

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>PARKWAY PROPERTIES, INC</b>		2 Issuer's employer identification number (EIN) <b>74-2123597</b>	
3 Name of contact for additional information <b>SCOTT E. FRANCIS</b>	4 Telephone No. of contact <b>(407) 650-0593</b>	5 Email address of contact <b>SFRANCIS@PKY.COM</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>390 NORTH ORANGE AVENUE SUITE 2400</b>		7 City, town, or post office, state, and Zip code of contact <b>ORLANDO, FL 32801</b>	
8 Date of action <b>12/31/2013</b>		9 Classification and description <b>COMMON &amp; PREFERRED STOCK</b>	
10 CUSIP number <b>70159Q104 &amp; 70159Q401</b>	11 Serial number(s) <b>VARIOUS</b>	12 Ticker symbol <b>PKY &amp; PKY PrD</b>	13 Account number(s) <b>VARIOUS HOLDERS</b>

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

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **CASH DISTRIBUTIONS IN EXCESS OF CURRENT YEAR AND ACCUMULATED EARNINGS AND PROFITS AS A RETURN OF CAPITAL. PURSUANT TO IRC SECTION(S) 312 AND 316. THESE DISTRIBUTIONS WERE PAID ON 03/27/2013, 06/26/2013, 09/25/2013, 12/26/2013.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **THE BASIS OF THE SECURITY SHOULD BE REDUCED BY APPROXIMATELY 16% OF THE TOTAL DISTRIBUTION RECEIVED; SEE FORM 1099-DIV AS FILED.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **THE RETURN OF BASIS PREPARENTS DISTRIBUTIONS ASSOCIATED WITH THE 2013 TAX YEAR WHICH ARE IN EXCESS OF THE CURRENT YEAR AND ACCUMULATED EARNINGS AND PROFITS; SEE FORM 1099-DIV AS FILED**

**Part II Organizational Action (continued)**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC SECTION(S) 301(c), 312, AND 316

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18 Can any resulting loss be recognized? ▶ NO

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE 2013 1099-DIV AS FILED

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**Sign Here**  
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.  
Signature ▶ Scott E Francis Date ▶ 1-15-14  
Print your name ▶ SCOTT E. FRANCIS Title ▶ SVP & CAO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			