

PILLARS OF RESPONSIBLE PROPERTY INVESTING

Sustainability Profile

Piedmont Town Center

Property name: Piedmont Town Center

Location: Charlotte, North Carolina

Building Type: 2 Office Towers, 2 Parking Decks,
18 Retail Spaces, 178 Residential Condominiums

Building Size: 437,078 SF

Constructed: 2005

Acquired: 2007

Property Manager: Lincoln
Property Company

Property Overview

Piedmont Town Center is a 437,078 square foot Class A office park located in the prestigious SouthPark submarket of Charlotte, North Carolina. The park consists of two eight-story office towers, Piedmont Town Center One and Piedmont Town Center Two, two parking decks, and eighteen retail spaces. There are also residential condominiums which are jointly managed by Lincoln Property Management and the residential management company. The property was constructed in 2005 and acquired by Principal Real Estate in 2007.

Piedmont Town Center stands as a distinctive destination within one of the nation's most dynamic and rapidly expanding metropolitan regions. This sophisticated mixed-use property seamlessly integrates into SouthPark's luxurious landscape of premium retail, exceptional dining, and upscale amenities. Tenants and visitors alike can enjoy the convenience of on-site shopping and dining options, while also exploring walkable attractions that surround this thoughtfully designed complex.



Improving Sustainability

Lincoln Property Company is committed to Principal's Pillars of Responsible Property Investing (PRPI) platform and its initiatives by reducing energy and water consumption, diverting waste, reducing costs, and improving the satisfaction, wellness, and experience of tenants and guests at Piedmont Town Center.

Lincoln Property Company management and engineering teams are committed to sustainable operations and maintenance throughout the property. Through ongoing tracking and conserving of water and energy, striving to reduce landfill waste, and implementing sustainable building standards, rules, and regulations, the team ensures that building operations are in line with the PRPI standard.

Energy Efficiency

At Piedmont Town Center, energy conservation stands as a cornerstone of operational excellence. The property maintains rigorous oversight through comprehensive ASHRAE Level 1 and 2 audits conducted every four years, providing crucial insights into building performance while guiding strategies to optimize operational costs and reduce environmental impact.

The property's commitment to energy innovation is exemplified through several strategic implementations. The installation of six self-contained, water-cooled unitary devices (SWUD) promises to deliver substantial annual energy savings of up to 17%. Furthermore, both Office Towers are equipped with a Mach Energy Management System, offering real-time energy monitoring and automated alerts that enable the property team to make data-driven decisions for optimal energy conservation.

Multiple efficiency upgrades demonstrate the property's comprehensive approach to energy management. The installation of Variable Frequency Drives (VFD) on cooling tower water pumps yields annual savings of 30,000 KWH, translating to approximately \$2,800 in cost reduction. The Variable Air Volume (VAV) System reconfiguration, tailored to specific tenant lease areas, results in more efficient after-hours HVAC operation, generating annual savings of \$500 per building and 10,000 KWH reduction.

Further enhancing efficiency, the implementation of Critical Zone Reset programming in each Office Tower's HVAC system delivers significant annual electrical cost savings of \$6,000 per building. Additionally, the replacement of aging water source heat pumps with

modern, high-efficiency units featuring updated 410a refrigerant demonstrates the property's ongoing commitment to equipment modernization, achieving an estimated 10% reduction in annual energy consumption.

Water Conservation

Piedmont Town Center demonstrates exemplary leadership in water conservation through strategic infrastructure improvements. The property's comprehensive water management approach includes the installation of state-of-the-art touchless flush valves in all restrooms, replacing standard manual fixtures. This upgrade alone achieves remarkable water savings of approximately 732,736 gallons annually. Further enhancing their conservation efforts, the property utilizes advanced smart irrigation controllers to optimize landscape water usage. This intelligent system has earned the Piedmont Office Towers a Tier 3 irrigation rate classification, delivering both cost efficiency and significant water conservation benefits.

Landscaping

To save water in drought conditions and reduce the use of chemicals, 6,000 square feet of fescue lawns were replaced with artificial turf. With this change, approximately 33,000 gallons of water are saved each year, and hundreds of pounds of pesticides and fertilizers have been eliminated. In addition, artificial turf helps reduce noxious emissions and reduce grass clippings in landfills. Native plants, non-invasive plants, and drought tolerant plants have also been introduced into the landscaping at Piedmont Town Center.

Waste Management

Piedmont Town Center champions sustainable waste management through a comprehensive recycling program that actively reduces landfill impact while delivering cost efficiencies. Through partnerships with waste removal vendors, the property maintains an optimized recycling infrastructure that encompasses both cardboard and single-stream materials. The property team facilitates seamless participation by providing strategically placed, clearly marked recycling receptacles throughout the facility, making sustainable disposal practices convenient for both tenants and staff. This thoughtful approach to waste management not only demonstrates environmental stewardship but also creates measurable value through reduced disposal costs.

Vendor Selection

The Lincoln Property Company management and engineering teams work closely with vendors to evaluate opportunities to improve sustainability through the procurement and use of green materials and products that will have minimal impact on the environment, while maintaining the high standard of quality which contributes to the comfort and wellness of tenants and guests. Specific sustainability practices and requirements have been incorporated in the language of contracts, service and consulting agreements, and construction rules and regulations with clear expectations of products and services.

Lighting Retrofits

Piedmont Town Center has implemented comprehensive lighting upgrades across its facilities, achieving substantial energy savings and environmental benefits. In the loading docks and stairwells, the replacement of fluorescent bulbs with LEDs yields annual energy savings of 19,482 KWH, reducing CO2 emissions by 18.8 metric tons per year.

A significant transformation in the seven-story parking garages involved converting T8 fluorescent lamps to LEDs. This upgrade delivered impressive results with a 52% reduction in wattage and annual electrical cost savings of \$15,726, equivalent to eliminating 156 tons of CO2. The environmental impact parallels planting 43 acres of trees, removing 38 vehicles from the road, conserving 461 barrels of oil, or saving 19,376 gallons of gasoline annually, according to US Environmental Protection Agency metrics.

Throughout the Office Towers, an extensive LED conversion project encompassing restrooms, common areas, stairwells, and back-of-house spaces generates estimated annual energy savings of 241,476 kWh. The modernization extends to the common area hallways across 16 floors in both towers, where fluorescent fixtures were replaced with energy-efficient LED fixtures with 10-year warranties and 50% reduced energy consumption, achieving a payback period under two years. In tenant office areas, the replacement of T8 fluorescent bulbs with LED alternatives has enhanced bulb longevity while delivering a 52% reduction in wattage.

Tenant Engagement

The success of Piedmont Town Center's sustainability initiatives can be attributed to the property management team and their consistent tenant engagement practices. The property management team hosts an annual Earth Day event to provide a more in-depth understanding of sustainability and conservation at work and at home by distributing Energy Saving Tips, having onsite recycling opportunities for clothes, electronics, and books, and gifting plants to encourage personal gardening. The team also hosts Energy Efficiency Day, which highlights the achievements and awards Piedmont Town Center has earned with its energy initiatives.

Building certifications and achievements are prominently displayed in the lobby of each building and on the glass entrance doors. These show tenants the property's commitment to sustainable operations on a building level through certifications including LEED and ENERGY STAR.

Successful practices depend on the engagement of all participants, including tenants. The property management team continues to have an open dialogue with tenants, and potential tenants, on sustainable building practices and initiatives, and maintain education, communication, and engagement plans that are appropriate for Piedmont Town Center. Tenants are encouraged to use sustainable purchasing of products, participate in the recycling program to reduce waste stream of consumables, document shredding, batteries, electronics, and bulbs.

Health and Wellness

Piedmont Town Center demonstrates an unwavering commitment to occupant health and wellness through thoughtful design and proactive management. The property's architectural excellence features expansive floor-to-ceiling windows that flood interior spaces with abundant natural light while offering breathtaking views of both the Southpark district and downtown Charlotte. The dedicated management team maintains rigorous standards for environmental quality, implementing comprehensive protocols that optimize indoor air quality, water quality, lighting systems, and acoustic performance. This holistic approach to wellness creates an exceptional workplace environment that prioritizes occupant comfort and well-being.

KEY FACTS, AWARDS, AND RECOGNITION

- LEED Existing Buildings: Operations and Maintenance (EBOM) Gold: 2010, 2015, 2019, 2024 (Two Office Towers)¹
- ENERGY STAR Certification: 2024 (Piedmont Town Center Two)
- Kingsley Survey 2024 Overall Leasing Satisfaction score exceeds the Kingsley Portfolio Index
- Silver Award of Excellence from the National Association of Landscape Professionals: 2021
- IREM Certified Sustainable Property: 2023 (Piedmont Town Center Two)¹

¹In order to receive a certification, a fee was paid to LEED, and IREM to be evaluated and for rights to use the certification.



About PRPI: The Pillars of Responsible Property Investing (PRPI) initiative is a unique sustainable investment platform developed to drive asset management and fiduciary governance. For more information on how PRPI is delivering positive financial and environmental results for Principal Real Estate, please visit <https://www.principalam.com/us/investment-strategies/real-estate/responsible-property-investing>

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