

COUSINS PROPERTIES INC

Form 424B3

July 25, 2016

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**Filed Pursuant to Rule 424(b)(3)  
Registration Statement No. 333-211849**

## **MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

The boards of directors of Cousins Properties Incorporated, a Georgia corporation (which we refer to as Cousins ), and Parkway Properties, Inc., a Maryland corporation (which we refer to as Parkway ), have each approved an agreement and plan of merger, dated as of April 28, 2016 (which we refer to, as amended from time to time, as the Merger Agreement ), by and among Parkway, Parkway Properties LP, Cousins and Clinic Sub Inc., a wholly owned subsidiary of Cousins. Pursuant to the Merger Agreement, Cousins and Parkway will combine through a stock-for-stock merger (which we refer to as the Merger ), followed by a spin-off of the Houston-based assets of both companies (which we refer to as the Houston Business ) into a new publicly traded real estate investment trust (which we refer to as a REIT ), called Parkway, Inc. (which we refer to as New Parkway ). The transactions will create two independent and internally managed office REITs. Following the Merger and spin-off, assuming certain asset sales are consummated in accordance with the Merger Agreement, Cousins portfolio is expected to encompass 41 properties, comprising 18.4 million square feet of rentable space in Atlanta, Georgia; Austin, Texas; Charlotte, North Carolina; Phoenix, Arizona; and Orlando and Tampa, Florida. New Parkway s portfolio is expected to contain five Class A office assets encompassing 8.7 million rentable square feet in the Galleria, Greenway and Westchase submarkets of Houston, Texas.

The combination of Cousins and Parkway will be accomplished through the Merger of Parkway into Clinic Sub Inc., a wholly owned subsidiary of Cousins, which will continue as the surviving corporation of the Merger. In connection with the Merger, each Parkway common stockholder will have the right to receive 1.63 newly issued shares of Cousins common stock, par value \$1 per share, for each share of Parkway common stock, par value \$.001 per share, that they own immediately prior to the effective time of the Merger (which we refer to as the exchange ratio ). The exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the Merger. Cousins common stock and Parkway common stock are each traded on the New York Stock Exchange (which we refer to as the NYSE ) under the ticker symbols CUZ and PKY, respectively. Based on the closing price of Cousins common stock on the NYSE of \$10.71 on April 28, 2016, the last trading day before public announcement of the proposed transactions, the exchange ratio represented approximately \$17.46 in Cousins common stock for each share of Parkway common stock. Based on the closing price of Cousins common stock on the NYSE of \$11.00 on July 22, 2016, the latest practicable date before the date of this joint proxy statement/prospectus, the exchange ratio represented approximately \$17.93 in Cousins common stock for each share of Parkway common stock. **The value of the consideration will fluctuate with changes in the market price of Cousins common stock. We urge you to obtain current market quotations of Cousins common stock and Parkway common stock.**

Following the effective time of the Merger on the closing date, Cousins will effect a reorganization, on the terms and subject to the conditions of the Merger Agreement, pursuant to which Cousins will, among other things, separate the Houston Business from the remainder of the combined businesses (which we refer to as the Separation ). In addition,

on the business day following the effective time of the Merger, Cousins will distribute pro rata to its stockholders all of the outstanding shares of common stock and limited voting stock of New Parkway, which will contain the Houston Business (which we refer to as the Spin-Off ). Cousins (or a subsidiary of Cousins) will retain all of the shares of a class of nonvoting preferred stock of New Parkway, subject to the terms and conditions of the Merger Agreement. In the Spin-Off, each continuing holder of Cousins common stock will receive one share of New Parkway common stock for each share of Cousins common stock they own as of the close of business on the record date of the Spin-Off. In the Spin-Off, each legacy holder of Parkway common stock who, as of the close of business on the record date of the Spin-Off, continues to hold the Cousins shares they received in the Merger will receive 1.63 shares of New Parkway common stock for each share of Parkway common stock that they held immediately prior to the effective time of the Merger.

If necessary to comply with NYSE listing standards or otherwise, Cousins and Parkway may reduce the number of shares of New Parkway common stock and limited voting stock issued in the Spin-Off in respect of Cousins common stock and limited voting preferred stock through a change to the distribution ratio for the Spin-Off.

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**New Parkway has filed a registration statement on Form 10 with the Securities and Exchange Commission registering shares of common stock of New Parkway. The Form 10 is not incorporated by reference into this joint proxy statement/prospectus.**

Pursuant to the Merger Agreement, Cousins and Parkway will reorganize the combined businesses through a series of transactions (which we refer to as the UPREIT Reorganization ) such that, after the completion of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off, both Cousins and New Parkway will operate as umbrella partnership real estate investment trusts (which we refer to as UPREITs ). This means that substantially all of the properties of each company will be held through an operating partnership at each company. Parkway currently operates as an UPREIT, through its operating partnership, Parkway Properties LP, a Delaware limited partnership (which we refer to as Parkway LP ).

In addition, each limited partner of Parkway LP will continue to be entitled, prior to the effective time of the Merger, to redeem or exchange its partnership interests in Parkway LP for shares of Parkway common stock pursuant to the terms of the second amended and restated partnership agreement of Parkway LP, as amended. If partnership interests are so redeemed or exchanged prior to the effective time of the Merger, the shares of Parkway common stock will in turn be converted into the right to receive a number of newly issued shares of Cousins common stock in the Merger equal to the exchange ratio, upon the terms and subject to the conditions of the Merger Agreement. Each limited partner of Parkway LP that does not elect to redeem or exchange its partnership interests for shares of Parkway common stock in connection with the Merger will retain its limited partnership interests in Parkway LP and receive pro rata limited partnership interests in the operating partnership of Cousins in connection with the Separation, the UPREIT Reorganization and the Spin-Off.

In addition, in connection with the Merger, each share of Parkway limited voting stock, par value \$.001 per share, will be converted into the right to receive 1.63 newly issued shares of Cousins limited voting preferred stock, par value \$1 per share, having terms materially unchanged from the terms of the Parkway limited voting stock. Moreover, in the Spin-Off, each legacy holder of Parkway limited voting stock who, as of the close of business on the record date of the Spin-Off, continues to hold the Cousins shares they received in the Merger will receive 1.63 shares of New Parkway limited voting stock for each share of Parkway limited voting stock that they held immediately prior to the effective time of the Merger.

Based upon the number of outstanding shares on the record date of July 15, 2016 for the Cousins special meeting and July 15, 2016 for the Parkway special meeting, we anticipate that Cousins will issue approximately 182,181,891 shares of common stock and 6,867,360 shares of limited voting preferred stock in connection with the Merger, and will reserve approximately 4,247,715 shares of common stock for issuance in respect of Parkway equity awards that Cousins will assume in connection with the Merger.

Upon completion of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off, we estimate that legacy Cousins common stockholders will own approximately 53% of the common stock of each of Cousins and New Parkway and legacy Parkway common stockholders will own approximately 47% of the common stock of each of Cousins and New Parkway. Legacy holders of Parkway limited voting stock will own 100% of each of the Cousins limited voting preferred stock and the New Parkway limited voting stock.

**Holders of voting stock of Cousins and Parkway do not need to take any action at the Cousins or Parkway special meeting relating to the Separation, the UPREIT Reorganization or the Spin-Off. The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.**

Cousins and Parkway will each hold special meetings of their respective stockholders on August 23, 2016 in connection with the Merger and related transactions.

At the special meeting of Cousins, Cousins stockholders will be asked to consider and vote on (i) a proposal to approve the issuance of Cousins common stock to Parkway stockholders in the Merger pursuant to the Merger Agreement (which we refer to as the Cousins Issuance Proposal ), (ii) a proposal to amend the Restated and Amended Articles of Incorporation of Cousins, effective as of the Merger, to increase the number of authorized shares of Cousins common stock (which we refer to as the Cousins Articles Amendment Proposal ) and (iii) a proposal to approve the adjournment of the Cousins special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal if there are insufficient votes at the time of such adjournment to approve such proposals (which we refer to as the Cousins Adjournment Proposal ).

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At the special meeting of Parkway stockholders, Parkway stockholders will be asked to consider and vote on (i) a proposal to approve the Merger, on the terms and subject to the conditions of the Merger Agreement, and the transactions contemplated thereby (which we refer to as the Parkway Merger Proposal ), (ii) a proposal to approve, by advisory (nonbinding) vote, the compensation that may be paid or become payable to the named executive officers of Parkway in connection with the Merger (which we refer to as the Parkway Compensation Proposal ) and (iii) a proposal to approve the adjournment of the Parkway special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Parkway Merger Proposal, if there are insufficient votes at the time of such adjournment to approve the Parkway Merger Proposal (which we refer to as the Parkway Adjournment Proposal ). Holders of Parkway common stock are entitled to vote on the Parkway Merger Proposal, the Parkway Compensation Proposal and the Parkway Adjournment Proposal and holders of Parkway limited voting stock are entitled to vote only on the Parkway Merger Proposal.

**Your vote is very important, regardless of the number of shares you own.** The record dates for determining the stockholders entitled to receive notice of, and to vote at, the special meetings are July 15, 2016, with respect to the Cousins special meeting, and July 15, 2016, with respect to the Parkway special meeting. The Merger cannot be completed without the approval of both Cousins stockholders and Parkway stockholders. We urge you to read this joint proxy statement/prospectus carefully. The obligations of Cousins and Parkway to complete the Merger are subject to the satisfaction or waiver of certain conditions set forth in the Merger Agreement. More information about Cousins, Parkway, the special meetings, the Merger Agreement and the transactions contemplated thereby, including the Merger, the Separation, the UPREIT Reorganization, and the Spin-Off, is included in this joint proxy statement/prospectus. **You should also consider carefully the risks that are described in the Risk Factors section, beginning on page 57.**

**Whether or not you plan to attend the Cousins special meeting or the Parkway special meeting, please submit your proxy as soon as possible to make sure that your shares of Cousins common stock, Parkway common stock or Parkway limited voting stock are represented at the applicable meeting.**

**The Cousins board of directors recommends that Cousins stockholders vote FOR the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal, which approval is necessary to complete the Merger.**

**The Parkway board of directors recommends that Parkway stockholders vote FOR the Parkway Merger Proposal, which approval is necessary to complete the Merger, and FOR the Parkway Compensation Proposal.**

We join our respective boards in their recommendation and look forward to the successful combination of Cousins and Parkway.

Sincerely,

Sincerely,

LAWRENCE L. GELLERSTEDT III

JAMES R. HEISTAND

President and Chief Executive Officer

President and Chief Executive Officer

Cousins Properties Incorporated

Parkway Properties, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined that this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

**This joint proxy statement/prospectus is dated July 25, 2016 and is first being mailed to the stockholders of Cousins and stockholders of Parkway on or about July 25, 2016.**

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**Cousins Properties Incorporated**

**191 Peachtree Street NE, Suite 500**

**Atlanta, Georgia 30303**

**(404) 407-1000**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**To Be Held On August 23, 2016**

Dear Stockholders of Cousins Properties Incorporated:

We are pleased to invite you to attend a special meeting of stockholders of Cousins Properties Incorporated, a Georgia corporation (which we refer to as Cousins ). The meeting will be held at 191 Peachtree Street NE, Suite 500, Atlanta, Georgia 30303, on August 23, 2016, at 2:00 PM, EDT (which we refer to as the Cousins special meeting ), to consider and vote upon the following matters:

a proposal to approve the issuance of Cousins common stock, par value \$1 per share (which we refer to as Cousins common stock ), to stockholders of Parkway Properties, Inc. (which we refer to as Parkway ) in connection with the agreement and plan of merger, dated as of April 28, 2016 (which we refer to, as amended from time to time, as the Merger Agreement ), by and among Cousins, Parkway, Parkway Properties LP and Clinic Sub Inc., a wholly owned subsidiary of Cousins, pursuant to which Parkway will merge with and into Clinic Sub Inc. (which we refer to as the Merger ), with Clinic Sub Inc. continuing its existence as a wholly owned subsidiary of Cousins (which we refer to as the Cousins Issuance Proposal );

a proposal to amend the Restated and Amended Articles of Incorporation of Cousins, effective at the effective time of the Merger, to increase the number of authorized shares of Cousins common stock, par value \$1 per share (which we refer to as the Cousins Articles Amendment Proposal ); and

a proposal to approve the adjournment of the Cousins special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal if there are insufficient votes at the time of such adjournment to approve such proposals (which we refer to as the Cousins Adjournment Proposal ).

The approval by Cousins stockholders of both the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal is a condition to the completion of the Merger and the other transactions contemplated by the Merger Agreement, including the separation of the Houston-based assets of Cousins and Parkway from the remainder of the combined businesses of Cousins and Parkway (which we refer to as the Separation ), the reorganization of the combined businesses of Cousins and Parkway through a series of transactions (which we refer to as the UPREIT Reorganization ) and following the Merger, Cousins' distribution pro rata to its stockholders of all of the outstanding shares of common stock and limited voting stock of a new publicly traded real estate investment trust, Parkway, Inc. (which we refer to as the Spin-Off ).

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Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the Cousins special meeting.

Holders of record of shares of Cousins common stock at the close of business on July 15, 2016 are entitled to notice of, and to vote at, the Cousins special meeting and any adjournments or postponements of the Cousins special meeting.

The Cousins Issuance Proposal requires the affirmative vote of the majority of the votes cast by Cousins common stockholders at the Cousins special meeting, assuming a quorum is present. The Cousins Articles



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Amendment Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Cousins common stock, assuming a quorum is present. The Cousins Adjournment Proposal requires the affirmative vote of holders of a majority of the Cousins common stock represented, in person or by proxy, at the Cousins special meeting and entitled to vote on the proposal, whether or not a quorum is present.

**Your vote is important. Whether or not you expect to attend the Cousins special meeting in person, we urge you to vote your shares as promptly as possible by: (1) accessing the Internet website specified on your proxy card; (2) calling the toll-free number specified on your proxy card; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Cousins special meeting.** If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder. In lieu of receiving a proxy card, participants in certain benefit plans of Cousins have been furnished with voting instruction cards, which are described in greater detail in the accompanying joint proxy statement/prospectus.

You do not need to take any action at the Cousins special meeting relating to the other transactions contemplated by the Merger Agreement, including the Separation, the UPREIT Reorganization or the Spin-Off. The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.

By Order of the Board of Directors,

PAMELA F. ROPER

Senior Vice President, General Counsel and

Corporate Secretary

July 25, 2016

Atlanta, Georgia

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**Parkway Properties, Inc.**

**390 North Orange Avenue, Suite 2400**

**Orlando, Florida 32801**

**(407) 650-0593**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**To Be Held On August 23, 2016**

Dear Stockholders of Parkway Properties, Inc.:

We are pleased to invite you to attend a special meeting of stockholders of Parkway Properties, Inc., a Maryland corporation (which we refer to as Parkway ). The meeting will be held at 3344 Peachtree Road NE, Atlanta, Georgia 30326, on August 23, 2016, at 2:00 PM, EDT (which we refer to as the Parkway special meeting ), to consider and vote upon the following matters:

a proposal to approve the merger of Parkway with and into Clinic Sub Inc. (which we refer to as the Merger ), with Clinic Sub Inc. continuing its existence as a wholly owned subsidiary of Cousins Properties Incorporated (which we refer to as Cousins ), on the terms and subject to the conditions of the agreement and plan of merger, dated as of April 28, 2016 (which we refer to, as amended from time to time, as the Merger Agreement ), by and among Parkway, Parkway Properties LP, Cousins and Clinic Sub Inc., and the transactions contemplated thereby, as more fully described in the enclosed proxy statement (which we refer to as the Parkway Merger Proposal );

a proposal to approve, by advisory (nonbinding) vote, the compensation that may be paid or become payable to the named executive officers of Parkway in connection with the Merger (which we refer to as the Parkway Compensation Proposal ); and

a proposal to approve the adjournment of the Parkway special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Parkway Merger Proposal, if there are insufficient votes at the time of such adjournment to approve such proposal (which we refer to as the Parkway Adjournment Proposal ).

The approval by Parkway stockholders of the Parkway Merger Proposal is a condition to the completion of the Merger and the other transactions contemplated by the Merger Agreement, including the separation of the Houston-based assets of Cousins and Parkway from the remainder of the combined businesses of Cousins and Parkway (which we refer to as the Separation ), the reorganization of the combined businesses of Cousins and Parkway through a series of transactions (which we refer to as the UPREIT Reorganization ) and following the Merger, Cousins' distribution pro rata to its stockholders of all of the outstanding shares of common stock and limited voting stock of a new publicly traded real estate investment trust, Parkway, Inc. (which we refer to as the Spin-Off ).

Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the Parkway special meeting.

Holders of record of Parkway common stock, par value \$.001 per share (which we refer to as Parkway common stock ), at the close of business on July 15, 2016 are entitled to notice of, and to vote on, all proposals at the Parkway special meeting and any adjournments or postponements of the Parkway special meeting. Holders of record of Parkway limited voting stock, par value \$.001 per share (which we refer to as Parkway limited voting stock ), at the close of business on July 15, 2016 are entitled to notice of, and to vote on, the Parkway Merger Proposal at the Parkway special meeting and any adjournments or postponements of the Parkway special meeting.

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The Parkway Merger Proposal requires the affirmative vote of holders of a majority of the outstanding Parkway common stock and Parkway limited voting stock, voting together as a single class. The Parkway Compensation Proposal requires the affirmative vote of the majority of the votes cast by holders of Parkway common stock, assuming a quorum is present. The Parkway Adjournment Proposal requires the affirmative vote of the majority of the votes cast by holders of Parkway common stock at the Parkway special meeting, assuming a quorum is present. If a quorum is not present, the holders of a majority of Parkway common stock present in person or by proxy at the Parkway special meeting may adjourn the meeting.

**Your vote is important. Whether or not you expect to attend the Parkway special meeting in person, we urge you to vote your shares as promptly as possible by: (1) accessing the Internet website specified on your proxy card; (2) calling the toll-free number specified on your proxy card; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Parkway special meeting.** If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder.

You do not need to take any action at the Parkway special meeting relating to the other transactions contemplated by the Merger Agreement, including the Separation, the UPREIT Reorganization or the Spin-Off. The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.

By Order of the Board of Directors,

JEREMY R. DORSETT

Executive Vice President, General Counsel

and Secretary

July 25, 2016

Orlando, Florida

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**ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates by reference important business and financial information about Cousins and Parkway from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

**Cousins Properties Incorporated**

191 Peachtree Street NE, Suite 500

Atlanta, Georgia 30303

(404) 407-1000

Attn.: Investor Relations

or

**Georgeson**

1290 Avenue of the Americas, 9th Floor

New York, New York 10104

Call Toll-Free: (800) 213-0473

Email: [COUSINS@georgeson.com](mailto:COUSINS@georgeson.com)

**Parkway Properties, Inc.**

390 North Orange Avenue, Suite 2400

Orlando, Florida 32801

(407) 650-0593

Attn.: Investor Relations

or

**Alliance Advisors, LLC**

200 Broadacres Drive, 3rd Floor

Bloomfield, New Jersey 07003

Call Toll-Free: (855) 973-0096

Email: [PKY@allianceadvisorsllc.com](mailto:PKY@allianceadvisorsllc.com)

Investors may also consult the websites of Cousins or Parkway for more information concerning the Merger and the other transactions described in this joint proxy statement/prospectus, including the separation of the Houston-based assets of Cousins and Parkway from the remainder of the combined businesses of Cousins and Parkway, the reorganization of the combined businesses of Cousins and Parkway through a series of transactions and following the Merger, Cousins' distribution pro rata to its stockholders of all of the outstanding shares of common stock and limited voting stock of a new publicly traded real estate investment trust, Parkway, Inc. (which we refer to as New Parkway in this joint proxy statement/prospectus or HoustonCo in the annexes attached hereto). The website of Cousins is [www.cousinsproperties.com](http://www.cousinsproperties.com) and the website of Parkway is [www.pky.com](http://www.pky.com). Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

**New Parkway has filed a registration statement on Form 10 with the Securities and Exchange Commission registering shares of common stock of New Parkway. The Form 10 is not incorporated by reference into this joint proxy statement/prospectus.**

**If you would like to request any documents, please do so by August 16, 2016, in order to receive them before the special meetings.**

*For more information, see Where You Can Find More Information.*

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**ABOUT THIS DOCUMENT**

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission by Cousins Properties Incorporated (File No. 333-211849), constitutes a prospectus of Cousins under Section 5 of the Securities Act of 1933, as amended (which we refer to as the Securities Act ), with respect to the Cousins common stock, par value \$1 per share (which we refer to as Cousins common stock ), to be issued to Parkway stockholders in connection with the Merger. This document also constitutes a joint proxy statement of Cousins and Parkway under Section 14(a) of the Securities Exchange Act of 1934, as amended (which we refer to as the Exchange Act ). It also constitutes a notice of meeting with respect to the special meeting of Cousins stockholders and a notice of meeting with respect to the special meeting of Parkway stockholders, at which Cousins stockholders and Parkway stockholders, respectively, will be asked to vote upon certain proposals to approve the Merger and other related matters.

You should rely only on the information contained or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated July 25, 2016. You should not assume that the information contained in, or incorporated by reference into, this joint proxy statement/prospectus is accurate as of any date other than the date on the front cover of those documents. Neither our mailing of this joint proxy statement/prospectus to Cousins stockholders or Parkway stockholders nor the issuance of Cousins common stock or Cousins limited voting preferred stock in connection with the Merger will create any implication to the contrary.

**This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this joint proxy statement/prospectus regarding Cousins has been provided by Cousins and information contained in this joint proxy statement/prospectus regarding Parkway has been provided by Parkway.**

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**QUESTIONS AND ANSWERS**

*The following are answers to some questions that you, as a stockholder of Cousins Properties Incorporated, a Georgia corporation (which we refer to as Cousins ), or a stockholder of Parkway Properties, Inc., a Maryland corporation (which we refer to as Parkway ), may have regarding the proposed transactions between Cousins and Parkway and the other matters being considered at the special meeting of Cousins and at the special meeting of Parkway. Cousins and Parkway urge you to carefully read this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the Merger and the other matters being considered at the special meetings. Additional important information is also contained in the annexes to and the documents incorporated by reference into this joint proxy statement/prospectus.*

**Q: What is the Merger?**

A: Cousins and Parkway have agreed to a series of transactions, pursuant to the terms of an agreement and plan of merger, dated as of April 28, 2016 (which we refer to, as amended from time to time, as the Merger Agreement ), by and among Cousins, Parkway, Parkway Properties LP, a Delaware limited partnership (which we refer to as Parkway LP ) and Clinic Sub Inc., a Maryland corporation (which we refer to as Merger Sub ). Merger Sub is a wholly owned subsidiary of Cousins. A copy of the Merger Agreement is attached as Annex A to this joint proxy statement/prospectus.

Pursuant to the Merger Agreement, Parkway will merge with and into Merger Sub, with Merger Sub continuing its existence as a wholly owned subsidiary of Cousins (which we refer to as the Merger ).

In connection with the Merger, each Parkway common stockholder will have the right to receive 1.63 newly issued shares of Cousins common stock, par value \$1 per share (which we refer to, both before and after giving effect to the Merger and other transactions contemplated thereby as Cousins common stock ), for each share of Parkway common stock, par value \$.001 per share (which we refer to as Parkway common stock ), that they own immediately prior to the effective time of the Merger (which we refer to as the exchange ratio ). The exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the Merger.

Furthermore, in connection with the Merger, each share of Parkway limited voting stock, par value \$.001 per share (which we refer to as Parkway limited voting stock ) and, collectively with the Parkway common stock, the Parkway common and limited voting stock ), will be converted into 1.63 newly issued shares of Cousins limited voting preferred stock, par value \$1 per share (which we refer to as Cousins limited voting preferred stock ), having terms materially unchanged from the terms of the Parkway limited voting stock.

In addition, each limited partner of Parkway LP will continue to be entitled, prior to the effective time of the Merger, to redeem or exchange its partnership interests in Parkway LP for shares of Parkway common stock, pursuant to the terms of the second amended and restated partnership agreement of Parkway LP, which will be amended pursuant to the terms of the Merger Agreement (which we refer to, as amended from time to time, as the Parkway Partnership Agreement ). If partnership interests are so redeemed or exchanged prior to the effective

time of the Merger, the shares of Parkway common stock will in turn be converted into the right to receive a number of newly issued shares of Cousins common stock in the Merger equal to the exchange ratio, upon the terms and subject to the conditions of the Merger Agreement. Each limited partner of Parkway LP that does not elect to redeem or exchange its partnership interests for shares of Parkway common stock in connection with the Merger will retain its limited partnership interests in Parkway LP and receive pro rata limited partnership interests in the operating partnership of Cousins in connection with the Separation, the UPREIT Reorganization and the Spin-Off.

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**Q: What is the Separation?**

A: Immediately following the effective time of the Merger, Cousins will effect a reorganization, on the terms and subject to the conditions of the Merger Agreement, pursuant to which Cousins will separate certain of its assets relating to the ownership of real properties in Houston, Texas (which we refer to as the Houston Business ) from the remainder of its business (which we refer to as the Separation ) and transfer such assets to a new real estate investment trust (which we refer to as a REIT ), called Parkway, Inc. (which we refer to as New Parkway in this joint proxy statement/prospectus or HoustonCo in the annexes attached hereto).

**Q: What is the UPREIT Reorganization?**

A: In connection with the Merger and the Separation, Cousins and Parkway will reorganize their combined businesses through a series of transactions (which we refer to as the UPREIT Reorganization ) such that, after the completion of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off (as hereinafter defined) both Cousins and New Parkway will operate as umbrella partnership real estate investment trusts (which we refer to as UPREITs ). This means that substantially all of the properties of each company will be held through the operating partnership of that company.

To that end, pursuant to the UPREIT Reorganization, Parkway has formed a new partnership, Cousins Properties LP, a Delaware limited partnership (which we refer to as Cousins LP ), to which Cousins and Parkway will transfer certain assets and through which Cousins will operate substantially all of its business after the effective time of the Merger.

Parkway currently operates as an UPREIT, through its operating partnership, Parkway LP. Pursuant to the UPREIT Reorganization, a newly formed Delaware limited partnership, Parkway Operating Partnership LP (which we refer to as New Parkway LP in this joint proxy statement/prospectus or Houston Sub LP in Annex A attached hereto), a subsidiary of Parkway LP, will become the operating partnership of New Parkway, through which New Parkway will operate substantially all of its business after the Spin-Off.

**Q: What is the Spin-Off?**

A: After the Separation and the UPREIT Reorganization, Cousins will distribute pro rata to its stockholders all of the outstanding shares of common stock and limited voting stock of New Parkway (which we refer to as the Spin-Off ). Cousins, or a subsidiary of Cousins, will retain all of the shares of nonvoting preferred stock of New Parkway, upon the terms and subject to the conditions of the Merger Agreement. New Parkway is expected to have outstanding shares of preferred stock with a liquidation preference of \$5 million, a fixed market-rate dividend and no voting rights, other than as required by law. Cousins and Parkway will enter into all agreements necessary to effect the Spin-Off, including a Separation and Distribution Agreement (as hereinafter defined), in each case on the terms and subject to the conditions of the Merger Agreement.



Continuing holders of shares of Cousins common stock will be entitled to receive one share of New Parkway common stock for each share of Cousins common stock held by such stockholder as of the close of business on the record date of the Spin-Off. Legacy holders of shares of Parkway common stock or limited voting stock who, as of the close of business on the record date of the Spin-Off, continue to hold the Cousins shares they received in the Merger will be entitled to receive 1.63 shares of New Parkway common stock or limited voting stock for each share of Parkway common stock or limited voting stock, respectively, held by such stockholders immediately prior to the effective time of the Merger. In addition, each limited partner of Parkway LP that does not redeem or exchange its partnership interests for shares of Parkway common stock in connection with the Merger will retain its limited partnership interests in Parkway LP and

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receive pro rata limited partnership interests in the operating partnership of Cousins in connection with the Separation, the UPREIT Reorganization and the Spin-Off.

If necessary to comply with NYSE listing standards or otherwise, Cousins and Parkway may reduce the number of shares of New Parkway common stock and limited voting stock issued in the Spin-Off in respect of Cousins common stock and limited voting preferred stock through a change to the distribution ratio for the Spin-Off.

Upon completion of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off, we estimate that legacy Cousins common stockholders will own approximately 53% of the common stock of each of Cousins and New Parkway and legacy Parkway common stockholders will own approximately 47% of the common stock of each of Cousins and New Parkway. Legacy holders of Parkway limited voting stock will own 100% of each of the Cousins limited voting preferred stock and the New Parkway limited voting stock.

**You are not being asked to take any action relating to the Separation, the UPREIT Reorganization or the Spin-Off.**

**Q: Why will Cousins and New Parkway be structured as UPREITs following the transactions?**

A: The parties believe that the UPREIT structure, by which each of Cousins and New Parkway will own substantially all of their respective assets and conduct substantially all of their respective operations through an operating partnership following completion of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off, will give each of Cousins and New Parkway greater flexibility to acquire assets using a tax-deferred acquisition currency.

**Q: What happens if the market price of shares of Cousins common stock or Parkway common stock changes before the closing of the Merger?**

A: No change will be made to the exchange ratio of 1.63 if the market price of shares of Cousins common stock or Parkway common stock changes before the Merger. Because the exchange ratio is fixed, the value of the consideration to be received by Parkway stockholders in the Merger will depend on the market price of shares of Cousins common stock at the time of the Merger.

**Q: Why am I receiving this joint proxy statement/prospectus?**

A: The Merger cannot be completed, unless:

the holders of Cousins common stock vote to approve the issuance of Cousins common stock to Parkway stockholders in connection with the Merger (which we refer to as the Cousins Issuance Proposal );

the holders of Cousins common stock vote to amend the Restated and Amended Articles of Incorporation of Cousins (which we refer to as the Cousins Articles ) to increase the number of authorized shares of Cousins common stock, effective at the effective time of the Merger (which we refer to as the Cousins Articles Amendment Proposal ); and

the holders of Parkway common and limited voting stock vote to approve the Merger, on the terms and subject to the conditions of the Merger Agreement, and the transactions contemplated thereby (which we refer to as the Parkway Merger Proposal ).

Each of Cousins and Parkway will hold separate special meetings of their stockholders to obtain these approvals and approvals for other related proposals as described herein.

This joint proxy statement/prospectus contains important information about the Merger and the other proposals being voted on at the special meetings, and you should read it carefully. It is a joint proxy statement because the Cousins board of directors is soliciting proxies from its stockholders and the Parkway board of directors is soliciting proxies from its stockholders. It is a prospectus because Cousins will issue shares of its common stock. The enclosed voting materials allow you to vote your shares without attending your respective meeting.

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**Holders of voting stock of Cousins and Parkway do not need to take any action at the Cousins special meeting or Parkway special meeting relating to the Separation, the UPREIT Reorganization or the Spin-Off. The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.**

Your vote is important. We encourage you to vote as soon as possible.

**Q: Why is Cousins proposing the Merger?**

A: Among other reasons, the Cousins board of directors approved the Merger Agreement and recommended the approval of the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal based on a number of strategic and financial benefits to Cousins, including the potential for Cousins, following the Merger and the Spin-Off, to be a leading REIT in the growing Sun Belt market and the improved cost of capital for Cousins future growth opportunities following the Merger and the Spin-Off. For more information, see [The Merger Cousins Reasons for the Merger; Recommendations of the Cousins Board of Directors](#).

**Q: Why is Parkway proposing the Merger?**

A: Among other reasons, the Parkway board of directors approved the Merger Agreement and recommended its approval by Parkway stockholders based on a number of strategic and financial benefits, including the potential for Cousins to create additional value to stockholders due to its larger size and stronger balance sheet and the premium Parkway stockholders will receive in the Merger. For more information, see [The Merger Parkway s Reasons for the Merger; Recommendations of the Parkway Board of Directors](#).

**Q: When and where will the special meetings be held?**

A: The Cousins special meeting will be held at 191 Peachtree Street NE, Suite 500, Atlanta, Georgia 30303 on August 23, 2016, at 2:00 PM, EDT. The Parkway special meeting will be held at 3344 Peachtree Road NE, Atlanta, Georgia 30326, on August 23, 2016, at 2:00 PM, EDT.

**Q: How do I vote?**

A: *Cousins*. If you are a holder of record of Cousins common stock as of the record date for the Cousins special meeting, you may vote by:

accessing the Internet website specified on your proxy card;

calling the toll-free number specified on your proxy card; or

signing and returning the enclosed proxy card in the postage-paid envelope provided.

If you hold Cousins common stock in the name of a broker, bank or nominee, please follow the voting instructions provided by your broker, bank or nominee to ensure that your shares are represented at your special meeting. If you received voting instruction cards from a trustee of any retirement plan of Cousins or its subsidiaries in which you are a participant, please follow the instructions on those cards to ensure that shares of stock or beneficial interest allocated to your plan account are represented at your special meeting.

*Parkway.* If you are a holder of record of Parkway common or limited voting stock as of the record date for the Parkway special meeting, you may vote on the applicable proposals by:

accessing the Internet website specified on your proxy card;

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calling the toll-free number specified on your proxy card; or

signing and returning the enclosed proxy card in the postage-paid envelope provided.

If you hold shares of Parkway common stock in the name of a broker, bank or nominee, please follow the voting instructions provided by your broker, bank or nominee to ensure that your shares are represented at your special meeting.

**Q: What am I being asked to vote upon?**

A: *Cousins*. Cousins stockholders are being asked to vote to approve the Cousins Issuance Proposal, to approve the Cousins Articles Amendment Proposal and to approve a proposal to adjourn the Cousins special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal, if there are insufficient votes at the time of such adjournment to approve such proposals (which we refer to as the Cousins Adjournment Proposal ).

*Parkway*. Holders of Parkway common and limited voting stock are being asked to vote to approve the Parkway Merger Proposal. Holders of Parkway common stock are also being asked to approve, by advisory (nonbinding) vote, the compensation that may be paid or become payable to the named executive officers of Parkway in connection with the Merger (which we refer to as the Parkway Compensation Proposal ) and to approve a proposal to adjourn the Parkway special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Parkway Merger Proposal, if there are insufficient votes at the time of such adjournment to approve such proposal (which we refer to as the Parkway Adjournment Proposal ).

The Merger cannot be completed without the approval by Cousins stockholders of the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal and the approval by Parkway common and limited voting stockholders, voting together as a single class, of the Parkway Merger Proposal.

**Holders of voting stock of Cousins and Parkway do not need to take any action at the Cousins or Parkway special meetings relating to the Separation, the UPREIT Reorganization or the Spin-Off. The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.**

**Q: What vote is required to approve each proposal?**

A: *Cousins*.

The Cousins Issuance Proposal requires the affirmative vote of the majority of the votes cast by Cousins common stockholders, assuming a quorum is present.

The Cousins Articles Amendment Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Cousins common stock, assuming a quorum is present.

The Cousins Adjournment Proposal requires approval by the affirmative vote of holders of a majority of the shares of Cousins common stock represented, in person or by proxy, at the Cousins special meeting and entitled to vote on the proposal, whether or not a quorum is present.

*Parkway.*

The Parkway Merger Proposal requires the affirmative vote of the holders of a majority of the outstanding Parkway common and limited voting stock, voting together as a single class.

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The Parkway Compensation Proposal requires the affirmative vote of the holders of a majority of the votes cast by holders of Parkway common stock, assuming a quorum is present; however, such vote is advisory (nonbinding) only, assuming a quorum is present.

The Parkway Adjournment Proposal requires the affirmative vote of the holders of a majority of the votes cast by holders of Parkway common stock at the Parkway special meeting, assuming a quorum is present. If a quorum is not present, the holders of a majority of Parkway common stock present in person or by proxy at the Parkway special meeting may adjourn the meeting.

### **Q: How do the boards of directors of Cousins and Parkway recommend that I vote?**

A: *Cousins*. The Cousins board of directors unanimously recommends that holders of Cousins common stock vote **FOR** the Cousins Issuance Proposal, **FOR** the Cousins Articles Amendment Proposal and **FOR** the Cousins Adjournment Proposal.

Parkway. The Parkway board of directors unanimously recommends that holders of Parkway common and limited voting stock vote **FOR** the Parkway Merger Proposal and that the holders of Parkway common stock vote **FOR** the Parkway Compensation Proposal and **FOR** the Parkway Adjournment Proposal.

### **Q: How many votes do I have?**

A: *Cousins*. You are entitled to one vote for each share of Cousins common stock that you owned as of the close of business on the record date. As of the close of business on July 15, 2016, the record date for the Cousins special meeting, there were 220,498,824 outstanding shares of Cousins common stock, approximately 3.17% of which were beneficially owned by Cousins directors and executive officers and their affiliates.

*Parkway*. You are entitled to one vote for each share of Parkway common or limited voting stock that you owned as of the close of business on the record date. As of the close of business on July 15, 2016, the record date for the Parkway special meeting, there were 111,768,031 outstanding shares of Parkway common stock, 7.9% of which were beneficially owned by the directors and executive officers of Parkway. As of the close of business on July 15, 2016, the record date for the Parkway special meeting, there were approximately 4,213,104 outstanding shares of Parkway limited voting stock, all of which are beneficially owned by a director of Parkway. The holder of Parkway limited voting stock is not entitled to vote on the Parkway Compensation Proposal and the Parkway Adjournment Proposal.

### **Q: What constitutes a quorum?**

A: *Cousins*. Stockholders who hold a majority of the Cousins common stock outstanding on the record date and who are entitled to vote must be present or represented by proxy to constitute a quorum at the Cousins special



meeting.

*Parkway*. Stockholders who hold a majority of the total number of shares of Parkway common and limited voting stock issued and outstanding on the record date and who are entitled to vote must be present in person or represented by proxy to constitute a quorum at the Parkway special meeting.

**Q: Have any stockholders already agreed to approve the Merger?**

A: Yes. Pursuant to a voting agreement, TPG VI Pantera Holdings, L.P. (which we refer to as TPG Pantera ) and TPG VI Management, LLC (which we refer to collectively with TPG Pantera as the TPG Parties ), which, as of April 28, 2016, collectively beneficially owned approximately 21.2% of Parkway s outstanding common stock, have agreed to vote in favor of the Merger, on the terms and subject to the conditions of the

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Merger Agreement, and the transactions contemplated thereby, and against actions or agreements that would reasonably be expected to result in a failure of a closing condition set forth in the Merger Agreement to be fulfilled, alternative acquisitions, any action that would reasonably be expected to materially delay, materially postpone or materially adversely affect the consummation of the transactions contemplated by the Merger or would dilute in any material respect the benefit of such transactions to Cousins or its stockholders, subject to the terms and conditions of the voting agreement. For more information, see The Merger Agreements with the TPG Parties Voting Agreement.

**Q: If my shares of common stock are held in street name by my broker, will my broker vote my shares for me?**

A: If you hold your shares of common stock in a stock brokerage account or if your shares of common stock are held by a bank or nominee (that is, in street name ), you must provide the record holder of your shares with instructions on how to vote your shares of common stock. Please follow the voting instructions provided by your broker, bank or nominee. Please note that you may not vote shares of common stock held in street name by returning a proxy card directly to Cousins or Parkway or by voting in person at either special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or nominee. Further, brokers who hold shares of Cousins common stock or Parkway common stock on behalf of their customers may not give a proxy to Cousins or Parkway to vote those shares without specific instructions from their customers.

**Q: What will happen if I fail to instruct my broker, bank or nominee how to vote?**

A: *Cousins.* If you are a Cousins stockholder and you do not instruct your broker, bank or nominee on how to vote your shares of common stock, your broker may not vote your shares on the Cousins Issuance Proposal, the Cousins Articles Amendment Proposal or the Cousins Adjournment Proposal. This will have the same effect as a vote against the Cousins Articles Amendment Proposal, and will have no effect on the Cousins Issuance Proposal, assuming a quorum is present, or the Cousins Adjournment Proposal.

*Parkway.* If you are a Parkway stockholder and you fail to instruct your broker, bank or nominee to vote your shares of Parkway common and limited voting stock, as applicable, your broker may not vote your shares on the Parkway Merger Proposal, the Parkway Compensation Proposal or the Parkway Adjournment Proposal. This will have the same effect as a vote against the Parkway Merger Proposal, but it will have no effect on the Parkway Compensation Proposal or the Parkway Adjournment Proposal, assuming a quorum is present. If a quorum is not present, the holders of a majority of Parkway common stock present in person or by proxy at the Parkway special meeting may adjourn the meeting.

**Q: What will happen if I fail to vote or I abstain from voting?**

A: *Cousins.* If you are a Cousins stockholder and fail to vote or abstain from voting, it will have the same effect as a vote against the Cousins Articles Amendment Proposal, but it will have no effect on the Cousins Issuance Proposal, assuming a quorum is present, or the Cousins Adjournment Proposal. If you are a Cousins stockholder

and you attend the Cousins special meeting and fail to vote or abstain from voting, it will have the same effect as a vote against the Cousins Articles Amendment Proposal and the Cousins Adjournment Proposal, but it will have no effect on the Cousins Issuance Proposal, assuming a quorum is present.

*Parkway.* If you are a Parkway stockholder and fail to vote or abstain from voting, it will have the same effect as a vote against the Parkway Merger Proposal, but it will have no effect on the Parkway Compensation

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Proposal or the Parkway Adjournment Proposal, assuming a quorum is present. If a quorum is not present, the holders of a majority of Parkway common stock present in person or by proxy at the Parkway special meeting may adjourn the meeting.

**Q: What if I return my proxy card without indicating how to vote?**

A: If you sign and return your proxy card without indicating how to vote on any particular proposal, your shares of Cousins common stock, Parkway common stock or Parkway limited voting stock will be voted in accordance with the recommendation of the Cousins board of directors or Parkway board of directors, as applicable, with respect to such proposal.

**Q: Can I change my vote after I have returned a proxy or voting instruction card?**

A: Yes. You can change your vote at any time before your proxy is voted at your special meeting. You can do this in one of three ways:

you can send a signed notice of revocation;

you can grant a new, valid proxy bearing a later date; or

if you are a holder of record, you can attend your special meeting and vote in person, which will automatically cancel any proxy previously given, or you may revoke your proxy in person, but your attendance alone will not revoke any proxy that you have previously given.

Attending the Cousins special meeting or the Parkway special meeting without voting will not, by itself, revoke your proxy. If your shares of Cousins common stock or Parkway common stock are held by a bank, broker or nominee, you should follow the instructions provided by the bank, broker or nominee.

If you choose either of the first two methods, you must submit your notice of revocation or your new proxy to the secretary of Cousins or secretary of Parkway, as appropriate, no later than the beginning of the applicable special meeting. If your shares of Cousins common stock or Parkway common stock are held in street name by your broker, bank or nominee, you should contact your broker, bank or nominee to change your vote. If your shares of Cousins common stock are held through a Cousins retirement plan, you should contact the trustee for the plan to change your vote.

**Q: What are the material U.S. federal income tax consequences of the Merger and the Spin-Off to U.S. holders of Parkway common stock?**

- A: The obligation of the parties to consummate the Merger is subject to the receipt by Cousins and Parkway of the opinions of their respective counsels to the effect that, on the basis of facts, representations and assumptions set forth in such opinions, the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (which we refer to as the Code ). If the Merger so qualifies, then a U.S. holder of Parkway common stock generally will not recognize any gain or loss upon receipt of shares of Cousins common stock in exchange for Parkway common stock in the Merger (other than gain or loss with respect to cash received in lieu of a fractional share of Cousins common stock, if any).

The particular consequences of the Merger to each Parkway stockholder depend on such holder's particular facts and circumstances. Parkway stockholders are urged to consult their tax advisors to understand fully the consequences to them of the Merger in their specific circumstances. For more information, see Material U.S. Federal Income Tax Consequences Material U.S. Federal Income Tax Consequences of the Merger.

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While the Merger generally is not expected to result in the recognition of gain or loss for stockholders of either Parkway or Cousins, the distribution of shares of New Parkway common stock in the Spin-Off will be treated as a taxable distribution to Cousins stockholders for U.S. federal income tax purposes. An amount equal to the fair market value of the shares of New Parkway common stock received by you in the Spin-Off will generally be treated as a taxable dividend to the extent of your ratable share of any current or accumulated earnings and profits of Cousins (including gain recognized by Cousins in connection with the Separation and the Spin-Off), with the excess treated first as a non-taxable return of capital to the extent of your tax basis in Cousins common stock and any remaining excess treated as capital gain.

The particular consequences of the Spin-Off to each Cousins stockholder (including stockholders who received shares of Cousins stock in exchange for shares of Parkway stock pursuant to the Merger) depend on such holder's particular facts and circumstances, and thus you are urged to consult your tax advisor to understand fully the consequences to you of the Spin-Off in your specific circumstances. For more information, see **Material U.S. Federal Income Tax Consequences** **Material U.S. Federal Income Tax Consequences of the Spin-Off to U.S. Stockholders.**

**Q: Are there any conditions to closing of the Merger that must be satisfied for the Merger to be completed?**

A: Yes. In addition to the approvals of the stockholders of each of Cousins and Parkway described herein, there are a number of conditions that must be satisfied or waived for the Merger to be consummated. For more information, see **The Merger** **The Merger Agreement** **Conditions to Completion of the Merger.**

**Q: When do you expect the Merger and the Spin-Off to be completed?**

A: Cousins and Parkway are working to complete the Merger and the Spin-Off in the fourth quarter of 2016. However, the Merger and the Spin-Off are subject to various conditions, and it is possible that factors outside the control of Cousins and Parkway could result in the Merger and the Spin-Off being completed at a later time, or not at all. There may be a substantial amount of time between the respective Cousins special meeting and Parkway special meeting and the completion of the Merger and the Spin-Off. Cousins and Parkway hope to complete the Merger and the Spin-Off as soon as reasonably practicable following the satisfaction of all applicable conditions.

The Merger is expressly conditioned on the readiness of the Spin-Off and the effectiveness of the Registration Statement on Form 10 that New Parkway has filed with the SEC (which we refer to as the **New Parkway Form 10** ). This may further delay consummation of the Merger.

**You are not being asked to take any action relating to the Separation, the UPREIT Reorganization or the Spin-Off.**

**Q: Are Parkway and Cousins stockholders entitled to appraisal rights in connection with the Merger?**

A: No. Holders of Parkway common stock will not be entitled to appraisal rights or dissenters' rights in the Merger under Section 3-202 of the Maryland General Corporation Law (which we refer to as the "MGCL") because Parkway common stock is listed on a national securities exchange. Holders of Parkway limited voting stock do not have appraisal rights because they are denied the rights of objecting stockholders under the MGCL pursuant to the articles supplementary to the Articles of Incorporation of Parkway, as supplemented and amended (which we refer to as the "Parkway Articles") that established the class of Parkway limited voting stock. Under Section 14-2-1302 of the Georgia Business Corporations Code (which we refer to as the "GBCC"), holders of Cousins common stock do not have the right to receive the appraised value of their shares in connection with the Merger. For more information, see "The Merger - No Appraisal or Dissenters' Rights."

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**Q: What do I need to do now?**

A: Carefully read and consider the information contained in and incorporated by reference into this joint proxy statement/prospectus, including its annexes.

In order for your shares to be voted at the Cousins special meeting or the Parkway special meeting:

you can attend the applicable special meeting in person;

you can vote through the Internet or by telephone by following the instructions included on your proxy card;  
or

you can indicate on the enclosed proxy or voting instruction card how you would like to vote and return the card in the accompanying postage-paid envelope.

**Holders of voting stock of Cousins and Parkway do not need to take any action at the Cousins or Parkway special meetings relating to the Separation, the UPREIT Reorganization or the Spin-Off.**  The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.

**Q: Do I need to do anything with my share certificates now?**

A: *Parkway*. **No. You should not submit your share certificates at this time.** After the Merger is completed, if you held certificates representing Parkway common stock immediately prior to the effective time of the Merger, American Stock Transfer & Trust Company, the exchange agent for Cousins (which we refer to as the Exchange Agent ), will send you a letter of transmittal and instructions for exchanging your shares of Parkway common stock for the Merger consideration of 1.63 shares of Cousins common stock. Upon surrender of the certificates for cancellation along with the executed letter of transmittal and other required documents described in the instructions, a holder of shares of Parkway common stock will receive the Merger consideration of 1.63 shares of Cousins common stock.

Holders of shares of Parkway common stock in book-entry form immediately prior to the effective time of the Merger will not need to take any action to receive the Merger consideration of 1.63 shares of Cousins common stock. Holders of shares of Parkway limited voting stock in book-entry form immediately prior to the effective time of the Merger will not need to take any action to receive the Merger consideration of 1.63 shares of Cousins limited voting preferred stock.

*Cousins*. If you are a Cousins stockholder, you are not required to take any action with respect to your Cousins stock certificates. Such certificates will continue to represent shares of Cousins after the Merger.



**Q: Do I need identification to attend the Cousins or Parkway special meetings in person?**

A: Yes. Please bring proper identification, together with proof that you are a record owner of Cousins common stock or Parkway common or limited voting stock. If your shares are held in street name or through a Cousins retirement plan, please bring acceptable proof of ownership, such as a letter from your broker or an account statement stating or showing that you beneficially owned shares of Cousins common stock or Parkway common stock, as applicable, on the applicable record date.

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**Q: Who can help answer my questions?**

A: Cousins stockholders or Parkway stockholders who have questions about the Merger or the other matters to be voted on at the special meetings or who desire additional copies of this joint proxy statement/prospectus or additional proxy or voting instruction cards should contact:

**if you are a Cousins stockholder:**

**Georgeson**

1290 Avenue of the Americas, 9th Floor

New York, New York 10104

Call Toll-Free: (800) 213-0473

Email: COUSINS@georgeson.com

**if you are a Parkway stockholder:**

**Alliance Advisors, LLC**

200 Broadacres Drive, 3rd Floor

Bloomfield, New Jersey 07003

Call Toll-Free: (855) 973-0096

Email: PKY@allianceadvisorsllc.com

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**SUMMARY**

*This summary highlights information contained elsewhere in this joint proxy statement/prospectus and may not contain all of the information that is important to you. Cousins and Parkway urge you to read carefully this joint proxy statement/prospectus, including the attached annexes, and the other documents to which we have referred you because this section does not provide all of the information that might be important to you with respect to the Merger and the related matters being considered at the applicable special meeting. See also *Where You Can Find More Information*. We have included page references to direct you to a more complete description of the topics presented in this summary.*

**Information about the Companies**

***Cousins Properties Incorporated (See page 75)***

Cousins, a Georgia corporation, is a self-administered and self-managed REIT for U.S. federal income tax purposes. As of the date of this joint proxy statement/prospectus, Cousins manages a 15.4 million square foot office and mixed-use portfolio and is consistently looking to execute attractive investment opportunities that create exceptional value for all of its stakeholders. Cousins primarily invests in Class A office towers and mixed-use developments in high-growth Sun Belt markets, including Atlanta, Georgia; Charlotte, North Carolina; and Austin, Dallas and Houston, Texas.

After the Merger and the Spin-Off, assuming certain asset sales are consummated in accordance with the Merger Agreement, Cousins' portfolio is expected to encompass 41 high-quality properties comprising 18.4 million square feet of rentable space in Atlanta, Georgia; Austin, Texas; Charlotte, North Carolina; Phoenix, Arizona; and Orlando and Tampa, Florida. Cousins will operate in markets that are currently experiencing rent, employment and population growth ahead of the U.S. national average, and with low levels of new office space construction for such markets. Consistent with Cousins' current strategy, Cousins expects to remain focused on maintaining its conservative, simple balance sheet.

The principal offices of Cousins are located at 191 Peachtree Street NE, Suite 500, Atlanta, Georgia 30303, and its telephone number is (404) 407-1000.

Cousins common stock is listed on the New York Stock Exchange (which we refer to as the NYSE), trading under the symbol CUZ.

Additional information about Cousins and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. For more information, see *Where You Can Find More Information*.

***Cousins Properties LP (See page 75)***

Cousins LP, a Delaware limited partnership, will function as the operating partnership of Cousins following consummation of the Merger and the UPREIT Reorganization. As the operating partnership of Cousins, Cousins LP will conduct substantially all of Cousins' business, hold substantially all of Cousins' consolidated assets and generate substantially all of Cousins' revenues. At the effective time of the Merger, Cousins will hold the general partner interest in Cousins LP, as well as approximately 98% of the pro forma limited partnership interests of Cousins LP.

***Clinic Sub Inc. (See page 75)***

Clinic Sub Inc., a Maryland corporation, is a direct, wholly owned subsidiary of Cousins. Clinic Sub Inc. was formed by Cousins solely for the purpose of engaging in the transactions contemplated by the Merger

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Agreement. Clinic Sub Inc. has not conducted any business activities, has no assets, liabilities or obligations and has conducted its operations solely as contemplated by the Merger Agreement. Its principal executive offices are located at c/o Cousins Properties Incorporated, 191 Peachtree Street NE, Suite 500, Atlanta, Georgia 30303, and its telephone number is (404) 407-1000.

### ***Parkway Properties, Inc. (See page 76)***

Parkway is a Maryland corporation that has elected to be taxed as a REIT under the Code. Parkway is a fully integrated, self-administered and self-managed REIT specializing in the acquisition, ownership, development and management of quality office properties in higher growth submarkets in the Sun Belt region of the United States. Parkway owned or had an interest in 34 office properties located in six states with an aggregate of approximately 14.0 million square feet of leasable space as of April 1, 2016. Fee-based real estate services are offered through wholly owned subsidiaries of Parkway (including Eola Office Partners, LLC), which in total managed and/or leased approximately 2.7 million square feet primarily for third-party owners as of April 1, 2016 (which we refer to as the Third-Party Services Business ).

Parkway's most significant asset is its ownership interest in Parkway LP, which, together with its subsidiaries, conducts substantially all of Parkway's business, holds substantially all of Parkway's consolidated assets and generates substantially all of Parkway's revenues. Through a wholly owned subsidiary of Parkway, Parkway is the sole general partner of Parkway LP and, as of March 31, 2016, directly owned 111,602,419 common limited partnership units and indirectly owned 110,858 general partnership units, or approximately 95.9%, of the outstanding partnership interests of Parkway LP.

Parkway was incorporated in the state of Maryland in 1996, and Parkway LP was formed in the state of Delaware in 1997. Parkway's principal executive offices are located at 390 North Orange Avenue, Suite 2400, Orlando, Florida 32801, and its telephone number is (407) 650-0593.

Parkway common stock is listed on the NYSE, trading under the symbol PKY.

Shares of Parkway limited voting stock are not listed on any exchange.

Additional information about Parkway and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus and [Where You Can Find More Information](#).

### ***Parkway Properties LP (See page 76)***

Parkway LP, a Delaware limited partnership, together with its subsidiaries, conducts substantially all of Parkway's business, holds substantially all of Parkway's consolidated assets and generates substantially all of Parkway's revenues. Through a wholly owned subsidiary of Parkway, Parkway is the sole general partner of Parkway LP and, as of March 31, 2016, directly owned 111,602,419 common limited partnership units and indirectly owned 110,858 general partnership units, or approximately 95.9%, of the outstanding partnership interests of Parkway LP.

In connection with the Separation, the UPREIT Reorganization and the Spin-Off, the Parkway Partnership Agreement will be amended to, among other things, include provisions that are customary for UPREIT partnerships, and New Parkway LP will become the operating partnership of New Parkway. Following the Separation, the UPREIT Reorganization and the Spin-Off, the sole asset of Parkway LP will be an approximately 47.5% limited partner interest in New Parkway LP. For more information, see [The Merger Agreements to be Entered into in Connection with the Merger, the Separation and the UPREIT Reorganization Amendment to the Parkway Partnership Agreement](#) and [The](#)

Merger The Separation and the UPREIT Reorganization.

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***Parkway, Inc. (See page 76)***

New Parkway, a Maryland corporation, is currently a wholly owned subsidiary of Parkway.

At the effective time of the Merger, New Parkway will be led by Mr. James R. Heistand, the chief executive officer of Parkway, and several members of the existing Parkway senior management team. Mr. James A. Thomas, the current chairman of the Parkway board of directors, will become chairman of the New Parkway board of directors at the effective time of the Merger.

Following the Separation, the UPREIT Reorganization and the Spin-Off, it is expected that New Parkway will commence operations with five Class A office assets encompassing 8.7 million rentable square feet in the Galleria, Greenway and Westchase submarkets of Houston, Texas. Through the Merger, the Separation, the UPREIT Reorganization and the Spin-Off, New Parkway will also succeed to the Third-Party Services Business. At the effective time of the Spin-Off, New Parkway's most significant asset will be its direct and indirect ownership of approximately 98% of the limited partnership interests of New Parkway LP, which, together with its subsidiaries, will conduct substantially all of New Parkway's business, hold substantially all of New Parkway's consolidated assets and generate substantially all of New Parkway's revenues.

In connection with the Merger Agreement, Parkway and Parkway LP have entered into a debt commitment letter (which we refer to as the Commitment Letter) with Wells Fargo Bank, National Association, Wells Fargo Securities, LLC (which we refer to as Wells Fargo Securities), Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated (which we refer to as BofA Merrill Lynch) and JPMorgan Chase Bank, N.A. (which we refer to collectively as the Lenders) in which the Lenders have agreed, among other things, to provide to New Parkway LP (i) a senior secured loan facility in an aggregate principal amount of up to \$350 million (which we refer to as the New Parkway Term Loan), and (ii) a senior secured revolving credit facility in an aggregate principal amount of up to \$50 million, that may be increased to \$100 million subject to the satisfaction of certain conditions (which we refer to as the New Parkway Revolving Credit Facility, and together with the New Parkway Term Loan, the New Parkway Credit Facilities). For more information, see Information about the Companies.

***Parkway Operating Partnership LP (See page 77)***

New Parkway LP, a Delaware limited partnership, will function as the operating partnership of New Parkway following consummation of the Separation, the UPREIT Reorganization and the Spin-Off. As the operating partnership of New Parkway, New Parkway LP will conduct substantially all of New Parkway's business, hold substantially all of New Parkway's consolidated assets and generate substantially all of New Parkway's revenues. At the effective time of the Spin-Off, New Parkway will hold, directly and indirectly, approximately 98% of the partnership interests of New Parkway LP.

***Risk Factors (See page 57)***

Before voting at the Cousins special meeting or the Parkway special meeting, you should carefully consider all of the information contained in or incorporated by reference into this joint proxy statement/prospectus, as well as the specific factors under the heading Risk Factors beginning on page 57, including the risks that:

the Merger is subject to a number of conditions, including the readiness of the Spin-Off and the effectiveness of the New Parkway Form 10, and may not be completed on the terms or timeline currently contemplated, or

at all;

the exchange ratio is fixed and will not be adjusted in the event of any change in the stock prices of either Cousins or Parkway;

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Cousins and Parkway may be unable to successfully integrate their businesses in order to realize the anticipated benefits of the Merger;

Cousins and Parkway stockholders will be diluted by the Merger;

Cousins and Parkway expect to incur substantial costs in connection with the Merger and the Spin-Off;

Cousins may incur adverse tax consequences if Cousins or Parkway has failed or fails to qualify as a REIT for U.S. federal income tax purposes;

the Spin-Off will be a taxable transaction for Cousins and its stockholders following the Merger; and

the Spin-Off of New Parkway may not deliver its intended results, due to a number of risks and uncertainties.

**The Merger**

***The Merger Agreement (See page 151)***

Cousins and Parkway have entered into the Merger Agreement attached as Annex A to this joint proxy statement/prospectus. The Cousins board of directors and the Parkway board of directors have both unanimously approved the combination of Cousins and Parkway and the Spin-Off of New Parkway. Cousins and Parkway encourage you to read the entire Merger Agreement carefully because it is the principal legal document governing the Merger.

***Form of the Merger (See page 152)***

Pursuant to the Merger Agreement, Parkway will merge with and into Merger Sub, with Merger Sub continuing its existence as a wholly owned subsidiary of Cousins.

We expect that the legacy stockholders of Cousins and the legacy common stockholders of Parkway will own approximately 53% and 47%, respectively, of the outstanding shares of Cousins common stock. Legacy holders of Parkway limited voting stock will own 100% of Cousins limited voting preferred stock.

***Consideration to Common Stockholders in the Merger and the Spin-Off (See page 152)***

Upon the terms of the Merger Agreement, upon consummation of the Merger, holders of Parkway common stock will have the right to receive 1.63 newly issued shares of Cousins common stock for each share of Parkway common stock they own immediately prior to the effective time of the Merger, with cash paid in lieu of fractional shares. The exchange ratio in the Merger is fixed and will not be adjusted for changes in the market value of Parkway common stock or Cousins common stock. Because of this, the implied value of the consideration to Parkway stockholders in the Merger will fluctuate between now and the completion of the Merger. Based on the closing price of Cousins common stock on the NYSE of \$10.71 on April 28, 2016, the last trading day before public announcement of the Merger, the exchange ratio represented approximately \$17.46 in Cousins common stock for each share of Parkway

common stock. Based on the closing price of Cousins common stock on the NYSE of \$11.00 on July 22, 2016, the latest practicable date before the date of this joint proxy statement/prospectus, the exchange ratio represented approximately \$17.93 in Cousins common stock for each share of Parkway common stock. For more information, see Comparative Stock Prices and Dividends.

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The following table presents trading information for Cousins common stock and Parkway common stock on April 28, 2016, the last trading day before public announcement of the Merger, and July 22, 2016, the latest practicable date before the date of this joint proxy statement/prospectus. Trading information for Parkway common stock adjusted by the exchange ratio of 1.63 is also provided for each of these dates.

	<b>Cousins Common Stock (Close)</b>	<b>Parkway Common Stock (Close)</b>	<b>Parkway Common Stock (adjusted by exchange ratio) (Close)</b>
<b>April 28, 2016</b>	\$ 10.71	\$ 15.45	\$ 17.46
<b>July 22, 2016</b>	\$ 11.00	\$ 17.90	\$ 17.93

The market prices of Cousins common stock and Parkway common stock fluctuate. As a result, we urge you to obtain current market quotations of Cousins common stock and Parkway common stock.

***Treatment of Parkway Limited Voting Stock in the Merger (See page 152)***

Prior to the effective time of the Merger, Cousins will adopt an amendment to the Cousins Articles in substantially the form of Exhibit E to the Merger Agreement, which amendment will become effective upon the effective time of the Merger and will authorize a class of Cousins limited voting preferred stock having rights, privileges, powers and preferences materially unchanged from the terms of the Parkway limited voting stock prior to the Merger. In connection with the Merger, each share of Parkway limited voting stock will be converted into 1.63 newly issued shares of Cousins limited voting preferred stock.

***Treatment of Parkway Stock Options and Other Equity-Based Awards in the Merger (See page 152)***

At the effective time of the Merger, upon the terms and subject to the conditions of the Merger Agreement, outstanding Parkway equity awards will be adjusted as follows:

*Restricted Stock Units.* Certain Parkway restricted stock unit (which we refer to as RSU ) awards will be fully vested and converted into the right to receive a number of shares of Cousins common stock determined based on the exchange ratio. For purposes of such conversion, any performance conditions will be deemed to be satisfied at the maximum level. Certain other Parkway RSU awards will be converted into RSU awards in respect of a number of shares of Cousins common stock determined based on the exchange ratio, and will generally vest in four equal annual installments, commencing on the closing date and concluding on the third anniversary thereof.

*Stock Options.* Each outstanding Parkway stock option will be converted automatically into an option to purchase a number of shares of Cousins common stock determined based on the exchange ratio.

*LTIP Units.* Certain outstanding Parkway LP profits interest units (which we refer to as *LTIP Units* ) will be converted into Cousins RSU awards on the terms described above for the modified RSU awards. Certain other *LTIP Units* will be fully vested and converted into common units of Parkway LP on a one-for-one basis, and for purposes of such conversion, any performance conditions will be deemed to be satisfied at the maximum level. Certain other *LTIP Units* are anticipated to be forfeited to the extent that the applicable performance conditions are not satisfied as of the effective time of the Merger.

***Treatment of Cousins and Parkway Stock Options and Other Equity-Based Awards in the Spin-Off (See page 148)***

Pursuant to the Merger Agreement, as of the effective time of the Spin-Off, outstanding Cousins equity awards are expected to be adjusted as follows:

*Restricted Stock Units Held by Parkway Employees Transferring to New Parkway.* For individuals who are employees of Parkway prior to the effective time of the Merger and who are transferring to New

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Parkway, their Parkway RSU awards that converted into Cousins RSU awards under the Merger Agreement will be converted into, or exchanged for, RSUs of substantially equivalent value in respect of the common stock of New Parkway, with terms and conditions substantially similar to the terms applicable to the Parkway RSU awards prior to the effective time of the Merger.

*Restricted Stock Units Held by Parkway Employees Not Transferring to New Parkway or Remaining with Cousins.* For individuals who are employees of Parkway prior to the effective time of the Merger and who are not transferring to New Parkway but will not be offered employment with Cousins, their Parkway RSU awards that converted into Cousins RSU awards under the Merger Agreement will be fully vested upon the distribution and treated in the same manner as common stock held by Cousins stockholders generally.

*Stock Options Held by Parkway Employees Transferring to New Parkway.* For individuals who are employees of Parkway prior to the effective time of the Merger and who are transferring to New Parkway, their Parkway stock options that converted into Cousins stock options under the Merger Agreement will be converted into, or exchanged for, stock options of substantially equivalent value in respect of the common stock of New Parkway, with terms and conditions substantially similar to the terms applicable to the Parkway stock options prior to the effective time of the Merger.

*Stock Options Held by Parkway Employees Not Transferring to New Parkway or Remaining with Cousins.* For individuals who are employees of Parkway prior to the effective time of the Merger and who are not transferring to New Parkway but will not be offered employment with Cousins, their Parkway stock options that converted into Cousins stock options under the Merger Agreement will be fully vested upon the distribution and divided on a proportional basis into fully vested options in respect of Cousins common stock and fully vested options in respect of the common stock of New Parkway, which in each case will be exercisable for the remaining term of such stock option.

*Equity Awards Held by Legacy Cousins Employees Remaining with Cousins.* For individuals who are employees of Cousins prior to the effective time of the Merger and who will remain with Cousins following the distribution, their Cousins equity awards will remain fully denominated in respect of Cousins common stock, with the number of shares subject thereto adjusted in the distribution to preserve the value of the award.

***Treatment of Parkway LP Units in the Merger and the Spin-Off (See page 152)***

Each limited partner of Parkway LP will continue to be entitled, prior to the effective time of the Merger, to redeem or exchange its partnership interests (including LTIP Units) in Parkway LP for shares of Parkway common stock, which if so redeemed or exchanged prior to the effective time of the Merger, will in turn be converted in the Merger into the right to receive a number of newly issued shares of Cousins common stock equal to the exchange ratio, upon the terms and subject to the conditions of the Merger Agreement. Each limited partner of Parkway LP that does not elect to redeem or exchange its partnership interests for shares of Parkway common stock in connection with the Merger will retain its limited partnership interests in Parkway LP and receive pro rata limited partnership interests in Cousins LP in connection with the Separation, the UPREIT Reorganization and the Spin-Off.

***Recommendations of the Cousins Board of Directors (See page 96)***

After careful consideration, the Cousins board of directors, on April 28, 2016, unanimously approved the Merger Agreement and the transactions contemplated thereby, including the Merger, the Separation, the UPREIT Reorganization, and the Spin-Off, and declared the Merger Agreement and such transactions (including the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal) to be advisable and in the best interest of Cousins and the stockholders of Cousins.

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The Cousins board of directors unanimously recommends that holders of Cousins common stock vote **FOR** the Cousins Issuance Proposal, **FOR** the Cousins Articles Amendment Proposal and **FOR** the Cousins Adjournment Proposal.

For the factors considered by the Cousins board of directors in reaching its decision to approve the Merger Agreement and the recommendations of the Cousins board of directors, see The Merger Cousins Reasons for the Merger; Recommendations of the Cousins Board of Directors.

### ***Recommendation of the Parkway Board of Directors (See page 100)***

After careful consideration, the Parkway board of directors, on April 28, 2016, unanimously approved the Merger Agreement and the transactions contemplated thereby, including the Merger, the Separation, the UPREIT Reorganization, and the Spin-Off, and declared the Merger Agreement and such transactions to be advisable and in the best interest of Parkway and the stockholders of Parkway.

The Parkway board of directors unanimously recommends that the Parkway stockholders vote **FOR** the Parkway Merger Proposal, **FOR** the Parkway Compensation Proposal and **FOR** the Parkway Adjournment Proposal.

For the factors considered by the Parkway board of directors in reaching its decision to approve the Merger Agreement and the recommendations of the Parkway board of directors, see The Merger Parkway s Reasons for the Merger; Recommendations of the Parkway Board of Directors.

### ***Opinion of Cousins Financial Advisor (See page 103)***

#### ***Opinion of Goldman, Sachs & Co.***

At a meeting of the Cousins board of directors held on April 28, 2016, Goldman, Sachs & Co. (which we refer to as Goldman Sachs ), Cousins financial advisor, rendered to the Cousins board of directors its oral opinion, subsequently confirmed in a written opinion dated April 28, 2016, to the effect that, as of the date of its written opinion and based upon and subject to the factors and assumptions set forth in Goldman Sachs written opinion, the exchange ratio of 1.63 shares of Cousins common stock to be issued for each share of Parkway common stock pursuant to the Merger Agreement was fair, from a financial point of view, to Cousins.

**The full text of the written opinion of Goldman Sachs, dated April 28, 2016, which sets forth assumptions made, procedures followed, matters considered, qualifications and limitations on the review undertaken in connection with the opinion, is attached to this joint proxy statement/prospectus as Annex B. The summary of the Goldman Sachs opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of Goldman Sachs written opinion. Goldman Sachs advisory services and opinion were provided for the information and assistance of the Cousins board of directors in connection with its consideration of the Merger, and the opinion does not constitute a recommendation as to how any holder of Cousins common stock should vote with respect to the Cousins Issuance Proposal, the Cousins Articles Amendment Proposal or any other matter.**

For more information, see The Merger Opinion of Cousins Financial Advisor Opinion of Goldman, Sachs & Co. and Annex B.

### ***Opinions of Parkway s Financial Advisors (See page 112)***

*Opinion of Merrill Lynch, Pierce, Fenner & Smith Incorporated*

Parkway has engaged BofA Merrill Lynch as a financial advisor in connection with the Merger. In connection with the Merger, BofA Merrill Lynch delivered a written opinion, dated April 28, 2016, to the



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Parkway board of directors as to the fairness, from a financial point of view and as of such date, to the holders of Parkway common stock of the exchange ratio provided for in the Merger. The full text of BofA Merrill Lynch's written opinion, dated April 28, 2016, is attached as Annex C to this joint proxy statement/prospectus and sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations and qualifications on the review undertaken by BofA Merrill Lynch in rendering its opinion. **BofA Merrill Lynch delivered its opinion to the Parkway board of directors for the benefit and use of the Parkway board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the exchange ratio from a financial point of view. BofA Merrill Lynch's opinion did not address any related transactions or other terms, aspects or implications of the Merger and no opinion or view was expressed as to the relative merits of the Merger or related transactions in comparison to other strategies or transactions that might be available to Parkway or in which Parkway might engage or as to the underlying business decision of Parkway to proceed with or effect the Merger or any related transactions. BofA Merrill Lynch also expressed no opinion or recommendation as to how any stockholder should vote or act in connection with the Merger, any related transactions or any other matter.**

*Opinion of Wells Fargo Securities, LLC*

Parkway also engaged Wells Fargo Securities as a financial advisor in connection with the Merger. In connection with the Merger, Wells Fargo Securities rendered an opinion, dated April 28, 2016, to the Parkway board of directors as to the fairness, from a financial point of view and as of such date, to the holders of Parkway common stock of the exchange ratio provided for in the Merger. The full text of Wells Fargo Securities' written opinion is attached as Annex D to this joint proxy statement/prospectus and is incorporated in this document by reference. The written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations and qualifications on the review undertaken by Wells Fargo Securities in rendering its opinion. **The opinion was addressed to the Parkway board of directors (in its capacity as such) for its information and use in connection with its evaluation of the exchange ratio from a financial point of view and did not address any related transactions or any other terms, aspects or implications of the Merger. Wells Fargo Securities' opinion did not address the merits of the underlying decision by Parkway to enter into the Merger Agreement or the relative merits of the Merger or related transactions compared with other business strategies or transactions available or that have been or might be considered by Parkway or the Parkway board of directors or in which Parkway might engage. Wells Fargo Securities' opinion does not constitute a recommendation to the Parkway board of directors or any other person or entity in respect of the Merger or any related transactions, including as to how any stockholder should vote or act in connection with the Merger, any related transactions or any other matters.**

*Interests of Cousins Directors and Executive Officers in the Merger (See page 139)*

Pursuant to the Merger Agreement, at the effective time of the Merger, the Cousins board of directors will have nine members, including five directors, Mr. Taylor Glover, Mr. Larry Gellerstedt, Mr. Robert Chapman, Ms. Donna Hyland and Ms. Lillian Giornelli, designated by the Cousins board of directors prior to the effective time of the Merger, with Mr. Taylor Glover continuing as the chairman of the Cousins board of directors. In addition, at the effective time of the Merger, the New Parkway board of directors will have seven members, including three directors, Mr. R. Dary Stone, Mr. James H. Hance Jr. and Mr. Craig B. Jones, designated by the Cousins board of directors prior to the effective time of the Merger.

Pursuant to the Merger Agreement, at the effective time of the Merger, the senior leadership team of Cousins will include Mr. Larry Gellerstedt as president and chief executive officer, Mr. Gregg Adzema as executive vice president and chief financial officer, Mr. John McColl as executive vice president, Mr. Colin Connolly as executive vice president and chief operating officer, Ms. Pamela Roper as senior vice president, general counsel and corporate

secretary and Mr. Jay Harris as senior vice president, chief accounting officer, treasurer and assistant corporate secretary. None of the senior leadership team of Cousins will hold positions with New Parkway following the Merger and the Spin-Off.

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**Table of Contents*****Interests of Parkway Directors and Executive Officers in the Merger (See page 139)***

Pursuant to the Merger Agreement, at the effective time of the Merger, the Cousins board of directors will have nine members, including three directors, Ms. Brenda J. Mixson, Mr. Charles T. Cannada and Mr. Edward M. Casal, designated by the Parkway board of directors prior to the effective time of the Merger, and one director, Mr. Kelvin L. Davis, designated by TPG Pantera pursuant to the Cousins stockholders agreement (as hereinafter defined). For more information, see *The Merger Agreements with the TPG Parties Cousins Stockholders Agreement*. In addition, at the effective time of the Merger, the New Parkway board of directors will have seven members, including (i) two directors who were members of the Parkway board of directors as of April 28, 2016 (and not representatives of the TPG Parties), one of whom will be Mr. James A. Thomas, Parkway's current chairman of the board, serving as chairman of the New Parkway board of directors, and the other of whom will be Mr. James R. Heistand, president and chief executive officer of New Parkway, and (ii) two directors, Mr. Avi Banyasz and Mr. Frank J. Tripp Johnson, designated by TPG Pantera pursuant to the New Parkway stockholders agreement (as hereinafter defined). For more information, see *The Merger Agreements with the TPG Parties New Parkway Stockholders Agreement*.

Parkway has entered into employment agreements with certain executive officers, pursuant to which such executive officers may become entitled to certain payments of benefits upon the consummation of a change in control and/or upon a related qualifying termination of employment. For more information, see *The Merger Interests of Parkway Directors and Executive Officers in the Merger*.

In connection with the Merger, certain executive officers and directors of Parkway who own stock options, RSUs and LTIP Units of Parkway, in some cases, will have such securities converted into the right to receive options to purchase Cousins common stock, Cousins RSUs, Cousins common stock or common units of Parkway LP. For more information, see *The Merger Interests of Parkway Directors and Executive Officers in the Merger Treatment of Outstanding Equity Awards*.

None of the senior leadership team of New Parkway will hold positions with Cousins following the Merger and the Spin-Off.

In addition, concurrently with execution of the Merger Agreement, Parkway and Parkway LP entered into a letter agreement with Mr. Thomas and certain other unitholders of Parkway LP that are affiliated with Mr. Thomas (which we refer to as the *Thomas Investors*), pursuant to which Mr. Thomas will have certain interests in New Parkway that are different from, or in addition to, those of others stockholders, including with respect to certain governance rights, registration rights, and tax protection agreements. For more information, see *The Merger Thomas Letter Agreement*.

***Directors and Management Following the Merger (See page 147)***

Pursuant to the Merger Agreement, and upon the terms and subject to the conditions of the Merger Agreement, at the effective time of the Merger, the Cousins board of directors will have nine members, with Mr. Taylor Glover continuing as the chairman of the Cousins board of directors. The Cousins board of directors at the effective time of the Merger will consist of five directors, Mr. Taylor Glover, Mr. Larry Gellerstedt, Mr. Robert Chapman, Ms. Donna Hyland and Ms. Lillian Giornelli, designated by the Cousins board of directors prior to the effective time of the Merger, three directors, Ms. Brenda J. Mixson, Mr. Charles T. Cannada and Mr. Edward M. Casal, designated by the Parkway board of directors prior to the effective time of the Merger and one director, Mr. Kelvin L. Davis, designated by TPG Pantera pursuant to the Cousins stockholders agreement (as hereinafter defined). For more information, see *The Merger Agreements with the TPG Parties Cousins Stockholders Agreement*.

Pursuant to the Merger Agreement, and upon the terms and subject to the conditions of the Merger Agreement, at the effective time of the Merger, the senior leadership team of Cousins will include Mr. Larry

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Gellerstedt as president and chief executive officer, Mr. Gregg Adzema as executive vice president and chief financial officer, Mr. John McColl as executive vice president, Mr. Colin Connolly as executive vice president and chief operating officer, Ms. Pamela Roper as senior vice president, general counsel and corporate secretary and Mr. Jay Harris as senior vice president, chief accounting officer, treasurer and assistant corporate secretary. None of the senior leadership team of Cousins will hold positions with New Parkway following the Merger and the Spin-Off.

Pursuant to the Merger Agreement, and upon the terms and subject to the conditions of the Merger Agreement, at the effective time of the Merger, the New Parkway board of directors will have seven members. The New Parkway board of directors at the effective time of the Merger will consist of three directors, Mr. R. Dary Stone, Mr. James H. Hance Jr. and Mr. Craig B. Jones, designated by the Cousins board of directors prior to the effective time of the Merger, two directors, Mr. James A. Thomas and Mr. James R. Heistand, designated by the Parkway board of directors prior to the effective time of the Merger and two directors, Mr. Avi Banyasz and Mr. Frank J. Tripp Johnson, designated by TPG Pantera pursuant to the New Parkway stockholders agreement (as hereinafter defined). For more information, see The Merger Agreements with the TPG Parties New Parkway Stockholders Agreement.

On June 29, 2016, with respect to the designation of Mr. Craig B. Jones, Cousins and Parkway agreed to waive a requirement in the Merger Agreement that each of the directors appointed by Cousins to the New Parkway board of directors must have been a member of the Cousins board of directors as of April 28, 2016.

At the effective time of the Merger, the senior leadership team of New Parkway will include Mr. James R. Heistand as chief executive officer and other senior management of Parkway in key executive roles. Mr. James A. Thomas, the current chairman of the Parkway board of directors, will be the chairman of the New Parkway board of directors at the effective time of the Merger.

None of the senior leadership team of New Parkway will hold positions with Cousins following the Merger and the Spin-Off.

For more information, see The Merger Directors and Management Following the Merger and The Merger Agreements with the TPG Parties.

### ***The Separation (See page 163)***

Immediately following the effective time of the Merger, Cousins will effect the Separation, a series of reorganization transactions, on the terms and subject to the conditions of the Merger Agreement, pursuant to which Cousins will separate the Houston Business and the Third-Party Services Business from the remainder of the combined businesses.

### ***The UPREIT Reorganization (See page 163)***

In connection with the Merger and the Separation, Cousins and Parkway will reorganize their combined businesses through the UPREIT Reorganization such that, after the completion of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off, both Cousins and New Parkway will operate as UPREITs. This means that substantially all of the properties of Cousins and Parkway will be held through an operating partnership of each company.

To that end, pursuant to the UPREIT Reorganization, Parkway has formed a new operating partnership, Cousins LP, through which Cousins will operate substantially all of its business after the effective time of the Merger.



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Parkway currently operates as an UPREIT, through its operating partnership, Parkway LP. Pursuant to the UPREIT Reorganization, New Parkway LP will become the operating partnership of New Parkway, through which New Parkway will operate substantially all of its business after the effective time of the Spin-Off.

***The Spin-Off (See page 166)***

New Parkway's charter will provide for three classes of stock: voting common stock, nonvoting preferred stock and limited voting stock. After the Separation and the UPREIT Reorganization, in the Spin-Off, Cousins will distribute (1) pro rata to its common stockholders, including legacy Cousins common stockholders and legacy Parkway common stockholders, all of the outstanding shares of common stock of New Parkway and (2) pro rata to its limited voting stockholders, which are composed of legacy Parkway limited voting stockholders, all of the outstanding shares of limited voting stock of New Parkway. The Spin-Off will occur on the first business day following the closing of the Merger. Cousins, or a subsidiary of Cousins, will retain all of the nonvoting preferred stock of New Parkway, upon the terms and subject to the conditions of the Merger Agreement. New Parkway is expected to have outstanding shares of preferred stock with a liquidation preference of \$5 million, a fixed market-rate dividend and no voting rights, other than as required by law.

Cousins and Parkway will enter into all agreements necessary to effect the Spin-Off, including a Separation and Distribution Agreement (as hereinafter defined), in each case, on the terms and subject to the conditions of the Merger Agreement.

Continuing holders of shares of Cousins common stock will be entitled to receive one share of New Parkway common stock for each share of Cousins common stock held by such stockholder as of the close of business on the record date of the Spin-Off. Legacy holders of shares of Parkway common stock who, as of the close of business on the record date of the Spin-Off, continue to hold the Cousins shares they received in the Merger will be entitled to receive 1.63 shares of New Parkway common stock for each share of Parkway common stock held by such stockholders immediately prior to the effective time of the Merger. In addition, each limited partner of Parkway LP that does not redeem or exchange its partnership interests for shares of Parkway common stock in connection with the Merger will retain its limited partnership interests in Parkway LP and receive pro rata limited partnership interests in Cousins LP in connection with the Separation, the UPREIT Reorganization and the Spin-Off.

Legacy holders of shares of Parkway limited voting stock who, as of the close of business on the record date of the Spin-Off, continue to hold the Cousins shares they received in the Merger will be entitled to receive 1.63 shares of New Parkway limited voting stock for each share of Parkway limited voting stock held by such stockholders immediately prior to the effective time of the Merger. Under the articles of incorporation of New Parkway, the terms of the New Parkway limited voting stock will be substantially identical to the terms of the Cousins limited voting preferred stock, as set forth in Exhibit E to the Merger Agreement.

If necessary to comply with NYSE listing standards or otherwise, Cousins and Parkway may reduce the number of shares of New Parkway common stock and limited voting stock issued in the Spin-Off in respect of Cousins common stock and limited voting preferred stock through a change to the distribution ratio for the Spin-Off.

Upon completion of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off, we estimate that legacy Cousins common stockholders will own approximately 53% of the common stock of each of Cousins and New Parkway, and legacy Parkway stockholders will own approximately 47% of the common stock of each of Cousins and New Parkway. Legacy holders of Parkway limited voting stock will own 100% of each of the Cousins limited voting preferred stock and the New Parkway limited voting stock.

*Accounting Treatment (See page 149)*

Cousins and Parkway prepare their financial statements, respectively, in accordance with accounting principles generally accepted in the United States (which we refer to as GAAP ). The Merger will be accounted for by applying the purchase method of accounting, with Cousins treated as the acquirer. For more information, see The Merger Accounting Treatment.



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***Regulatory Approvals (See page 149)***

In connection with the issuance of Cousins common stock in the Merger, pursuant to the Merger Agreement, as a condition to the closing of the Merger, Cousins must file a registration statement with the SEC under the Securities Act, of which this joint proxy statement/prospectus forms a part, that is declared effective by the SEC. As a condition to the closing of the Merger, New Parkway must file the New Parkway Form 10, and the New Parkway Form 10 must be declared effective by the SEC, with no stop order in effect with respect to the New Parkway Form 10 and no proceedings for such purpose pending or threatened by the SEC.

***Closing; Effective Time of the Merger (See page 153)***

Cousins and Parkway are working to complete the Merger and the Spin-Off in the fourth quarter of 2016. However, the Merger and the Spin-Off are subject to various conditions, and it is possible that factors outside the control of both companies could result in the Merger and the Spin-Off being completed at a later time, or not at all. There may be a substantial amount of time between the respective Cousins and Parkway special meetings and the completion of the Merger and the Spin-Off. Cousins and Parkway hope to complete the Merger and the Spin-Off as soon as reasonably practicable following the satisfaction of all applicable conditions. For more information, see Risk Factors Risks Relating to the Merger.

The Merger is expressly conditioned on the readiness of the Spin-Off and the effectiveness of the New Parkway Form 10, on which securities to be distributed in the Spin-Off will be registered. This may further delay consummation of the Merger.

**Cousins stockholders and Parkway stockholders are not being asked to take any action relating to the Separation, the UPREIT Reorganization or the Spin-Off.**

***Conditions to Completion of the Merger (See pages 173)***

As more fully described in this joint proxy statement/prospectus and in the Merger Agreement, the completion of the Merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include:

receipt of the requisite approvals of Cousins stockholders and Parkway stockholders;

the approval for listing on the NYSE of shares of Cousins common stock to be issued or reserved for issuance in connection with the Merger;

the SEC having declared effective the registration statement of which this joint proxy statement/prospectus forms a part;

the absence of an injunction or law prohibiting the Merger;

the Spin-Off being fully ready to be consummated contemporaneously with the closing of the Merger, including that the SEC shall have declared the New Parkway Form 10 effective and the Spin-Off will close on the business day following the closing of the Merger;

the correctness of all representations and warranties made by the parties in the Merger Agreement and performance by the parties of their obligations under the Merger Agreement (subject in most cases to materiality or material adverse effect qualifications), and receipt of an officer's certificate from each party attesting thereto;

receipt by each of Cousins and Parkway of an opinion to the effect that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code; and

the receipt by each of Cousins and Parkway of an opinion regarding such party's qualification as a REIT.

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We cannot be certain when, or if, the conditions to the Merger will be satisfied or waived, or that the Merger will be completed.

As more fully described in this joint proxy statement/prospectus and in the Merger Agreement, the completion of the Spin-Off depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include:

the effectiveness of the New Parkway Form 10, with no stop order in effect with respect thereto, and no proceedings for such purpose pending before or threatened by the SEC;

the receipt by Cousins of solvency and surplus opinions;

the acceptance for listing on the NYSE of shares of New Parkway common stock to be issued or reserved for issuance in connection with the Spin-Off, subject to official notice of distribution;

the mailing of the information statement that is a part of the New Parkway Form 10;

the execution of all ancillary documents required by the Spin-Off;

the absence of injunction or law preventing consummation, or limiting the benefits, of the Spin-Off;

the consummation of the Merger, the Separation and the UPREIT Reorganization; and

the entering into by New Parkway LP, of its credit facility, pursuant to which New Parkway LP shall cause \$200 million to be distributed to its partners, which funds will then be contributed to Cousins LP.

***No Solicitation (See page 174)***

Cousins and Parkway are subject to a customary no-shop provision that requires them to refrain from, and to cease discussions or solicitations with respect to, alternate transactions and subjects them to certain restrictions in considering and negotiating alternate transactions. If either of the parties receives a superior proposal (as hereinafter defined), the receiving party may provide nonpublic information to the proposing party and engage in discussions or negotiations with the party making such a proposal. Each party shall promptly notify the other party of any proposal for an alternative transaction within 24 hours and provide the other party with a copy of such proposal.

In response to a superior proposal, the board of directors of the party receiving such a proposal may change its recommendation with respect to such party's stockholder vote, and such party may terminate the Merger Agreement in order to accept such proposal. Prior to effecting such change, the board of directors of the party receiving the superior proposal must provide the other party with notice, reasons for such action and five days of good-faith negotiations to counter such proposal.

*Termination of the Merger Agreement (See page 177)*

The Merger Agreement may be terminated prior to the effective time of the Merger, whether before or after the required approvals of the Cousins stockholders and Parkway stockholders are obtained:

by mutual written consent of Cousins and Parkway;

by either Cousins or Parkway, if the Merger is not consummated by December 31, 2016, which either party may extend to March 31, 2017 if the only closing condition not yet satisfied relates to the readiness of the Spin-Off;

by either Cousins or Parkway, if a court or other governmental entity issues a final and nonappealable order prohibiting the Merger;

by either Cousins or Parkway, if the required approvals of either the Cousins stockholders or the Parkway stockholders are not obtained;

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by either Cousins or Parkway, if there is a breach of the representations or covenants of the other party that would result in the failure of the related closing condition to be satisfied, subject to a cure period;

by Cousins, if the Parkway board of directors changes its recommendation regarding approval of the Parkway Merger Proposal;

by Parkway, if the Cousins board of the directors changes its recommendation in favor of the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal;

by either Cousins or Parkway, to enter into a superior proposal (as hereinafter defined), subject to compliance with certain terms of the Merger Agreement; and

by either Cousins or Parkway upon a material breach of the other party's nonsolicitation obligations under the Merger Agreement, subject to a five-day cure period.

***Expenses and Termination Fees (See page 178)***

Generally, all fees and expenses incurred in connection with the Merger and the transactions contemplated by the Merger Agreement will be paid by the party incurring those expenses. For more information, see The Merger The Merger Agreement Fees and Expenses. The Merger Agreement further provides that, upon termination of the Merger Agreement under certain circumstances, each party may be obligated to pay the other party a termination fee of \$65 million and either party may be obligated to reimburse \$20 million of the expenses of the other party. For more information, see The Merger The Merger Agreement Termination of the Merger Agreement.

***No Appraisal or Dissenters Rights (See page 151)***

Under Maryland and Georgia law, the holders of Parkway common and limited voting stock and Cousins common stock, respectively, are not entitled to appraisal rights in connection with the Merger. For more information, see The Merger No Appraisal or Dissenters Rights.

***Agreements with the TPG Parties (See page 180)***

Concurrently with the execution of the Merger Agreement, Cousins entered into a voting agreement with the TPG Parties, pursuant to which the TPG Parties agreed to vote all of their shares of Parkway common stock in favor of the Parkway Merger Proposal and the other actions contemplated by the Merger Agreement and against actions or agreements that would reasonably be expected to result in the failure of a closing condition set forth in the Merger Agreement, alternative acquisitions, any action that would reasonably be expected to materially delay, materially postpone or materially adversely affect the consummation of the transactions contemplated by the Merger or would dilute in any material respect the benefit of such transactions to Cousins or its stockholders. As of April 28, 2016, the TPG Parties held 23,663,397 shares of Parkway common stock, or approximately 21.2% of the common stock issued and outstanding.

Concurrently with the execution of the Merger Agreement, Cousins entered into a stockholders agreement with the TPG Parties (which we refer to as the Cousins stockholders agreement ) in order to establish various arrangements with respect to governance of Cousins after the effective time of the Merger and certain rights with respect to shares of

Cousins common stock which will be beneficially owned by the TPG Parties following the effective time of the Merger. Effectiveness of the Cousins stockholders agreement is conditioned on the closing of the Merger.

Pursuant to the Cousins stockholders agreement, upon the terms and subject to the conditions thereof, TPG Pantera will have the right to nominate one director for inclusion on the Cousins board of directors and certain of its committees so long as TPG Pantera (together with its affiliates, other than portfolio companies of TPG Pantera or its affiliates) beneficially owns at least 5% of outstanding shares of Cousins common stock. The

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agreement will also grant the TPG Parties certain registration rights, and will subject TPG Pantera and its affiliates (other than portfolio companies of TPG Pantera or its affiliates) and any non-private equity business of any of TPG Pantera's affiliates to a standstill that will allow TPG Pantera or such affiliates to acquire up to 15% of the outstanding shares of Cousins common stock, subject to the terms and upon the conditions of the Cousins stockholders agreement.

In addition, in connection with the Merger Agreement, the Cousins board of directors granted to the TPG Parties an exemption from the ownership limit included in the Cousins Articles, establishing for the TPG Parties an aggregate substitute in lieu of the ownership limit to permit them to constructively and beneficially own (without duplication) (i) during the term of the standstill provided by the Cousins stockholders agreement, up to 15% of Cousins outstanding voting securities, subject to the terms and conditions thereof, and (ii) following the term of the standstill provided by the Cousins stockholders agreement, shares of Cousins common stock held by the TPG Parties at the expiration of the standstill, subject to the terms, conditions, limitations, reductions and terminations set forth in an executed investor representation letter to be entered into prior to the effective time of the Merger.

In addition, at the effective time of the Merger, New Parkway will enter into a stockholders agreement with the TPG Parties (which we refer to as the New Parkway stockholders agreement), pursuant to which TPG Pantera will have the right to nominate two directors to the New Parkway board of directors for so long as TPG Pantera (together with its affiliates, other than portfolio companies of TPG Pantera or its affiliates) beneficially owns at least 5% of New Parkway common stock (or up to three directors if they beneficially own at least 30% of New Parkway common stock) and one director to the New Parkway board of directors for so long as TPG Pantera (together with its affiliates, other than portfolio companies of TPG Pantera or its affiliates) own at least 2.5% of New Parkway common stock. The agreement will also grant the TPG Parties certain registration and preemptive rights.

For more information, see The Merger Agreements with the TPG Parties.

***Thomas Letter Agreement (See Page 183)***

Concurrently with the execution of the Merger Agreement, Parkway and Parkway LP entered into the Thomas Letter Agreement with the chairman of the Parkway board of directors, Mr. James A. Thomas, and certain unitholders of Parkway LP who are affiliated with Mr. Thomas (together with Mr. Thomas, the Thomas Parties). The Thomas Letter Agreement supplements and amends an existing letter agreement among the parties relating to certain governance rights of Mr. Thomas, certain tax protection arrangements, and registration rights. The Thomas Letter Agreement will be binding on New Parkway and the successor to Parkway LP following the Merger and the Spin-Off, and, in general, will not be binding upon Cousins, Cousins LP or any of their subsidiaries.

***Agreements to be Entered into in Connection with the Merger, the Separation and the UPREIT Reorganization (See page 184)***

Prior to the effective time of the Merger, Parkway, as general partner of Cousins LP, and Parkway LP, as limited partner of Cousins LP, will execute the partnership agreement of Cousins LP which, immediately following the effective time of the Merger, will be amended and restated by Cousins as general partner and certain persons as limited partners. Cousins LP will function as the operating partnership of Cousins and will allow Cousins to operate as an UPREIT following the Merger and the UPREIT Reorganization.

In addition, immediately following the Spin-Off, New Parkway, as holder of the majority in interest of the limited partnership units of Parkway LP, and Parkway Properties General Partners, Inc., a Delaware corporation (which we refer to as Parkway GP), as general partner of Parkway LP, will enter into an amendment to the





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Parkway Partnership Agreement. Parkway LP will hold, as its sole asset, an approximately 47.5% limited partner interest in New Parkway LP. New Parkway LP will function as the operating partnership of New Parkway and will allow New Parkway to operate as an UPREIT following consummation of the Merger, the Separation, the UPREIT Reorganization and the Spin-Off.

### **Material U.S. Federal Income Tax Consequences of the Merger (See page 196)**

The Merger is intended to be non-taxable to stockholders, provided it qualifies as a reorganization within the meaning of Section 368(a) of the Code. U.S. holders of Parkway common stock are not expected to recognize any gain or loss for U.S. federal income tax purposes on the receipt of shares of Cousins common stock in exchange for Parkway common stock in the Merger, except with respect to any cash received in lieu of fractional shares of Cousins common stock. The obligations of Parkway and Cousins to complete the Merger are subject to, among other conditions described in this joint proxy statement/prospectus, the receipt by each of Parkway and Cousins of the opinion of its counsel to the effect that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

You should read **Material U.S. Federal Income Tax Consequences of the Merger** for a more complete discussion of the U.S. federal income tax considerations relevant to the Merger. The tax consequences of the Merger to you will depend on your particular tax situation. **You should consult your tax advisor to determine the particular tax consequences of the Merger to you.**

### **Material U.S. Federal Income Tax Consequences of the Spin-Off to U.S. Stockholders (See page 197)**

While the Merger generally is not expected to result in the recognition of gain or loss for stockholders of either Parkway or Cousins, the distribution of shares of New Parkway common stock in the Spin-Off will be treated as a taxable distribution to Cousins stockholders for U.S. federal income tax purposes. An amount equal to the fair market value of the shares of New Parkway common stock received by Cousins stockholders in the Spin-Off will generally be treated as a taxable dividend to the extent of your ratable share of any current or accumulated earnings and profits of Cousins (including gain recognized by Cousins in connection with the Separation and the Spin-off), with the excess treated first as a non-taxable return of capital to the extent of your tax basis in Cousins common stock and any remaining excess treated as capital gain.

The particular consequences of the Spin-Off to each Cousins stockholder depend on such holder's particular facts and circumstances, and thus you are urged to consult your tax advisor to understand fully the consequences to you of the Spin-Off in your specific circumstances. For more information, see **Material U.S. Federal Income Tax Consequences of the Spin-Off to U.S. Stockholders**.

### **The Cousins Special Meeting (See page 199)**

The Cousins special meeting will be held at 191 Peachtree Street NE, Suite 500, Atlanta Georgia 30303, at 2:00 PM EDT, on August 23, 2016. You may vote at the Cousins special meeting if you owned shares of Cousins common stock at the close of business on July 15, 2016, the record date for the Cousins special meeting. On that date, there were 220,498,824 shares of Cousins common stock outstanding and entitled to vote. You may cast one vote for each share of Cousins common stock that you owned on that date.

At the Cousins special meeting, Cousins stockholders will be asked to consider and vote upon:

the Cousins Issuance Proposal;

the Cousins Articles Amendment Proposal; and

the Cousins Adjournment Proposal.

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The approval of the Cousins Issuance Proposal and the Cousins Articles Amendment Proposal is a condition to the completion of the Merger.

The Cousins Issuance Proposal requires approval by the affirmative vote of the majority of the votes cast by Cousins common stockholders, assuming a quorum is present. The Cousins Articles Amendment Proposal requires approval by the affirmative vote of the holders of a majority of the outstanding shares of Cousins common stock, assuming a quorum is present. The Cousins Adjournment Proposal requires approval by the affirmative vote of holders of a majority of the Cousins common stock represented, in person or by proxy, at the Cousins special meeting and entitled to vote on the proposal, whether or not a quorum is present.

On the record date, approximately 3.17% of the outstanding shares of Cousins common stock was held by Cousins directors and executive officers and their affiliates. Cousins currently expects that the Cousins directors and executive officers will vote their shares in favor of the Cousins Issuance Proposal, the Cousins Articles Amendment Proposal and the Cousins Adjournment Proposal, although none has entered into any agreements obligating them to do so.

The Cousins board of directors unanimously recommends that Cousins stockholders vote **FOR** all of the proposals set forth above. For more information, see The Cousins Special Meeting.

**Cousins stockholders do not need to take any action at the Cousins special meeting relating to the Separation, the UPREIT Reorganization or the Spin-Off.** The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.

### **The Parkway Special Meeting (See page 206)**

The Parkway special meeting will be held at 3344 Peachtree Road NE, Atlanta, Georgia 30326, at 2:00 PM EDT on August 23, 2016. You may vote at the Parkway special meeting if you owned Parkway common or limited voting stock at the close of business on July 15, 2016, the record date for the Parkway special meeting. On that date, there were 111,768,031 shares of Parkway common stock outstanding and entitled to vote and 4,213,104 shares of Parkway limited voting stock outstanding and entitled to vote. Each share of Parkway common stock is entitled to cast one vote on all matters that come before the Parkway special meeting. Each share of Parkway limited voting stock is entitled to cast one vote on the Parkway Merger Proposal only and shall vote as a single class with the holders of Parkway common stock on such proposal.

At the Parkway special meeting, stockholders of Parkway will be asked to consider and vote upon:

the Parkway Merger Proposal;

the Parkway Compensation Proposal; and

the Parkway Adjournment Proposal.

The approval of the Parkway Merger Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Parkway common and limited voting stock, voting together as a single class. The approval of the Parkway Compensation Proposal requires the affirmative vote of the holders of a majority of the votes cast by holders of Parkway common stock, assuming a quorum is present. The Parkway Adjournment Proposal requires the

affirmative vote of the holders of a majority of the votes cast by holders of Parkway common stock, assuming a quorum is present. If a quorum is not present, the holders of a majority of Parkway common stock present in person or by proxy at the Parkway special meeting may adjourn the meeting.

On the record date, approximately 7.9% of the outstanding shares of Parkway common stock was held by Parkway directors and executive officers and their affiliates. On the record date, 100% of the outstanding shares

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of Parkway limited voting stock were held by a director of Parkway and his affiliates. Parkway currently expects that the directors and executive officers of Parkway will vote their shares in favor of the Parkway Merger Proposal, the Parkway Compensation Proposal and the Parkway Adjournment Proposal, although none has entered into any agreements obligating them to do so. In addition, the TPG Parties, who currently have the right to designate up to four directors on the Parkway board of directors, have entered into a voting agreement with Cousins pursuant to which they have agreed to vote all of their shares of Parkway common stock in favor of the Parkway Merger Proposal. For more information, see *The Merger Agreements with the TPG Parties Voting Agreement*.

The Parkway board of directors unanimously recommends that Parkway stockholders vote **FOR** all of the proposals set forth above. For more information, see *The Parkway Special Meeting*.

**Parkway stockholders do not need to take any action at the Parkway special meeting relating to the Separation, the UPREIT Reorganization or the Spin-Off.** The Separation, the UPREIT Reorganization and the Spin-Off will only occur if the Merger is completed.

## **Business and Properties New Parkway (See page 274)**

### *General (See page 274)*

New Parkway will be a self-managed office REIT, engaged in the ownership, acquisition, development and leasing of Class A office properties focused on attractive Houston, Texas submarkets. Upon completion of the Separation, its portfolio will consist of five Class A assets comprising 19 buildings and totaling approximately 8.7 million rentable square feet in the Greenway, Galleria and Westchase submarkets of Houston, providing geographic focus and significant operational scale and efficiencies. New Parkway believes that the creation of a geographically focused REIT with a strong balance sheet and targeted internal value-creation opportunities will generate attractive risk-adjusted returns for its stockholders while providing a platform for external growth opportunities over the longer term.

New Parkway's mission will be to own and operate high-quality office properties located in attractive submarkets in Houston, with a primary focus on unlocking value within its existing portfolio through implementing active and creative leasing strategies, leveraging its scale to increase pricing power in lease and vendor negotiations and targeting redevelopment and asset repositioning opportunities. New Parkway expects to maintain a conservative balance sheet with low leverage and ample liquidity, which New Parkway expects will allow it to access multiple sources of capital. New Parkway believes that this strategy will support both its internal growth initiatives and its patient and disciplined approach to pursuing new investment opportunities at the appropriate times. New Parkway believes this strategy, combined with its highly experienced management team that has a successful history of operating a publicly traded REIT, significant expertise in the Houston, Texas office sector and extensive relationships with industry participants, positions it for long-term external and internal growth.

### *Competitive Strengths (See page 274)*

***Accomplished management team with a demonstrated track record of acquiring, operating and repositioning assets and managing a public office REIT.*** New Parkway's management team, led by Mr. James R. Heistand, will have extensive experience in the office real estate industry, including in the operations, leasing, acquisition and disposition of office assets through all stages of the real estate cycle, and will have a proven track record of executing business strategies and delivering strong results for stockholders. Since joining Parkway in the fourth quarter of 2011 through March 31, 2016, this management team has acquired \$3.9 billion of high-quality, Class A office assets and disposed of approximately \$2.6 billion of non-core assets resulting in approximately \$290.0 million of net gains. During this

time, this management team also realized significant portfolio-wide operational improvements as evidenced by a 45.8% increase in average in-place rents and an increase in the leased percentage of the portfolio from 84.9% to 90.8%.

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***Houston focus with local and regional expertise.*** New Parkway will focus on owning and operating office properties in Houston, Texas, which is a region New Parkway believes is well-positioned for economic recovery. New Parkway believes its position as a pure-play Houston real estate company allows it to have a targeted focus on property performance that otherwise could be diluted in a company with more geographically diverse holdings. Additionally, New Parkway's management and property-level teams have in-depth knowledge of the Houston real estate market and an extensive network of long-standing relationships with leading local and regional industry participants that New Parkway believes will drive its ability to identify and capitalize on internal and external value-creation opportunities and attractive acquisition opportunities as well as identify opportunities with potential joint venture partners, as such opportunities arise from time to time, which may include preliminary conceptual discussions prior to the closing of the Merger.

***High-quality portfolio of Class-A office assets concentrated in desirable, resilient Houston submarkets.*** New Parkway will own five Class A assets comprising 19 buildings and totaling approximately 8.7 million square feet in the Greenway, Galleria and Westchase submarkets, which are among the most desirable submarkets in Houston. New Parkway expects to be the largest landlord in each of these submarkets, owning 72% of the Class A office inventory in Greenway, 18% in Galleria, and 17% in Westchase based on square footage as of March 31, 2016.

***High-quality, creditworthy customer base with limited near-term lease maturities.*** New Parkway's diversified customer base will generally consist of high-quality and creditworthy customers. As of March 31, 2016, nearly 50% of New Parkway's customers based on annual base rent had investment grade credit ratings from major credit rating agencies. Further, with a weighted average remaining lease term of approximately six years as of March 31, 2016, New Parkway's portfolio will have limited near-term lease maturities, which New Parkway believes will provide stable cash flows with minimal decline in contractual revenue over the next several years.

***Flexible and conservative capital structure.*** New Parkway believes its flexible and conservative capital structure will provide it with an advantage over many of its private and public competitors. Upon completion of the Distribution, New Parkway will have limited near-term debt maturities, approximately \$150 million in cash and cash equivalents and \$50 million of additional liquidity, all of which will provide financial flexibility, support ongoing capital improvement needs and reinforce its business and growth strategies of unlocking the value in its portfolio through leasing and asset repositioning.

***Business and Growth Strategies (see page 276)***

***Maximize cash flow growth and value through proactive asset management and leasing.*** New Parkway believes it is well-positioned to drive growth in cash flow and maximize the value of its portfolio with proactive, creative and aggressive leasing and asset management. New Parkway believes that it will be able to leverage its broad existing customer relationships, leading market position and deep financial flexibility to attract new, high-quality customers, increase occupancy over the long-term and maximize customer retention rates at its properties.

***Focus on unlocking value through repositioning and redeveloping existing properties.*** New Parkway expects that its management team will devote attention to internal value-creating investment opportunities that are intended to generate attractive growth in revenues and cash flow, enhancing the value of its portfolio. Specifically, New Parkway expects to leverage its real estate expertise to reposition and redevelop its existing properties, as well as properties that New Parkway may acquire in the future, with the objective of increasing occupancy, rental rates and risk-adjusted returns on its invested capital.

***Maintain a conservative, flexible balance sheet with adequate liquidity to fund near-term growth opportunities.*** New Parkway will maintain a conservative capital structure that will provide resources and





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flexibility to position it for both internal and external growth. New Parkway will focus on maintaining sufficient liquidity with minimal short-term debt maturities, allowing it to pursue value enhancement strategies within its portfolio and to support acquisition activities as they may arise from time to time. Initially, New Parkway expects to maintain a mix of property-level secured indebtedness as well as corporate debt secured by a pool of assets.

**Pursue acquisitions with a patient, prudent approach.** While New Parkway's initial focus will be to unlock internal embedded growth in its existing portfolio, New Parkway intends to take advantage of current and future market dislocation in Houston to capitalize on emerging acquisition opportunities within New Parkway's current submarkets as well as other Houston submarkets, if such assets meet its investment criteria.

***New Parkway's Portfolio (see page 277)***

New Parkway's portfolio will consist of five Class A office assets located in the Galleria, Greenway and Westchase submarkets in Houston, Texas, comprising 19 buildings and totaling approximately 8.7 million square feet. As of March 31, 2016, its portfolio had an occupancy rate of 86.0%.

The following table sets forth the occupancy rates by property for New Parkway's portfolio as of March 31, 2016:

Office Property	Ownership Interest	Total Rentable		Weighted Average		% of Leases Expiring in 2016 <sup>(1)</sup>	Year Built
		Square Feet (in thousands)	Occupancy %	Rental Rate per Rentable Square Foot	% of Leases Expiring in 2016 <sup>(1)</sup>		
Phoenix Tower	100%	630	82.1%	\$ 17.68	4.1%	1984	
CityWestPlace	100%	1,472	77.0%	22.60	5.1%	1993-2001	
San Felipe Plaza	100%	980	84.7%	21.60	6.4%	1984	
Greenway Plaza	100%	4,348	87.3%	16.07	3.8%	1969-1981	
Post Oak Central	100%	1,280	95.0%	18.43	2.6%	1974-1980	
		8,710	86.0%	\$ 18.17	4.1%		

(1) The percentage of leases expiring in 2016 represents the ratio of square feet under leases expiring in 2016 divided by total rentable square feet.

**Table of Contents****Top 20 Customers (see page 277)**

As of March 31, 2016, New Parkway's top 20 customers (identified by industry) based on annualized rent are as follows:

<b>Customer (identified by industry)</b>	<b>Expiration Date</b>	<b>Occupied Square Footage (in thousands)</b>	<b>Annualized Rental Revenue (in thousands)</b>	<b>Percentage of Total Annualized Rental Revenue</b>
Energy	2026	961	\$ 14,004	10.3%
Energy	2016, 2032	582	13,994	10.3%
Energy	2019	524	9,328	6.9%
Financial Services	2023	391	6,525	4.8%
Energy	2023	176	4,378	3.2%
Financial Services	2016, 2019	219	3,926	2.9%
Technology	2026	216	3,525	2.6%
Energy	2023	250	3,312	2.4%
Energy	2017, 2025	167	3,251	2.4%
Energy	2023	199	3,006	2.2%
Energy	2018	130	2,171	1.6%
Energy	2020	135	2,094	1.5%
Financial Services	2021	92	1,888	1.4%
Real Estate	2025	87	1,713	1.3%
Energy	2018, 2021	87	1,513	1.1%
Energy	2016, 2022	83	1,397	1.0%
Energy	2017	76	1,289	0.9%
Energy	2020	71	1,270	0.9%
Financial Services	2016, 2017	84	1,267	0.9%
Energy	2024	99	1,188	0.9%

- (1) Annualized rental revenue represents the rental rate per square foot, multiplied by the number of square feet leased by the customer. Annualized rental revenue is defined as rental revenue less operating expense reimbursements.

**Rights of Parkway Stockholders Will Change as a Result of the Merger (See page 289)**

Parkway stockholders will have different rights once they become stockholders of Cousins, due to differences between the governing documents of Cousins and Parkway. These differences are described in detail under Comparison of Rights of Cousins Stockholders and Parkway Stockholders.

In addition, in connection with the Spin-Off, New Parkway stockholders will have different rights under New Parkway's articles of incorporation and bylaws once they become stockholders of New Parkway.



**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA COUSINS**

The following tables set forth selected consolidated financial information for Cousins as of and for each of the five years ended December 31, 2015, 2014, 2013, 2012 and 2011 and as of and for each of the three months ended March 31, 2016 and 2015. All references to fiscal years, unless otherwise noted, refer to the twelve-month fiscal year.

The selected consolidated financial information for Cousins as of December 31, 2015 and 2014 and for the years ended December 31, 2015, 2014 and 2013 was derived from the audited consolidated financial statements of Cousins contained in Cousins Annual Report on Form 10-K filed with the SEC on February 10, 2016, which is incorporated by reference into this joint proxy statement/prospectus. The summary consolidated financial data as of December 31, 2013, 2012 and 2011, and for the years ended December 31, 2012 and 2011, were derived from Cousins audited consolidated financial statements not included or incorporated by reference into this joint proxy statement/prospectus.

The selected historical financial information as of March 31, 2016 and for each of the three-month periods ended March 31, 2016 and March 31, 2015 was derived from Cousins unaudited consolidated financial statements as of and for the quarter ended March 31, 2016 contained in Cousins Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, filed with the SEC on May 4, 2016, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical financial information as of March 31, 2015 was derived from unaudited consolidated financial statements not included or incorporated by reference into this joint proxy statement/prospectus.

The following information should be read together with the consolidated financial statements of Cousins, the notes related thereto and the related reports of management on the financial condition and performance of Cousins, all of which are contained in the reports of Cousins filed with the SEC and incorporated herein by reference. For more information, see [Where You Can Find More Information](#).

	<b>Three Months Ended March 31,</b>		<b>For the Years Ended December 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>(in thousands, except per share amounts)</b>						
Rental property revenues	\$ 88,476	\$ 90,033	\$ 373,068	\$ 343,910	\$ 194,420	\$ 114,208	\$ 94,704
Fee income	2,199	1,816	7,297	12,519	10,891	17,797	13,821
Other	576	127	1,278	4,954	5,430	4,841	9,600
<b>Total revenues</b>	<b>91,251</b>	<b>91,976</b>	<b>381,643</b>	<b>361,383</b>	<b>210,741</b>	<b>136,846</b>	<b>118,125</b>
Rental property operating expenses	35,609	37,954	156,157	155,934	90,498	50,329	40,817
Reimbursed expenses	870	1,111	3,430	3,652	5,215	7,063	6,208
General and administrative expenses	8,492	3,595	17,099	19,969	22,460	23,208	24,166
Interest expense	7,414	7,677	30,723	29,110	21,709	23,933	26,677
Depreciation and amortization	31,969	36,147	135,416	140,018	76,277	39,424	30,666
Impairment losses						488	96,818
Other	125	440	1,299	4,674	11,177	7,922	9,951

Total expenses	84,479	86,924	344,124	353,357	227,336	152,367	235,303
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	Three Months Ended		For the Years Ended December 31,				
	2016	2015	2015	2014	2013	2012	2011
	(in thousands, except per share amounts)						
Loss on extinguishment of debt and interest rate swaps						(94)	
Benefit (provision) for income taxes from operations				20	23	(91)	186
Income (loss) from unconsolidated joint ventures	1,834	1,611	8,302	11,268	67,325	39,258	(18,299)
Gain on sale of investment properties	14,190	1,105	80,394	12,536	61,288	4,053	3,494
Income (loss) from continuing operations	22,796	7,768	126,215	31,850	112,041	27,605	(131,797)
Income (loss) from discontinued operations		(565)	(586)	21,158	14,788	20,314	8,330
Net income (loss)	22,796	7,203	125,629	53,008	126,829	47,919	(123,467)
Net income attributable to noncontrolling interests			(111)	(1,004)	(5,068)	(2,191)	(4,958)
Preferred share original issuance costs				(3,530)	(2,656)		
Preferred dividends				(2,955)	(10,008)	(12,907)	(12,907)
Net income (loss) available to common stockholders	\$ 22,796	\$ 7,203	\$ 125,518	\$ 45,519	\$ 109,097	\$ 32,821	\$ (141,332)
Net income (loss) from	\$ 0.11	\$ 0.04	\$ 0.58	\$ 0.12	\$ 0.66	\$ 0.12	\$ (1.44)

continuing  
operations  
attributable to  
controlling  
interest per  
common  
share basic and  
diluted

Net income (loss) per common share basic and diluted	\$ 0.11	\$ 0.03	\$ 0.58	\$ 0.22	\$ 0.76	\$ 0.32	\$ (1.36)
Dividends declared per common share	\$ 0.08	\$ 0.08	\$ 0.32	\$ 0.30	\$ 0.18	\$ 0.18	\$ 0.18
Total assets <sup>(2)</sup>	\$ 2,610,408	\$ 2,681,758 <sup>(1)</sup>	\$ 2,595,320 <sup>(1)</sup>	\$ 2,664,295 <sup>(1)</sup>	\$ 2,270,493 <sup>(1)</sup>	\$ 1,122,701 <sup>(1)</sup>	\$ 1,234,395 <sup>(1)</sup>
Notes payable <sup>(2)</sup>	\$ 767,811	\$ 845,045 <sup>(1)</sup>	\$ 718,810 <sup>(1)</sup>	\$ 789,309 <sup>(1)</sup>	\$ 627,381 <sup>(1)</sup>	\$ 423,869 <sup>(1)</sup>	\$ 538,302 <sup>(1)</sup>
Total liabilities <sup>(2)</sup>	\$ 934,124	\$ 1,021,726	\$ 914,388	\$ 993,872	\$ 814,234	\$ 481,289	\$ 595,377
Stockholders investment <sup>(2)</sup>	\$ 1,675,526	\$ 1,662,935	\$ 1,683,415	\$ 1,673,458	\$ 1,457,401	\$ 620,342	\$ 603,692
Total Equity <sup>(2)</sup>	\$ 1,676,284	\$ 1,662,935	\$ 1,683,415	\$ 1,673,458	\$ 1,458,972	\$ 642,953	\$ 637,395
Common shares outstanding <sup>(2)</sup>	210,107	216,602	211,513	216,513	189,666	104,090	103,702

(1) In the first quarter of 2016, Cousins adopted Accounting Standards Update 2015-03, Simplifying the Presentation of Debt Costs, and, accordingly, began recording deferred financing costs related to its mortgage notes payable as a reduction to the carrying amount of its notes payable on its consolidated balance sheet. Amounts included in this table for total assets and notes payable for periods prior to 2016 have been adjusted from amounts previously reported, to reflect the retrospective adoption of the new standard.

(2) As of the end of the period presented.

**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA PARKWAY**

The following tables set forth selected consolidated financial information for Parkway as of and for each of the five years ended December 31, 2015, 2014, 2013, 2012 and 2011 and as of and for each of the three months ended March 31, 2016 and March 31, 2015. All references to fiscal years, unless otherwise noted, refer to the twelve-month fiscal year.

The selected consolidated financial information for Parkway as of December 31, 2015 and 2014 and for the years ended December 31, 2015, 2014 and 2013 was derived from the consolidated financial statements of Parkway, contained in Parkway's Annual Report on Form 10-K filed with the SEC on February 25, 2016, which is incorporated by reference into this joint proxy statement/prospectus. The summary consolidated financial data as of December 31, 2013, 2012 and 2011, and for the years ended December 31, 2012 and 2011, were derived from Parkway's audited consolidated financial statements not included or incorporated by reference into this joint proxy statement/prospectus.

The selected historical financial information as of March 31, 2016 and for each of the three-month periods ended March 31, 2016 and March 31, 2015 was derived from Parkway's unaudited consolidated financial statements as of and for the quarter ended March 31, 2016, contained in Parkway's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, filed with the SEC on May 5, 2016, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical financial information as of March 31, 2015 was derived from unaudited consolidated financial statements not included or incorporated by reference into this joint proxy statement/prospectus.

The following information should be read together with the consolidated financial statements of Parkway, the notes related thereto, and the related reports of management on the financial condition and performance of Parkway, all of which are contained in the reports of Parkway filed with the SEC and incorporated herein by reference. For more information, see [Where You Can Find More Information](#).

	<b>For the Three Months Ended March 31,</b>		<b>For the Year Ended December 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>(in thousands, except per share data)</b>						
<b>Operating Data:</b>							
Revenues:							
Income from office properties	\$ 109,628	\$ 116,915	\$ 452,597	\$ 418,007	\$ 273,434	\$ 190,718	\$ 130,401
Management company income	1,436	2,765	10,321	22,140	18,145	19,778	16,896
Sale of condominium units		4	11,065	16,554			
Total revenues	111,064	119,684	473,983	456,701	291,579	210,496	147,297
Expenses and other							
Property operating expenses	42,933	44,994	173,241	168,071	108,867	76,835	55,247
Management company expenses	674	2,720	9,935	20,280	19,399	17,237	13,337
Cost of sales - condominium units		202	11,120	13,199	15		
Depreciation and amortization	41,940	49,136	190,387	182,955	118,031	74,626	49,119
Impairment loss on real estate		1,000	5,400	11,700		5,700	6,420
Impairment loss on management contracts and goodwill				4,750		41,967	



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Impairment loss on mortgage loan receivable							9,235
Change in fair value of contingent consideration						216	(13,000)
General and administrative	6,999	8,884	31,194	32,660	25,653	16,420	18,805
Acquisition costs		471	2,074	3,463	13,126	2,791	17,219
Total expenses and other	\$ 92,546	\$ 107,407	\$ 423,351	\$ 437,078	\$ 285,091	\$ 235,792	\$ 156,382
Operating income (loss)	\$ 18,518	\$ 12,277	\$ 50,632	\$ 19,623	\$ 6,488	\$ (25,296)	\$ (9,085)

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	For the Three Months		For the Year Ended December 31,				
	Ended March 31, 2016	2015	2015	2014	2013	2012	2011
	(in thousands, except per share data)						
Other income and expenses:							
Interest and other income	244	170	903	1,452	2,236	272	938
Equity in earnings (losses) of unconsolidated joint ventures	249	162	2,204	(967)	178		57
Gain on sale of in-substance real estate				6,289			
Net gains on sale of real estate	63,020	14,316	110,732	76,378		48	743
Gain on sale of unconsolidated property			9,698				
Recovery of loss on mortgage loan receivable						500	
Gain (Loss) on extinguishment of debt		79	(6,062)	(2,405)			
Interest expense	(16,915)	(19,198)	(71,481)	(66,095)	(45,622)	(34,352)	(29,929)
Income (loss) before income taxes	65,116	7,806	96,626	34,275	(36,720)	(58,828)	(37,276)
Income tax benefit (expense)	(575)	(192)	(1,903)	(139)	1,405	(261)	(56)
Income (loss) from continuing operations	64,541	7,614	94,723	34,136	(35,315)	(59,089)	(37,332)
Discontinued operations:							
Income (loss) from discontinued operations				(391)	(9,215)	3,170	(192,496)
Gain on sale of real estate from discontinued operations				10,463	32,493	12,938	17,825
Total discontinued operations <sup>(2)</sup>				10,072	23,278	16,108	(174,671)
Net income (loss)	64,541	7,614	94,723	44,208	(12,037)	(42,981)	(212,003)
Net (income) loss attributable to noncontrolling interests real estate partnerships	(493)	9	(24,441)	824	(7,904)	3,317	85,105
Net (income) loss attributable to noncontrolling interests unit holders	(2,655)	(348)	(2,947)	(2,089)	291	269	(5)
Net income (loss) for Parkway Properties, Inc.	61,393	7,275	67,335	42,943	(19,650)	(39,395)	(126,903)
Dividends on preferred stock					(3,433)	(10,843)	(10,052)
Dividends on convertible preferred stock						(1,011)	
					(6,604)		

Dividends on preferred stock redemption							
Net income (loss) attributable to common stockholders	\$ 61,393	\$ 7,275	\$ 67,335	\$ 42,943	\$ (29,687)	\$ (51,249)	\$ (136,955)
Amounts attributable to common stockholders:							
Income (loss) from continuing operations	\$ 61,393	\$ 7,275	\$ 67,335	\$ 33,223	\$ (39,522)	\$ (62,537)	\$ (38,502)
Discontinued operations				9,720	9,835	11,288	(98,453)
Net income (loss) attributable to common stockholders	\$ 61,393	\$ 7,275	\$ 67,335	\$ 42,943	\$ (29,687)	\$ (51,249)	\$ (136,955)
Net income (loss) per common share attributable to Parkway Properties, Inc.							
Basic:							
Income (loss) from continuing operations attributable to Parkway Properties, Inc.	\$ 0.55	\$ 0.07	\$ 0.60	\$ 0.33	\$ (0.60)	\$ (1.98)	\$ (1.79)
Discontinued operations				0.09	0.15	0.36	(4.58)
Net income (loss) attributable to Parkway Properties, Inc.	\$ 0.55	\$ 0.07	\$ 0.60	\$ 0.42	\$ (0.45)	\$ (1.62)	\$ (6.37)
Diluted:							
Income (loss) from continuing operations attributable to Parkway Properties, Inc.	\$ 0.55	\$ 0.07	\$ 0.60	\$ 0.33	\$ (0.60)	\$ (1.98)	\$ (1.79)
Discontinued operations				0.09	0.15	0.36	(4.58)
Net income (loss) attributable to Parkway Properties, Inc.	\$ 0.55	\$ 0.07	\$ 0.60	\$ 0.42	\$ (0.45)	\$ (1.62)	\$ (6.37)
Dividends per common share	\$ 0.1875	\$ 0.1875	\$ 0.75	\$ 0.75	\$ 0.6375	\$ 0.375	\$ 0.30
Weighted average shares outstanding:							
Basic	111,658	111,216	111,490	101,913	66,336	31,542	21,497
Diluted	116,687	116,531	116,691	107,319	66,336	31,542	21,497



**Table of Contents****Balance Sheet Data:**

	As of 3/31/16	As of 3/31/15	As of 12/31/15	As of 12/31/14	As of 12/31/13	As of 12/31/12	As of 12/31/11
	(in thousands)						
Total real estate related investments, net	\$ 2,890,321	\$ 3,100,478	\$ 3,023,249	\$ 3,024,271	\$ 2,316,795	\$ 1,562,717	\$ 921,937
Total assets	3,627,616	3,745,876 <sup>(1)</sup>	3,609,281 <sup>(1)</sup>	3,694,529 <sup>(1)</sup>	2,917,877 <sup>(1)</sup>	1,899,428 <sup>(1)</sup>	1,631,151 <sup>(1)</sup>
Notes payable to banks	543,196	585,772 <sup>(1)</sup>	542,880 <sup>(1)</sup>	475,283 <sup>(1)</sup>	299,435 <sup>(1)</sup>	258,570 <sup>(1)</sup>	130,526 <sup>(1)</sup>
Mortgage notes payable	1,234,599	1,295,379 <sup>(1)</sup>	1,235,502 <sup>(1)</sup>	1,335,482 <sup>(1)</sup>	1,093,435 <sup>(1)</sup>	602,136 <sup>(1)</sup>	494,647 <sup>(1)</sup>
Total liabilities	1,951,608	2,086,528	1,973,070	2,015,213	1,582,356	943,422	1,001,114
Preferred stock						128,942	128,942
Noncontrolling interests	249,547	275,629	247,512	286,543	318,921	261,992	258,428
Total Parkway Properties, Inc. stockholders equity	1,426,461	1,383,719	1,388,699	1,392,773	1,016,600	694,014	371,609

(1) In the first quarter of 2016, Parkway adopted Accounting Standards Update 2015-03, Simplifying the Presentation of Debt Costs, and, accordingly, began recording, deferred financing costs related to its mortgage notes payable and notes payable to banks as a reduction to the carrying amount on its consolidated balance sheet. Amounts included in this table for total assets, mortgage notes payable, and notes payables to banks for periods prior to 2016 have been adjusted from amounts previously reported, to reflect the retrospective adoption of the new standard.

(2) Parkway adopted of ASU 2014-08, Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity effective January 1, 2014.

**Table of Contents****SUMMARY HISTORICAL COMBINED FINANCIAL DATA PARKWAY HOUSTON**

The following tables set forth the summary historical combined financial data of the portion of the Houston Business currently owned by Parkway, the Third-Party Services Business, and certain other assets owned by subsidiaries of Parkway (which we refer to, collectively, as Parkway Houston), which was carved out from the financial information of Parkway. The summary historical financial data set forth below as of December 31, 2015, 2014 and 2013, and for the years ended December 2015, 2014 and 2013 has been derived from Parkway Houston's audited combined financial statements, which are included elsewhere in this joint proxy statement/prospectus. The income statement data for the three months ended March 31, 2016 and 2015 and the balance sheet data as of March 31, 2016 have been derived from Parkway Houston's unaudited interim combined financial statements included elsewhere in this joint proxy statement/prospectus. Parkway Houston's unaudited interim combined financial statements as of March 31, 2016 and for the three months ended March 31, 2016 were prepared on the same basis as Parkway Houston's audited combined financial statements as of December 31, 2015 and 2014 and for each of the three years in the period ended December 31, 2015 and, in the opinion of management, include all adjustments, consisting only of normal, recurring adjustments, necessary to present fairly Parkway Houston's financial position and results of operations for these periods. The interim results of operations are not necessarily indicative of operations for a full fiscal year.

The summary historical combined financial data set forth below does not indicate results expected for any future periods. The summary historical combined financial data is qualified in its entirety by, and should be read in conjunction with, Selected Historical Combined Financial Data Parkway Houston, Management's Discussion and Analysis of Financial Condition and Results of Operations New Parkway and Parkway Houston's combined financial statements and related notes thereto included elsewhere in this joint proxy statement/prospectus.

	Three Months Ended March 31,		Year Ended December 31,		
	2016	2015	2015	2014	2013
<b>Income Statement Data (in thousands):</b>					
Total revenues	\$ 30,434	\$ 27,524	\$ 129,461	\$ 163,697	\$ 38,491
Depreciation and amortization	(11,365)	(13,237)	(55,570)	(64,012)	(10,465)
Other operating expenses	(15,952)	(15,107)	(72,203)	(106,760)	(40,038)
<b>Operating income (loss)</b>	3,117	(820)	1,688	(7,075)	(12,012)
Interest and other income	61	61	246	244	1,663
Interest expense	(3,953)	(4,045)	(16,088)	(16,252)	(3,296)
Income tax (expense) benefit	(493)	(173)	(1,635)	180	1,276
<b>Net loss</b>	(1,268)	(4,977)	(15,789)	(22,903)	(12,369)
Net (income) loss attributable to noncontrolling interests		7	7	(148)	
<b>Net loss attributable to Parkway Houston</b>	\$ (1,268)	\$ (4,970)	\$ (15,782)	\$ (23,051)	\$ (12,369)
<b>Cash Flow Data (in thousands):</b>					
Operating activities	\$ (5,528)	\$ (10,274)	\$ 12,856	\$ 3,192	\$ 3,599
Investing activities	(3,621)	(5,503)	(46,421)	(4,360)	(623)

Financing activities	9,126	18,157	37,534	(1,264)	4,793
<b>Other Financial Data (in thousands):</b>					
FFO	\$ 10,097	\$ 8,267	\$ 39,788	\$ 40,961	\$ (1,904)
EBITDA	14,543	12,485	57,511	57,033	116
NOI	15,590	14,352	63,122	68,316	11,846

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	As of			
	March	As of December 31,		
	31,	2015	2014	2013
	2016			
<b>Balance Sheet Data (in thousands):</b>				
Total real estate related investments, net	\$ 748,950	\$ 752,653	\$ 738,846	\$ 757,848
Total assets	860,849	865,731	866,496	903,165
Mortgage notes payable, net	394,136	396,901	407,211	414,656
Total liabilities	442,159	456,665	485,535	503,130
Parkway equity	418,690	409,066	380,053	396,985
Noncontrolling interests			908	3,050



**Table of Contents****Funds From Operations (FFO)**

Parkway Houston's management believes that FFO is an appropriate measure of performance for a REIT and computes this measure in accordance with the National Association of Real Estate Investment Trusts (which we refer to as NAREIT) definition of FFO (including any guidance that NAREIT releases with respect to the definition). FFO is defined by NAREIT as net income (computed in accordance with United States generally accepted accounting principles (which we refer to as GAAP)), reduced by preferred dividends, excluding gains or losses from sale of previously depreciable real estate assets, impairment charges related to depreciable real estate under GAAP, plus depreciation and amortization related to depreciable real estate. Further, Parkway Houston does not adjust FFO to eliminate the effects of non-recurring charges. Parkway Houston believes that FFO is a meaningful supplemental measure of its operating performance because historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time, as reflected through depreciation and amortization expenses. However, since real estate values have historically risen or fallen with market and other conditions, many industry investors and analysts have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient. Thus, NAREIT created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. Parkway Houston believes that the use of FFO, combined with the required GAAP presentations, has been beneficial in improving the understanding of operating results of REITs by the investing public and making comparisons of operating results among such companies more meaningful. FFO as reported by Parkway Houston may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition. FFO does not represent cash generated from operating activities in accordance with GAAP and is not an indication of cash available to fund cash needs. FFO should not be considered an alternative to net income as an indicator of its operating performance or as an alternative to cash flow as a measure of liquidity.

The following table reconciles net loss attributable to Parkway Houston to FFO for the three months ended March 31, 2016 and 2015 and for the years ended December 31, 2015, 2014 and 2013 (in thousands):

	<b>Three Months Ended</b>		<b>2015</b>	<b>Year Ended</b>	
	<b>March 31,</b>			<b>December 31,</b>	
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>(unaudited)</b>		<b>(unaudited)</b>		
Net loss attributable to Parkway Houston	\$ (1,268)	\$ (4,970)	\$ (15,782)	\$ (23,051)	\$ (12,369)
Depreciation and amortization	11,365	13,237	55,570	64,012	10,465
<b>FFO</b>	<b>\$ 10,097</b>	<b>\$ 8,267</b>	<b>\$ 39,788</b>	<b>\$ 40,961</b>	<b>\$ (1,904)</b>

**Table of Contents****Earnings Before Interest, Taxes, Depreciation and Amortization ( EBITDA )**

Parkway Houston believes that using EBITDA as a non-GAAP financial measure helps investors and its management analyze its ability to service debt and pay cash distributions. Parkway Houston defines EBITDA as net loss attributable to Parkway Houston before interest expense, income tax expense (benefit) and depreciation and amortization.

The following table reconciles net loss attributable to Parkway Houston to EBITDA for the three months ended March 31, 2016 and 2015 and for the years ended December 31, 2015, 2014, and 2013 (in thousands):

	<b>Three Months Ended March 31,</b>		<b>Year Ended December 31,</b>		
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
	(unaudited)		(unaudited)		
Net loss attributable to Parkway Houston	\$ (1,268)	\$ (4,970)	\$ (15,782)	\$ (23,051)	\$ (12,369)
Interest expense	3,953	4,045	16,088	16,252	3,296
Depreciation and amortization	11,365	13,237	55,570	64,012	10,465
Income tax expense (benefit)	493	173	1,635	(180)	(1,276)
<b>EBITDA</b>	<b>\$ 14,543</b>	<b>\$ 12,485</b>	<b>\$ 57,511</b>	<b>\$ 57,033</b>	<b>\$ 116</b>

**Table of Contents****Net Operating Income ( NOI )**

Parkway Houston defines NOI as income from office properties less property operating expenses. Parkway Houston considers NOI to be a useful performance measure to investors and management because it reflects the revenues and expenses directly associated with owning and operating its properties and the impact to operations from trends in occupancy rates, rental rates and operating costs not otherwise reflected in net income.

The following table reconciles net loss attributable to Parkway Houston to NOI for the three months ended March 31, 2016 and 2015 and for the years ended December 31, 2015, 2014 and 2013 (in thousands):

	<b>Three Months Ended March 31,</b>		<b>Year Ended December 31,</b>		
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
	(unaudited)		(unaudited)		
Net loss attributable to Parkway Houston	\$ (1,268)	\$ (4,970)	\$ (15,782)	\$ (23,051)	\$ (12,369)
Interest expense	3,953	4,045	16,088	16,252	3,296
Depreciation and amortization	11,365	13,237	55,570	64,012	10,465
Management company expenses	781	2,785	9,362	27,038	23,638
Income tax expense (benefit)	493	173	1,635	(180)	(1,276)
General and administrative	1,632	1,631	6,336	6,917	7,267
Sale of condominium units		(4)	(11,063)	(16,554)	
Cost of sales - condominium units		202	11,120	13,199	14
Net income (loss) attributable to noncontrolling interests		(7)	(7)	148	
Impairment loss on management contracts				4,750	
Management company income	(1,305)	(2,679)	(9,891)	(23,971)	(17,526)
Interest and other income	(61)	(61)	(246)	(244)	(1,663)
<b>NOI</b>	<b>\$ 15,590</b>	<b>\$ 14,352</b>	<b>\$ 63,122</b>	<b>\$ 68,316</b>	<b>\$ 11,846</b>

**Table of Contents****SUMMARY HISTORICAL COMBINED FINANCIAL DATA COUSINS HOUSTON**

The following tables set forth the summary historical combined financial and other data of the portion of the Houston Business currently owned by Cousins (which we refer to, collectively, as Cousins Houston), which was carved out from the financial information of Cousins, as described below. The summary historical combined financial data set forth below as of December 31, 2015 and 2014, for the years ended December 31, 2015 and 2014 and for the period from February 7, 2013 (date of inception) to December 31, 2013 has been derived from Cousins Houston's audited combined financial statements, which are included elsewhere in this joint proxy statement/prospectus. The income statement data for each of the three months ended March 31, 2016 and 2015 and the balance sheet data as of March 31, 2016 have been derived from Cousins Houston's unaudited interim combined financial statements included elsewhere in this joint proxy statement/prospectus. The summary historical combined financial data as of December 31, 2013 was derived from financial information not included in this joint proxy statement/prospectus. Cousins Houston's unaudited interim combined financial statements as of March 31, 2016 and 2015 and for the three months ended March 31, 2016 and 2015 were prepared on the same basis as Cousins Houston's audited combined financial statements as of December 31, 2015 and 2014, for the years ended December 31, 2015 and 2014 and for the period from February 7, 2013 (date of inception) to December 31, 2013 and, in the opinion of management, include all adjustments, consisting only of normal, recurring adjustments, necessary to present fairly Cousins Houston's financial position and results of operations for these periods. The interim results of operations are not necessarily indicative of operations for a full fiscal year.

The summary historical combined financial data set forth below does not indicate results expected for any future periods. The summary historical combined financial data is qualified in its entirety by, and should be read in conjunction with, Selected Historical Combined Financial Data Cousins Houston, Management's Discussion and Analysis of Financial Condition and Results of Operations New Parkway and Cousins Houston's combined financial statements and related notes thereto included elsewhere in this joint proxy statement/prospectus.

	<b>Three Months Ended</b>		<b>Year Ended December 31,</b>		<b>December 31,</b>
	<b>March 31,</b>	<b>March 31,</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>2016</b>	<b>2015</b>			
					<b>Period from</b>
					<b>February 7,</b>
					<b>2013 (date of</b>
					<b>inception)</b>
					<b>to</b>
<b>Income Statement Data (in thousands):</b>					
Rental property revenues	\$ 43,269	\$ 43,211	\$ 177,890	\$ 184,536	\$ 72,696
Other revenues	186	79		31	11
Rental property operating expenses	(17,926)	(18,113)	(74,162)	(79,625)	(31,759)
General and administrative expenses	(3,177)	(1,322)	(6,328)	(7,347)	(3,793)
Depreciation and amortization	(15,428)	(17,586)	(63,791)	(77,760)	(29,146)
Interest expense	(1,974)	(2,010)	(7,988)	(8,127)	(2,618)
Acquisition and related costs					(3,858)

Net income	\$ 4,950	\$ 4,259	\$ 25,621	\$ 11,708	\$ 1,533
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	<b>As of March 31, 2016</b>	<b>2015</b>	<b>As of December 31, 2014</b>	<b>2013</b>
<b>Balance Sheet Data (in thousands):</b>				
Operating properties, net	\$ 1,083,270	\$ 1,086,451	\$ 1,077,290	\$ 1,087,181
Total assets	1,185,493	1,188,236	1,188,355	1,220,551
Note payable	180,124	180,937	184,097	187,120
Total liabilities	246,582	271,364	278,558	283,604
Equity	938,911	916,872	909,797	936,947

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	<b>Three Months Ended</b>		<b>Year Ended December 31,</b>		<b>Period from</b>
	<b>March 31,</b>		<b>2015</b>		<b>February 7,</b>
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013 (date of</b>
					<b>inception) to</b>
					<b>December 31,</b>
					<b>2013</b>
<b>Cash Flow Data (in thousands):</b>					
Operating activities	\$ (6,241)	\$ 468	\$ 76,395	\$ 80,220	\$ 41,770
Investing activities	(8,737)	(15,318)	(55,085)	(37,478)	(1,164,245)
Financing activities	16,231	14,166	(21,885)	(42,058)	1,122,475
<b>Other Financial Data (in thousands):</b>					
FFO	\$ 20,378	\$ 21,845	\$ 89,412	\$ 89,468	\$ 30,679
EBITDA	22,352	23,855	97,400	97,595	33,297
NOI	25,343	25,098	103,728	104,911	40,937

**Table of Contents****Funds From Operations (FFO)**

Cousins Houston's management believes that FFO is an appropriate measure of performance for a REIT and computes this measure in accordance with the NAREIT definition of FFO (including any guidance that NAREIT releases with respect to the definition). FFO is defined by NAREIT as net income (computed in accordance with GAAP), reduced by preferred dividends, excluding gains or losses from sale of previously depreciable real estate assets, impairment charges related to depreciable real estate under GAAP, plus depreciation and amortization related to depreciable real estate. Further, Cousins Houston does not adjust FFO to eliminate the effects of non-recurring charges. Cousins Houston believes that FFO is a meaningful supplemental measure of its operating performance because historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time, as reflected through depreciation and amortization expenses. However, since real estate values have historically risen or fallen with market and other conditions, many industry investors and analysts have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient. Thus, NAREIT created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. Cousins Houston believes that the use of FFO, combined with the required GAAP presentations, has been beneficial in improving the understanding of operating results of REITs by the investing public and making comparisons of operating results among such companies more meaningful. FFO as reported by Cousins Houston may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition. FFO does not represent cash generated from operating activities in accordance with GAAP and is not an indication of cash available to fund cash needs. FFO should not be considered an alternative to net income as an indicator of its operating performance or as an alternative to cash flow as a measure of liquidity.

The following table reconciles net income to FFO of Cousins Houston for the three months ended March 31, 2016 and 2015, the years ended December 31, 2015 and 2014, and the period from February 7, 2013 (date of inception) to December 31, 2013 (in thousands):

	<b>Three Months Ended</b>		<b>Year Ended December 31,</b>		<b>Period from</b>
	<b>March 31,</b>		<b>2015</b>		<b>February 7,</b>
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013 (date of</b>
	<b>(unaudited)</b>		<b>(unaudited)</b>		<b>inception)</b>
					<b>to</b>
					<b>December 31,</b>
					<b>2013</b>
					<b>(unaudited)</b>
Net income	\$ 4,950	\$ 4,259	\$ 25,621	\$ 11,708	\$ 1,533
Depreciation and amortization	15,428	17,586	63,791	77,760	29,146
FFO	\$ 20,378	\$ 21,845	\$ 89,412	\$ 89,468	\$ 30,679





**Table of Contents****Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)**

Cousins Houston believes that using EBITDA as a non-GAAP financial measure helps investors and its management analyze its ability to service debt and pay cash distributions. Cousins Houston defines EBITDA as net income before interest expense and depreciation and amortization.

The following table reconciles net income to EBITDA of Cousins Houston for the three months ended March 31, 2016 and 2015, for the years ended December 31, 2015 and 2014, and the period from February 7, 2013 (date of inception) to December 31, 2013 (in thousands):

	<b>Three Months Ended March 31,</b>		<b>Year Ended December 31,</b>		<b>Period from February 7, 2013 (date of inception) to December 31, 2013</b>
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	
	<b>(unaudited)</b>		<b>(unaudited)</b>		
Net income	\$ 4,950	\$ 4,259	\$ 25,621	\$ 11,708	\$ 1,533
Interest expense	1,974	2,010	7,988	8,127	2,618
Depreciation and amortization	15,428	17,586	63,791	77,760	29,146
EBITDA	\$ 22,352	\$ 23,855	\$ 97,400	\$ 97,595	\$ 33,297

**Table of Contents****Net Operating Income (NOI)**

Cousins Houston defines NOI as rental property revenues less rental property operating expenses. Cousins Houston considers NOI to be a useful performance measure to investors and management because it reflects the revenues and expenses directly associated with owning and operating its properties and the impact to operations from trends in occupancy rates, rental rates and operating costs not otherwise reflected in net income.

The following table reconciles net income to NOI of Cousins Houston for the three months ended March 31, 2016 and 2015, for the years ended December 31, 2015 and 2014, and the period from February 7, 2013 (date of inception) to December 31, 2013 (in thousands):

	<b>Three Months Ended March 31,</b>		<b>Year Ended December 31,</b>		<b>Period from February 7, 2013 (date of inception) to December 31, 2013</b>
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	
Net income	\$ 4,950	\$ 4,259	\$ 25,621	\$ 11,708	\$ 1,533
Other income	(186)	(79)		(31)	(11)
General and administrative expenses	3,177	1,322	6,328	7,347	3,793
Depreciation and amortization	15,428	17,586	63,791	77,760	29,146
Interest expense	1,974	2,010	7,988	8,127	2,618
Acquisition and related expenses					3,858
<b>NOI</b>	<b>\$ 25,343</b>	<b>\$ 25,098</b>	<b>\$ 103,728</b>	<b>\$ 104,911</b>	<b>\$ 40,937</b>

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**SUMMARY UNAUDITED PRO FORMA CONDENSED CONSOLIDATED**

**FINANCIAL INFORMATION COUSINS**

The following tables show summary unaudited pro forma condensed consolidated financial information about the combined financial condition and operating results of Cousins and Parkway after giving effect to the Merger and the Spin-Off. The unaudited pro forma combined condensed financial information assumes that the Merger is accounted for by applying the purchase method of accounting with Cousins treated as the acquirer. The unaudited pro forma combined condensed balance sheet data gives effect to the Merger and the Spin-Off as if they had occurred on March 31, 2016. The unaudited pro forma combined condensed statement of operations data gives effect to the Merger and the Spin-Off as if they had become effective at January 1, 2015, based on the most recent valuation data available. The summary unaudited pro forma combined condensed financial information listed below has been derived from and should be read in conjunction with (i) the more detailed unaudited pro forma combined condensed financial statements of Cousins, including the notes thereto, appearing elsewhere in this joint proxy statement/prospectus and (ii) the consolidated financial statements and the related notes of both Cousins and Parkway contained in their respective Quarterly Reports on Form 10-Q for the period ended March 31, 2016 and in their respective Annual Reports on Form 10-K for the year ended December 31, 2015, all of which are incorporated by reference into this joint proxy statement/prospectus. For more information, see [Unaudited Pro Forma Condensed Consolidated Financial Statements](#) and [Where You Can Find More Information](#).

The unaudited pro forma combined condensed financial information is presented for illustrative purposes only and is not necessarily indicative of the combined operating results or financial position that would have occurred if such transactions had been consummated on the dates and in accordance with the assumptions described herein, nor is it necessarily indicative of the future operating results or financial position of Cousins. The unaudited pro forma combined condensed income statement does not give effect to any transaction or integration costs relating to the Merger and the Spin-Off. In addition, as explained in more detail in the accompanying notes to the unaudited pro forma combined condensed financial information, the preliminary allocation of the pro forma purchase price reflected in the unaudited pro forma combined condensed financial information is subject to adjustment and may vary significantly from the definitive allocation of the final purchase price that will be recorded subsequent to completion of the Merger and the Spin-Off. The determination of the final purchase price will be based on the number of shares of Parkway common stock outstanding and the trading price of Cousins common stock at closing.

**Table of Contents****COUSINS PROPERTIES INCORPORATED AND SUBSIDIARIES****UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET****AS OF MARCH 31, 2016**

(in thousands, except share data)

	Merged Cousins Pro Forma Total	Post-Spin-Off Merged Cousins Pro Forma Total
<b>Assets:</b>		
Real estate assets:		
Operating properties, net of accumulated depreciation	\$ 5,410,502	\$ 3,730,703
Projects under development	52,295	51,770
Land	29,603	23,768
	5,492,400	3,806,241
Cash	244,870	76,570
Restricted Cash	4,929	4,929
Notes and accounts receivable, net of allowance for doubtful accounts	25,548	19,472
Deferred rents receivable	70,790	46,368
Investment in unconsolidated joint ventures	167,902	167,902
Intangible assets, net of accumulated amortization	702,379	509,027
Other assets	90,435	86,840
Total assets	\$ 6,799,253	\$ 4,717,349
<b>Liabilities:</b>		
Notes payable	\$ 2,529,606	\$ 1,723,767
Accounts payable and accrued expenses	199,434	168,895
Deferred income	30,061	29,978
Intangible liabilities, net of accumulated amortization	146,486	86,545
Other liabilities	54,201	43,560
Total liabilities	2,959,788	2,052,745
<b>Commitments and contingencies</b>		
<b>Equity:</b>		
Stockholders' investment:		
Preferred stock, \$1 par value, 6,867,360 shares issued and outstanding, pro forma	6,867	6,867
Common stock, \$1 par value, 404,245,000 shares issued and outstanding, pro forma	404,245	404,245
Additional paid-in capital	3,510,561	3,510,561

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Treasury stock at cost, 10,329,082 shares historical in 2016	(148,373)	(148,373)
Distributions in excess of cumulative net income	(187,955)	(1,281,136)
Total stockholders' equity	3,585,345	2,492,164
Nonredeemable noncontrolling interests	254,120	172,440
Total equity	3,839,465	2,664,604
Total liabilities and equity	\$ 6,799,253	\$ 4,717,349

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**COUSINS PROPERTIES INCORPORATED AND SUBSIDIARIES**  
**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2016**

(in thousands, except share data)

	Merged Cousins Pro Forma Total Before Discontinued Operations	Post-Spin-Off Merged Cousins Pro Forma Total
<b>Revenues:</b>		
Rental property revenues	\$ 201,637	\$ 129,365
Fee income	3,635	2,330
Other	820	648
	206,092	132,343
<b>Costs and expenses:</b>		
Rental property operating expenses	78,622	47,050
Reimbursed expenses	870	870
Management company expenses	674	
General and administrative expenses	15,491	10,682
Interest expense	24,941	18,198
Depreciation and amortization	73,294	50,767
Acquisition and related costs	19	19
Other	106	106
	194,017	127,692
<b>Income from continuing operations before taxes, unconsolidated joint ventures, and sale of investment properties</b>	12,075	4,651
<b>Income tax expense</b>	(575)	(82)
<b>Income from unconsolidated joint ventures</b>	2,114	2,114
<b>Income from continuing operations before gain on sale of investment properties</b>	13,614	6,683
<b>Gain on sale of investment properties</b>	77,210	77,210
<b>Net income</b>	90,824	83,893
<b>Net income attributable to noncontrolling interests</b>	(3,317)	(2,997)
<b>Net income available to common stockholders</b>	\$ 87,507	\$ 80,896

<b>Net income</b>	\$	90,824	\$	83,893
Other comprehensive income				
<b>Comprehensive income</b>		90,824		83,893
Comprehensive income attributable to noncontrolling interests		(2,959)		(2,639)
<b>Comprehensive income attributable to common stockholders</b>	\$	87,865	\$	81,254
<b>Per common share information basic and diluted:</b>				
Net income available to common stockholders	\$	0.22	\$	0.21
<b>Weighted average shares basic</b>		393,916		393,916
<b>Weighted average shares diluted</b>		401,785		401,785

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**COUSINS PROPERTIES INCORPORATED AND SUBSIDIARIES**  
**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

(in thousands, except share data)

	Merged Cousins Pro Forma Total Before Discontinued Operations	Post-Spin-Off Merged Cousins Pro Forma Total
<b>Revenues:</b>		
Rental property revenues	\$ 827,817	\$ 550,956
Fee income	17,618	7,727
Sale of condominium units	11,065	
Other		
	2,181	2,235
	858,681	560,918
<b>Costs and expenses:</b>		
Rental property operating expenses	329,717	210,743
Reimbursed expenses	3,430	3,430
Management company expenses	9,935	
Cost of sales - condominium units	11,120	
Loss on extinguishment of debt	6,062	6,062
General and administrative expenses	48,293	35,629
Interest expense	99,742	73,299
Depreciation and amortization	312,323	219,070
Acquisition and related costs	2,373	2,373
Other	6,400	6,400
	829,395	557,006
<b>Income from continuing operations before taxes, unconsolidated joint ventures, and sale of investment properties</b>		
	29,286	3,912
<b>Benefit for income taxes from operations</b>	(1,903)	(268)
<b>Income from unconsolidated joint ventures</b>	10,595	10,595
<b>Income from continuing operations before gain on sale of investment properties</b>		
	37,978	14,239
<b>Gain on sale of investment properties</b>	200,824	200,824



<b>Income from continuing operations</b>	238,802		215,063
<b>Loss from discontinued operations:</b>			
Loss from discontinued operations	(35)		(35)
Loss on sale from discontinued operations	(551)		(551)
	(586)		(586)
<b>Net income</b>	238,216		214,477
<b>Net income attributable to noncontrolling interests</b>	(28,370)		(26,759)
<b>Net income available to common stockholders</b>	\$ 209,846	\$	187,718
<b>Net income</b>	\$ 238,216	\$	214,477
Other comprehensive income			
<b>Comprehensive income</b>	238,216		214,477
Comprehensive income attributable to noncontrolling interests	(29,854)		(28,243)
<b>Comprehensive income attributable to common stockholders</b>	\$ 208,362	\$	186,234
<b>Per common share information basic and diluted:</b>			
Net income available to common stockholders	\$ 0.53	\$	0.48
<b>Weighted average shares basic</b>	393,916		393,916
<b>Weighted average shares diluted</b>	401,785		401,785

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**SUMMARY UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS NEW PARKWAY**

The following tables show summary unaudited pro forma combined financial information about the combined financial condition and operating results of New Parkway after giving effect to the Merger, Separation, UPREIT Reorganization and the Spin-Off. The Merger will be accounted for as a purchase, as that term is used under GAAP, for accounting and financial reporting purposes. The unaudited pro forma combined balance sheet data gives effect to the Separation as if it had occurred on March 31, 2016. The unaudited pro forma combined statements of operations data gives effect to the Separation and the payoff of the mortgage debt secured by CityWestPlace I & II by Parkway as if it had occurred on January 1, 2015. The summary unaudited pro forma combined financial information listed set forth below has been derived from, is qualified in its entirety by and should be read in conjunction with (i) the more detailed unaudited pro forma combined financial statements of New Parkway, including the notes thereto, appearing elsewhere in this joint proxy statement/prospectus and (ii) the combined financial statements and related notes thereto of each of Cousins Houston and Parkway Houston for the year ended December 31, 2015 and the three months ended March 31, 2016 appearing elsewhere in this joint proxy statement/prospectus. For more information, see Unaudited Pro Forma Condensed Consolidated Financial Statements New Parkway and Where You Can Find More Information.

The summary unaudited pro forma combined financial information set forth below is presented for illustrative purposes only and is not necessarily indicative of the combined operating results or financial position that would have occurred if such transactions had been consummated on the dates and in accordance with the assumptions described herein, nor is it necessarily indicative of the future operating results or financial position of New Parkway. The unaudited pro forma combined financial statements do not give effect to the potential impact of current financial conditions, any anticipated synergies, operating efficiencies or cost savings that may result from the transactions described above.

**Table of Contents****PARKWAY, INC.****UNAUDITED PRO FORMA COMBINED BALANCE SHEET****AS OF MARCH 31, 2016**

(in thousands, except share data)

(Unaudited)

<b>Assets</b>	
Real estate related investments:	
Office properties, net	\$ 1,734,079
Cash and cash equivalents	168,300
Receivables and other assets	58,553
Intangible assets, net	129,410
Management contract intangibles, net	189
Total assets	\$ 2,090,531
<b>Liabilities</b>	
Mortgage notes payable, net	\$ 459,164
Notes payable to banks, net	346,675
Accounts payable and other liabilities	53,998
Below market leases, net	59,941
Total liabilities	\$ 919,778
<b>Equity</b>	
Stockholders' equity:	
Common stock \$.001 par value, 404,245,000 shares pro forma	404
Limited voting stock \$.001 par value, 6,867,360 shares pro forma	7
Non-voting preferred stock \$100,000 liquidation preference, 50 shares pro forma	5,000
Additional paid in capital	1,083,662
Total stockholders' equity	1,089,073
Noncontrolling interests	81,680
Total equity	1,170,753
Total liabilities and equity	\$ 2,090,531



Table of Contents**PARKWAY, INC.****UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS****FOR THE THREE MONTHS ENDED MARCH 31, 2016**

(In thousands, except per share data)

(Unaudited)

<b>Revenues</b>	
Income from office properties	\$ 72,272
Management company income	1,305
Total revenues	73,577
<b>Expenses</b>	
Property operating expenses	31,465
Management company expenses	781
Depreciation and amortization	22,527
General and administrative	4,809
Total expenses	59,582
<b>Operating income</b>	<b>13,995</b>
<b>Other income and expenses</b>	
Interest and other income	186
Interest expense	(7,680)
<b>Income (loss) before income taxes</b>	<b>6,501</b>
Income tax expense	(493)
<b>Net income (loss)</b>	<b>6,008</b>
Net (income) attributable to noncontrolling interests	(119)
<b>Net income (loss) attributable to controlling interests</b>	<b>5,889</b>
Dividends on non-voting preferred stock	(75)
<b>Net income (loss) attributable to common stockholders</b>	<b>\$ 5,814</b>
Weighted average shares outstanding - Basic	404,245
Weighted average shares outstanding - Diluted	412,114
Basic and Diluted earnings per share	\$ 0.01



Table of Contents**PARKWAY, INC.****UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS****FOR THE YEAR ENDED DECEMBER 31, 2015**

(In thousands, except per share data)

(Unaudited)

<b>Revenues</b>	
Income from office properties	\$ 276,861
Management company income	9,891
Sale of condominium units	11,063
<b>Total revenues</b>	<b>297,815</b>
<b>Expenses</b>	
Property operating expenses	119,547
Management company expenses	9,362
Cost of sales - condominium units	11,120
Depreciation and amortization	93,253
General and administrative	12,664
<b>Total expenses</b>	<b>245,946</b>
<b>Operating income</b>	<b>51,869</b>
<b>Other income and expenses</b>	
Interest and other income	1
Interest expense	(30,111)
<b>Income (loss) before income taxes</b>	<b>21,759</b>
Income tax expense	(1,635)
<b>Net income (loss)</b>	<b>20,124</b>
Net (income) loss attributable to noncontrolling interests	(389)
<b>Net income (loss) attributable to controlling interests</b>	<b>19,735</b>
Dividends on non-voting preferred stock	(300)
<b>Net income (loss) attributable to common stockholders</b>	<b>\$ 19,435</b>
Weighted average shares outstanding - Basic	404,245

Weighted average shares outstanding - Diluted	412,114
Basic and diluted earnings per share	\$ 0.05



**Table of Contents****EQUIVALENT AND COMPARATIVE PER SHARE INFORMATION**

The following table sets forth, for the three months ended March 31, 2016 and the year ended December 31, 2015, selected per share information for Cousins common stock on a historical and pro forma combined basis and for Parkway common stock on a historical and pro forma equivalent basis. You should read the table below together with the historical consolidated financial statements and related notes of Cousins and Parkway contained in their respective Quarterly Reports on Form 10-Q for the period ended March 31, 2016 and Annual Reports on Form 10-K for the year ended December 31, 2015, all of which are incorporated by reference into this joint proxy statement/prospectus. For more information, see [Where You Can Find More Information](#).

The Cousins pro forma combined earnings per share were calculated using the methodology as described above under the heading [Unaudited Pro Forma Combined Condensed Financial Information Giving Effect to the Merger and the Spin-Off](#), and are subject to all the assumptions, adjustments and limitations described thereunder. The unaudited pro forma combined condensed balance sheet data gives effect to the Merger and the Spin-Off, as indicated, as if they had occurred on March 31, 2016. The unaudited pro forma combined statements of operations data gives effect to the Merger and the Spin-Off, as indicated, as if they had become effective at January 1, 2015, based on the most recent valuation data available. The Parkway pro forma equivalent per common share amounts were calculated by multiplying the Cousins pro forma combined per share amounts by the exchange ratio of 1.63. You should not rely on the pro forma amounts as being indicative of the financial position or results of operations of Cousins that actually would have occurred had the Merger been completed as of the date indicated above, nor is it necessarily indicative of the future operating results or financial position of the Cousins.

	Cousins						Parkway					
	Historical		Pro Forma for Merger		Pro Forma for Merger and Spin-Off		Historical		Pro Forma for Merger		Pro Forma for Merger and Spin-Off	
	Three Months Ended March 31, 2016	Year Ended December 31, 2015	Three Months Ended March 31, 2016	Year Ended December 31, 2015	Three Months Ended March 31, 2016	Year Ended December 31, 2015	Three Months Ended March 31, 2016	Year Ended December 31, 2015	Three Months Ended March 31, 2016	Year Ended December 31, 2015	Three Months Ended March 31, 2016	Year Ended December 31, 2015
ings	\$0.11	\$0.58	\$0.22	\$0.53	\$0.21	\$0.48	\$0.55	\$0.60	\$0.36	\$0.86	\$0.34	\$0.7
are	\$0.11	\$0.58	\$0.22	\$0.53	\$0.21	\$0.48	\$0.55	\$0.60	\$0.36	\$0.86	\$0.34	\$0.7
ed	\$0.08	\$0.32	\$0.08 <sup>(1)</sup>	\$0.32 <sup>(1)</sup>	\$0.08 <sup>(1)</sup>	\$0.32 <sup>(1)</sup>	\$0.1875	\$0.7500	\$0.1304 <sup>(2)</sup>	\$0.5216 <sup>(2)</sup>	\$0.1304 <sup>(2)</sup>	\$0.521

