Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name THOMAS PROPERTIES GROUP, INC.			2 Issuer's employer identification number (EIN) 20-0852352
3 Name of contact for additional information SCOTT E. FRANCIS	4 Telephone No. of contact (407) 650-0593		5 Email address of contact SFRANCIS@PKY.COM
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 390 NORTH ORANGE AVENUE SUITE 2400			7 City, town, or post office, state, and Zip code of contact ORLANDO, FLORIDA 32801
8 Date of action DECEMBER 19, 2013	9 Classification and description COMMON AND LIMITED VOTING STOCK		
10 CUSIP number 884453101	11 Serial number(s)	12 Ticker symbol TPGI	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ SEE ATTACHMENT

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE ATTACHMENT

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ SEE ATTACHMENT

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ SEE ATTACHMENT

18 Can any resulting loss be recognized? ▶ SEE ATTACHMENT

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHMENT

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Scott E Francis Date ▶ 1-13-14

Print your name ▶ SCOTT E. FRANCIS Title ▶ SVP & Chief Accounting Officer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

STATEMENT ATTACHED TO IRS FORM 8937
Report of Organizational Actions Affecting Basis of Securities

Part II - Organizational Action

Box 14

On December 19, 2013 ("the Effective Date"), Thomas Properties Group, Inc. ("TPGI") was merged ("the Merger") with and into Parkway Properties, Inc. ("PKY"), with PKY as the surviving entity, pursuant to the terms and conditions of Agreement and Plan of Merger (the "Merger Agreement"), dated as of September 4, 2013, by and among PKY, Parkway Properties LP, PKY Masters, LP, TPGI, and Thomas Properties Group, LP.

Pursuant to the Merger Agreement, each share of TPGI common outstanding immediately prior to the effective time of the Merger was cancelled and converted into the right to receive 0.3822 shares of PKY common stock. Similarly, each share of TPGI limited voting stock outstanding immediately prior to the effective time of the Merger was converted into the right to receive 0.3822 shares of PKY limited voting stock. Cash was paid for any fractional share interests of PKY common stock.

Boxes 15 and 16

The acquisition of TPGI by PKY pursuant to the Merger was intended to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended ("the Code"). Assuming that the merger so qualifies, in general, for federal income tax purposes, the aggregate tax basis of the shares of PKY stock received by the TPGI shareholders as a result of the Merger (excluding any fractional share interests deemed received and redeemed for cash) will be the same as the aggregate tax basis of the TPGI shares surrendered in exchange, reduced by the amount of cash received in the exchange, and increased by the amount of any gain recognized upon the exchange. A former TPGI shareholder must allocate the tax basis so calculated across the total number of the PKY common shares received by the shareholder in the Merger. By doing this allocation, a tax basis per share can be computed. The actual tax basis will differ with respect to each separate former TPGI shareholder. Tax basis may also differ with respect to separate and distinct blocks of common shares owned by any former TPGI shareholder. To the extent that a TPGI shareholder received cash in lieu of a fractional PKY common share, a portion of the total tax basis must be allocated to the fractional share and such fractional share will be deemed to be received and then exchanged for cash. The holding period of PKY stock received by TPGI shareholders in the merger generally will include the holding period of the shares of TPGI stock exchanged for PKY stock.

Box 17

The acquisition of TPGI by PKY pursuant to the Merger was intended to qualify as a reorganization within the meaning of Section 368(a) of the Code. Assuming that the Merger so qualifies, the federal income tax consequences to the TPGI shareholders who receive PKY stock as full or partial consideration for shares of TPGI stock will be determined under Code sections 354, 356, 358, 361, 368, and 1221.

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Box 18

TPGI shareholders who received PKY stock as Merger consideration cannot recognize any loss by reason of the Merger, except with respect to cash received in lieu of a fractional share of PKY common stock. If a TPGI shareholder receives cash in lieu of a fractional share of PKY common stock, the TPGI shareholder will be treated as having received a fractional share of PKY common stock pursuant to the Merger and then having exchanged the fractional share of PKY stock for cash in redemption by PKY. As a result, the TPGI shareholder generally will recognize gain or loss equal to the difference between the amount of cash received and the TPGI shareholder's basis in the fractional share of PKY common stock, as described in box 16 above. This gain or loss generally will be a capital gain or loss, and will be long-term capital gain or loss if, as of the Effective Date, the TPGI shareholder's holding period with respect to the fractional share (including the holding period of the TPGI common stock surrendered) exceeds one year. Special rules apply to TPGI shareholders who received their shares of TPGI common stock as compensation. Such TPGI shareholders are instructed to consult their own tax advisors.

Box 19

In general, any adjustment to the tax basis that results in gain or loss recognized by a TPGI shareholder as a result of the completion of the Merger should be reported for the taxable year that includes the Effective Date (e.g., a calendar year shareholder would report the transaction on his or her federal income tax return filed for the 2013 calendar year).

No legal opinion from U.S. legal counsel or ruling from the Internal Revenue Service ("IRS") has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Merger described in this report. This report is not binding on the IRS and the IRS and the U.S. courts could disagree with one or more of the positions described above.