



INVESTOR
PRESENTATION

MAY 2016

NYSE: CIO

Forward-Looking Statements

This presentation contains certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Certain statements contained in this presentation, including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements within the meaning of the federal securities laws and as such are based upon City Office REIT, Inc. (“CIO” or the “Company”) and its current beliefs as to the outcome and timing of future events. There can be no assurance that actual forward-looking statements, including projected capital resources, projected profitability and portfolio performance, estimates or developments affecting the Company will be those anticipated by the Company. Examples of forward-looking statements include those pertaining to expectations regarding our financial performance, including under metrics such as FFO, market rental rates, national or local economic growth, estimated replacement costs of our properties, projected capital improvements, expected sources of financing, expectations as to the timing of closing of acquisitions, dispositions, or other transactions, the expected operating performance of anticipated near-term acquisitions and descriptions relating to these expectations, including, without limitation, the anticipated net operating income yield and cap rates. Forward-looking statements presented in this presentation are based on management’s beliefs and assumptions made by, and information currently available to, management.

Forward-looking statements are generally identifiable by use of forward-looking terminology such as “may,” “will,” “should,” “potential,” “intend,” “expect,” “seek,” “anticipate,” “estimate,” “believe,” “could,” “project,” “predict,” “hypothetical,” “continue,” “future” or other similar words or expressions. All forward-looking statements included in this presentation are based upon information available to the Company on the date hereof and the Company is under no duty to update any of the forward-looking statements after the date of this presentation to conform these statements to actual results. The forward-looking statements involve a number of significant risks and uncertainties. Factors that could have a material adverse effect on the Company’s operations and future prospects are set forth in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and Quarterly Report on Form 10-Q for the three months ended March 31, 2016, including the sections entitled “Risk Factors” contained therein. The factors set forth in the Risk Factors section and otherwise described in the Company’s filings with SEC could cause the Company’s actual results to differ significantly from those contained in any forward-looking statement contained in this presentation. The Company does not guarantee that the assumptions underlying such forward-looking statements are free from errors. Unless otherwise stated, historical financial information and per share and other data is as of March 31, 2016.

Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, the Company’s business, financial condition, liquidity, cash flows and results could differ materially from those expressed in any forward-looking statement. While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict the occurrence of those matters or the manner in which they may affect us. We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. Use caution in relying on past forward-looking statements, which were based on results and trends at the time they were made, to anticipate future results or trends.

Our Strategy

Own and manage quality office properties in high growth markets

- Well located in amenity rich and transit oriented locations
- Focus on assets valued between \$20 million and \$50 million
- Target cap rates of 7% - 8%

Invest where we have an advantage

- Supply-constrained market dynamics with limited competition from large institutional players
- Strong sub-markets that possess attractive characteristics including high credit tenancy, below market in-place rents and acquisition prices below replacement cost
- Leverage local property manager relationships to source acquisition opportunities and efficiently operate

Disciplined capital allocation

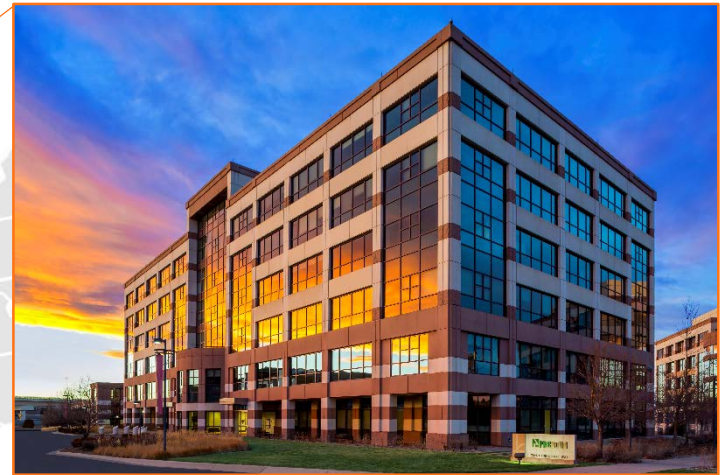
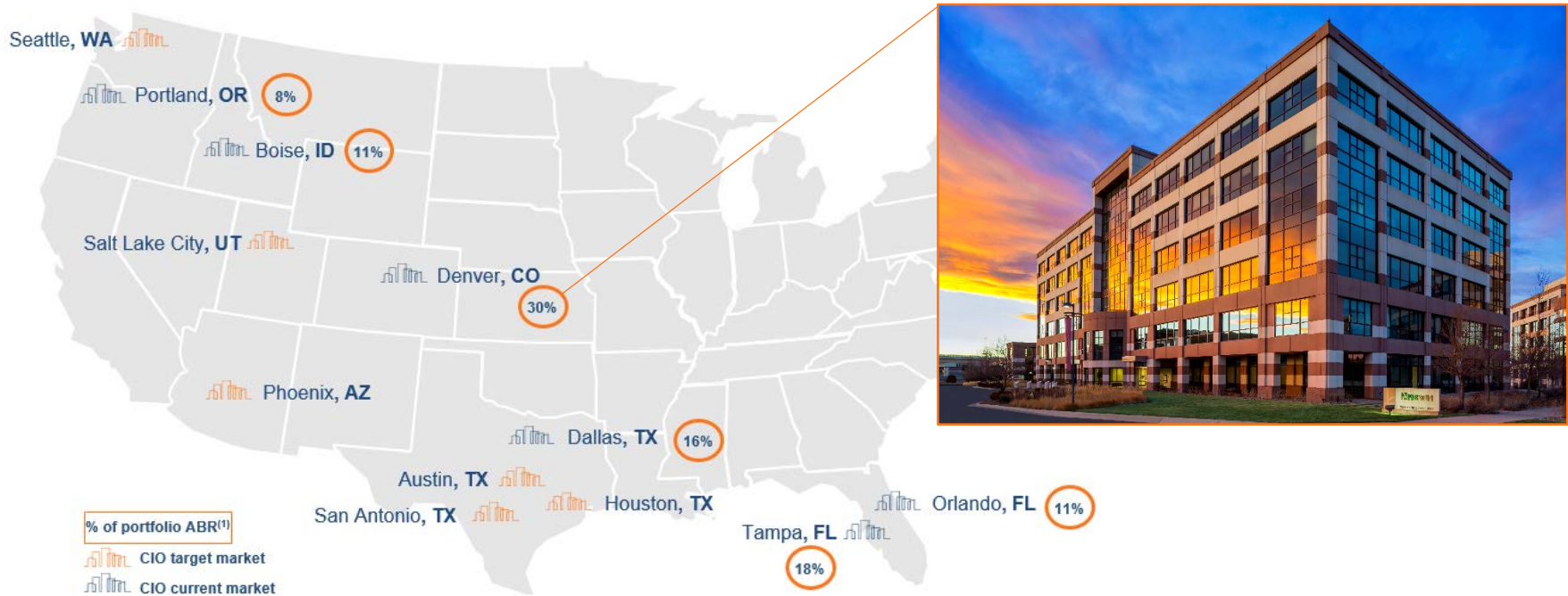
- \$250+ million of acquisitions exclusively in our target markets
- Detailed underwriting process and criteria
- Property reposition through thoughtful capital improvements and prudent management
- Divest non-core assets to unlock value



Maximize shareholder value

City Office REIT Overview

- 3.3 million square feet of office properties located in vibrant, growing markets with strong leasing fundamentals



14 Properties	28 Buildings	3.3mm SF Total GLA	93.2% Occupancy ⁽²⁾
6 States	5.5 yrs Avg Lease Term	\$37.6mm Portfolio NOI	\$21.50 Annualized Gross Rent /SF

(1) Annualized base rent is calculated by multiplying (i) rental payments (defined as cash rents before abatements) for the month ended March 31, 2016 by (ii) 12.

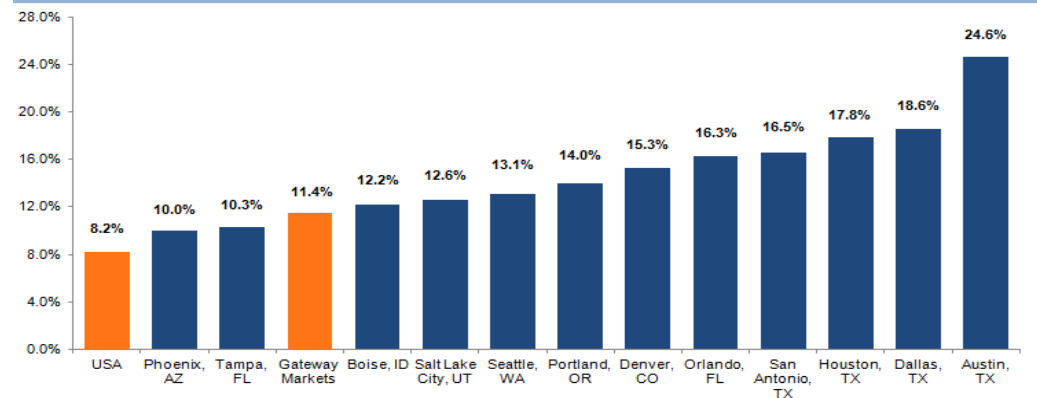
Excludes non-core property in Allentown, PA, which represented 6% of ABR.

Including in-place and committed leases as of March 31, 2016.

Our Markets: Attractive Demand Characteristics

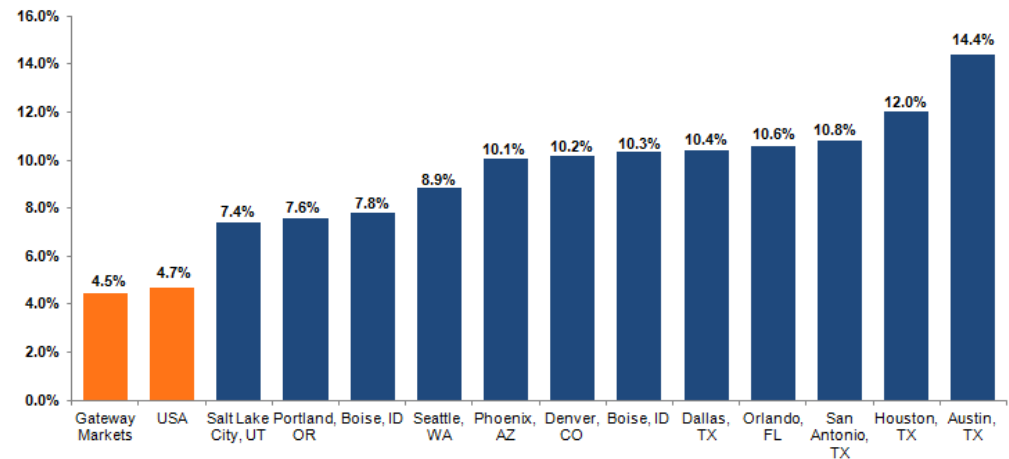
- ✓ Strong economic fundamentals and demographics
- ✓ Population growth
- ✓ Diverse employment base with national and international employers
- ✓ Educated workforce
- ✓ Low-cost center for businesses to operate
- ✓ State capital or university concentration
- ✓ Demonstrated recovery in local real estate conditions

% JOB GROWTH FROM JUNE 2009 TO DECEMBER 2015



Source: U.S. Bureau of Labor Statistics as of August 20, 2015.

% PROJECTED POPULATION GROWTH FROM 2015 TO 2021



Source: SNL Financial LLC as of December 31, 2015.

Focused on office markets with attractive real estate fundamentals

Operational Priorities

- ❑ Build scale across leading submarkets in our target cities
- ❑ Diversify our tenant base and extend lease term
- ❑ Enhance property net operating income through:
 - Focused leasing activity
 - Increasing rental rates
 - Selective repositioning of properties to unlock value
- ❑ Grow per share cash flow metrics and dividend coverage
- ❑ Maintain a strong balance sheet
- ❑ Increase shareholder base and stock liquidity



Execution Since IPO

At IPO (April 21, 2014)		Current	Change
1.9mm	Portfolio Square Feet of NRA	3.3mm	+1.4mm
91.3%	In-Place & Committed Occupancy	93.2%	+1.9%
\$23.7mm	Total Portfolio NOI ⁽¹⁾	\$37.6mm	+13.9mm
\$17.95	Annualized Base Rent / SF	\$19.70	+\$1.75
\$0.22 ⁽²⁾	Quarterly Core FFO / Share	\$0.32	+\$0.10
84.5% ⁽²⁾	Core FFO Payout Ratio	73.8%	(10.7%)



Note: At IPO figures as of December 31, 2013 unless otherwise noted. Current figures as of March 31, 2016.

(1) Represents total revenue less property operating expenses on a pro-forma basis for the year ended December 31, 2013 and for the trailing 12 months ended March 31, 2016.

(2) As of June 30, 2014.

Acquisition Highlight: 190 Office Center

CLASS A OFFICE BUILDING IN DALLAS, TX

Contracted Purchase Price: \$54.4M / \$179 PSF

Closing Date: September 3, 2015

Property Size: 302,829 SF

Year 1 Cash Net Operating Income Yield: ~7.5%

Occupancy: 98% leased

Financing: 10 year fixed rate mortgage at 4.79%

ACQUISITION CHARACTERISTICS

- ❑ Two building property constructed in 2001 and 2008
- ❑ Well located in the growing Richardson/Plano submarket of Dallas with frontage on the President George Bush Turnpike
- ❑ Quality amenities including nine foot clear ceiling heights, excellent window lines, one of the highest parking ratios in the submarket
- ❑ 50,000 square foot floor plates that are well suited to the market's corporate tenant base

PROPERTY PHOTOS



Acquisition Highlight: Intellicenter

CLASS A OFFICE BUILDING IN TAMPA, FL

Contracted Purchase Price: \$46.6M / \$219 PSF⁽¹⁾

Closing Date: September 3, 2015

Property Size: 203,509 SF

Year 1 Cash Net Operating Income Yield: ~7.3%⁽¹⁾

Occupancy: 100% leased

Financing: 10 year fixed rate mortgage at 4.65%

ACQUISITION CHARACTERISTICS

- ❑ State-of-the-art 2008 vintage property that is 100% leased
- ❑ The agreement includes a separately entitled 14 acre development site
- ❑ Weighted average lease term of over ten years
- ❑ Intellicenter will benefit from limited future capital requirements as well as contractual annual rent rate escalators
- ❑ Well located in the Tampa Telecom Park within the I-75 corridor submarket

PROPERTY PHOTOS



⁽¹⁾ The purchase price for the office building (excluding the development land) is \$44.6 million, or \$219 per square foot, which we anticipate will generate an initial full-year cash net operating income yield of approximately 7.3%

Management Team



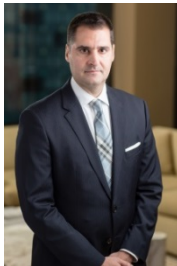
Jamie Farrar, Chief Executive Officer

- › Over 15 years of real estate, private equity and corporate finance industry experience.
- › Acquired over \$1.4 billion of real estate since 2011
- › Prior experience with a family office focused on real estate and hospitality and the private equity group of the TD Bank



Greg Tylee, Chief Operating Officer & President

- › Over 15 years of diverse real estate experience that includes acquisitions of income-producing properties as well as high-rise development
- › Involved in real estate transactions including development and management with a combined enterprise value of approximately \$2.0 billion
- › Former President of Bosa Properties Inc., a prominent real estate development company with over 400 employees



Anthony Maretic, Chief Financial Officer, Secretary & Treasurer

- › Over 15 years of experience in senior financial and operational roles, of which 10 years were spent within the real estate industry
- › Former Chief Operating Officer and Chief Financial Officer of Earls Restaurants Ltd., a multinational hospitality company
- › Held a variety of financial management positions with a U.S. based senior living real estate company and Bentall Capital LP

BOARD OF DIRECTORS

John McLernon, Chairman

Samuel Belzberg, Director

Jamie Farrar, CEO

William Flatt, Director

Mark Murski, Director

Stephen Shraiberg, Director

Internalization of Management

- ❑ City Office internalized management on February 1, 2016
- ❑ Secured a committed management team, will generate economies of scale and enhance earnings potential as the Company grows
- ❑ The Company acquired the External Advisor for 297,321 shares of City Office common stock⁽¹⁾ plus \$3.5 million of cash.

	New: Internalized Management Structure	Old: External Management Structure
Management	<ul style="list-style-type: none"> ❑ Management employed by REIT 	<ul style="list-style-type: none"> ❑ Management employed by External Advisor/Affiliates
Base Management Fee	<ul style="list-style-type: none"> ❑ None⁽³⁾ 	<ul style="list-style-type: none"> ❑ The run-rate base management fee was approximately \$1.3 million per year plus 1.0% of any new equity raised
Additional Fees	<ul style="list-style-type: none"> ❑ None 	<ul style="list-style-type: none"> ❑ Acquisition fee of 1.0% of the gross purchase price of any new acquisitions ❑ \$1.7 million was paid for the year ended December 31, 2015
Change of Control Termination Fee	<ul style="list-style-type: none"> ❑ None 	<ul style="list-style-type: none"> ❑ Termination fee based on 3x the trailing 12 month fees charged by the External Advisor, including the base management fee and the acquisition fee for termination prior to April 21, 2018
Alignment	<ul style="list-style-type: none"> ❑ Aligned interests between Management, the Board of Directors and shareholders ❑ As of March 31, 2016, management and the Board of Directors collectively own approximately 17.2% of the fully diluted equity of the Company 	<ul style="list-style-type: none"> ❑ Sub-optimal alignment

(1): Based on volume weighted average price for 10 days at October 30, 2015 of \$11.77.

(2): City Office entered into a three year Administrative Services Agreement to provide administrative services to the Second City Real Estate funds and will receive payments of \$3.25 million over three years. Payable \$1.5 million in year 1, \$1.15 million in year 2 and \$0.625 million in year 3.

(3): Net incremental G&A cost of approximately \$2.0 million per year, offset by the elimination of the Base Management Fees and the Additional Fees and the receipt of administrative services fees from Second City Real Estate

Portfolio Overview

□ High Quality Properties Positioned for Stable Income and Capital Appreciation

- Portfolio in-place and committed occupancy of 93.2% ⁽¹⁾
- Benefit from low in-place rental rates with weighted average gross rental rate per square foot of \$21.50 ⁽¹⁾

OUR CURRENT PORTFOLIO – MARCH 31, 2016

Metropolitan Area	Property	Year Built / Last Major Renovation	Economic Interest	NRA (000s SF)	In Place & Committed Occupancy	Annualized Base Rent per SF	Annualized Gross Rent per SF ⁽²⁾	Annualized Base Rent ⁽³⁾ (000s)	Largest Tenant by NRA
Denver, CO	Cherry Creek	1962 -1980 / 2012	100.0%	356	100.0%	\$17.24	\$17.24	\$6,134	State of Colorado Department of Health
	Plaza 25	1981 / 2006	100.0%	196	89.1%	\$20.83	\$20.83	\$3,511	Recondo Technology, Inc.
	DTC Crossroads	1999 / 2015	100.0%	191	92.4%	\$24.64	\$24.64	\$4,217	ProBuild Holdings, Inc.
	Superior Pointe	2000	100.0%	149	89.8%	\$15.03	\$26.03	\$2,011	KeyBank National Association
	Logan Tower	1983 / 2014	100.0%	70	98.8%	\$18.94	\$18.94	\$1,310	State of Colorado Governor's Energy
Boise, ID	Washington Group Plaza	1970 - 1982 / 2012	100.0%	581	83.4%	\$17.83	\$17.83	\$6,002	Idaho State Tax Commission
Dallas, TX	190 Office Center	2008	100.0%	303	97.8%	\$22.84	\$22.84	\$6,763	United Healthcare Services, Inc.
	Lake Vista Pointe	2007	100.0%	163	100.0%	\$14.00	\$20.50	\$2,287	Ally Financial Inc.
Tampa, FL	City Center	1984 / 2012	95.0%	241	100.0%	\$23.64	\$23.64	\$5,698	Kobie Marketing, Inc.
	Intellicenter	2008	100.0%	204	100.0%	\$21.84	\$21.84	\$4,444	H. Lee Moffitt Cancer Center
Portland, OR	AmberGlen	1984 / 2002	76.0%	353	86.2%	\$16.00	\$17.32	\$4,316	Planar Systems, Inc.
Orlando, FL	Central Fairwinds	1982 / 2012	90.0%	170	88.9%	\$25.71	\$25.71	\$3,844	Fairwinds Credit Union
	Florida Research Park	1999	100.0%	125	100.0%	\$20.00	\$28.00	\$2,490	Kaplan, Inc.
Allentown, PA	Corporate Parkway	2006	100.0%	178	100.0%	\$18.73	\$25.73	\$3,340	The Dun & Bradstreet Corporation
Total / Weighted Average – March 31, 2016				3,278	93.2%	\$19.70	\$21.50	\$56,367	

(1) As of March 31, 2016.

(2) Net leases have been grossed-up by \$7.00 for Corporate Parkway, \$6.50 for Lake Vista Pointe, \$11.00 for Superior Pointe and \$8.00 for Florida Research Park. AmberGlen has a net lease for one tenant which has been grossed-up by \$6.50 on a pro-rata basis.

(3) Annualized base rent is calculated by multiplying (i) rental payments (defined as cash rents before abatements) for the month ended March 31, 2016 by (ii) 12.

Tenant Profile

- High quality in-place tenants; approximately 49.2% of CIO's base rental revenue as of March 31, 2016 is derived from tenants that are government agencies, investment grade companies or their subsidiaries
- Stable, long-term and established tenants

TOP TEN TENANTS OF OUR PROPERTIES (INCLUDING CONTRACTED LEASES)

Tenant / Parent		Credit Rating (S&P / Moody's)	Property	Tenant since	% of Net Rentable Area	% of Annualized Base Rent ⁽¹⁾
State of Colorado		Aa1	Cherry Creek	1993	9.7%	10.2%
United Healthcare Services, Inc.		A+	190 Office Center	2008	6.0%	8.4%
The Dun & Bradstreet Corporation		BBB-	Corporate Parkway	2006	5.4%	5.9%
Ally Financial Inc.		Ba3	Lake Vista Pointe	2008	5.0%	4.1%
H. Lee Moffitt Cancer Center		A3	Intellicenter	2008	4.7%	5.9%
St. Luke's Regional Medical Center ⁽²⁾		A3	Washington Group Plaza	2016	4.5%	0.0%
Kaplan, Inc. ⁽³⁾		BB+	Research Park	2008	3.8%	4.4%
Idaho State Tax Commission		AA+	Washington Group Plaza	1992	3.4%	3.4%
Planar Systems, Inc.		--	AmberGlen	2002	3.3%	2.8%
ProBuild Holdings, Inc.		B+	DTC Crossroads	2007	2.8%	4.1%
Total					48.6%	49.2%

(1) Annualized base rent is calculated by multiplying (i) rental payments (defined as cash rents before abatements) for the month ended March 31, 2016 by (ii) 12.

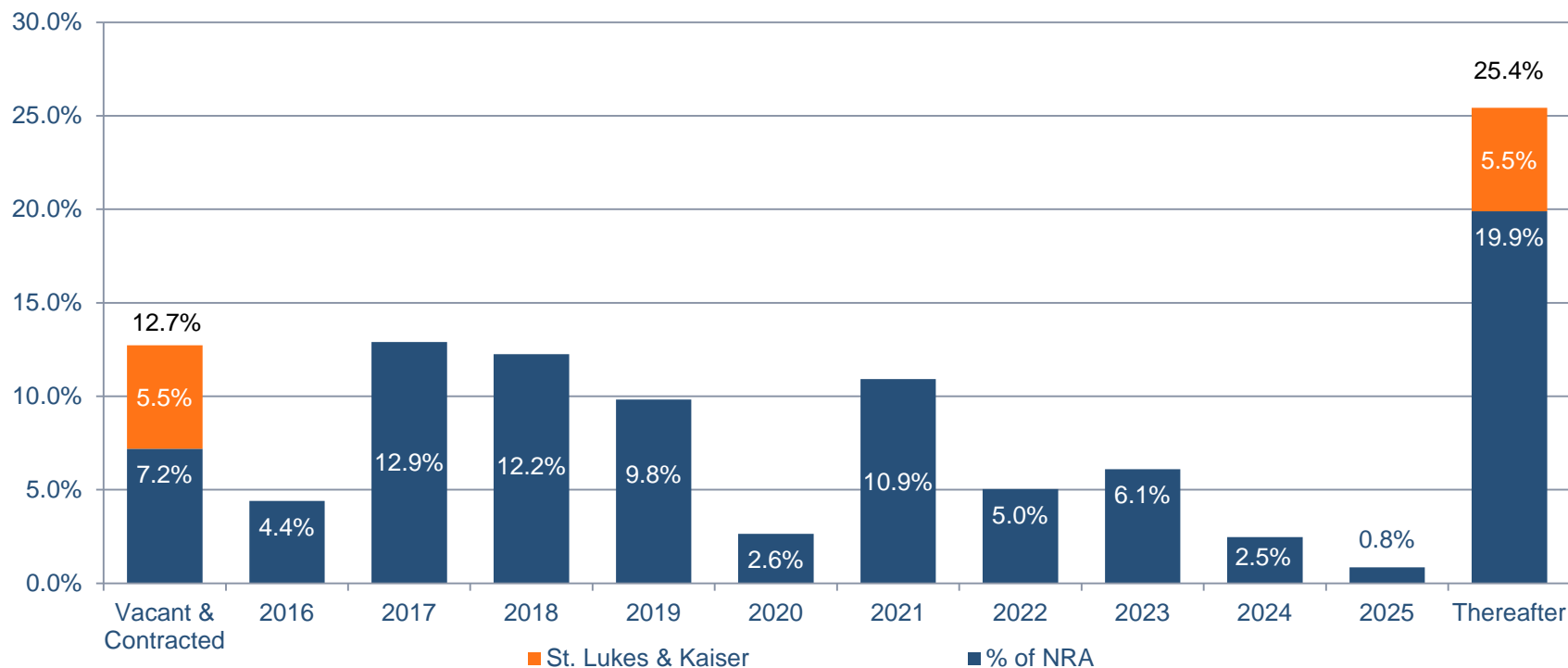
(2) Lease commences in Q3 2016 for 147,657 SF.

(3) Lease is to Kaplan, Inc. which is a subsidiary of Graham Holdings Company.

Lease Expirations

- Stable, long-term tenancy profile with well-staggered expirations
- 5.5 year weighted average remaining lease term
- Kaiser Foundation Health Plan - 33,424 SF delivered in Q2 2016
- St. Luke's Regional Medical Center - 147,657 SF lease commencing in Q3 2016

LEASE MATURITY SCHEDULE – MARCH 31, 2016



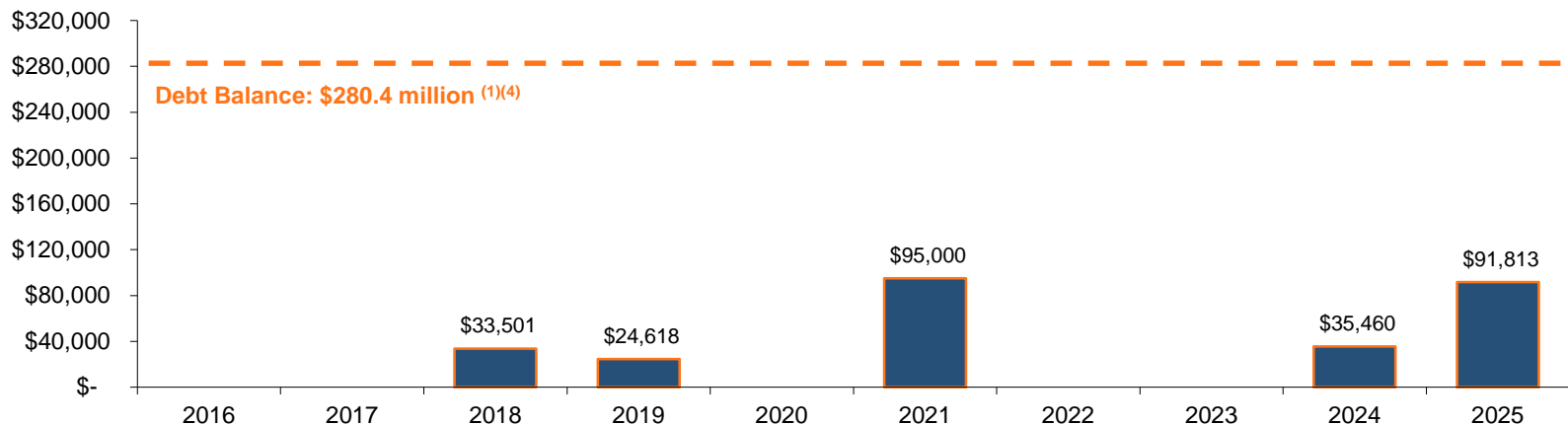
Strong Capital Structure

- Conservative debt structure at favorable interest rates
 - 4.4% weighted average interest rate⁽¹⁾
 - 6.4 year average debt maturity⁽¹⁾
 - 100% fixed rate debt⁽¹⁾
 - 46.7% leverage⁽¹⁾
 - 6.4x net debt/annualized adjusted EBITDA ⁽¹⁾

- Predictable earnings model supports the current above market dividend of 8.2%⁽²⁾
 - Annualized dividend of \$0.94 per share
 - Implied 74.0% payout ratio based on Q1 2016 dividend over Core FFO / share⁽³⁾

- 24.7 million fully-diluted shares & OP units⁽¹⁾

PRO-FORMA DEBT MATURITY SCHEDULE ⁽¹⁾



Average interest rate:	2018	2019	2021	2024	2025
	3.85%	4.38%	4.34%	4.36%	4.61%

(1) Pro-Forma post-offering as of April 5, 2016.

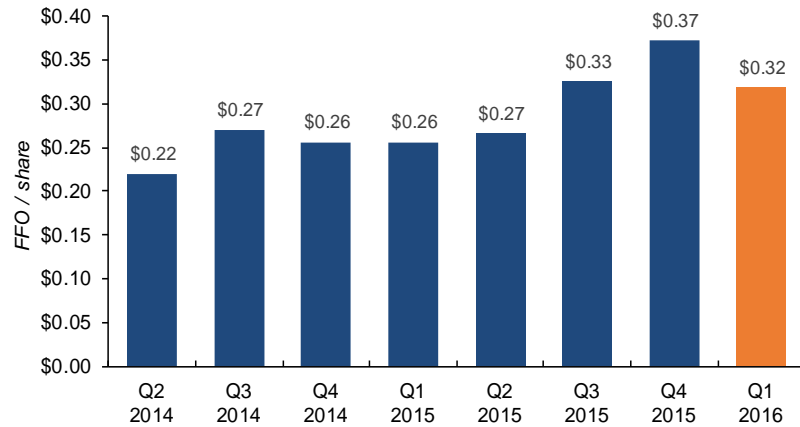
(2) Based on a closing share price of \$11.40 on March 31, 2016.

(3) Reconciliation of Core FFO to GAAP net income has been posted to the Company's website at www.cityofficereit.com and on slide 19.

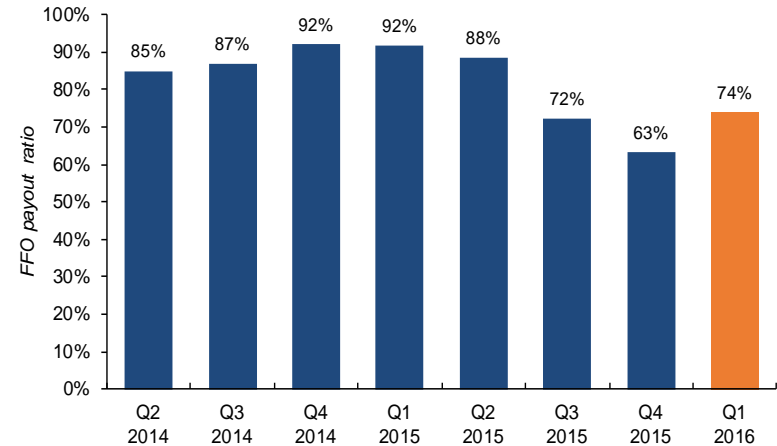
(4) \$7.1 million attributable to non-controlling interests.

Strong and Improving Performance

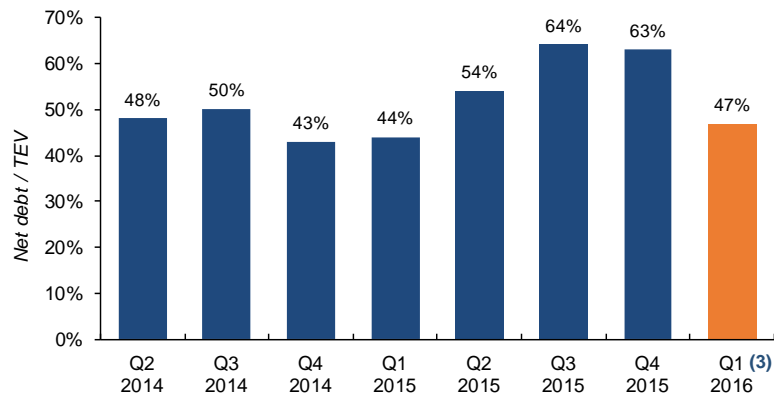
CORE FFO / SHARE



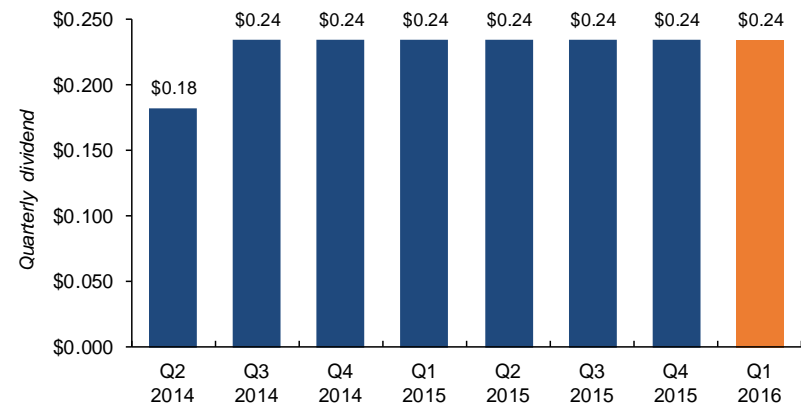
CORE FFO PAYOUT RATIO⁽¹⁾



NET DEBT TO ENTERPRISE VALUE⁽²⁾



QUARTERLY DIVIDEND



(1) Annualized dividend payout ratio calculated as annualized quarterly core FFO / share divided by annualized dividend per share.

(2) Enterprise value calculated as CIO share of debt less CIO share of unrestricted cash plus market value as of time period end.

(3) Pro-forma post-offering as of April 5, 2016.

Investment Highlights

Attractive Acquisition Strategy

- ❑ Acquisition strategy focused on \$20-\$50 million purchases in high growth markets where management believes there is less competition from institutional investors
- ❑ Proven ability to execute; \$250 million of acquisitions since IPO

Strong Market Characteristics

- ❑ Target markets possess strong economic fundamentals, rapidly growing populations and a diverse employment base
- ❑ Low cost centers for businesses to operate
- ❑ State capital or university concentration

High-Quality Office Platform

- ❑ Well located real estate
- ❑ Diverse and staggered lease expirations with significant capital investments completed
- ❑ High-quality in-place tenants with approximately 49.2% of base rental revenue derived from tenants that are government agencies, investment grade companies or their subsidiaries

Experienced and Committed Management

- ❑ Management has an average of over 17 years of experience with over \$1.4 billion of real estate acquisitions since 2011. Management and directors own ~17.2% of CIO as of March 31, 2016
- ❑ Property management provided by leading local operating partners

Strong Balance Sheet with Above Market Dividend

- ❑ Conservative debt structure at favorable interest rates and a 6.4⁽¹⁾ year average debt maturity
- ❑ 100%⁽¹⁾ fixed rate debt with a weighted average interest rate of 4.4%⁽¹⁾
- ❑ Predictable earnings model supports the current above market dividend of 8.2%⁽²⁾

Appendix: Net Operating Income Reconciliation

(in thousands)	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Net loss ¹	\$ (8,789)	\$ (1,799)	\$ (2,984)	\$ (2,086)	\$ (799)
Adjustments to net loss:					
General and administrative	699	509	411	495	408
Contractual interest expense	3,740	3,697	2,798	2,103	2,009
Amortization of deferred financing costs	221	196	196	185	169
Depreciation and amortization	6,551	6,836	5,888	4,494	4,406
Acquisition costs	-	65	1,802	882	209
Stock based compensation	542	503	487	507	409
Base management fee	109	321	322	327	332
External advisor acquisition	7,044	318	174	-	-
Change in fair value of earn-out	-	241	-	600	-
Net Operating Income ("NOI")¹	\$ 10,117	\$ 10,887	\$ 9,094	\$ 7,507	\$ 7,143
Net straight line rent adjustment	(1,168)	(1,116)	(760)	-	(99)
Net amortization of above and below market leases	57	(20)	72	141	118
Portfolio Adjusted Cash NOI¹	\$ 9,006	\$ 9,751	\$ 8,406	\$ 7,648	\$ 7,162
Non-controlling interests in properties - share in cash NOI	(254)	(324)	(305)	(327)	(313)
Adjusted Cash NOI (CIO share)¹	\$ 8,752	\$ 9,427	\$ 8,101	\$ 7,321	\$ 6,849
Same-store NOI ²	\$ 6,482	\$ 7,538	\$ 6,969	\$ 7,188	\$ 6,993
2015 Acquisitions NOI	3,635	3,349	2,125	319	150
NOI	\$ 10,117	\$ 10,887	\$ 9,094	\$ 7,507	\$ 7,143

(1) Includes Lake Vista Pointe results beginning at acquisition date on July 18, 2014, Florida Research Park results beginning November 18, 2014, Logan Tower results beginning February 4, 2015, Superior Pointe results beginning June 17, 2015, DTC Crossroads results beginning June 30, 2015, 190 Office Center results beginning September 3, 2015 and Intellicenter results beginning September 3, 2015.

(2) Same-store NOI consists of the properties making up the portfolio as of December 31, 2014.

Appendix: FFO and AFFO Reconciliation

(in thousands, except share and per share data)

	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Net loss attributable to stockholders	\$ (7,119)	\$ (1,552)	\$ (2,499)	\$ (1,798)	\$ (743)
(+) Depreciation and amortization	6,551	6,836	5,888	4,494	4,406
(-) Operating Partnership unitholders' noncontrolling interest	(1,739)	(377)	(601)	(422)	(177)
	(2,307)	4,907	2,788	2,274	3,486
Non-controlling interests in properties:					
(-) Share of net loss	69	130	116	134	121
(-) Share of FFO	(171)	(241)	(221)	(243)	(229)
Funds from Operations ("FFO")	\$ (2,409)	\$ 4,796	\$ 2,683	\$ 2,165	\$ 3,378
(+) Acquisition costs	-	65	1,802	882	209
(+) Stock based compensation	542	503	487	507	409
(+) Change in fair value of earn-out	-	241	-	600	-
(+) External advisor acquisition	7,044	318	174	-	-
Core FFO	\$ 5,177	\$ 5,923	\$ 5,146	\$ 4,154	\$ 3,996
(-) Net straight line rent adjustment	(1,168)	(1,116)	(760)	-	(99)
(+) Net amortization of above and below market leases	57	(20)	72	141	118
(+) Net amortization of deferred financing costs	216	191	191	179	164
(-) Net recurring tenant improvement	(383)	(221)	(53)	(16)	(269)
(-) Net recurring leasing commissions	(139)	(100)	(92)	(824)	(457)
(-) Net recurring capital expenditures	(189)	(201)	(347)	(343)	(101)
Adjusted Funds from Operations ("AFFO")	\$ 3,571	\$ 4,456	\$ 4,157	\$ 3,291	\$ 3,352
Core FFO per share and common unit	\$ 0.32	\$ 0.37	\$ 0.33	\$ 0.27	\$ 0.26
AFFO per share and common unit	\$ 0.22	\$ 0.28	\$ 0.26	\$ 0.21	\$ 0.21
Dividends per share and common unit	\$ 0.235	\$ 0.235	\$ 0.235	\$ 0.235	\$ 0.235
Core FFO Payout Ratio	74%	63%	72%	88%	92%
AFFO Payout Ratio	107%	84%	89%	112%	109%
Weighted average common stock and common units outstanding	16,238,684	15,916,192	15,809,435	15,646,394	15,602,333

(1) The Adjusted Funds from Operations for the three months ended June 30, 2015 includes \$821,074 of leasing commissions in connection with the signing of the D&B lease in the current quarter. Without these costs AFFO was \$4.1 million, AFFO per share and common unit was \$0.26 and the AFFO Payout ratio was 96%.

Appendix: Financial Highlights

(in thousands, except share and per share data)

	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
INCOME ITEMS					
Portfolio NOI ¹	\$ 10,117	\$ 10,887	\$ 9,094	\$ 7,507	\$ 7,143
Portfolio adjusted cash NOI ¹	\$ 9,006	\$ 9,751	\$ 8,406	\$ 7,648	\$ 7,162
Adjusted Cash NOI (CIO share) ¹	\$ 8,752	\$ 9,427	\$ 8,101	\$ 7,321	\$ 6,849
Net income / (loss) per share	\$ (0.56)	\$ (0.12)	\$ (0.20)	\$ (0.15)	\$ (0.06)
CORE FFO ² / Share	\$ 0.32	\$ 0.37	\$ 0.33	\$ 0.27	\$ 0.26
AFFO ² / Share	\$ 0.22	\$ 0.28	\$ 0.26	\$ 0.21	\$ 0.21
Portfolio EBITDA ³	\$ 9,309	\$ 10,057	\$ 8,361	\$ 6,685	\$ 6,403
EBITDA (CIO share) ³	\$ 9,055	\$ 9,733	\$ 8,056	\$ 6,358	\$ 6,090
Annualized Dividend	\$ 0.94	\$ 0.94	\$ 0.94	\$ 0.94	\$ 0.94
Dividend Yield ⁴	8.2%	7.7%	8.3%	7.6%	7.4%
CAPITALIZATION					
Common shares	12,982,290	12,517,777	12,517,777	12,417,230	12,279,110
Unvested restricted shares	413,052	329,342	322,886	327,443	445,097
Common units	3,226,085	3,070,405	3,070,405	2,903,209	2,915,709
Total shares and units	16,621,427	15,917,524	15,911,068	15,647,882	15,639,916
Weighted average shares and units outstanding	16,238,684	15,916,192	15,809,435	15,646,394	15,602,333
Share price at quarter end	\$ 11.40	\$ 12.18	\$ 11.36	\$ 12.40	\$ 12.73
Market value of common equity ⁴	\$ 189,484	\$ 193,875	\$ 180,750	\$ 194,034	\$ 199,096
Net debt - CIO share	\$ 333,574	\$ 330,060	\$ 327,924	\$ 223,252	\$ 159,080
Total enterprise value (including net debt) ⁴	\$ 523,058	\$ 523,936	\$ 508,674	\$ 417,286	\$ 358,176
DEBT STATISTICS AND RATIOS					
Total debt (CIO share)	\$ 341,259	\$ 337,511	\$ 337,760	\$ 233,883	\$ 182,431
Weighted average maturity	5.6 years	5.8 years	6.1 years	5.6 years	6.0 years
Average interest rate	4.3%	4.3%	4.2%	4.0%	4.3%
Fixed rate debt as percentage of total debt	80.5%	81.4%	81.4%	85.6%	100.0%
Adjusted Interest coverage (CIO share) ⁵	2.5x	2.7x	2.6x	3.2x	3.2x
Fixed charge coverage (CIO share) ⁵	2.3x	2.5x	2.4x	2.9x	2.8x
Net debt/annualized adjusted EBITDA ⁵	9.2x	8.5x	8.9x	7.5x	6.4x
LEASING STATISTICS					
In Place Occupancy	87.3%	94.8%	94.9%	94.0%	93.7%
Weighted average lease term	5.5 years	5.6 years	5.7 years	5.6 years	4.6 years

- (1) Reconciliation of Portfolio NOI has been posted to the Company's website at www.cityofficereit.com and slide 18.
- (2) Reconciliation of Core FFO /AFFO has been posted to the Company's website at www.cityofficereit.com and slide 19.
- (3) Reconciliation of EBITDA has been posted to the Company's website at www.cityofficereit.com.
- (4) Based on the closing share price of \$11.40 on March 31, 2016, \$12.18 on December 31, 2015, \$11.36 on September 30, 2015, \$12.40 on June 30, 2015 and \$12.73 on March 31, 2015.
- (5) Adjusted for mid-quarter acquisitions. Reconciliation has been posted to the Company's website at www.cityofficereit.com.



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