

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
PARKWAY PROPERTIES, INC.		74-2123597	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
MARLI QUESINBERRY	(404) 407-1000	MARLIQUESINBERRY@COUSINSPROPERTIES.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
191 PEACHTREE STREET NE, SUITE 500		ATLANTA, GA 30303	
8 Date of action		9 Classification and description	
3/30/2016, 6/29/2016, 9/6/2016		CASH DISTRIBUTION TO COMMON SHAREHOLDERS	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
70159Q104		PKY	

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 ▶ PARKWAY PROPERTIES, INC. PAID CASH DISTRIBUTIONS TO COMMON SHAREHOLDERS IN 2016 AS FOLLOWS:

- 1) ON MARCH 30, 2016 - \$0.1875 PER SHARE TO SHAREHOLDERS OF RECORD MARCH 16, 2016.
- 2) ON JUNE 29, 2016 - \$0.1875 PER SHARE TO SHAREHOLDERS OF RECORD JUNE 15, 2016.
- 3) ON SEPTEMBER 6, 2016 - \$0.1875 PER SHARE TO SHAREHOLDERS OF RECORD AUGUST 23, 2016.

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 ▶ THE PORTION OF THE DISTRIBUTION THAT IS CLASSIFIED AS A NONDIVIDEND DISTRIBUTION REDUCES THE BASIS OF THE STOCK AS FOLLOWS:

PAYMENT DATE:	REDUCTION OF BASIS PER SHARE:
MARCH 30, 2016	\$0.162748
JUNE 29, 2016	\$0.162748
SEPTEMBER 6, 2016	\$0.162748

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 ▶ PARKWAY PROPERTIES, INC. CALCULATED EARNINGS AND PROFITS IN ACCORDANCE WITH I.R.C. SECTION 312, AS MODIFIED BY I.R.C. SECTION 857(d) FOR A REAL ESTATE INVESTMENT TRUST, AND THE REGULATIONS THEREUNDER. THE AMOUNT OF DISTRIBUTIONS IN EXCESS OF EARNINGS AND PROFITS REDUCE THE SHAREHOLDER'S BASIS IN ITS SHARES TO THE EXTENT OF BASIS. THEREAFTER, GAIN WOULD BE RECOGNIZED.

Part II Organizational Action (continued)

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

NONDIVIDEND DISTRIBUTION IS DETERMINED PURSUANT TO I.R.C. SECTION 301(c).

18 Can any resulting loss be recognized? ▶ NO RESULTING LOSS CAN BE RECOGNIZED.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ PARKWAY PROPERTIES, INC.,

A REAL ESTATE INVESTMENT TRUST, DECLARED AND PAID THREE CASH DIVIDENDS DURING ITS TAXABLE YEAR COMMENCING JANUARY 1, 2016 AND ENDING OCTOBER 6, 2016, THE DATE ON WHICH IT MERGED WITH AND INTO COUSINS PROPERTIES INCORPORATED WITH COUSINS PROPERTIES INCORPORATED SURVIVING.

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.

Sign Here

Signature ▶ *Kristin Myers* Date ▶ 1/25/17

Print your name ▶ KRISTIN MYERS Title ▶ VP - TAX, COUSINS

Paid Preparer Use Only

Print/Type preparer's name ANDREW K. MAUDE	Preparer's signature <i>Andrew K. Maude</i>	Date 1-25-2017	Check <input type="checkbox"/> if self-employed	PTIN P00706613
Firm's name ▶ DELOITTE TAX LLP			Firm's EIN ▶ 86-1065772	
Firm's address ▶ 191 PEACHTREE ST NE, SUITE 2000, ATLANTA, GA 30303-1924			Phone no. 404-220-1500	