and free rent (includes estimates of property operating expenses, where applicable). Beginning in 2024, the Company has updated this calculation to also include estimates for certain reimbursable and non-reimbursable landlord funded improvements, and has applied this change retrospectively for comparison purposes.

(4) Includes reimbursable landlord funded improvements of $51.89 per rentable square foot for new leases, $17.09 per rentable square foot for renewals, and $46.77 per rentable square foot in total for the three months ended March 31, 2024. There were no reimbursable landlord funded improvements included in the tenant rent concessions and leasing costs for the three months ended March 31, 2023.

(5) Weighted average lease term does not include specified periods of the stated lease term during which a tenant has the right to terminate their space without a termination fee, or "non-firm terms." The total weighted average lease term for new leases and renewals executed during three months ended March 31, 2024 and 2023 would be 14.2 years and 17.1 years, respectively, if such non-firm terms were included.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Vacant Property Operating Expenses

(unaudited, in thousands for the three months ended March 31, 2024)

	Square Feet	Total Expenses
Fully vacant - full period	1,455	$ 2,632
Fully vacant - partial period (1)	328	198
Fully vacant subtotal (2)	**1,783**	**$ 2,830**
Partially vacant properties (3)	366	662
Total	**2,149**	**$ 3,492**

(1) Represents one property that became fully vacant during the three months ended March 31, 2024.

(2) The Company had 14 fully vacant properties as of March 31, 2024, including the six property former Walgreens campus in Deerfield, Illinois which is under agreement to be sold. All expenses are a component of property operating expenses in the consolidated statements of operations and represent expenses we do not expect to be reimbursed.

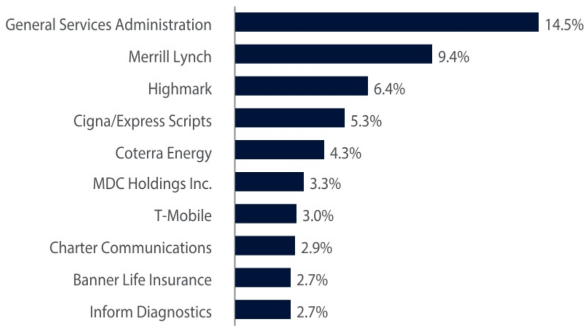
(3) The Company does not record property operating expenses at the suite level; therefore, the total expenses for the three months ended March 31, 2024 for partially vacant properties are estimated by multiplying the vacant square feet of the partially vacant properties by the total annualized expenses per square foot for fully vacant properties and prorating for the three months ended March 31, 2024.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

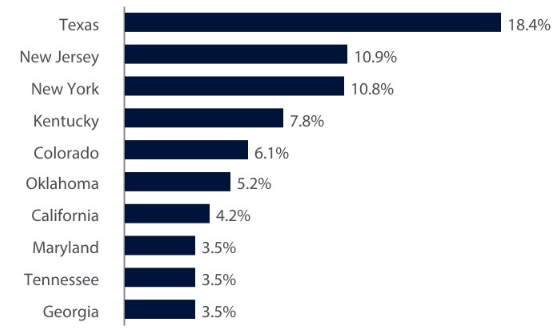
Diversification Statistics: Real Estate Portfolio

(unaudited, percentages based on portfolio Annualized Base Rent as of March 31, 2024, other than occupancy rate which is based on square footage as of March 31, 2024)

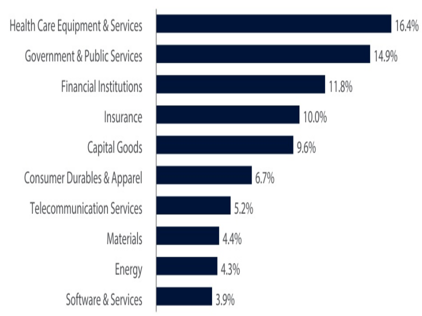
Tenant Diversification



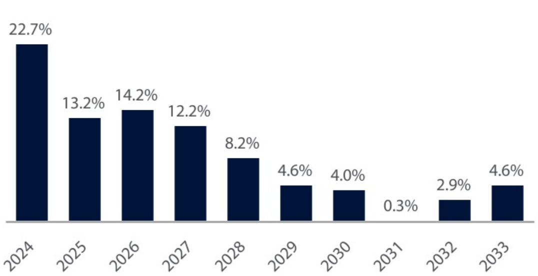
Geographic Diversification



Industry Diversification



Lease Expirations



Statistics
(square feet and dollars in thousands)

Operating Properties		75
Unconsolidated Joint Venture Properties		6
Rentable Square Feet		8,874
Annualized Base Rent	$	132,794
Occupancy Rate		75.8 %
Weighted Average Remaining Lease Term		4.1
Investment-Grade Tenants		70.1 %
NN leases		67.5 %
NNN leases		12.2 %

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Tenants Comprising Over 1% of Annualized Base Rent

(unaudited, square feet and dollars in thousands as of March 31, 2024)

Tenant	Number of Leases	Leased Square Feet	Square Feet as a % of Total Portfolio	Annualized Base Rent	Annualized Base Rent as a % of Total Portfolio	Credit Rating
General Services Administration	15	725	8.2 %	$ 19,214	14.5 %	AA+
Merrill Lynch	1	482	5.4 %	12,465	9.4 %	A-
Highmark Western & Northeastern NY	1	430	4.9 %	8,450	6.4 %	NR
Cigna/Express Scripts	3	365	4.1 %	7,009	5.3 %	A-
Coterra Energy	1	309	3.5 %	5,762	4.3 %	BBB
MDC Holdings Inc.	1	144	1.6 %	4,385	3.3 %	BBB-
T-Mobile	3	217	2.4 %	3,997	3.0 %	BBB
Charter Communications	2	264	3.0 %	3,803	2.9 %	BB+
Banner Life Insurance	1	116	1.3 %	3,581	2.7 %	A
Inform Diagnostics	1	172	1.9 %	3,551	2.7 %	NR
Top Ten Tenants	**29**	**3,224**	**36.3 %**	**72,217**	**54.5 %**	
Remaining Tenants:						
Encompass Health	1	65	0.7 %	3,505	2.6 %	BB-
Collins Aerospace	1	207	2.3 %	3,369	2.5 %	BBB+
Home Depot/HD Supply	2	153	1.7 %	3,173	2.4 %	A
AT&T	1	203	2.3 %	2,921	2.2 %	BBB
Ingram Micro	1	170	1.9 %	2,898	2.2 %	BB-
Linde	1	175	2.0 %	2,714	2.0 %	A
Maximus	2	168	1.9 %	2,579	2.0 %	BB+
Citigroup	1	64	0.7 %	2,459	1.9 %	BBB+
Hasbro	1	136	1.5 %	2,446	1.8 %	BBB
CVS/Aetna	1	127	1.4 %	2,328	1.8 %	BBB
Pulte Mortgage	1	95	1.1 %	2,005	1.5 %	BBB
NetJets	1	140	1.6 %	1,990	1.5 %	NR
Elementis	1	66	0.8 %	1,980	1.5 %	NR
FedEx	1	90	1.0 %	1,744	1.3 %	BBB
General Electric	1	152	1.7 %	1,713	1.3 %	BBB+
AGCO	1	126	1.4 %	1,607	1.2 %	BBB-
Intermec	1	81	0.9 %	1,503	1.1 %	A
Abbott Laboratories	1	131	1.5 %	1,412	1.1 %	AA-
Becton Dickinson	1	72	0.8 %	1,370	1.0 %	BBB
Ifm Efector	1	45	0.5 %	1,316	1.0 %	NR
Life Insurance Company of N.A.	1	54	0.6 %	1,262	1.0 %	AA+
Total	**52**	**5,744**	**64.6 %**	**$ 118,511**	**89.4 %**	

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Tenant Industry Diversification

(unaudited, square feet and dollars in thousands as of March 31, 2024)

Industry	Number of Leases [1]	Leased Square Feet	Leased Square Feet as a % of Total Portfolio	Annualized Base Rent	Annualized Base Rent as a % of Total Portfolio
Health Care Equipment & Services	12	1,109	12.5 %	$ 21,731	16.4 %
Government & Public Services	17	769	8.7 %	19,762	14.9 %
Financial Institutions	3	616	6.9 %	15,720	11.8 %
Insurance	3	600	6.8 %	13,292	10.0 %
Capital Goods	10	846	9.5 %	12,710	9.6 %
Consumer Durables & Apparel	3	375	4.2 %	8,835	6.7 %
Telecommunication Services	5	419	4.7 %	6,918	5.2 %
Materials	4	366	4.1 %	5,873	4.4 %
Energy	1	309	3.5 %	5,762	4.3 %
Software & Services	4	281	3.2 %	5,198	3.9 %
Top Ten Tenant Industries	**62**	**5,690**	**64.1 %**	**115,801**	**87.2 %**
Remaining Tenant Industries:					
Commercial & Professional Services	10	293	3.3 %	4,812	3.6 %
Transportation	4	279	3.1 %	4,505	3.4 %
Media & Entertainment	2	264	3.0 %	3,803	2.9 %
Retailing	3	157	1.8 %	3,247	2.5 %
Utilities	1	26	0.3 %	394	0.3 %
Retail/Restaurant	2	8	0.1 %	130	0.1 %
Consumer Services	2	5	0.1 %	54	— %
Real Estate	1	3	— %	48	— %
Total	**87**	**6,725**	**75.8 %**	**$ 132,794**	**100.0 %**

(1) The Company has certain properties that are subject to multiple leases.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Lease Expirations

(unaudited, square feet and dollars in thousands as of March 31, 2024)

Year of Expiration	Number of Leases Expiring [1]	Leased Square Feet	Leased Square Feet as a % of Total Portfolio	Annualized Base Rent	Annualized Base Rent as a % of Total Portfolio
2024	10	1,486	16.8 %	$ 30,117	22.7 %
2025	11	944	10.6 %	17,524	13.2 %
2026	15	801	9.0 %	18,851	14.2 %
2027	14	975	11.0 %	16,183	12.2 %
2028	11	579	6.5 %	10,861	8.2 %
2029	5	398	4.5 %	6,100	4.6 %
2030	4	142	1.6 %	5,275	4.0 %
2031	1	11	0.1 %	429	0.3 %
2032	3	300	3.4 %	3,850	2.9 %
2033	3	358	4.1 %	6,187	4.6 %
Thereafter	10	731	8.2 %	17,417	13.1 %
Total	**87**	**6,725**	**75.8 %**	**$ 132,794**	**100.0 %**

(1) The Company has certain properties that are subject to multiple leases.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Lease Summary

(unaudited, square feet and dollars in thousands as of March 31, 2024)

Rent Escalations	Number of Leases (1)	Leased Square Feet	Leased Square Feet as a % of Total Portfolio	Annualized Base Rent	Annualized Base Rent as a % of Total Portfolio
Fixed Dollar or Percent Increase	65	5,782	65.2 %	$ 108,652	81.8 %
Flat	6	109	1.2 %	1,708	1.3 %
GSA CPI	14	689	7.8 %	18,473	13.9 %
CPI	2	145	1.6 %	3,961	3.0 %
Total	**87**	**6,725**	**75.8 %**	**$ 132,794**	**100.0 %**

Tenant Expense Obligations	Number of Leases (1)	Leased Square Feet	Leased Square Feet as a % of Total Portfolio	Annualized Base Rent	Annualized Base Rent as a % of Total Portfolio
NN	54	4,818	54.3 %	$ 89,676	67.5 %
Modified Gross	18	968	10.9 %	26,763	20.2 %
NNN	12	931	10.5 %	16,258	12.2 %
Gross	3	8	0.1 %	97	0.1 %
Total	**87**	**6,725**	**75.8 %**	**$ 132,794**	**100.0 %**

(1) The Company has certain properties that are subject to multiple leases.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Property Geographic Diversification

(unaudited, square feet and dollars in thousands as of March 31, 2024)

Location	Number of Properties	Rentable Square Feet	Square Feet as a % of Total Portfolio	Annualized Base Rent	Annualized Base Rent as a % of Total Portfolio
Texas	15	1,353	15.3 %	$ 24,443	18.4 %
New Jersey	3	714	8.1 %	14,445	10.9 %
New York	5	781	8.8 %	14,407	10.8 %
Kentucky	2	458	5.2 %	10,355	7.8 %
Colorado	4	571	6.4 %	8,103	6.1 %
Oklahoma	3	585	6.6 %	6,892	5.2 %
California	3	244	2.8 %	5,532	4.2 %
Maryland	2	236	2.7 %	4,667	3.5 %
Tennessee	4	240	2.7 %	4,667	3.5 %
Georgia	3	284	3.2 %	4,635	3.5 %
Top Ten States	**44**	**5,466**	**61.8 %**	**98,146**	**73.9 %**
Remaining States:					
Virginia	2	240	2.7 %	4,552	3.4 %
Ohio	3	237	2.7 %	3,554	2.7 %
Rhode Island	2	206	2.3 %	3,243	2.4 %
Missouri	3	303	3.4 %	2,981	2.2 %
South Carolina	1	64	0.7 %	2,459	1.9 %
Wisconsin	1	155	1.7 %	2,357	1.8 %
Arizona	1	91	1.0 %	2,282	1.7 %
Illinois	8	738	8.3 %	2,224	1.7 %
Iowa	2	92	1.0 %	1,999	1.5 %
Nebraska	2	180	2.0 %	1,594	1.2 %
Pennsylvania	2	233	2.6 %	1,316	1.0 %
Oregon	1	69	0.8 %	1,142	0.9 %
West Virginia	1	63	0.7 %	1,130	0.8 %
Kansas	2	196	2.2 %	1,044	0.8 %
Idaho	1	35	0.4 %	741	0.6 %
Massachusetts	2	378	4.3 %	726	0.5 %
Indiana	1	83	0.9 %	581	0.4 %
Minnesota	1	39	0.4 %	493	0.4 %
Florida	1	6	0.1 %	230	0.2 %
Total	**81**	**8,874**	**100.0 %**	**$ 132,794**	**100.0 %**

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Property Type

(unaudited, square feet and dollars in thousands as of March 31, 2024)

Property Type	Number of Properties	Rentable Square Feet	Square Feet as a % of Total Portfolio	Annualized Base Rent	Annualized Base Rent as a % of Total Portfolio
Traditional Office	52	6,844	77.1 %	$ 95,609	72.0 %
Governmental Office	16	789	8.9 %	19,852	14.9 %
Medical Office	2	155	1.8 %	5,787	4.4 %
Flex/Laboratory and R&D	4	267	3.0 %	3,752	2.8 %
Flex/Industrial	7	819	9.2 %	7,794	5.9 %
Total Portfolio	**81**	**8,874**	**100.0 %**	**$ 132,794**	**100.0 %**

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Full Portfolio (1)

(unaudited, as of March 31, 2024)

Industry	Address	City	State
Vacant	20 Missouri Research Park Drive	St. Charles	MO
Commercial & Professional Services	4335 Paredes Line Road	Brownsville	TX
Telecommunication Services	3750 Wheeler Road	Augusta	GA
Telecommunication Services	4080 27th Court SE	Salem	OR
Financial Institutions	11 Ewall Street	Mount Pleasant	SC
Health Care Equipment & Services	8455 University Place Drive	St. Louis	MO
Government & Public Services	2305 Hudson Boulevard	Brownsville	TX
Government & Public Services	257 Bosley Industrial Park	Parkersburg	WV
Government & Public Services	2805 Pine Mill Road	Paris	TX
Government & Public Services	3381 U.S. Highway 277	Eagle Pass	TX
Government & Public Services	2475 Cliff Creek Crossing Drive	Dallas	TX
Government & Public Services	3644 Avtech Parkway	Redding	CA
Government & Public Services	5100 W 36th Street	Minneapolis	MN
Government & Public Services	4551 State Route 11 (E)	Malone	NY
Government & Public Services	2600 Voyager Avenue	Sioux City	IA
Government & Public Services	135 Circle Lane	Knoxville	TN
Health Care Equipment & Services	2304 State Highway 121	Bedford	TX
Government & Public Services	3369 U.S. Highway 277	Eagle Pass	TX
Transportation	942 S. Shady Grove Road	Memphis	TN
Transportation	4151 Bridgeway Avenue	Columbus	OH
Vacant	1411 Lake Cook Road	Deerfield	IL
Vacant	1415 Lake Cook Road	Deerfield	IL
Vacant	1417 Lake Cook Road	Deerfield	IL
Vacant	1419 Lake Cook Road	Deerfield	IL
Vacant	1425 Lake Cook Road	Deerfield	IL
Vacant	1435 Lake Cook Road	Deerfield	IL
Capital Goods	601 Third Street SE	Cedar Rapids	IA
Consumer Durables & Apparel	15 LaSalle Square	Providence	RI
Materials	100 Sci Park Boulevard	East Windsor	NJ
Media & Entertainment	6005 Fair Lakes Road	East Syracuse	NY
Government & Public Services	310 Canaveral Groves Boulevard	Cocoa	FL
Government & Public Services	103 & 104 Airport Road	Grangeville	ID
Government & Public Services	2901 Alta Mesa Boulevard	Fort Worth	TX
Government & Public Services	59 Dunning Way	Plattsburgh	NY
Financial Institutions	480 Jefferson Boulevard	Warwick	RI
Capital Goods	1800 Nelson Road	Longmont	CO
Health Care Equipment & Services	1850 Norman Drive North	Waukegan	IL
Health Care Equipment & Services	1333 - 1385 East Shaw Avenue	Fresno	CA
Telecommunication Services	2270 Lakeside Boulevard	Richardson	TX
Health Care Equipment & Services	5859 Farinon Drive	San Antonio	TX
Energy	202 S. Cheyenne	Tulsa	OK
Vacant	7475 S. Joliet Street	Englewood	CO
Consumer Durables & Apparel	4340 & 4350 South Monaco Street	Denver	CO
Vacant	2250 Lakeside Boulevard	Richardson	TX
Commercial & Professional Services	3833 Greenway Drive	Lawrence	KS
Vacant	2201 Noria Road	Lawrence	KS

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Industry	Address	City	State
Materials	1585 Sawdust Road	The Woodlands	TX
Consumer Durables & Apparel	7390 S. Iola Street	Englewood	CO
Vacant	41 Moores Road	Malvern	PA
Media & Entertainment	1254 - 1320 N. Dr. MLK Jr. Drive	Milwaukee	WI
Telecommunication Services	695 Grassmere Park	Nashville	TN
Commercial & Professional Services	1575 Sawdust Road	The Woodlands	TX
Retailing	101 Riverview Parkway	Santee	CA
Materials	6752 Baymeadow Drive	Glen Burnie	MD
Health Care Equipment & Services	6655 North MacArthur Boulevard	Irving	TX
Capital Goods	2087 East 71st Street	Tulsa	OK
Government & Public Services	333 Scott Street	Covington	KY
Software & Services	1759 Wehrle Drive	Amherst	NY
Commercial & Professional Services	6377 Emerald Drive	Dublin	OH
Capital Goods	22640 Davis Drive	Sterling	VA
Capital Goods	1100 Atwater Drive, Lot 11A	Malvern	PA
Health Care Equipment & Services	7353 Company Drive	Indianapolis	IN
Health Care Equipment & Services	1640 Dallas Parkway	Plano	TX
Capital Goods	1705 Kellie Drive	Blair	NE
Vacant	3100 Quail Springs Parkway	Oklahoma City	OK
Software & Services	777 Research Road	Lincoln	NE
Insurance	249 - 257 West Genesee Street	Buffalo	NY
Insurance	3275 Bennett Creek Avenue	Urbana	MD
Health Care Equipment & Services	100 Airpark Center Drive East	Nashville	TN
Retailing	3074 Chastain Meadows Parkway NW	Kennesaw	GA
Capital Goods	4205 River Green Parkway	Duluth	GA
Vacant	8 Sylvan Way	Parsippany	NJ
Vacant	174 & 176 Middlesex Turnpike	Bedford	MA
Financial Institutions	1500 - 1600 Merrill Lynch Drive	Hopewell	NJ
Health Care Equipment & Services	3003 N. 3rd Street	Phoenix	AZ
Capital Goods	70 Mechanic Street	Foxboro	MA
Health Care Equipment & Services	577 Aptakisic Road	Lincolnshire	IL
Transportation	360 Westar Boulevard	Westerville	OH
Software & Services	12975 Worldgate Drive	Herndon	VA
Transportation	580 Atlas Air Way	Erlanger	KY
Utilities	700 Market Street	St. Louis	MO

(1) Includes the properties owned by the Company's Unconsolidated Joint Venture.

See the Definitions section for a description of the Company's non-GAAP and operating metrics.

Unconsolidated Joint Venture Investment Summary

(unaudited, square feet and dollars in thousands)

The following table summarizes the Company's investments in the Arch Street Unconsolidated Joint Venture as of March 31, 2024.

	Legal Ownership Percentage [(1)]	Tenant Industry	Pro Rata Share of Gross Real Estate Investments	Pro Rata Share of Rentable Square Feet	Pro Rata Share of Annualized Base Rent	Pro Rata Share of Principal Outstanding
Schneider Electric - Foxboro, MA	20%	Capital Goods	$ 8,336	50	$ 727	$ 5,090
Sysmex - Lincolnshire, IL	20%	Health Care Equipment & Services	9,239	33	812	5,448
DHL - Westerville, OH	20%	Transportation	6,676	29	448	3,972
Peraton - Herndon, VA	20%	Software & Services	9,812	33	1,184	6,000
Atlas Air - Erlanger, KY	20%	Transportation	5,330	20	323	3,162
Spire Energy - St. Louis, MO	20%	Utilities	6,159	26	394	3,660
			$ 45,552	**191**	**$ 3,888**	**$ 27,332**

(1) Legal ownership percentage may, at times, not equal the Company's economic interest because of various provisions in the joint venture agreement regarding capital contributions, distributions of cash flow based on capital account balances and allocations of profits and losses.

Definitions

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

Annualized Base Rent *is the monthly aggregate cash amount charged to tenants under our leases (including monthly base rent receivables and certain fixed contractually obligated reimbursements by our tenants), as of the final date of the applicable period, multiplied by 12, including the Company's pro rata share of such amounts related to the Unconsolidated Joint Venture. Annualized Base Rent is not indicative of future performance.*

CPI *refers to a lease in which base rent is adjusted based on changes in a consumer price index.*

Credit Rating *of a tenant refers to the Standard & Poor's or Moody's credit rating and such rating also may reflect the rating assigned by Standard & Poor's or Moody's to the lease guarantor or the parent company as applicable.*

Double Net Lease ("NN") *is a lease under which the tenant agrees to pay all operating expenses associated with the property (e.g., real estate taxes, insurance, maintenance), but excludes some or all major repairs (e.g., roof, structure, parking lot, in each case, as further defined in the applicable lease).*

Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("EBITDAre") and Adjusted EBITDA

Due to certain unique operating characteristics of real estate companies, as discussed below, the National Association of Real Estate Investment Trusts, Inc. ("Nareit"), an industry trade group, has promulgated a supplemental performance measure known as Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate. Nareit defines EBITDAre as net income (loss) computed in accordance with GAAP, adjusted for interest expense, income tax expense (benefit), depreciation and amortization, impairment write-downs on real estate, gains or losses from disposition of property and our pro rata share of EBITDAre adjustments related to the Unconsolidated Joint Venture. We calculated EBITDAre in accordance with Nareit's definition described above.

In addition to EBITDAre, we use Adjusted EBITDA as a non-GAAP supplemental performance measure to evaluate the operating performance of the Company. Adjusted EBITDA, as defined by the Company, represents EBITDAre, modified to exclude non-routine items such as transaction related expenses and spin related expenses. We also exclude certain non-cash items such as impairments of intangible and right of use assets, gains or losses on derivatives, gains or losses on the extinguishment or forgiveness of debt, amortization of intangibles, above-market lease assets and deferred lease incentives, net of amortization of below-market lease liabilities and our pro rata share of Adjusted EBITDA adjustments related to the Unconsolidated Joint Venture. Management believes that excluding these costs from EBITDAre provides investors with supplemental performance information that is consistent with the performance models and analysis used by management, and provides investors a view of the performance of our portfolio over time. Therefore, EBITDAre and Adjusted EBITDA should not be considered as an alternative to net income (loss), as determined under GAAP. The Company uses Adjusted EBITDA as one measure of its operating performance when formulating corporate goals and evaluating the effectiveness of the Company's strategies. EBITDAre and Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

Enterprise Value *equals the sum of the Implied Equity Market Capitalization and Net Debt, in each case, as of an applicable date.*

Fixed Charge Coverage Ratio *is (a) Adjusted EBITDA divided by (b) the sum of (i) Interest Expense, excluding non-cash amortization and (ii) secured debt principal amortization on Adjusted Principal Outstanding. Management believes that Fixed Charge Coverage Ratio is a useful supplemental measure of our ability to satisfy fixed financing obligations.*

Fixed Dollar or Percent Increase *refers to a lease that requires contractual rent increases during the term of the lease agreement. A Fixed Dollar or Percent Increase lease may include a period of free rent at the beginning or end of the lease.*

Flat *refers to a lease that requires equal rent payments, with no contractual increases, throughout the term of the lease agreement. A Flat lease may include a period of free rent at the beginning or end of the lease.*

Definitions (cont.)

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

Funds Available for Distribution ("FAD")

Funds available for distribution, as defined by the Company, represents Core FFO, as defined below, modified to exclude capital expenditures and leasing costs, as well as certain non-cash items such as amortization of above market leases, net of amortization of below market lease liabilities, straight-line rental revenue, amortization of the Unconsolidated Joint Venture basis difference and our pro rata share of FAD adjustments related to the Unconsolidated Joint Venture. Management believes that adjusting these items from Core FFO provides investors with supplemental performance information that is consistent with the performance models and analysis used by management and provides useful information regarding the Company's ability to fund its dividend.

However, not all REITs calculate FAD and those that do may not calculate FAD the same way, so comparisons with other REITs may not be meaningful. FAD should not be considered as an alternative to net income (loss) or cash flow provided by (used in) operating activities as determined under GAAP.

Nareit Funds from Operations ("Nareit FFO" or "FFO") and Core Funds from Operations ("Core FFO")

Due to certain unique operating characteristics of real estate companies, as discussed below, Nareit has promulgated a supplemental performance measure known as FFO, which we believe to be an appropriate supplemental performance measure to reflect the operating performance of the Company. FFO is not equivalent to our net income (loss) as determined under GAAP.

Nareit defines FFO as net income (loss) computed in accordance with GAAP adjusted for gains or losses from disposition of real estate assets, depreciation and amortization of real estate assets, impairment write-downs on real estate, and our pro rata share of FFO adjustments related to the Unconsolidated Joint Venture. We calculate FFO in accordance with Nareit's definition described above.

In addition to FFO, we use Core FFO as a non-GAAP supplemental financial performance measure to evaluate the operating performance of the Company. Core FFO, as defined by the Company, excludes from FFO items that we believe do not reflect the ongoing operating performance of our business such as transaction related expenses, spin related expenses, amortization of deferred lease incentives, amortization of deferred financing costs, equity-based compensation, amortization of premiums and discounts on debt, net and gains or losses on extinguishment of swaps and/or debt, and our pro rata share of Core FFO adjustments related to the Unconsolidated Joint Venture.

We believe that FFO and Core FFO allow for a comparison of the performance of our operations with other publicly-traded REITs, as FFO and Core FFO, or a substantially similar measure, are routinely reported by publicly-traded REITs, each adjust for items that we believe do not reflect the ongoing operating performance of our business and we believe are often used by analysts and investors for comparison purposes.

For all of these reasons, we believe FFO and Core FFO, in addition to net income (loss), as determined under GAAP, are helpful supplemental performance measures and useful in understanding the various ways in which our management evaluates the performance of the Company over time. However, not all REITs calculate FFO and Core FFO the same way, so comparisons with other REITs may not be meaningful. FFO and Core FFO should not be considered as alternatives to net income (loss) and are not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs. Neither the SEC, Nareit, nor any other regulatory body has evaluated the acceptability of the exclusions used to adjust FFO in order to calculate Core FFO and its use as a non-GAAP financial performance measure.

GAAP *is an abbreviation for generally accepted accounting principles in the United States.*

Gross Lease *is a lease under which the landlord is responsible for all expenses associated with the property (e.g., real estate taxes, insurance, maintenance and repairs).*

Gross Real Estate Investments *represent total gross real estate and related assets of Operating Properties and the Company's pro rata share of such amounts related to properties owned by the Unconsolidated Joint Venture, net of gross intangible lease liabilities. Gross Real Estate Investments should not be considered as an alternative to the Company's real estate investments balance as determined under GAAP or any other GAAP financial measures and should only be considered together with, and as a supplement to, the Company's financial information prepared in accordance with GAAP.*

Definitions (cont.)

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

The following table shows a reconciliation of Gross Real Estate Investments to the amounts presented in accordance with GAAP on the balance sheets for the periods presented (in thousands):

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Total real estate investments, at cost - as reported	$ 1,305,227	$ 1,320,396	$ 1,333,586	$ 1,340,751	$ 1,364,556
Adjustments:					
Gross intangible lease assets	311,914	333,658	346,643	345,416	353,341
Gross intangible lease liabilities	(29,779)	(31,250)	(31,250)	(31,317)	(31,317)
Gross assets held for sale	—	—	3,860	16,293	2,544
Proportionate share of Unconsolidated Joint Venture Gross Real Estate Investments	45,552	45,548	45,548	45,451	45,435
Gross Real Estate Investments	**$ 1,632,914**	**$ 1,668,352**	**$ 1,698,387**	**$ 1,716,594**	**$ 1,734,559**

GSA CPI *refers to a General Services Administration ("GSA") lease that includes a contractually obligated operating cost component of rent which is adjusted annually based on changes in a consumer price index.*

Implied Equity Market Capitalization *equals shares of common stock outstanding as of an applicable date, multiplied by the closing sale price of the Company's stock as reported on the New York Stock Exchange on such date.*

Industry *is derived from the Global Industry Classification Standard ("GICS") Methodology that was developed by Morgan Stanley Capital International ("MSCI") in collaboration with S&P Dow Jones Indices to establish a global, accurate, complete and widely accepted approach to defining industries and classifying securities by industry.*

Interest Coverage Ratio *equals Adjusted EBITDA divided by Interest Expense, excluding non-cash amortization. Management believes that Interest Coverage Ratio is a useful supplemental measure of our ability to service our debt obligations.*

Interest Expense, excluding non-cash amortization *is a non-GAAP measure that represents interest expense incurred on the outstanding principal balance of our debt and the Company's pro rata share of the Unconsolidated Joint Venture's interest expense incurred on its outstanding principal balance. This measure excludes the amortization of deferred financing costs, premiums and discounts, which is included in interest expense in accordance with GAAP. Interest Expense, excluding non-cash amortization should not be considered as an alternative to the Company's interest expense as determined under GAAP or any other GAAP financial measures and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.*

The following table shows a reconciliation of Interest Expense, excluding non-cash amortization to interest expense presented in accordance with GAAP on the statements of operations for the periods presented (in thousands):

	Three Months Ended				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Interest expense, net - as reported	$ 8,146	$ 7,928	$ 7,380	$ 7,222	$ 7,139
Adjustments:					
Amortization of deferred financing costs and other non-cash charges	(924)	(933)	(933)	(1,059)	(1,049)
Proportionate share of Unconsolidated Joint Venture Interest Expense, excluding non-cash amortization	366	370	371	366	363
Interest Expense, excluding non-cash amortization	**$ 7,588**	**$ 7,365**	**$ 6,818**	**$ 6,529**	**$ 6,453**

Definitions (cont.)

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

Investment-Grade Tenants *are those with a Credit Rating of BBB- or higher from Standard & Poor's or a Credit Rating of Baa3 or higher from Moody's. The ratings may reflect those assigned by Standard & Poor's or Moody's to the lease guarantor or the parent company, as applicable.*

Leased Square Feet *is Rentable Square Feet leased and includes such amounts related to the Unconsolidated Joint Venture.*

Modified Gross Lease *is a lease under which the landlord is responsible for most expenses associated with the property (e.g., real estate taxes, insurance, maintenance and repairs), but passes through some operating expenses to the tenant.*

Month-to-Month *refers to a lease that is outside of the contractual lease expiration, but the tenant has not vacated and continues to pay rent which may also include holdover rent if applicable.*

Net Debt, Principal Outstanding and Adjusted Principal Outstanding

Principal Outstanding is a non-GAAP measure that represents the Company's outstanding principal debt balance, excluding certain GAAP adjustments, such as premiums and discounts, financing and issuance costs, and related accumulated amortization. Adjusted Principal Outstanding includes the Company's pro rata share of the Unconsolidated Joint Venture's outstanding principal debt balance. We believe that the presentation of Principal Outstanding and Adjusted Principal Outstanding, which show our contractual debt obligations, provides useful information to investors to assess our overall financial flexibility, capital structure and leverage. Principal Outstanding and Adjusted Principal Outstanding should not be considered as alternatives to the Company's consolidated debt balance as determined under GAAP or any other GAAP financial measures and should only be considered together with, and as a supplement to, the Company's financial information prepared in accordance with GAAP.

Net Debt is a non-GAAP measure used to show the Company's Adjusted Principal Outstanding, less all cash and cash equivalents and the Company's pro rata share of the Unconsolidated Joint Venture's cash and cash equivalents, and less cash deposited with the credit facility lenders that was, in accordance with the terms of the credit facility revolver, used to prepay borrowings upon expiration or termination of the Company's interest rate swap agreements. We believe that the presentation of Net Debt provides useful information to investors because our management reviews Net Debt as part of its management of our overall liquidity, financial flexibility, capital structure and leverage.

The following table shows a reconciliation of Net Debt, Principal Outstanding and Adjusted Principal Outstanding to the amounts presented in accordance with GAAP on the balance sheets for the periods presented (in thousands):

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Mortgages payable, net	$ 353,028	$ 352,856	$ 352,683	$ 352,509	$ 352,337
Credit facility term loan, net	—	—	—	—	174,153
Credit facility revolver	116,000	116,000	175,000	175,000	—
Total debt - as reported	**469,028**	**468,856**	**527,683**	**527,509**	**526,490**
Deferred financing costs, net	1,972	2,144	2,317	2,491	3,510
Principal Outstanding	**471,000**	**471,000**	**530,000**	**530,000**	**530,000**
Proportionate share of Unconsolidated Joint Venture Principal Outstanding	27,332	27,332	27,332	27,332	27,332
Adjusted Principal Outstanding	**$ 498,332**	**$ 498,332**	**$ 557,332**	**$ 557,332**	**$ 557,332**
Cash and cash equivalents	(23,618)	(22,473)	(32,286)	(42,209)	(23,755)
Restricted cash deposited with credit facility lenders	—	—	(33,198)	—	—
Proportionate share of Unconsolidated Joint Venture cash and cash equivalents	(633)	(650)	(708)	(705)	(727)
Net Debt	**$ 474,081**	**$ 475,209**	**$ 491,140**	**$ 514,418**	**$ 532,850**

Net Debt Leverage Ratio *equals Net Debt divided by Gross Real Estate Investments.*

Definitions (cont.)

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

Net Operating Income ("NOI") and Cash NOI

NOI is a non-GAAP performance measure used to evaluate the operating performance of a real estate company. NOI represents total revenues less property operating expenses and excludes fee revenue earned for services to the Unconsolidated Joint Venture, impairment, depreciation and amortization, general and administrative expenses, transaction related expenses and spin related expenses. Cash NOI excludes the impact of certain GAAP adjustments included in rental revenue, such as straight-line rental revenue, amortization of above-market intangible lease assets and below-market lease intangible liabilities, and amortization of deferred lease incentives. Cash NOI includes the pro rata share of such amounts from properties owned by the Unconsolidated Joint Venture. It is management's view that NOI and Cash NOI provide investors relevant and useful information because it reflects only income and operating expense items that are incurred at the property level and presents them on an unleveraged basis. NOI and Cash NOI should not be considered as an alternative to operating income in accordance with GAAP. Further, NOI and Cash NOI may not be comparable to similarly titled measures of other companies.

The following table shows the calculation of NOI and Cash NOI for the periods presented (in thousands):

	Three Months Ended				
	March 31, 2024	**December 31, 2023**	**September 30, 2023**	**June 30, 2023**	**March 31, 2023**
Total revenues	$ 47,197	$ 43,751	$ 49,076	$ 52,024	$ 50,190
Less: total operating expenses	(65,247)	(52,264)	(58,390)	(59,898)	(51,678)
Fee income from unconsolidated joint venture	(202)	(200)	(200)	(200)	(200)
Transaction related	110	148	101	150	105
General and administrative	4,949	5,479	4,367	4,565	4,309
Depreciation and amortization	24,504	26,055	27,013	27,877	28,166
Impairment of real estate	19,685	6,136	11,403	11,819	3,754
NOI	**30,996**	**29,105**	**33,370**	**36,337**	**34,646**
Straight-line rental revenue	(549)	679	(1,369)	(2,275)	(2,684)
Amortization of above and below market leases, net	(537)	(361)	(346)	(274)	(215)
Amortization of deferred lease incentives, net	123	115	(14)	100	101
Other non-cash adjustments	48	49	47	48	48
Proportionate share of Unconsolidated Joint Venture Cash NOI	880	868	863	861	862
Cash NOI	**$ 30,961**	**$ 30,455**	**$ 32,551**	**$ 34,797**	**$ 32,758**

Occupancy Rate *equals the sum of Leased Square Feet divided by Rentable Square Feet and includes the Company's pro rata share of such amounts related to the Unconsolidated Joint Venture, in each case, as of an applicable date.*

Operating Properties *refers to all properties owned and consolidated by the Company as of the applicable date.*

Property Operating Expense *includes reimbursable and non-reimbursable costs to operate a property, including real estate taxes, utilities, insurance, repairs, maintenance, legal, property management fees, etc.*

Rentable Square Feet *is leasable square feet of Operating Properties and the Company's pro rata share of leasable square feet of properties owned by the Unconsolidated Joint Venture.*

Triple Net Lease ("NNN") *is a lease under which the tenant agrees to pay all expenses associated with the property (e.g., real estate taxes, insurance, maintenance and repairs in accordance with the lease terms).*

Unconsolidated Joint Venture *means the Company's investment in the unconsolidated joint venture with an affiliate of Arch Street Capital Partners, LLC.*

Unencumbered Asset Ratio *equals Unencumbered Gross Real Estate Investments divided by Gross Real Estate Investments. Management believes that Unencumbered Asset Ratio is a useful supplemental measure of our overall liquidity and leverage.*

Definitions (cont.)

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

Unencumbered Gross Real Estate Investments *equals Gross Real Estate Investments, excluding Gross Real Estate Investments related to properties serving as collateral for the Company's CMBS Loan and the Company's pro rata share of properties owned by the Unconsolidated Joint Venture that are pledged as collateral under mortgage debt. Unencumbered Gross Real Estate Investments includes otherwise unencumbered properties which are part of the unencumbered property pool under our credit facility and therefore generally are not available to simultaneously serve as collateral under other borrowings.*

Weighted Average Remaining Lease Term *is the number of years remaining on each respective lease as of the applicable date, weighted based on Annualized Base Rent and includes the years remaining on each of the respective leases of the Unconsolidated Joint Venture, weighted based on the Company's pro rata share of Annualized Base Rent related to the Unconsolidated Joint Venture.*