COUSINS PROPERTIES INC
Form 10-K/A
May 07, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
(Amendment No. 1)

ý ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2014

or

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-11312

COUSINS PROPERTIES INCORPORATED
(Exact name of registrant as specified in its charter)

Georgia	58-0869052
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
191 Peachtree Street NE, Suite 500, Atlanta, Georgia	30303-1740
(Address of principal executive offices)	(Zip Code)

(404) 407-1000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of Exchange on which registered
Common Stock ($1 par value)	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ý No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes o No ý

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ý

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	ý	Accelerated filer	o
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ý

As of June 30, 2014, the aggregate market value of the common stock of Cousins Properties Incorporated held by non-affiliates was $2,316,983,943 based on the closing sales price as reported on the New York Stock Exchange. As of February 9, 2015, 216,437,991 shares of common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant’s proxy statement for the annual stockholders meeting to be held on May 5, 2015 are incorporated by reference into Part III of this Form 10-K.

EXPLANATORY NOTE

This Annual Report Form 10-K/A (the "Amendment") amends the Registrant's Annual Report on Form 10-K, as filed by the Registrant with the Securities and Exchange Commission on February 12, 2015, and is being filed to correct certain typographical errors on the consolidated statements of equity and consolidated statements of cash flows as follows:

Consolidated Statements of Equity:

- Removed the line entitled "Contributions from nonredeemable noncontrolling interests" in the 2012 section;
- Inserted the line "Stock option exercises" in the 2013 section;
- Inserted the line "Common stock offering, net of issuance costs" in the 2013 section;
- Inserted the line "Redemption of preferred shares" in the 2013 section.

Consolidated Statements of Cash Flows:

- Changed the amount in the 2012 column under the line "Cash and Cash Equivalents at Beginning of Period."

No other changes are being made pursuant to this Amendment. This Amendment does not reflect events occurring after the filing of the Form 10-K or modify or update those disclosures that may be affected by subsequent events. For convenience, the entire Annual Report on Form 10-K, as amended, is being re-filed.

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FORWARD-LOOKING STATEMENTS

Certain matters contained in this report are "forward-looking statements" within the meaning of the federal securities laws and are subject to uncertainties and risks, as itemized in Item 1A included in this Form 10-K. These forward-looking statements include information about possible or assumed future results of the Company's business and the Company's financial condition, liquidity, results of operations, plans, and objectives. They also include, among other things, statements regarding subjects that are forward-looking by their nature, such as:

- the Company's business and financial strategy;
- the Company's ability to obtain future financing arrangements;
- future acquisitions and future dispositions of operating assets;
- future acquisitions of land;
- future development and redevelopment opportunities;
- future dispositions of land and other non-core assets;
- projected operating results;
- market and industry trends;
- future distributions;
- projected capital expenditures; and
- interest rates.

The forward-looking statements are based upon management's beliefs, assumptions, and expectations of the Company's future performance, taking into account information currently available. These beliefs, assumptions, and expectations may change as a result of possible events or factors, not all of which are known. If a change occurs, the Company's business, financial condition, liquidity, and results of operations may vary materially from those expressed in forward-looking statements. Actual results may vary from forward-looking statements due to, but not limited to, the following:

- the availability and terms of capital and financing;
- the ability to refinance indebtedness as it matures;
- the failure of purchase, sale, or other contracts to ultimately close;
- the failure to achieve anticipated benefits from acquisitions and investments or from dispositions;
- the potential dilutive effect of common stock offerings;
- the availability of buyers and adequate pricing with respect to the disposition of assets;
- risks related to the geographic concentration of our portfolio;
- risks and uncertainties related to national and local economic conditions, the real estate industry in general, and the commercial real estate markets in particular;
- changes to the Company's strategy with regard to land and other non-core holdings that require impairment losses to be recognized;
- leasing risks, including the ability to obtain new tenants or renew expiring tenants, and the ability to lease newly developed and/or recently acquired space;
- the adverse change in the financial condition of one or more of its tenants;
- volatility in interest rates and insurance rates;
- the availability of sufficient investment opportunities;
- competition from other developers or investors;
- the risks associated with real estate developments and acquisitions (such as zoning approval, receipts of required permits, construction delays, cost overruns, and leasing risk);
- the loss of key personnel;
- the potential liability for uninsured losses, condemnation, or environmental issues;
- the potential liability for a failure to meet regulatory requirements;
- the financial condition and liquidity of, or disputes with, joint venture partners;
- any failure to comply with debt covenants under credit agreements; and
- any failure to continue to qualify for taxation as a real estate investment trust.

The words “believes,” “expects,” “anticipates,” “estimates,” “plans,” “may,” “intend,” “will,” or similar expressions are intend identify forward-looking statements. Although the Company believes its plans, intentions, and expectations reflected in any forward-looking statements are reasonable, the Company can give no assurance that such plans, intentions, or expectations will be achieved. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of future events, new information, or otherwise, except as required under U.S. federal securities laws.

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PART I

Item 1. Business

Corporate Profile

Cousins Properties Incorporated (the "Registrant" or "Cousins") is a Georgia corporation, which has elected to be taxed as a real estate investment trust ("REIT"). Through December 31, 2014, Cousins Real Estate Corporation ("CREC"), including its subsidiaries, was a taxable entity wholly-owned by the Registrant, which was consolidated with the Registrant. CREC owned, developed, and managed its own real estate portfolio and performed certain real estate related services for other parties. On December 31, 2014, CREC merged into the Registrant. Coincident with this merger, the Registrant formed Cousins TRS Services LLC ("CTRS"), a new taxable entity wholly-owned by the Registrant. Upon formation, CTRS received a capital contribution of certain real estate assets and contracts that were previously owned by CREC. CTRS will own and manage its own real estate portfolio and perform certain real estate related services for other parties beginning in 2015. The Registrant, its subsidiaries, CREC and CTRS combined are hereafter referred to as the "Company." The Company's common stock trades on the New York Stock Exchange under the symbol "CUZ."

Company Strategy

The Company's strategy is to create value for its stockholders through the acquisition, development, ownership, and management of Class A office assets and opportunistic mixed-use developments in Sunbelt markets, with a particular focus on Georgia, Texas, and North Carolina. The Company's strategy is based on a simple platform, trophy assets, opportunistic investments, and a strong balance sheet. This approach enables the Company to maintain a targeted, asset-specific approach to investing where it seeks to leverage its acquisition and development skills, relationships, market knowledge, and operational expertise.

2014 Activities

During 2014, the Company engaged in several transactions that increased its investment in Class A office assets in its target markets through acquisition and development activities, enhanced the value of its existing assets through leasing activities, and maintained its strong balance sheet through equity and debt activities. The following is a summary of the significant 2014 activities of the Company.

Acquisition Activity

- Purchased Fifth Third Center, a Class-A office tower in the Charlotte central business district submarket, for $215 million.
- Purchased Northpark Town Center, a Class-A office complex in the Central Perimeter submarket of Atlanta, for $348 million.

Development Activity

- Commenced construction of Research Park V, a Class-A office building in the Northwest submarket of Austin, Texas which is expected to have 173,000 square feet of space with a total projected cost of $44 million.
- Formed a joint venture to develop Victory Center, a Class-A office tower in the Uptown submarket of Dallas, Texas which is expected to have 466,000 square feet of space. The joint venture acquired the land in 2014.
- Substantially completed construction of Colorado Tower, a Class-A office tower in downtown Austin, Texas, containing 373,000 square feet of space. Total expected costs for the project are $126.1 million and the building is 95% leased.
- Continued construction of the second phase of Emory Point in Atlanta, Georgia, which is expected to consist of 307 apartments and 45,000 square feet of retail space, with a total projected cost of $75.3 million. The Company expects to complete this project in the first half of 2015.

Disposition Activity

- Sold 600 University Park Place, a 123,000 square foot office building in Birmingham, Alabama, for $19.7 million.
- Sold Lakeshore Park Plaza, a 197,000 square foot office building in Birmingham, Alabama, for $25.0 million.
- Sold Mahan Village, a 147,000 square foot retail property in Tallahassee, Florida, for $29.5 million.
- Through Cousins Watkins LLC, sold four retail properties in Tennessee and Florida which totaled 339,000 square feet. The Company received proceeds from the venture (after debt repayment) related to this sale of $19.8 million.
- Sold 777 Main, a 980,000 square foot office tower in Ft. Worth, Texas, for $167.0 million.

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Financing Activity

- Issued 26.7 million shares of common stock in two offerings generating net proceeds of $321.9 million.
- Redeemed all outstanding shares of Series B Cumulative Redeemable Preferred Stock for $94.8 million.
- Recast its credit facility to, among other things, increase the size to $500 million, extend the maturity to 2019 and reduce the per annum variable interest rate spread and other fees.
- Closed a non-recourse mortgage loan on 816 Congress with a principal balance of $85.0 million, a fixed interest rate of 3.75%, and a term of ten years. The loan requires interest only payments through November 2016.

Portfolio Activity

- Leased or renewed 2.2 million square feet of office space.

Other Activity

- In the first quarter of 2014, increased the quarterly common stock dividend from $0.045 per share to $0.075 per share.
- In the first quarter of 2015, increased the quarterly common stock dividend to $0.08 per share.

Environmental Matters

The Company's business operations are subject to various federal, state, and local environmental laws and regulations governing land, water, and wetlands resources. Among these are certain laws and regulations under which an owner or operator of real estate could become liable for the costs of removal or remediation of certain hazardous or toxic substances present on or in such property. Such laws often impose liability without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances. The presence of such substances, or the failure to properly remediate such substances, may subject the owner to substantial liability and may adversely affect the owner's ability to develop the property or to borrow using such real estate as collateral.

The Company typically manages this potential liability through performance of Phase I Environmental Site Assessments and, as necessary, Phase II environmental sampling, on properties it acquires or develops, although no assurance can be given that environmental liabilities do not exist, that the reports revealed all environmental liabilities or that no prior owner created any material environmental condition not known to the Company. In certain situations, the Company has also sought to avail itself of legal and regulatory protections offered by federal and state authorities to prospective purchasers of property. Where applicable studies have resulted in the determination that remediation was required by applicable law, the necessary remediation is typically incorporated into the acquisition or development activity of the relevant property. The Company is not aware of any environmental liability that the Company's management believes would have a material adverse effect on the Company's business, assets, or results of operations.

Certain environmental laws impose liability on a previous owner of a property to the extent that hazardous or toxic substances were present during the prior ownership period. A transfer of the property does not necessarily relieve an owner of such liability. Thus, although the Company is not aware of any such situation, the Company may be liable in respect to properties previously sold. The Company believes that it and its properties are in compliance in all material respects with all applicable federal, state, and local laws, ordinances, and regulations governing the environment.

Competition

The Company competes with other real estate owners with similar properties located in its markets and distinguishes itself to tenants/buyers primarily on the basis of location, rental rates/sales prices, services provided, reputation, and the design and condition of the facilities. The Company also competes with other real estate companies, financial institutions, pension funds, partnerships, individual investors, and others when attempting to acquire and develop properties.

Executive Offices; Employees

The Registrant's executive offices are located at 191 Peachtree Street, Suite 500, Atlanta, Georgia 30303-1740. On December 31, 2014, the Company employed 257 people.

Available Information

The Company makes available free of charge on the "Investor Relations" page of its website, www.cousinsproperties.com, its filed and furnished reports on Forms 10-K, 10-Q, and 8-K, and all amendments thereto, as soon as reasonably practicable after the reports are filed with or furnished to the Securities and Exchange Commission (the "SEC").

The Company's Corporate Governance Guidelines, Director Independence Standards, Code of Business Conduct and Ethics, and the Charters of the Audit Committee, the Investment Committee, and the Compensation, Succession, Nominating

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and Governance Committee of the Board of Directors are also available on the "Investor Relations" page of the Company's website. The information contained on the Company's website is not incorporated herein by reference. Copies of these documents (without exhibits, when applicable) are also available free of charge upon request to the Company at 191 Peachtree Street, Suite 500, Atlanta, Georgia 30303-1740, Attention: Marli Quesinberry, Investor Relations. Ms. Quesinberry may also be reached by telephone at (404) 407-1898 or by facsimile at (404) 407-1899. In addition, the SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including the Company, that file electronically with the SEC at www.sec.gov.

Item 1A. Risk Factors

Set forth below are the risks we believe investors should consider carefully in evaluating an investment in the securities of Cousins Properties Incorporated.

General Risks of Owning and Operating Real Estate

Our ownership of commercial real estate involves a number of risks, the effects of which could adversely affect our business.

General economic and market risks. Our assets are subject to general economic and market risks. As such, in a general economic decline or recessionary climate, our assets may not generate sufficient cash to pay expenses, service debt, or cover maintenance, and, as a result, our results of operations and cash flows may be adversely affected. Factors that may adversely affect the economic performance and value of our properties include, among other things:

- changes in the national, regional and local economic climate;
- local real estate conditions such as an oversupply of rentable space or a reduction in demand for rentable space;
- the attractiveness of our properties to tenants or buyers;
- competition from other available properties;
- changes in market rental rates and related concessions granted to tenants including, but not limited to, free rent, tenant allowances, and tenant improvement allowances; and
- the need to periodically repair, renovate, and re-lease buildings.

Uncertain economic conditions may adversely impact current tenants in our various markets and, accordingly, could affect their ability to pay rents owed to us pursuant to their leases. In periods of economic uncertainty, tenants are more likely to close less profitable locations and/or to declare bankruptcy; and, pursuant to various bankruptcy laws, leases may be rejected and thereby terminated. Furthermore, our ability to sell or lease our properties at favorable rates, or at all, may be negatively impacted by general or local economic conditions.

Our ability to collect rent from tenants may affect our ability to pay for adequate maintenance, insurance, and other operating costs (including real estate taxes). Also, the expense of owning and operating a property is not necessarily reduced when circumstances such as market factors cause a reduction in income from the property. If a property is mortgaged and we are unable to meet the mortgage payments, the lender could foreclose on the mortgage and take title to the property. In addition, interest rate levels, the availability of financing, changes in laws, and governmental regulations (including those governing usage, zoning and taxes) may adversely affect our financial condition.

Impairment risks. We regularly review our real estate assets for impairment; and based on these reviews, we may record impairment losses that have an adverse effect on our results of operations. Negative or uncertain market and economic conditions, as well as market volatility, increase the likelihood of incurring impairment losses. If management decides to sell a real estate asset rather than holding it for long term investment or reduces its estimates of future cash flows on a real estate asset, the risk of impairment increases. The magnitude and frequency with which these charges occur could materially and adversely affect our business, financial condition, and results of operations.

Leasing risk. Our operating revenues are dependent upon entering into leases with, and collecting rents from, our tenants. Tenants whose leases are expiring may desire to decrease the space they lease and/or may be unwilling to continue their lease. When leases expire or are terminated, replacement tenants may not be available upon acceptable terms and market rental rates may be lower than the previous contractual rental rates. Also, our tenants may approach us for additional concessions in order to remain open and operating. The granting of these concessions may adversely affect our results of operations and cash flows to the extent that they result in reduced rental rates, additional capital improvements, or allowances paid to, or on behalf of, the tenants.

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Tenant and property concentration risk. As of December 31, 2014, our top 20 tenants represented 41% of our annualized base rental revenues with no single tenant accounting for more than 7% of our annualized base rent. In addition, as of December 31, 2014, 24% of our annualized base rent comes from tenants in the energy sector with no other sector representing more than 19% of our annualized base rent. The inability of any of our significant tenants to pay rent or to vacate their premises prior to, or at the conclusion of, their lease terms could have a significant negative impact on our results of operations or financial condition if a suitable replacement tenant is not secured in a timely manner. In addition, a prolonged period of low oil or natural gas prices or other factors negatively impacting the energy industry could have an adverse impact on our energy tenants' ability to pay rent or could cause them to vacate their premises prior to, or at the conclusion of, their lease terms. These events could have a significant adverse impact on our results of operations or financial condition.

For the three months ended December 31, 2014, 45% of our net operating income was derived from the metropolitan Houston area and 39% was derived from the metropolitan Atlanta area. Any adverse economic conditions impacting Atlanta or Houston could adversely affect our overall results of operations and financial condition. Given the fact that the Houston metropolitan area is dependent upon the energy sector, a prolonged period of low oil or natural gas prices, or other factors negatively impacting the energy industry could have an adverse impact on our ability to maintain the occupancy of our Houston properties or could cause us to lease space at rates below current in place rents or at rates below the rates we have leased space in our Houston properties over the prior year. In addition, factors negatively impacting the energy industry could reduce the market values of our Houston properties which could reduce our net asset value and adversely affect our financial condition and results of operations, or cause a decline in the value of our common stock.

Uninsured losses and condemnation costs. Accidents, earthquakes, terrorism incidents, and other losses at our properties could adversely affect our operating results. Casualties may occur that significantly damage an operating property, and insurance proceeds may be less than the total loss incurred by us. Although we maintain casualty insurance under policies we believe to be adequate and appropriate, including rent loss insurance on operating properties, some types of losses, such as those related to the termination of longer-term leases and other contracts, generally are not insured. Certain types of insurance may not be available or may be available on terms that could result in large uninsured losses. Property ownership also involves potential liability to third parties for such matters as personal injuries occurring on the property. Such losses may not be fully insured. In addition to uninsured losses, various government authorities may condemn all or parts of operating properties. Such condemnations could adversely affect the viability of such projects.

Environmental issues. Environmental issues that arise at our properties could have an adverse effect on our financial condition and results of operations. Federal, state, and local laws and regulations relating to the protection of the environment may require a current or previous owner or operator of real estate to investigate and clean up hazardous or toxic substances or petroleum product releases at a property. If determined to be liable, the owner or operator may have to pay a governmental entity or third parties for property damage and for investigation and clean-up costs incurred by such parties in connection with the contamination, or perform such investigation and clean-up itself. Although certain legal protections may be available to prospective purchasers of property, these laws typically impose clean-up responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the regulated substances. Even if more than one person may have been responsible for the release of regulated substances at the property, each person covered by the environmental laws may be held responsible for all of the clean-up costs incurred. In addition, third parties may sue the owner or operator of a site for damages and costs resulting from regulated substances emanating from that site. We are not currently aware of any environmental liabilities at locations that we believe could have a material adverse effect on our business, assets, financial condition, or results of operations. Unidentified environmental liabilities could arise, however, and could have an adverse effect on our financial condition and results of operations.

Joint venture structure risks. Similar to other real estate companies, we have interests in various joint ventures (including partnerships and limited liability companies) and may in the future invest in real estate through such structures. Our venture partners may have rights to take actions over which we have no control, or the right to withhold approval of actions that we propose, either of which could adversely affect our interests in the related joint ventures and in some cases our overall financial condition and results of operations. These structures involve participation by other parties whose interests and rights may not be the same as ours. For example, a venture partner might have economic and/or other business interests or goals which are incompatible with our business interests or goals and that venture partner may be in a position to take action contrary to our interests. In addition, such venture partners may default on their obligations, which could have an adverse impact on the financial condition and operations of the joint venture. Such defaults may result in our fulfilling their obligations that may, in some cases, require us to contribute additional capital to the ventures. Furthermore, the success of a project may be dependent upon the expertise, business judgment, diligence, and effectiveness of our venture partners in matters that are outside our control. Thus, the involvement of venture partners could adversely impact the development, operation, ownership, or disposition of the underlying properties.

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Liquidity risk. Real estate investments are relatively illiquid and can be difficult to sell and convert to cash quickly. As a result, our ability to sell one or more of our properties, whether in response to any changes in economic or other conditions or in response to a change in strategy, may be limited. In the event we want to sell a property, we may not be able to do so in the desired time period, the sales price of the property may not meet our expectations or requirements, and we may be required to record an impairment loss on the property as a result.

Compliance or failure to comply with federal, state and local regulatory requirements could result in substantial costs. Our properties are subject to various federal, state, and local regulatory requirements, such as the Americans with Disabilities Act and state and local fire, health, and life safety requirements. Compliance with these regulations may involve upfront expenditures and/or ongoing costs. If we fail to comply with these requirements, we could incur fines or other monetary damages. We do not know whether existing requirements will change or whether compliance with existing or future requirements will require significant unanticipated expenditures that will affect our cash flows and results of operations.

Financing Risks

At certain times, interest rates and other market conditions for obtaining capital are unfavorable, and, as a result, we may be unable to raise the capital needed to invest in acquisition or development opportunities, maintain our properties, or otherwise satisfy our commitments on a timely basis, or we may be forced to raise capital at a higher cost or under restrictive terms, which could adversely affect returns on our investments, our cash flows, and results of operations.

We generally finance our acquisition and development projects through one or more of the following: our Credit Facility, non-recourse mortgages, the sale of assets, construction loans, joint venture equity, and the issuance of common stock. Each of these sources may be constrained from time to time because of market conditions, and the related cost of raising this capital may be unfavorable at any given point in time. These sources of capital, and the risks associated with each, include the following:

- Credit facilities. Terms and conditions available in the marketplace for credit facilities vary over time. We can provide no assurance that the amount we need from our Credit Facility will be available at any given time, or at all, or that the rates and fees charged by the lenders will be reasonable. We incur interest under our Credit Facility at a variable rate. Variable rate debt creates higher debt service requirements if market interest rates increase, which would adversely affect our cash flow and results of operations. Our Credit Facility contains customary restrictions, requirements and other limitations on our ability to incur indebtedness, including restrictions on unsecured debt outstanding, restrictions on secured recourse debt outstanding, and requirements to maintain minimum fixed charge coverage ratios. Our continued ability to borrow under our Credit Facility is subject to compliance with these covenants.
- Non-recourse mortgages. The availability of financing is dependent upon various conditions, including the willingness of mortgage lenders to lend at any given point in time. Interest rates and loan-to-value ratios may also be volatile, and we may from time to time elect not to proceed with mortgage financing due to unfavorable terms offered by lenders. Inability to access the mortgage market could adversely affect our ability to finance acquisition or development activities. In addition, if a property is mortgaged to secure payment of indebtedness and we are unable to make the mortgage payments, the lender may foreclose, resulting in loss of income and asset value. We may not be able to refinance debt secured by our properties at the same levels or on the same terms, which could adversely affect our business, financial condition and results of operations. Further, at the time a mortgage matures, the property may be worth less than the mortgage amount and, as a result, the Company may determine not to refinance the mortgage and permit foreclosure, generating a loss to the Company and defaults on other mortgages.
- Property sales. Real estate markets tend to experience market cycles. Because of such cycles, the potential terms and conditions of sales, including prices, may be unfavorable for extended periods of time. In addition, our status as a REIT limits our ability to sell properties, which may affect our ability to liquidate an investment. As a result, our ability to raise capital through property sales in order to fund our acquisition and development projects or other cash needs could be limited. In addition, mortgage financing on a property may prohibit prepayment and/or impose a prepayment penalty upon the sale of that property, which may decrease the proceeds from a sale or refinancing or make the sale or refinancing impractical.
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Construction loans. Construction loans generally relate to specific assets under construction and fund costs above an initial equity amount deemed acceptable to the lender. Terms and conditions of construction facilities vary, but they generally carry a term of two to five years, charge interest at variable rates, require the lender to be satisfied with the nature and amount of construction costs prior to funding and require the lender to be satisfied with the level of pre-leasing prior to closing. Construction loans frequently require a portion of the loan to be recourse to the Company in addition to being recourse to the the equity in the asset. While construction lending is generally competitive and offered by many financial institutions, there may be times when these facilities are not available or are only available upon unfavorable terms which could have an adverse effect on our ability to fund development projects or on our ability to achieve the returns we expect.

- Joint ventures. Joint ventures, including partnerships or limited liability companies, tend to be complex arrangements, and there are only a limited number of parties willing to undertake such investment structures. There is no guarantee that we will be able to undertake these ventures at the times we need capital.
- Common stock. Common stock offerings may have a dilutive effect on our earnings per share and funds from operations per share. The actual amount of dilution, if any, from any future offering of common stock will be based on numerous factors, particularly the use of proceeds and any return generated thereby, and cannot be determined at this time. The per share trading price of our common stock could decline as a result of sales of a large number of shares of our common stock in the market in connection with an offering, or otherwise, or as a result of the perception or expectation that such sales could occur. We can also provide no assurance that conditions will be favorable for future issuances of common stock when we need the capital, which could have an adverse effect on our ability to fund acquisition and development activities.

As a result of any additional indebtedness incurred to consummate investment activities, we may experience a potential material adverse effect on our financial condition and results of operations.

The incurrence of new indebtedness could have adverse consequences on our business, such as:

- requiring us to use a substantial portion of our cash flow from operations to service our indebtedness, which would reduce the available cash flow to fund working capital, capital expenditures, development projects and other general corporate purposes and reduce cash for distributions;
- limiting our ability to obtain additional financing to fund our working capital needs, acquisitions, capital expenditures or other debt service requirements or for other purposes;
- increasing the costs of incurring additional debt;
- increasing our exposure to floating interest rates;
- limiting our ability to compete with other companies who are not as highly leveraged, as we may be less capable of responding to adverse economic and industry conditions;
- restricting us from making strategic acquisitions, developing properties or exploiting business opportunities;
- restricting the way in which we conduct our business because of financial and operating covenants in the agreements governing our existing and future indebtedness;
- exposing us to potential events of default (if not cured or waived) under covenants contained in our debt instruments that could have a material adverse effect on our business, financial condition and operating results;
- increasing our vulnerability to a downturn in general economic conditions; and
- limiting our ability to react to changing market conditions in our industry.

The impact of any of these potential adverse consequences could have a material adverse effect on our results of operations, financial condition, and liquidity.

Covenants contained in our Credit Facility and mortgages could restrict or hinder our operational flexibility, which could adversely affect our results of operations.

Our Credit Facility imposes financial and operating covenants on us. These covenants may be modified from time to time, but covenants of this type typically include restrictions and limitations on our ability to incur debt, as well as limitations on the amount of our unsecured debt, limitations on distributions to stockholders, and limitations on the amount of joint venture activity in which we may engage. These covenants may limit our flexibility in making business decisions. If we fail to comply with these covenants, our ability to borrow may be impaired, which could potentially make it more difficult to fund our capital and operating needs. Our failure to comply with such covenants could cause a default, and we may then be required to repay our outstanding debt with capital from other sources. Under those circumstances, other sources of capital may not be available to us or may be available only on unattractive terms, which could materially and adversely affect our financial condition and results of operations. In addition, the cross default provision on the Credit Facility may affect business decisions on other mortgage debt.

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Some of our property mortgages contain customary negative covenants, including limitations on our ability, without the lender's prior consent, to further mortgage that property, to enter into new leases, to modify existing leases, or to sell the property. Compliance with these covenants and requirements could harm our operational flexibility and financial condition.

Our degree of leverage could limit our ability to obtain additional financing or affect the market price of our securities.

Total debt as a percentage of either total asset value or total market capitalization is often used by analysts to gauge the financial health of equity REITs such as us. If our degree of leverage is viewed unfavorably by lenders or potential joint venture partners, it could affect our ability to obtain additional financing. In general, our degree of leverage could also make us more vulnerable to a downturn in business or the economy. In addition, increases in our debt to market capitalization ratio, which is in part a function of our stock price, or to other measures of asset value used by financial analysts, may have an adverse effect on the market price of common stock.

Real Estate Acquisition and Development Risks

We face risks associated with the development of real estate, such as delay, cost overruns and the possibility that we are unable to lease a portion of the space that we build, which could adversely affect our results.

Development activities contain certain inherent risks. Although we seek to minimize risks from commercial development through various management controls and procedures, development risks cannot be eliminated. Some of the key factors affecting development of commercial property are as follows:

- The availability of sufficient development opportunities. Absence of sufficient development opportunities could result in our experiencing slower growth in earnings and cash flows. Development opportunities are dependent upon a wide variety of factors. Availability of these opportunities can be volatile as a result of, among other things, economic conditions and product supply/demand characteristics in a particular market.

- Abandoned predevelopment costs. The development process inherently requires that a large number of opportunities be pursued with only a few actually being developed. We may incur significant costs for predevelopment activity for projects that are later abandoned, which would directly affect our results of operations. For projects that are later abandoned, we must expense certain costs, such as salaries, that would have otherwise been capitalized. We have procedures and controls in place that are intended to minimize this risk, but it is likely that we will incur predevelopment expense on subsequently abandoned projects on an ongoing basis.

- Project costs. Construction and leasing of a project involves a variety of costs that cannot always be identified at the beginning of a project. Costs may arise that have not been anticipated or actual costs may exceed estimated costs. These additional costs can be significant and could adversely impact our return on a project and the expected results of operations upon completion of the project. Also, construction costs vary over time based upon many factors, including the demand for building materials. We attempt to mitigate the risk of unanticipated increases in construction costs on our development projects through guaranteed maximum price contracts and pre-ordering of certain materials, but we may be adversely affected by increased construction costs on our current and future projects.

- Leasing risk. The success of a commercial real estate development project is heavily dependent upon entering into leases with acceptable terms within a predefined lease-up period. Although our policy is to achieve pre-leasing goals (which vary by market, product type and circumstances) before committing to a project, it is expected that not all the space in a project will be leased at the time we commit to the project. If the additional space is not leased on schedule and upon the expected terms and conditions, our returns, future earnings and results of operations from the project could be adversely impacted. Whether or not tenants are willing to enter into leases on the terms and conditions we project and on the timetable we expect will depend upon a number of factors, many of which are outside our control. These factors may include:

- general business conditions in the local or broader economy or in the prospective tenants' industries;
- supply and demand conditions for space in the marketplace; and

- level of competition in the marketplace.

- Reputation risks. We have historically developed and managed a significant portion of our real estate portfolio and believe that we have built a positive reputation for quality and service with our lenders, joint venture partners and tenants. If we were viewed as developing underperforming properties, suffered sustained losses on our investments,

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defaulted on a significant level of loans or experienced significant foreclosure or deed in lieu of foreclosure of our properties, our reputation could be damaged. Damage to our reputation could make it more difficult to successfully develop or acquire properties in the future and to continue to grow and expand our relationships with our lenders, joint venture partners and tenants, which could adversely affect our business, financial condition, and results of operations.

- Governmental approvals. All necessary zoning, land-use, building, occupancy and other required governmental permits and authorization may not be obtained, may only be obtained subject to onerous conditions or may not be obtained on a timely basis resulting in possible delays, decreased profitability, and increased management time and attention.

We may face risks associated with property acquisitions.

The risks associated with property acquisitions are similar to those described above for real estate development. However, certain additional risks may be present for property acquisitions. These risks may include:

- difficulty finding properties that are consistent with our strategy and that meet our standards;
- difficulty negotiating with new or existing tenants;
- the extent of competition in a particular market for attractive acquisitions may hinder our desired level of property acquisitions or redevelopment projects;
- the costs and timing of repositioning or redeveloping acquired properties may be greater than our estimates;
- the occupancy levels, lease-up timing and rental rates may not meet our expectations;
- the acquired properties may fail to meet internal projections or otherwise fail to perform as expected;
- the acquired property may be in a market that is unfamiliar to us and could present additional unforeseen business challenges;
- the timing of property acquisitions may lag the timing of property dispositions, leading to periods of time where projects' proceeds are not invested as profitably as we desire;
- the inability to obtain financing for acquisitions on favorable terms or at all;
- the inability to successfully integrate the operations, maintain consistent standards, controls, policies and procedures, or realize the anticipated benefits of acquisitions within the anticipated time frames or at all;
- the inability to effectively monitor and manage our expanded portfolio of properties, retain key employees or attract highly qualified new employees;
- the possible decline in value of the acquired assets;
- the diversion of our management’s attention away from other business concerns; and
- the exposure to any undisclosed or unknown issues, expenses, or potential liabilities relating to acquisitions.

In addition, we may acquire properties subject to liabilities with no, or limited, recourse against the prior owners or other third parties. As a result, if a liability were asserted against us based upon ownership of those properties, we might have to pay substantial sums to settle or contest it. Any of these risks could cause a failure to realize the intended benefits of our acquisitions and could have a material adverse effect on our financial condition, results of operations, and the market price of our common stock.

General Business Risks

We are dependent upon the services of certain key personnel, the loss of any of whom could adversely impair our ability to execute our business.

One of our objectives is to develop and maintain a strong management group at all levels. At any given time, we could lose the services of key executives and other employees. None of our key executives or other employees is subject to employment contracts. Further, we do not carry key person insurance on any of our executive officers or other key employees. The loss of services of any of our key employees could have an adverse effect upon our results of operations, financial condition and our ability to execute our business strategy.

Our restated and amended articles of incorporation contain limitations on ownership of our stock, which may prevent a change in control that might otherwise be in the best interests of our stockholders.

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Our restated and amended articles of incorporation impose limitations on the ownership of our stock. In general, except for certain individuals who owned stock at the time of adoption of these limitations, and except for persons that are granted waivers by our Board of Directors, no individual or entity may own more than 3.9% of the value of our outstanding stock. The ownership limitation may have the effect of delaying, inhibiting or preventing a transaction or a change in control that might involve a premium price for our stock or otherwise be in the best interest of our stockholders.

Our operating results and the market price of our common stock may fluctuate.

Our operating results have fluctuated greatly in the past, due to, among other things, volatility in land sales, property sales, and impairment losses. We have simplified our business and focus our resources on Class A office properties in our primary markets which we expect to make our operating results less volatile over time. Therefore, our historical performance may not be a meaningful indicator of our future results.

The market prices of shares of our common stock have been, and may continue to be, subject to fluctuation due to many events and factors such as those described in this report including:

- actual or anticipated variations in our operating results, funds from operations or liquidity;
- the general reputation of real estate as an attractive investment in comparison to other equity securities and/or the reputation of the product types of our assets compared to other sectors of the real estate industry;
- material changes in the energy industry or other significant tenant industry concentration;
- the general stock and bond market conditions, including changes in interest rates or fixed income securities;
- changes in tax laws;
- changes to our dividend policy;
- changes in market valuations of our properties;
- adverse market reaction to the amount of our outstanding debt at any time, the amount of our maturing debt and our ability to refinance such debt on favorable terms;
- any failure to comply with existing debt covenants;
- any foreclosure or deed in lieu of foreclosure of our properties;
- additions or departures of key executives and other employees;
- actions by institutional stockholders;
- uncertainties in world financial markets;
- the realization of any of the other risk factors described in this report; and
- general market and economic conditions, in particular, market and economic conditions of Atlanta, Georgia and Houston,Texas.

Many of the factors listed above are beyond our control. Those factors may cause market prices of shares of our common stock to decline, regardless of our financial performance, condition and prospects. The market price of shares of our common stock may fall significantly in the future, and it may be difficult for our stockholders to resell our common stock at prices they find attractive.

If our future operating performance does not meet the projections of our analysts or investors, our stock price could decline.

Independent securities analysts publish quarterly and annual projections of our financial performance. These projections are developed independently by third-party securities analysts based on their own analyses, and we undertake no obligation to monitor, and take no responsibility for, such projections. Such estimates are inherently subject to uncertainty and should not be relied upon as being indicative of the performance that we anticipate for any applicable period. Our actual revenues, net income and funds from operations may differ materially from what is projected by securities analysts. If our actual results do not meet analysts' guidance, our stock price could decline significantly.

We face risks associated with security breaches through cyber attacks, cyber intrusions, or otherwise, as well as other significant disruptions of our information technology (IT) networks and related systems.

We face risks associated with security breaches or disruptions, whether through cyber attacks or cyber intrusions over the Internet, malware, computer viruses, attachments to emails, persons inside our organization, or persons with access to systems inside our organization, and other significant disruptions of our IT networks and related systems.

The risk of a security breach or disruption, particularly through cyber attacks or cyber intrusion, including by computer hackers, foreign governments, and

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cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Our IT networks and related systems are essential to the operation of our business and our ability to perform day-to-day operations (including managing our building systems) and, in some cases, may be critical to the operations of certain of our tenants. There can be no assurance that our efforts to maintain the security and integrity of these types of IT networks and related systems will be effective or that attempted security breaches or disruptions would not be successful or damaging. A security breach or other significant disruption involving our IT networks and related systems could adversely impact our financial condition, results of operations, cash flows, liquidity, and the market price of our common stock.

Federal Income Tax Risks

Any failure to continue to qualify as a REIT for federal income tax purposes could have a material adverse impact on us and our stockholders.

We intend to continue to operate in a manner to qualify as a REIT for federal income tax purposes. Qualification as a REIT involves the application of highly technical and complex provisions of the Internal Revenue Code (the “Code”), for which there are only limited judicial or administrative interpretations. Certain facts and circumstances not entirely within our control may affect our ability to qualify as a REIT. In addition, we can provide no assurance that legislation, new regulations, administrative interpretations or court decisions will not adversely affect our qualification as a REIT or the federal income tax consequences of our REIT status.

If we were to fail to qualify as a REIT, we would not be allowed a deduction for distributions to stockholders in computing our taxable income. In this case, we would be subject to federal income tax (including any applicable alternative minimum tax) on our taxable income at regular corporate rates. Unless entitled to relief under certain Code provisions, we also would be disqualified from operating as a REIT for the four taxable years following the year during which qualification was lost. As a result, we would be subject to federal and state income taxes which could adversely affect our results of operations and distributions to stockholders. Although we currently intend to operate in a manner designed to qualify as a REIT, it is possible that future economic, market, legal, tax or other considerations may cause us to revoke the REIT election.

In order to qualify as a REIT, under current law, we generally are required each taxable year to distribute to our stockholders at least 90% of our net taxable income (excluding any net capital gain). To the extent that we do not distribute all of our net capital gain or distribute at least 90%, but less than 100%, of our other taxable income, we are subject to tax on the undistributed amounts at regular corporate rates. In addition, we are subject to a 4% nondeductible excise tax to the extent that distributions paid by us during the calendar year are less than the sum of the following:

- 85% of our ordinary income;
- 95% of our net capital gain income for that year; and
- 100% of our undistributed taxable income (including any net capital gains) from prior years.

We generally intend to make distributions to our stockholders to comply with the 90% distribution requirement to avoid corporate-level tax on undistributed taxable income and to avoid the nondeductible excise tax. Distributions could be made in cash, stock or in a combination of cash and stock. Differences in timing between taxable income and cash available for distribution could require us to borrow funds to meet the 90% distribution requirement, to avoid corporate-level tax on undistributed taxable income and to avoid the nondeductible excise tax. Satisfying the distribution requirements may also make it more difficult to fund new investment or development projects.

Certain property transfers may be characterized as prohibited transactions, resulting in a tax on any gain attributable to the transaction.

From time to time, we may transfer or otherwise dispose of some of our properties. Under the Code, any gains resulting from transfers or dispositions, from other than our taxable REIT subsidiary, that are deemed to be prohibited transactions would be subject to a 100% tax on any gain associated with the transaction. Prohibited transactions generally include sales of assets that constitute inventory or other property held for sale to customers in the ordinary course of business. Since we acquire properties primarily for investment purposes, we do not believe that our occasional transfers or disposals of property are deemed to be prohibited transactions. However, whether or not a transfer or sale of property qualifies as a prohibited transaction depends on all the facts and circumstances surrounding the particular transaction. The Internal Revenue Service may contend that certain transfers or disposals of properties by us are prohibited transactions. While we believe that the Internal Revenue Service would not prevail in any such dispute, if the Internal Revenue Service were to argue successfully that a transfer or disposition of property constituted a prohibited transaction, we would be required to pay a tax equal to 100% of any gain allocable to us from the prohibited transaction. In addition, income from a prohibited transaction might adversely affect our ability to satisfy the income tests for qualification as a REIT for federal income tax purposes.

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Disclosure Controls and Internal Control over Financial Reporting Risks

Our business could be adversely impacted if we have deficiencies in our disclosure controls and procedures or internal control over financial reporting.

The design and effectiveness of our disclosure controls and procedures and internal control over financial reporting may not prevent all errors, misstatements or misrepresentations. In addition, new system implementations, such as our recent conversion from the JD Edwards information system to the Yardi information system, increase the risk that undetected errors in publicly disclosed financial information will occur. While management will continue to review the effectiveness of our disclosure controls and procedures and internal control over financial reporting, there can be no guarantee that our internal control over financial reporting will be effective in accomplishing all control objectives at all times. Deficiencies, including any material weakness, in our internal control over financial reporting which may occur in the future could result in misstatements of our results of operations, restatements of our financial statements, a decline in our stock price, or otherwise materially adversely affect our business, reputation, results of operations, financial condition or liquidity.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

The following table sets forth certain information related to operating properties in which the Company has an ownership interest. Information presented in note 5 to the consolidated financial statements provides additional information related to the Company’s unconsolidated joint ventures. Except as noted, all information presented is as of December 31, 2014:

Operating Properties

					Company's Share				
Property Description	Metropolitan Area	Rentable Square Feet	Financial Statement Presentation	Company's Ownership Interest	End of Period Leased	Weighted Average Occupancy (1)	% of Total Net Operating Income (2)	Property Level Debt ($000)	Annualize Base Rents (5)
I. OFFICE PROPERTIES									
Greenway Plaza (3)	Houston	4,348,000	Consolidated	100%	95.6%	92.8%	34%	—	
Post Oak Central (3)	Houston	1,280,000	Consolidated	100%	95.6%	95.7%	11%	185,109	
2100 Ross Avenue	Dallas	844,000	Consolidated	100%	86.3%	81.3%	3%	—	
816 Congress	Austin	435,000	Consolidated	100%	90.4%	87.6%	3%	85,000	
The Points at Waterview	Dallas	203,000	Consolidated	100%	83.5%	81.6%	1%	14,598	
TEXAS		7,110,000					52%	284,707	
Northpark Town Center (3)	Atlanta	1,528,000	Consolidated	100%	92.6%	87.6%	10%	—	
191 Peachtree Tower	Atlanta	1,225,000	Consolidated	100%	89.4%	85.8%	7%	100,000	
The American Cancer Society	Atlanta	996,000	Consolidated	100%	84.4%	84.5%	5%	131,083	

Center Promenade	Atlanta	777,000	Consolidated	100%	92.8%	82.2%	5%	110,946	
Terminus 100	Atlanta	656,000	Unconsolidated	50%	95.6%	94.3%	3%	65,820	
North Point Center East (3)	Atlanta	540,000	Consolidated	100%	96.5%	92.6%	3%	—	
Terminus 200	Atlanta	566,000	Unconsolidated	50%	87.8%	84.3%	2%	41,000	
Meridian Mark Plaza	Atlanta	160,000	Consolidated	100%	98.3%	96.2%	2%	25,408	
Emory University Hospital Midtown Medical Office Tower	Atlanta	358,000	Unconsolidated	50%	100.0%	99.2%	2%	37,500	
GEORGIA		6,806,000					39%	511,757	
Gateway Village	Charlotte	1,065,000	Unconsolidated	50%	100.0%	100%	1%	17,765	
Fifth Third Center	Charlotte	698,000	Consolidated	100%	83.4%	79.8%	6%	—	
NORTH CAROLINA		1,763,000					7%	17,765	
TOTAL OFFICE PROPERTIES		15,679,000					98%	814,229	$257,226
II. OTHER PROPERTIES									
Emory Point Apartments (Phase I) (4)	Atlanta	404,000	Unconsolidated	75%	91.6%	68.6%	2%	36,328	
Emory Point Retail (Phase I)	Atlanta	80,000	Unconsolidated	75%	90.0%	77.3%	—%	7,194	
TOTAL OTHER PROPERTIES		484,000					2%	43,522	$1,360
TOTAL PORTFOLIO		16,163,000					100%	857,751	

(1) Weighted average economic occupancy represents an average of the square footage occupied at the property during the year. If the property was purchased during the year, average economic occupancy is calculated from the date of purchase forward.

(2) Net operating income represents rental property revenues less rental property operating expenses for the three moths ended December 31, 2014.

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(3) Contains multiple buildings that are grouped together for reporting purposes.
(4) This property consists of 443 units.
(5) Annualized base rents represents the sum of the annualized rent each tenant is paying as of the end of the reporting period. If a tenant is not paying rent due to a free rent concession, annualized base rent is calculated based on the annualized base rent the tenant will pay in the first period it is required to pay rent.
(6) Included in this amount is $11.1 million of Annualized Base Rent for tenants in a free rent period.
(7) Included in this amount is $91,000 of Annualized Base Rent for tenants in a free rent period.

Lease Expirations

As of December 31, 2014, the Company’s portfolio included 16 operating office properties. The weighted average remaining lease term of these office properties was approximately six years as of December 31, 2014. Most of the major tenant leases in these properties provide for pass through of operating expenses and contractual rents which escalate over time. The leases expire as follows:

Year of Expiration	Number of Tenants	Square Feet Expiring (1)	% of Leased Space	Annual Contractual Rents ($000's) (2)	% of Total Annual Contractual Rents	Annual Contractual Rent/Sq. Ft. (2)
2015	123	911,276	6.9%	$17,691	5.7%	$19.41
2016	110	1,293,613	9.7%	26,268	8.5%	20.31
2017	123	1,552,776	11.7%	32,008	10.4%	20.61
2018	73	1,098,573	8.3%	22,717	7.3%	20.68
2019	93	1,224,994	9.2%	29,935	9.7%	24.44
2020	52	778,477	5.9%	18,276	5.9%	23.48
2021	42	1,059,455	8.0%	26,127	8.5%	24.66
2022	37	1,292,396	9.7%	28,560	9.2%	22.10
2023	42	1,102,805	8.3%	25,174	8.2%	22.83
2024 &Thereafter	57	2,960,055	22.3%	82,121	26.6%	27.74
Total	752	13,274,420	100.0%	$308,877	100.0%	$23.27

Note: Excludes apartment and retail lease expirations.
(1) Company's share.
(2) Annual Contractual Rent shown is the estimated rate in the year of expiration. It includes the minimum contractual rent paid by the tenant which, in most of the office leases, includes a base year of operating expenses.

Development Pipeline

As of December 31, 2014, the Company had the following projects under development ($ in thousands):

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Project	Type	Metropolitan Area	Company's Ownership Interest	Project Start Date	Number of Apartment Units/Square Feet	Estimated Project Cost (1)	Project Cost Incurred to Date (1)	Percent Leased	Percent Occupied	Initial Occupancy	Estimated Stabilization (4)
Colorado Tower	Office	Austin, TX	100%	2Q13	373,000	$126,100	$86,150	95%	—%	1Q15 (2)	1Q16
Research Park V	Office	Austin, TX	100%	4Q14	173,000	$44,000	$5,233	—%	—%	4Q15 (2)	4Q16
Emory Point (Phase II)	Mixed	Atlanta, GA	75 %	4Q13		$75,300	$44,863				
Apartments					307			—%	—%	2Q15 (3)	2Q16
Retail					45,000			62%	—%	2Q15 (3)	2Q16

Note: This schedule shows projects currently under active development through the point of stabilization. Amounts included in the estimated project cost column represent the estimated costs of the project through stabilization. Significant estimation is required to derive these costs and the final costs may differ from these estimates. The projected stabilization dates are also estimates and are subject to change as the project proceeds through the development process.

(1) Amount represents 100% of the estimated project cost. Colorado Tower is being funded 100% by the Company, and Emory Point Phase II is being funded with a combination of equity from the partners and a $46 million construction loan. Emory Point Phase II will initially be funded by equity contributions until the partners have contributed their required equity amounts. All subsequent funding is expected to come from the Emory Point Phase II construction loan. As of December 31, 2014, $9.6 million was outstanding on the Emory Point Phase II construction loan.

(2) Represents the estimated quarter within which the Company estimates the first office square feet to be occupied.

(3) Represents the estimated quarter within which the first apartment/retail is expected to be occupied.

(4) Stabilization represents the quarter within which the Company estimates it will achieve 90% economic occupancy or one year from Initial Occupancy.

Inventory of Land

As of December 31, 2014, the Company owned the following land holdings either directly or indirectly through joint ventures:

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	Metropolitan Area	Company's Ownership Interest	Total Developable Land (Acres)	Company's Share of Developable Land (Acres)
COMMERCIAL				
North Point	Atlanta	100.00%	32	
Wildwood Office Park	Atlanta	50.00%	22	
The Avenue Forsyth-Adjacent Land	Atlanta	100.00%	10	
Wildwood Office Park	Atlanta	100.00%	10	
549 / 555 / 557 Peachtree Street	Atlanta	100.00%	1	
Georgia			75	
Victory Center	Dallas	75.0%	3	
Texas			3	
COMMERCIAL LAND HELD			78	67
COST BASIS OF COMMERCIAL LAND HELD			$34,599	$15,777
RESIDENTIAL (1)				
Paulding County	Atlanta	50.00%	4,706	
Blalock Lakes	Atlanta	100.00%	2,657	
Callaway Gardens (2)	Atlanta	100.00%	218	
Georgia			7,581	
Padre Island	Corpus Christi	50.00%	15	
Texas			15	
RESIDENTIAL LAND HELD			7,596	5,235
COST BASIS OF RESIDENTIAL LAND HELD			$24,600	$19,022
GRAND TOTAL LAND HELD			7,674	5,302
GRAND TOTAL COST BASIS OF LAND HELD			$59,199	$34,799

(1) Residential represents land that may be sold to third parties as lots or in large tracts for residential or commercial development.

(2) Company's ownership interest is shown at 100% as Callaway Gardens is owned in a joint venture which is consolidated within the Company. The partner is entitled to a share of the profits after the Company's capital is recovered.

Item 3. Legal Proceedings

The Company is subject to various legal proceedings, claims and administrative proceedings arising in the ordinary course of business, some of which are expected to be covered by liability insurance. Management makes assumptions and estimates concerning the likelihood and amount of any potential loss relating to these matters using the latest information available. The Company records a liability for litigation if an unfavorable outcome is probable and the amount of loss or range of loss can be reasonably estimated. If an unfavorable outcome is probable and a reasonable estimate of the loss is a range, the Company accrues the best estimate within the range. If no amount within the range is a better estimate than any other amount, the Company accrues the minimum amount within the range. If an unfavorable outcome is probable but the amount of the loss cannot be reasonably estimated, the Company discloses the nature of the litigation and indicates that an estimate of the loss or range of loss cannot be made. If an unfavorable outcome is reasonably possible and the estimated loss is material, the Company discloses the nature and estimate of the possible loss of the litigation. The Company does not disclose information with respect to litigation where an unfavorable outcome is considered to be remote or where the estimated loss would not be material. Based on current expectations, such matters, both individually and in the aggregate, are not expected to have a material adverse effect on the liquidity, results of operations, business or financial condition of the Company.

Item 4. Mine Safety Disclosures

Not applicable.

Item X. Executive Officers of the Registrant

The Executive Officers of the Registrant as of the date hereof are as follows:

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Name	Age	Office Held
Lawrence L. Gellerstedt III	58	President, Chief Executive Officer
Gregg D. Adzema	50	Executive Vice President, Chief Financial Officer
John S. McColl	52	Executive Vice President
M. Colin Connolly	38	Senior Vice President, Chief Investment Officer
John D. Harris, Jr.	55	Senior Vice President, Chief Accounting Officer, Treasurer and Assistant Secretary
Pamela F. Roper	41	Senior Vice President, General Counsel and Corporate Secretary

Family Relationships

There are no family relationships among the Executive Officers or Directors.

Term of Office

The term of office for all officers expires at the annual stockholders' meeting. The Board retains the power to remove any officer at any time.

Business Experience

Mr. Gellerstedt was appointed President and Chief Executive officer and Director in July 2009. From February 2009 to July 2009, Mr. Gellerstedt served as President and Chief Operating Officer. From May 2008 to February 2009, Mr. Gellerstedt served as Executive Vice President and Chief Development Officer.

Mr. Adzema was appointed Executive Vice President and Chief Financial Officer in November 2010. Prior to joining the Company, Mr. Adzema served as Chief Investment Officer of Hayden Harper Inc., an investment advisory and hedge fund company, from October 2009 to November 2010.

Mr. McColl was appointed Executive Vice President in December 2011. From February 2010 to December 2011, Mr. McColl served as Executive Vice President-Development, Office Leasing and Asset Management. From May 1997 to February 2010, Mr. McColl served as Senior Vice President.

Mr. Connolly was appointed Senior Vice President and Chief Investment Officer in May 2013. From September 2011 to May 2013, Mr. Connolly served as Senior Vice President. Prior to joining the Company, Mr. Connolly served as Executive Director with Morgan Stanley from December 2009 to August 2011 and as Vice President with Morgan Stanley from December 2006 to December 2009.

Mr. Harris was appointed Senior Vice President and Chief Accounting Officer in February 2005. In May 2005, Mr. Harris was appointed Assistant Secretary. In December 2014, Mr. Harris was appointed Treasurer.

Ms. Roper was appointed Senior Vice President, General Counsel, and Corporate Secretary in October 2012. From February 2008 to October 2012, Ms. Roper served as Senior Vice President, Associate General Counsel, and Assistant Secretary.

PART II

Item 5. Market for Registrant's Common Stock and Related Stockholder Matters

Market Information

The high and low sales prices for the Company's common stock and dividends declared per common share were as follows:

	2014 Quarters				2013 Quarters			
	First	Second	Third	Fourth	First	Second	Third	Fourth
High	$11.77	$12.50	$13.30	$13.20	$10.84	$11.28	$10.87	$11.45
Low	$10.10	$11.23	$11.95	$10.69	$8.34	$9.30	$9.30	$9.94
Dividends	$0.075	$0.075	$0.075	$0.075	$0.045	$0.045	$0.045	$0.045
Payment Date	2/24/2014	5/28/2014	8/25/2014	12/19/2014	2/22/2013	5/29/2013	8/26/2013	12/20/2013

Holders

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The Company's common stock trades on the New York Stock Exchange (ticker symbol CUZ). On February 9, 2015, there were 754 common stockholders of record.

Purchases of Equity Securities

For information on the Company's equity compensation plans, see note 13 of the accompanying consolidated financial statements, which is incorporated herein.

The Company purchased the following common shares during the fourth quarter of 2014:

	Total Number of Shares Purchased (1)	Average Price Paid per Share (1)
October 1 - 31	—	$—
November 1 - 30	21,553	$13.10
December 1 - 31	—	$—
	21,553	$13.10

(1) All activity for the fourth quarter of 2014 related to the remittances of shares for income taxes associated with option exercises.

Performance Graph

The following graph compares the five-year cumulative total return of the Company's Common Stock with the NYSE Composite Index, the FTSE NAREIT Equity Index and the SNL US REIT Office Index. The graph assumes a $100 investment in each of the indices on December 31, 2009 and the reinvestment of all dividends.

COMPARISON OF CUMULATIVE TOTAL RETURN OF ONE OR MORE COMPANIES, PEER GROUPS, INDUSTRY INDICES AND/OR BROAD MARKETS

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	Fiscal Year Ended					
Index	12/31/2009	12/31/2010	12/31/2011	12/31/2012	12/31/2013	12/31/2014
Cousins Properties Incorporated	100.00	114.77	90.40	120.52	151.34	172.22
NYSE Composite Index	100.00	113.60	109.43	127.11	160.65	171.67
FTSE NAREIT Equity Index	100.00	127.96	138.57	163.60	167.63	218.16
SNL US REIT Office Index	100.00	121.29	120.20	137.70	146.75	184.99

Item 6. Selected Financial Data

The following selected financial data sets forth consolidated financial and operating information on a historical basis. This data has been derived from the Company's consolidated financial statements and should be read in conjunction with the consolidated financial statements and notes thereto. The data below has been restated for discontinued operations detailed in note 3 of the consolidated financial statements.

	For the Years Ended December 31,				
	2014	2013	2012	2011	2010
	($ in thousands, except per share amounts)				
Rental property revenues	$343,910	$194,420	$114,208	$94,704	$90,373
Fee income	12,519	10,891	17,797	13,821	14,442
Other	4,954	5,430	4,841	9,600	38,008
Total revenues	361,383	210,741	136,846	118,125	142,823
Rental property operating expenses	155,934	90,498	50,329	40,817	39,133
Reimbursed expenses	3,652	5,215	7,063	6,208	6,303
General and administrative expenses	19,784	21,940	23,208	24,166	28,679
Depreciation and amortization	140,018	76,277	39,424	30,666	32,602
Interest expense	29,110	21,709	23,933	26,677	35,136
Impairment losses	—	—	488	96,818	2,554
Other	4,859	11,697	7,922	9,951	34,142
Total expenses	353,357	227,336	152,367	235,303	178,549
Loss on extinguishment of debt and interest rate swaps	—	—	(94)	—	(9,827)
Benefit (provision) for income taxes from operations	20	23	(91)	186	1,079
Income (loss) from unconsolidated joint ventures	11,268	67,325	39,258	(18,299)	9,493
Gain on sale of investment properties	12,536	61,288	4,053	3,494	1,946
Income (loss) from continuing operations	31,850	112,041	27,605	(131,797)	(33,035)
Discontinued operations	21,158	14,788	20,314	8,330	21,002
Net income (loss)	53,008	126,829	47,919	(123,467)	(12,033)
Net income attributable to noncontrolling interests	(1,004)	(5,068)	(2,191)	(4,958)	(2,540)
Preferred share original issuance costs	(3,530)	(2,656)	—	—	—
Preferred dividends	(2,955)	(10,008)	(12,907)	(12,907)	(12,907)
Net income (loss) available to common stockholders	$45,519	$109,097	$32,821	$(141,332)	$(27,480)
Net income (loss) from continuing operations attributable to controlling interest per common share—basic and diluted	$0.12	$0.66	$0.12	$(1.44)	$(0.48)
Net income (loss) per common share—basic and diluted	$0.22	$0.76	$0.32	$(1.36)	$(0.27)
Dividends declared per common share	$0.30	$0.18	$0.18	$0.18	$0.36
Total assets (at year-end)	$2,667,330	$2,273,206	$1,124,242	$1,235,535	$1,371,282

Notes payable (at year-end)	$792,344	$630,094	$425,410	$5,394,423	$509,509
Stockholders' investment (at year-end)	$1,673,458	$1,457,401	$620,342	$603,692	$760,079
Common shares outstanding (at year-end)	216,513	189,666	104,090	103,702	103,392

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the selected financial data and the consolidated financial statements and notes.

Overview of 2014 Performance and Company and Industry Trends

The Company's strategy is to create value for its stockholders through the acquisition, development, ownership, and management of Class A office assets and opportunistic mixed-use developments in Sunbelt markets, with a particular focus on Georgia, Texas, and North Carolina. During 2014, the Company completed the acquisition of two properties, substantially completed the development of one office tower and commenced development activities on two other development projects, all within its target markets. To fund its investment activities, the Company completed the disposition of its remaining grocery-anchored retail assets as well as the disposition of three of its non-core office assets in addition to issuing common equity and closing a long term mortgage loan on an existing office building. As a result of these activities, the Company increased its size (in terms of total market capitalization) by 20% while lowering its debt to total market capitalization ratio to 29%. In addition, the Company became more diversified geographically by increasing its exposure to North Carolina and Georgia while decreasing its exposure to Texas.

Investment Activity

The Company’s investment strategy is to purchase Class A office assets or locate opportunistic development or redevelopment projects in its core markets to which it can add value through relationships, capital, or market expertise. During 2014, the Company purchased an office tower in the downtown submarket of Charlotte and purchased a three building office property in the Central Perimeter submarket of Atlanta. The Charlotte acquisition, Fifth Third Center, is a Class A office tower that the Company acquired for $215 million. The building was 82% occupied upon acquisition, providing potential to increase the value of the asset through leasing activities, and the Company estimates that existing leases are, on average, below market. The Company also believes that it purchased the property below replacement cost. The Atlanta acquisition, Northpark Town Center, also represents a value opportunity. The Company acquired this 1.5 million square foot complex of Class A office buildings for $358 million which is below the Company's estimate of replacement cost. Upon acquisition, the property was 87% leased, which the Company increased to 93% at year end, in part, through a 68,000 square foot lease it sourced and negotiated prior to closing. The Company believes that existing leases are below market rates.

The Company has grown significantly over the past two years through acquisitions at prices and with characteristics that management believes provide opportunity to increase value through leasing and repositioning activities. Management believes that the number of similar acquisition opportunities will be lower in 2015 while development opportunities are expected to increase. The Company has historically been an active developer and has maintained its development platform. As a result, the Company is positioned to take advantage of near-term development opportunities.

In 2014, the Company commenced construction of Research Park V, a 173,000 square foot office building in Austin which is expected to cost $44 million, $5.1 million of which is land that the Company already owned. This building will complete the Company's multi-phase Research Park office development in northwest Austin. Also during 2014, the Company formed a joint venture to develop Victory Center in Uptown Dallas. This property is expected to be a 466,000 square foot, Class A office tower. In addition, the Company substantially completed construction of Colorado Tower, a 373,000 square foot office tower in Austin in 2014, and the first tenants moved into the building in early 2015. Colorado Tower is currently 95% leased. Finally, the Company continues construction of Emory Point Phase II, a mixed use project consisting of apartments and retail space in Atlanta. The Company expects to complete this project in the first half of 2015.

The Company is currently conducting pre-development activities on projects in Decatur, Georgia and Chapel Hill, North Carolina and expects to break ground on these projects in 2015. The Company is pursuing additional development opportunities that may result in projects that commence in 2015 or thereafter.

Disposition Activity

To help finance the investment activity discussed above and to continue to reposition its portfolio, the Company disposed of $259.1 million in non-core operating assets during 2014. The strategic result of these dispositions is that the Company no longer holds assets in the Birmingham, Alabama and Ft. Worth, Texas markets and no longer owns stand-alone, grocery-anchored or power center retail assets.

The Company exited the Birmingham market with the sales of 600 University Park Place and Lakeshore Park Plaza. The Company sold these assets for a total of $44.7 million. The Company also reduced its retail exposure with the sale of its interests

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in five Publix-anchored shopping centers. The Company received net proceeds from these sales of $47.4 million after debt repayment and after payments to the Company's partner in the joint ventures that owned these assets. In addition to these sales, the Company sold 777 Main, its 980,000 square foot office tower in Downtown Ft. Worth, Texas, for $167.0 million. The Company had acquired this asset in 2013 as part of the transaction to acquire Greenway Plaza in Houston, Texas. The Company sold this property because Ft. Worth is not a core market for the Company, and the Company believed that opportunities for leveraging growth in this market were limited.

Throughout 2014, the Company reduced its share of land holdings by 484 acres, including the sale of land in Wildwood Office Park, Paulding County and Blalock Lakes. These sales, combined with the transfer of the Research Park V land to projects under construction, reduced the Company's share of the net book value of its land holdings by $10.0 million.

In 2014, the Company considered pursuing a strategic joint venture for 191 Peachtree to harvest value that the Company created since its purchase in 2006. Although the Company will continue to consider this strategy for 191 Peachtree, it is also considering raising capital from different sources to meet its investment needs.

Financing Activity

The Company entered 2014 with a strong balance sheet, and one of its ongoing strategic objectives is to maintain a strong balance sheet that provides it with the flexibility to act on investment opportunities as they arise. The Company issued 26.7 million shares of common stock in two offerings that generated net proceeds of $321.9 million. The Company also generated $85.0 million of gross proceeds upon the closing of a non-recourse mortgage loan on 816 Congress. This loan has a fixed annual interest rate of 3.75% and a term of 10 years. The Company also recast its credit facility during 2014. The recast credit facility increased the size of the facility from $350 million to $500 million, extended the maturity date from 2016 to 2019, and reduced the per annum variable rate spread and other fees.

Portfolio Activity

In 2014, the Company leased or renewed 2.2 million square feet of office space. The weighted average net effective rent per square foot, representing base rent less operating expense reimbursements and leasing costs, for new or renewed non-amenity leases with terms greater than one year was $17.17 per square foot in 2014. Cash basis net effective rent per square foot increased 20% on spaces that have been previously occupied in the past year. Cash basis net effective rent represents net rent at the end of the term paid by the prior tenant compared to the net rent at the beginning of the term paid by the current tenant. The same property leasing percentage remained stable throughout the year.

Market Conditions

The Company continues to target high barrier-to-entry submarkets in Atlanta, Austin, Charlotte, Dallas and Houston. Management believes these Sunbelt cities possess some of the most robust economic and market fundamentals including above-average population and job growth, steady office absorption, positive rent growth and limited new supply.

Atlanta, while slower to recover from the recent recession, is showing positive signs of economic growth, having added 63,000 new jobs in 2013 and over 64,000 new jobs in 2014. The metro area's diverse economic base coupled with its major research universities provide a platform for positive economic development with job growth forecast at 2.2% over the next four years compared to the national average of 1.3%.

Austin is the Company's strongest market in terms of employment and forecasted job growth over the next four years. Job growth in Austin over the past 12 months has been almost double the national average and the unemployment rate is 4.1% compared to the national average of 5.6%. Class-A office rents have grown 25% since 2010 as vacancy rates have dropped below 10%. With limited new supply under way in our targeted submarket of downtown Austin, the office market is well positioned to see continued rent growth into 2015.

The Charlotte office market continues to improve. The city emerged from the recent recession with a more diversified economy, and its low cost, business-friendly environment has lured many high-profile relocations and expansions. New supply is limited; as a result, overall vacancy is less than 10% and rental rates for new space are strong relative to the past several years.

Dallas, fueled by corporate relocations and expansions, has experienced job growth over the last year twice the national average. Office vacancy rates are as low as they have been in recent years and market fundamentals are expected to remain strong in 2015. The Dallas economy has become more diverse compared to previous cycles. Since 2010, the largest share of office demand was generated by insurance, financial services and technology with only 5% of office growth coming from the energy sector.

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Houston has experienced four years of employment growth, adding approximately 440,000 new jobs since 2010, or three jobs for every job lost in the downturn. With an estimated GDP of $517.4 billion for 2014, the region ranks as the nation's fourth largest economy. Houston's accelerated growth, however, is beginning to face uncertainty as the recent volatility in energy prices has raised questions about the sustainability of the positive trends. Although Houston's economy is substantially dependent upon the energy industry, it also has a major medical complex and may be positively impacted bythe pending expansion of the Panama Canal.

When the Company entered the Houston market in 2013, it focused on two specific submarkets: Galleria and Greenway. These submarkets have what management believes are high barriers to entry with few available development sites and minimal new supply. Therefore, management believes that there is potential to increase rents as leases expire, and renewals or releasing occurs. In addition, of the Company's top 10 customer in Houston representing 52% of the entire Houston portfolio, eight carry an investment grade rating. With this tenant roster and these submarkets, management believes that it is well-positioned in Houston.

Going forward, the Company expects to generate returns and create stockholder value through the lease up of its existing portfolio, through the execution of its development pipeline, and through opportunistic acquisition and development investments within its core markets.

Critical Accounting Policies

The Company's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") as outlined in the Financial Accounting Standards Board's Accounting Standards Codification, and the notes to consolidated financial statements include a summary of the significant accounting policies for the Company. The preparation of financial statements in accordance with GAAP requires the use of certain estimates, a change in which could materially affect revenues, expenses, assets or liabilities. Some of the Company's accounting policies are considered to be critical accounting policies, which are ones that are both important to the portrayal of a company's financial condition and results of operations, and ones that also require significant judgment or complex estimation processes. The Company's critical accounting policies are as follows:

Real Estate Assets

Cost Capitalization. The Company is involved in all stages of real estate ownership, including development. Prior to the point a project becomes probable of being developed (defined as more likely than not), the Company expenses predevelopment costs. After management determines the project is probable, all subsequently incurred predevelopment costs, as well as interest, real estate taxes, and certain internal personnel and associated costs directly related to the project under development, are capitalized in accordance with accounting rules. If the Company abandons development of a project that had earlier been deemed probable, the Company charges all previously capitalized costs to expense. If this occurs, the Company's predevelopment expenses could rise significantly. The determination of whether a project is probable requires judgment by management. If management determines that a project is probable, interest, general and administrative, and other expenses could be materially different than if management determines the project is not probable.

During the predevelopment period of a probable project and the period in which a project is under construction, the Company capitalizes all direct and indirect costs associated with planning, developing, leasing, and constructing the project. Determination of what costs constitute direct and indirect project costs requires management, in some cases, to exercise judgment. If management determines certain costs to be direct or indirect project costs, amounts recorded in projects under development on the balance sheet and amounts recorded in general and administrative and other expenses on the statements of operations could be materially different than if management determines these costs are not directly or indirectly associated with the project.

Once a project is constructed and deemed substantially complete and held for occupancy, carrying costs, such as real estate taxes, interest, internal personnel, and associated costs, are expensed as incurred. Determination of when construction of a project is substantially complete and held available for occupancy requires judgment. The Company considers projects and/or project phases to be both substantially complete and held for occupancy at the earlier of the date on which the project or phase reached economic occupancy of 90% or one year after it is substantially complete. The Company's judgment of the date the project is substantially complete has a direct impact on the Company's operating expenses and net income for the period.

Operating Property Acquisitions. Upon acquisition of an operating property, the Company records the acquired tangible and intangible assets and assumed liabilities at fair value at the acquisition date. Fair value is based on estimated cash flow projections that utilize available market information and discount and/or capitalization rates as appropriate. Estimates of future cash flows are based on a number of factors including historical operating results, known and anticipated trends, and market and economic conditions. The acquired assets and assumed liabilities for an acquired operating property generally include, but

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are not limited to: land, buildings, and identified tangible and intangible assets and liabilities associated with in-place leases, including tenant improvements, leasing costs, value of above-market and below-market leases, and value of acquired in-place lease.

The fair value of land is derived from comparable sales of land within the same submarket and/or region. The fair value of buildings, tenant improvements, and leasing costs are based upon current market replacement costs and other relevant market rate information.

The fair value of the above-market or below-market component of an acquired in-place lease is based upon the present value (calculated using a market discount rate) of the difference between (i) the contractual rents to be paid pursuant to the lease over its remaining term and (ii) management's estimate of the rents that would be paid using fair market rental rates and rent escalations at the date of acquisition over the remaining term of the lease. In-place leases at acquired properties are reviewed at the time of acquisition to determine if contractual rents are above or below current market rents for the acquired property, and an identifiable intangible asset or liability is recorded if there is an above-market or below-market lease.

The fair value of acquired in-place leases is derived based on management's assessment of lost revenue and costs incurred for the period required to lease the "assumed vacant" property to the occupancy level when purchased. This fair value is based on a variety of considerations including, but not necessarily limited to: (1) the value associated with avoiding the cost of originating the acquired in-place leases; (2) the value associated with lost revenue related to tenant reimbursable operating costs estimated to be incurred during the assumed lease-up period; and (3) the value associated with lost rental revenue from existing leases during the assumed lease-up period. Factors considered in performing these analyses include an estimate of the carrying costs during the expected lease-up periods, such as real estate taxes, insurance, and other operating expenses, current market conditions, and costs to execute similar leases, such as leasing commissions, legal, and other related expenses.

The amounts recorded for above-market and in-place leases are included in other assets on the balance sheets, and the amounts for below-market leases are included in other liabilities on the balance sheets. These amounts are amortized on a straight-line basis as an adjustment to rental income over the remaining term of the applicable leases.

The determination of the fair value of the acquired tangible and intangible assets and assumed liabilities of operating property acquisitions requires significant judgments and assumptions about the numerous inputs discussed above. The use of different assumptions in these fair value calculations could significantly affect the reported amounts of the allocation of the acquisition related assets and liabilities and the related amortization and depreciation expense recorded for such assets and liabilities. In addition, since the value of above-market and below-market leases are amortized as either a reduction or increase to rental income, respectively, the judgments for these intangibles could have a significant impact on reported rental revenues and results of operations.

Depreciation and Amortization. The Company depreciates or amortizes operating real estate assets over their estimated useful lives using the straight-line method of depreciation. Management uses judgment when estimating the life of real estate assets and when allocating certain indirect project costs to projects under development. Historical data, comparable properties, and replacement costs are some of the factors considered in determining useful lives and cost allocations. The use of different assumptions for the estimated useful life of assets or cost allocations could significantly affect depreciation and amortization expense and the carrying amount of the Company's real estate assets.

Impairment. Management reviews its real estate assets on a property-by-property basis for impairment. This review includes the Company's operating properties and the Company's land holdings.

The first step in this process is for management to use judgment to determine whether an asset is considered to be held and used or held for sale, in accordance with accounting guidance. In order to be considered a real estate asset held for sale, management must, among other things, have the authority to commit to a plan to sell the asset in its current condition, have commenced the plan to sell the asset and have determined that it is probable that the asset will sell within one year. If management determines that an asset is held for sale, it must record an impairment loss if the fair value less costs to sell is less than the carrying amount. All real estate assets not meeting the held for sale criteria are considered to be held and used.

In the impairment analysis for assets held and used, management must use judgment to determine whether there are indicators of impairment. For operating properties, these indicators could include a decline in a property's leasing percentage, a current period operating loss or negative cash flows combined with a history of losses at the property, a decline on lease rates for that property or others in the property's market, or an adverse change in the financial condition of significant tenants. For land holdings, indicators could include an overall decline in the market value of land in the region, a decline in development activity for the intended use of the land or other adverse economic and market conditions.

If management determines that an asset that is held and used has indicators of impairment, it must determine whether the undiscounted cash flows associated with the asset exceed the carrying amount of the asset. If the undiscounted cash flows are less than the carrying amount of the asset, the Company must reduce the carrying amount of the asset to fair value.

In calculating the undiscounted net cash flows of an asset, management must estimate a number of inputs. For operating properties, management must estimate future rental rates, expenditures for future leases, future operating expenses, and market capitalization rates for residual values, among other things. For land holdings, management must estimate future sales prices as well as operating income, carrying costs, and residual capitalization rates for land held for future development. In addition, if there are alternative strategies for the future use of the asset, management must assess the probability of each alternative strategy and perform a probability-weighted undiscounted cash flow analysis to assess the recoverability of the asset. Management must use considerable judgment in determining the alternative strategies and in assessing the probability of each strategy selected.

In determining the fair value of an asset, management exercises judgment on a number of factors. Management may determine fair value by using a discounted cash flow calculation or by utilizing comparable market information. Management must determine an appropriate discount rate to apply to the cash flows in the discounted cash flow calculation. Management must use judgment in analyzing comparable market information because no two real estate assets are identical in location and price.

The estimates and judgments used in the impairment process are highly subjective and susceptible to frequent change. If management determines that an asset is held and used, the results of operations could be materially different than if it determines that an asset is held for sale. Different assumptions management uses in the calculation of undiscounted net cash flows of a project, including the assumptions associated with alternative strategies and the probabilities associated with alternative strategies, could cause a material impairment loss to be recognized when no impairment is otherwise warranted. Management's assumptions about the discount rate used in a discounted cash flow estimate of fair value and management's judgment with respect to market information could materially affect the decision to record impairment losses or, if required, the amount of the impairment losses.

Revenue Recognition – Valuation of Receivables

Notes and accounts receivable are reduced by an allowance for amounts that may become uncollectible in the future. The Company reviews its receivables regularly for potential collection problems in computing the allowance to record against its receivables. This review requires management to make certain judgments regarding collectibility, notwithstanding the fact that ultimate collections are inherently difficult to predict. Economic conditions fluctuate over time, and the Company has tenants in many different industries which experience changes in economic health, making collectibility prediction difficult. Therefore, certain receivables currently deemed collectible could become uncollectible, and those reserved could ultimately be collected. A change in judgments made could result in an adjustment to the allowance for doubtful accounts with a corresponding effect on net income.

Investment in Joint Ventures

The Company holds ownership interests in a number of joint ventures with varying structures. Management evaluates all of its joint ventures and other variable interests to determine if the entity is a variable interest entity ("VIE"), as defined in accounting rules. If the venture is a VIE, and if management determines that the Company is the primary beneficiary, the Company consolidates the assets, liabilities and results of operations of the VIE. The Company quarterly reassesses its conclusions as to whether the entity is a VIE and whether consolidation is appropriate as required under the rules. For entities that are not determined to be VIEs, management evaluates whether or not the Company has control or significant influence over the joint venture to determine the appropriate consolidation and presentation. Generally, entities under the Company's control are consolidated, and entities over which the Company can exert significant influence, but does not control, are accounted for under the equity method of accounting. Management uses judgment to determine whether an entity is a VIE, whether the Company is the primary beneficiary of the VIE, and whether the Company exercises control over the entity. If management determines that an entity is a VIE with the Company as primary beneficiary or if management concludes that the Company exercises control over the entity, the balance sheets and statements of operations would be significantly different than if management concludes otherwise. In addition, VIEs require different disclosures in the notes to the financial statements than entities that are not VIEs. Management may also change its conclusions and, thereby, change its balance sheets, statements of comprehensive income, and notes to the financial statements, based on facts and circumstances that arise after the original consolidation determination is made. These changes could include additional equity contributed to entities, changes in the allocation of cash flow to entity partners, and changes in the expected results within the entity.

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Management performs an impairment analysis of the recoverability of its investments in joint ventures on a quarterly basis. As part of this analysis, management first determines whether there are any indicators of impairment in any joint venture investment. If indicators of impairment are present for any of the Company's investments in joint ventures, management calculates the fair value of the investment. If the fair value of the investment is less than the carrying value of the investment, management must determine whether the impairment is temporary or other than temporary, as defined by GAAP. If management assesses the impairment to be temporary, the Company does not record an impairment charge. If management concludes that the impairment is other than temporary, the Company records an impairment charge.

Management uses considerable judgment in the determination of whether there are indicators of impairment present and in the assumptions, estimations and inputs used in calculating the fair value of the investment. These judgments are similar to those outlined above in the impairment of real estate assets. Management also uses judgment in making the determination as to whether the impairment is temporary or other than temporary. The Company utilizes guidance provided by the SEC in making the determination of whether the impairment is temporary. The guidance indicates that companies consider the length of time that the impairment has existed, the financial condition of the joint venture, and the ability and intent of the holder to retain the investment long enough for a recovery in market value. Management's judgment as to the fair value of the investment or on the conclusion of the nature of the impairment could have a material impact on the results of operations and financial condition of the Company.

Income Taxes – Valuation Allowance

The Company establishes a valuation allowance against deferred tax assets if, based on the available evidence, it is more likely than not that such assets will not be realized. The realization of a deferred tax asset ultimately depends on the existence of sufficient taxable income in either the carryback or carryforward periods under tax law. The Company periodically assesses the need for valuation allowances for deferred tax assets based on the "more likely than not" realization threshold criterion. In the assessment, appropriate consideration is given to all positive and negative evidence related to the realization of the deferred tax assets. This assessment requires considerable judgment by management and includes, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability, the duration of statutory carryforward periods, its experience with operating loss and tax credit carryforwards, and tax planning alternatives. If management determines that the Company requires a valuation allowance on its deferred tax assets, income tax expense or benefit could be materially different than if management determines no such valuation allowance is necessary.

Recoveries from Tenants

Recoveries from tenants for operating expenses are determined on a calendar year and on a lease by lease basis. The most common types of cost reimbursements in our leases are utility expenses, building operating expenses, real estate taxes, and insurance, for which the tenant pays its pro rata share in excess of a base year amount, if applicable. The computation of these amounts is complex and involves numerous judgments, including the interpretation of terms and other customer lease provisions. Leases are not uniform in dealing with such cost reimbursements and there are many variations in the computation. We accrue income related to these payments each month. We make monthly accrual adjustments, positive or negative, to recorded amounts to our best estimate of the annual amounts to be billed and collected with respect to the cost reimbursements. After the end of the calendar year, we compute each customer's final cost reimbursements and, after considering amounts paid by the tenant during the year, issue a bill or credit for the appropriate amount to the tenant. The differences between the amounts billed less previously received payments and the accrual adjustments are recorded as increases or decreases to revenues when the final bills are prepared, which occurs during the first half of the subsequent year.

Stock-based Compensation

The Company has several types of stock-based compensation plans. These are described in note 13, as are the accounting policies by type of award. Compensation cost for all stock-based awards requires measurement at estimated fair value on the grant date and compensation cost is recognized over the service vesting period, which represents the requisite service period. The grant date fair value for compensation plans that contain market measures are performed using complex pricing valuation models that require the input of assumptions, including judgments to estimate expected life, expected stock price volatility, and assumed dividend yield. Specifically, the grant date fair value of performance-based restricted stock units are calculated using a Monte Carlo simulation pricing model and the grant date fair value of stock option grants are calculated using the Black-Scholes valuation model.

Discussion of New Accounting Pronouncements

In 2014, The Financial Accounting Standards Board ("FASB") issued new guidance related to the presentation of discontinued operations. Prior to this new guidance, the Company included activity for all assets held for sale and disposals in discontinued operations on its statements of operations. Under the new guidance, only assets held for sale and disposals representing a major strategic shift in operations, such as the disposal of a line of business, a significant geographical area, or a major equity investment, will be presented as discontinued operations. Additionally, the new guidance requires expanded disclosures about discontinued operations that will provide more information about their assets, liabilities, income, and expenses. The guidance is effective for periods beginning after December 15, 2014. Early adoption is permitted, but only for disposals (or classifications as held for sale) that have not been reported in financial statements previously issued. The Company adopted this guidance in the second quarter of 2014.

In 2014, the FASB issued new guidance related to the accounting for revenue from contracts with customers which requires a new five-step model to recognize revenue. Under the new guidance, companies will recognize revenue when the seller satisfies a performance obligation, which would be when the buyer takes control of the good or service. This new guidance could result in different amounts of revenue being recognized and could result in revenue being recognized in different reporting periods than it is under the current guidance. The new guidance specifically excludes revenue associated with lease contracts. The guidance is effective for periods beginning after December 15, 2016 and early adoption is prohibited. Retrospective application will be required either to all periods presented or with the cumulative effect of initial adoption recognized in the period of adoption.

Results of Operations For The Three Years Ended December 31, 2014

General

The Company's financial results have historically been significantly affected by purchase and sale transactions. Accordingly, the Company's historical financial statements may not be indicative of future operating results. During 2014, the Company purchased Fifth Third Center and Northpark Town Center (collectively, the "2014 Acquisitions"). During 2013, the Company purchased Greenway Plaza, 777 Main, 816 Congress and Post Oak Central (collectively, the "2013 Acquisitions"). In 2012, the Company purchased 2100 Ross.

Rental Property Revenues

Rental property revenues increased $149.5 million (77%) between 2014 and 2013 as a result of the following:

- Increase of $124.1 million as a result of the 2013 Acquisitions;
- Increase of $17.5 million as a result of the 2014 Acquisitions;
- Increase of $2.4 million as a result of higher average occupancy at Promenade;
- Increase of $2.3 million as a result of higher average occupancy at 2100 Ross; and
- Decrease of $2.5 million as a result of the 2013 sale of 50% of the Company's interest in Terminus 100.

Rental property revenues increased $80.2 million (70%) between 2013 and 2012 as a result of the following:

- Increase of $87.7 million as a result of the 2013 Acquisitions;
- Increase of $6.5 million as a result of the 2012 acquisition of 2100 Ross;
- Increase of $1.9 million at 191 Peachtree due to higher economic occupancy;
- Increase of $1.7 million at Mahan Village as a result of the commencement of operations in late 2012;
- Increase of $1.3 million at Promenade due to higher economic occupancy; and
- Decrease of $19.7 million due to the sale of 50% of the Company’s interest in Terminus 100.

Fee Income

Fee income increased $1.6 million (15%) between 2014 and 2013 due to the receipt of a $4.5 million participation interest in 2014 related to a contract that the Company assumed in the acquisition of an entity several years ago. Under this contract, the Company is entitled to receive a portion of the proceeds from the sale of a project that the entity developed and from payments received from a related seller-financed note. The payment in 2014 represents the final payment that the Company will receive under this arrangement.

Fee income decreased approximately $6.9 million (39%) between 2013 and 2012. This decrease is primarily due to the receipt of a $4.5 million participation interest in 2012 related to the contract discussed above. Fee income also decreased as a result of a decrease in reimbursed expenses primarily due to the third quarter 2013 sale of the Company’s interest in two unconsolidated joint ventures, CP Venture Two LLC and CP Venture Five LLC, and the sale of The Avenue Murfreesboro retail center, which was held through the CF Murfreesboro Associates unconsolidated joint venture. The Company was earning management and leasing fees associated with these ventures that ended upon the sale of the Company’s interest in these ventures.

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Rental Property Operating Expenses

Rental property operating expenses increased $65.4 million (72%) between 2014 and 2013 as a result of the following:

- Increase of $58.6 million as a result of the 2013 Acquisitions;
- Increase of $6.1 million as a result of the 2014 Acquisitions;
- Increase of $1.3 million as a result of higher average occupancy at 2100 Ross;
- Increase of $609,000 as a result of higher average occupancy at Promenade; and
- Decrease of $598,000 as a result of the 2013 sale of 50% of the Company's interest in Terminus 100.

Rental property operating expenses increased $40.2 million (80%) between 2013 and 2012 as a result of the following:

- Increase of $40.4 million as a result of the 2013 Acquisitions;
- Increase of $3.4 million as a result of the 2012 acquisition of 2100 Ross;
- Increase of $1.1 million at 191 Peachtree due to higher economic occupancy; and
- Decrease of $5.5 million due to the sale of 50% of the Company’s interest in Terminus 100.

Reimbursed Expenses

Reimbursed expenses decreased $1.6 million (30%) between 2014 and 2013 and decreased $1.8 million (26%) between 2013 and 2012. Reimbursed expenses are primarily incurred on projects for which the Company pays management and development expenses and is later reimbursed by the client. The offsetting income related to these expenses is recorded in fee income.

General and Administrative Expenses

General and administrative (G&A) expenses decreased $2.2 million (10%) between 2014 and 2013 as a result of the following:

- Decrease of bonus expense of $814,000 as a result of lower bonuses awarded;
- Increase in stock-based compensation expense of $402,000 due to an increase in the Company's stock price between years and higher relative performance on the performance based restricted stock units; and
- Increase in capitalized salaries of $2.3 million as a result of increased development activities and internal costs associated with a software implementation.

G&A expense decreased $1.3 million (5%) between 2013 and 2012 as a result of the following:

- Decrease in employee salaries and benefits, other than stock-based compensation and bonus, of $2.0 million due to a decrease in the number of corporate employees between 2013 and 2012;
- Increase in capitalized salaries of $2.3 million as a result of increased development activity;
- Increase in stock-based compensation expense of $1.7 million primarily due to an increase in the Company's stock price between years and higher relative performance on the perormance based restricted stock units; and
- Increase in bonus expense of $1.2 million as a result of the Company exceeding its bonus goals for 2013.

Interest Expense

Interest expense increased $7.4 million (34%) between 2014 and 2013 as a result of the following:

- Higher interest expense of $5.5 million as a result of the Post Oak Central loan that closed in 2013;
- Higher interest expense of $3.3 million as a result of the Promenade loan that closed in 2013;
- Higher interest expense of $709,000 as a result of the new 816 Congress loan;
- Higher interest expense of $1.1 million related to higher average borrowings under the Credit Facility during the year;
- Lower interest expense of $2.2 million due to higher capitalized interest in 2014 as a result of an increase in development expenditures in 2014; and
- Lower interest expense of $725,000 as a result of the sale of 50% of Terminus 100 in 2013.

Interest expense decreased $2.2 million (9%) between 2013 and 2012 as a result of the following:

- Lower interest expense of $6.5 million as a result of the sale of 50% of Terminus 100;

- Lower interest expense of $1.5 million related to lower average borrowings under the Credit Facility during the year;
- Higher interest expense of $2.6 million related to the Post Oak Central loan;
- Higher interest expense of $1.6 million related to the Promenade loan;
- Higher interest expense of $1.1 million due to lower capitalized interest in 2013 as a result of a reduction in development expenditures in 2013; and
- Higher interest expense of $784,000 related to the 191 Peachtree Tower loan that closed in 2012.

Depreciation and Amortization

Depreciation and amortization increased $63.7 million (84%) between 2014 and 2013 as a result of the following:

- Increase of $54.9 million as a result of the 2013 Acquisitions;
- Increase of $8.9 million as a result of the 2014 Acquisitions;
- Increase of $666,000 as a result of higher average occupancy at Promenade; and
- Decrease of $825,000 as a result of the 2013 sale of 50% of the Company's interest in Terminus 100.

Depreciation and amortization increased $36.9 million (93%) between 2013 and 2012 as a result of the following:

- Increase of $37.6 million as a result of the 2013 Acquisitions;
- Increase of $4.4 million as a result of the 2012 acquisition of 2100 Ross;
- Increase of $1.2 million at 191 Peachtree due to higher economic occupancy;
- Increase of $662,000 at Mahan Village as a result of the commencement of operations in late 2012;
- Increase of $572,000 at Promenade due to higher economic occupancy; and
- Decrease of $8.0 million due to the sale of 50% of the Company's interest in Terminus 100.

Acquisition and Related Costs

Acquisition and related costs decreased $6.4 million between 2014 and 2013 primarily as a result of the Texas Acquisition in 2013. Included in acquisition and related costs in 2013 is $2.6 million in costs associated with a term loan that was obtained in connection with the Texas Acquisition but was terminated unused upon closing of the acquisition. Acquisition and related costs in 2012 related primarily to the acquisition of 2100 Ross.

Income from Unconsolidated Joint Ventures

In 2014, 2013, and 2012, the Company had a considerable amount of activity that affected income (loss) from unconsolidated joint ventures. In 2014, Cousins Watkins LLC sold substantially all of its assets and the Company recognized income from unconsolidated joint ventures of $2.2 million as a result. Also in 2014, Wildwood Associates sold a tract of land that resulted in the recognition of $2.1 million in income from unconsolidated joint ventures.

In 2013, the Company sold its interests in CP Venture Two LLC and CP Venture Five LLC for $23.3 million and $30.0 million, respectively. The Company recorded gains from unconsolidated joint ventures on these transactions totaling $37.0 million. In addition, CF Murfreesboro Associates sold The Avenue Murfreesboro, the venture's only asset. The Company received a distribution from this sale of $33.8 million and recognized a gain from unconsolidated joint ventures of $23.5 million associated with this sale.

In 2012, the Company sold its interest in Palisades West LLC for $64.8 million and recognized a gain from unconsolidated joint ventures of $23.3 million associated with this sale. In addition, Ten Peachtree Place Associates sold Ten Peachtree Place to a third party. The Company received proceeds from this sale of $5.1 million and recognized a gain from unconsolidated joint ventures of $7.3 million associated with this sale. CP Venture Two LLC sold Presbyterian Medical Plaza to a third party and the Company received proceeds from the sale of $450,000 and recognized a gain of $167,000 associated with this sale. In addition, the Emory Point Phase I development project became operational within EP I LLC and the Company recorded $330,000 in its share of the losses from the start-up operations.

Gain on Sale of Investment Properties

Gain on sale of investment properties decreased $48.8 million between 2014 and 2013 and increased $57.2 million between 2013 and 2012. The 2014 amount includes a gains of the sale of 777 Main and Mahan Village of $6.2 million and $4.6 million, respectively. The 2013 amount includes a gain on the sale of Terminus 100 of $37.1 million, a gain on the acquisition of Terminus 200, which was acquired in stages, of $19.7 million, and the recognition of a deferred gain associated with CP Venture Two LLC

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of $3.6 million that was recognized when the Company sold its interest in CP Venture Two LLC. The 2012 and 2011 amounts include gains recognized on the sale of various land tracts during those years.

Discontinued Operations

In April 2014, the Financial Accounting Standards Board issued new guidance on discontinued operations. Under the new guidance, only assets held for sale and disposals representing a major strategic shift in operations will be presented as discontinued operations. This guidance is effective for periods beginning after December 15, 2014 with early adoption permitted. The Company adopted this new standard in 2014. As a result, two of the Company’s properties (777 Main and Mahan Village) that were sold subsequent to the adoption that under the previous guidance would have been considered discontinued operations, are not considered discontinued operations under the new guidance.

In 2014, the Company sold two assets in Birmingham, Alabama that had been classified as held for sale in 2013. The Company sold 600 University Park Place, a 123,000 square foot office building, for a gross sales price of $19.7 million, before adjustments for customary closing costs and other closing credits and sold Lakeshore Park Plaza, a 197,000 square foot office building, for a gross sales price of $25.0 million, before adjustments for customary closing costs and other closing credits. The combined sales prices of these two assets, along with the sales of 777 Main and Mahan Village, represents a weighted average 6.3% capitalization rate. Capitalization rates are calculated by dividing projected annualized net operating income by the sales price.

In 2013, the Company sold Tiffany Springs MarketCenter, a 238,000 square foot center in Kansas City, Missouri, for a sales price of $53.5 million, which represented a 7.9% capitalization rate. In 2013, the Company also sold the Inhibitex building, a 51,000 square foot medical office building in Atlanta, for $8.3 million, prior to the allocation of free rent credits, which represented a 9.1% capitalization rate.

In 2012, the Company sold the following retail assets: The Avenue Collierville, a 511,000 square foot center in Memphis, Tennessee, for a sales price of $55.0 million; The Avenue Forsyth, a 524,000 square foot center in Atlanta, Georgia for a sales price of $119.0 million; and The Avenue Webb Gin, a 322,000 square foot center in Atlanta, Georgia for a sales price of $59.6 million. The weighted average capitalization rates for these three retail projects was 7.8%. The Company also sold Galleria 75, a 111,000 square foot office building in Atlanta, Georgia, for a sales price of $9.2 million and a capitalization rate of 9.5%. In 2012, the Company also sold Cosmopolitan Center, a 51,000 square foot office building for a sales price of $7.0 million. The capitalization rate of Cosmopolitan Center was not a significant determinant of the sales price as it was being sold for its underlying land value as opposed to its in-place income stream. In 2012, the Company also sold its third party management and leasing business to Cushman & Wakefield.

Included in discontinued operations are the operations and gains on sale of all properties sold in 2014, 2013 and 2012 (with the exception of 777 Main and Mahan Village). Discontinued operations also includes the operations and gains recognized on the sale of the Company's third party management and leasing business. For 2012, discontinued operations includes impairment losses recorded on The Avenue Collierville and Inhibitex in the amounts of $12.2 million and $1.6 million, respectively.

Net Income Attributable to Noncontrolling Interest

The Company consolidates certain entities and allocates the partner's share of those entities' results to net income attributable to noncontrolling interests on the statements of comprehensive income. The noncontrolling interests' share of the Company's net income decreased $4.1 million between 2014 and 2013, and increased $2.9 million between 2013 and 2012. The 2014 amount includes $574,000 that was allocated to the noncontrolling partner in the entity that sold Mahan Village. The 2013 amount includes $3.4 million that was allocated to the noncontrolling partner in CP Venture Six LLC in connection with the Company's purchase of the partner's interest. The 2012 amount includes $2.1 million that was allocated to the noncontrolling partner in the entity that sold The Avenue Collierville and $1.8 million that was allocated to the noncontrolling partner in the entity that sold The Avenue Forsyth.

Preferred Stock Original Issuance Costs

In 2014, the Company redeemed all outstanding shares of its 7.5% Series B Cumulative Redeemable Preferred Stock. In connection with the redemption of Preferred Stock, the Company decreased net income available for common shareholders by $3.5 million (non-cash), which represents the original issuance costs applicable to the shares redeemed.

In 2013, the Company redeemed all outstanding shares of its 7.75% Series A Cumulative Redeemable Preferred Stock. In connection with the redemption of Preferred Stock, the Company increased net loss available for common shareholders by $2.7 million (non-cash), which represents the original issuance costs applicable to the shares redeemed.

Dividends to Preferred Stockholders

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Dividends to preferred stockholders decreased $7.0 million between 2014 and 2013 and decreased $2.9 million between 2013 and 2012. These decreases are the result of the redemption of the Series B preferred stock in 2014 and the redemption of the Series A preferred stock in 2013. The Company has no remaining outstanding preferred stock as of December 31, 2014 and, as a result, in future periods will have no preferred stock dividends.

Funds from Operations

The table below shows Funds from Operations Available to Common Stockholders ("FFO") and the related reconciliation to net income (loss) available to common stockholders for the Company. The Company calculates FFO in accordance with the National Association of Real Estate Investment Trusts' ("NAREIT") definition, which is net income available to common stockholders (computed in accordance with GAAP), excluding extraordinary items, cumulative effect of change in accounting principle and gains on sale or impairment losses on depreciable property, plus depreciation and amortization of real estate assets, and after adjustments for unconsolidated partnerships and joint ventures to reflect FFO on the same basis.

FFO is used by industry analysts and investors as a supplemental measure of a REIT's operating performance. Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, many industry investors and analysts have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. Thus, NAREIT created FFO as a supplemental measure of REIT operating performance that excludes historical cost depreciation, among other items, from GAAP net income. The use of FFO, combined with the required primary GAAP presentations, has been fundamentally beneficial, improving the understanding of operating results of REITs among the investing public and making comparisons of REIT operating results more meaningful. Company management evaluates operating performance in part based on FFO. Additionally, the Company uses FFO, along with other measures, to assess performance in connection with evaluating and granting incentive compensation to its officers and other key employees. The reconciliation of net income (loss) available to common stockholders to FFO is as follows for the years ended December 31, 2014, 2013, and 2012 (in thousands, except per share information):

	Year Ended December 31,		
	2014	2013	2012
Net Income (Loss) Available to Common Stockholders	$45,519	$109,097	$32,821
Depreciation and amortization:			
Consolidated properties	139,151	75,524	38,349
Discontinued properties	—	3,083	13,479
Share of unconsolidated joint ventures	11,915	13,434	10,215
Impairment losses on depreciable investment properties, net of amounts attributable to noncontrolling interests	—	—	11,748
Gain on sale of investment properties:			
Consolidated properties	(10,832)	(60,587)	(334)
Discontinued properties	(19,356)	(6,469)	(10,948)
Share of unconsolidated joint ventures	(1,767)	(60,345)	(30,662)
Noncontrolling interest related to the sale of depreciated properties	574	3,397	1,824
Funds From Operations Available to Common Stockholders	$165,204	$77,134	$66,492
Per Common Share—Basic and Diluted:			
Net Income (Loss) Available	$0.22	$0.76	$0.32
Funds From Operations	$0.81	$0.53	$0.64
Weighted Average Shares—Basic	204,216	144,255	104,117
Weighted Average Shares—Diluted	204,460	144,420	104,125

Same Property Net Operating Income

Net Operating Income is used by industry analysts, investors and Company management to measure operating performance of the Company's properties. Net Operating Income, which is rental property revenues less rental property operating expenses, excludes certain components from net income in order to provide results that are more closely related to a property's results of operations. Certain items, such as interest expense, while included in FFO and net income, do not affect the operating performance of a real estate asset and are often incurred at the corporate level as opposed to the property level. As a result, management uses only those income and expense items that are incurred at the property level to evaluate a property's performance. Depreciation and amortization are also excluded from Net Operating Income. Same Property Net Operating Income includes those office

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properties that have been fully operational in each of the comparable reporting periods. A fully operational property is one that has achieved 90% economic occupancy for each of the two periods presented or has been substantially complete and owned by the Company for each of the two periods presented and the preceding year. Same Property Net Operating Income allows analysts, investors and management to analyze continuing operations and evaluate the growth trend of the Company's portfolio.

	Year ended December 31, 2014		
	2014	2013	% Change
Net Operating Income - Consolidated Properties			
Rental property revenues	$343,910	$194,420	76.9 %
Rental property expenses	(155,934)	(90,498)	72.3 %
	187,976	103,922	80.9 %
Net Operating Income - Discontinued Operations			
Rental property revenues	$2,927	10,552	(72.3)%
Rental property expenses	(1,128)	(4,157)	(72.9)%
	1,799	6,395	(71.9)%
Net Operating Income - Unconsolidated Joint Ventures	25,898	27,768	(6.7)%
Total Net Operating Income	$215,673	$138,080	56.2 %
Net Operating Income			
Same Property	$58,859	$56,789	3.6 %
Non-Same Property	156,814	81,291	92.9 %
	$215,673	$138,080	56.2 %

Same Property Net Operating Income increased 3.6% between 2014 and 2013. This increase is primarily attributable to an increase in occupancy at North Point Center East and 191 Peachtree Tower as well as lower expenses and increased parking income at American Cancer Society Center.

Liquidity and Capital Resources

The Company's primary liquidity sources are:

- Net cash from operations;
- Sales of assets;
- Borrowings under its Credit Facility;
- Proceeds from mortgage notes payable;
- Proceeds from equity offerings; and
- Joint venture formations.

The Company's primary liquidity uses are:

- Property acquisitions;
- Expenditures on development projects;
- Building improvements, tenant improvements, and leasing costs;
- Principal and interest payments on indebtedness; and
- Common stock dividends.

Financial Condition

The Company's goal is to maintain a conservative balance sheet with leverage ratios that will enable it to be positioned for future growth. During 2014, the Company's total assets increased from $2.3 billion at the beginning of the year to $2.7 billion at year end. In light of this growth, the Company took steps to maintain its relatively conservative balance sheet and to improve its leverage ratios.

During 2014, the Company purchased two office properties for gross proceeds of $563 million and began or continued the development of four other properties resulting in expenditures of $157.0 million. To fund these investments, the Company issued 26.7 million shares of common stock in two offerings generating net proceeds of $321.9 million. The Company generated

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an additional $85 million in proceeds from the closing of a mortgage loan and generated additional net proceeds of $244.5 million from the sale of properties.

The Company also improved its financial condition by redeeming all of its remaining preferred stock for $94.8 million, thereby eliminating preferred stock from its capital structure and, as a result, improving its fixed charges coverage ratio.

In 2014, the Company recast its Credit Facility to, among other things, increase the size to $500 million, extend the maturity to May 28, 2019, and reduce the per annum variable interest rate spread and other fees. This transaction improved the financial condition of the Company by reducing the spread it pays over LIBOR and by extending the average maturity of its debt. At December 31, 2014, the Company had $140.2 million outstanding under its Credit Facility and the ability to borrow $359.8 million under the Credit Facility.

Consistent with its goals, the Company believes it will make additional investments in 2015 and beyond and expects to fund these activities with one or more of the following: sale of additional non-core assets, additional borrowings under its Credit Facility, mortgage loans on existing or newly acquired properties, issuance of common or preferred equity, and joint venture formation with third parties.

Contractual Obligations and Commitments

At December 31, 2014, the Company was subject to the following contractual obligations and commitments (in thousands):

	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 years
Contractual Obligations:					
Company debt:					
Unsecured Credit Facility and construction loan	$140,200	$—	$—	$140,200	$—
Mortgage notes payable	652,144	8,826	162,205	115,267	365,846
Interest commitments (1)	176,333	31,642	72,516	37,644	34,531
Ground leases	146,223	1,549	3,300	3,311	138,063
Other operating leases	521	231	248	42	—
Total contractual obligations	$1,115,421	$42,248	$238,269	$296,464	$538,440
Commitments:					
Unfunded tenant improvements and other	102,485	63,621	22,516	5,348	11,000
Letters of credit	1,000	1,000	—	—	—
Performance bonds	1,386	117	100	—	1,169
Total commitments	$104,871	$64,738	$22,616	$5,348	$12,169

(1) Interest on variable rate obligations is based on rates effective as of December 31, 2014.

In addition, the Company has several standing or renewable service contracts mainly related to the operation of its buildings. These contracts were entered into in the ordinary course of business and are generally one year or less. These contracts are not included in the above table and are usually reimbursed in whole or in part by tenants.

In 2014, the Company entered into a $85 million non-recourse mortgage note payable, secured by 816 Congress. The loan has a fixed interest rate of 3.75% and matures in 2024. In 2013, the Company entered into a $188.8 million non-recourse mortgage note payable, secured by the Post Oak Central office buildings. The loan has a fixed interest rate of 4.26% and matures in 2020. In 2013, the Company also entered into a $114.0 million non-recourse mortgage note payable, secured by the Promenade office building. The loan has a fixed interest rate of 4.27% and matures in 2022.

The Company repaid the 100/200 North Point Center East mortgage loan during 2012 totaling $24.5 million. The Company repaid this note to provide flexibility to sell these assets or refinance them at a later date, depending upon its strategic direction.

In 2012, the Company entered into a $100.0 million non-recourse mortgage note payable, secured by the 191 Peachtree Tower office building. The loan has a fixed interest rate of 3.35% and matures in 2018.

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The Company's existing mortgage debt is primarily non-recourse, fixed-rate mortgage notes secured by various real estate assets. Many of the Company's non-recourse mortgages contain covenants which, if not satisfied, could result in acceleration of the maturity of the debt. The Company expects that it will either refinance the non-recourse mortgages at maturity or repay the mortgages with proceeds from other financings. As of December 31, 2014, the weighted average interest rate on the Company's consolidated debt was 3.99%.

Credit Facility Information

The Company amended its $350 million Credit Facility in 2014, extending the maturity from February 2016 to May 2019, reducing the per annum variable interest rate, and providing for expansion that allows it to increase capacity under the Credit Facility to $750 million. The Company's Credit Facility bears interest at the London Interbank Offered Rate ("LIBOR") plus a spread, based on the Company's leverage ratio, as defined in the Credit Facility. At December 31, 2014, the Company had $140.2 million drawn on the facility and a total available borrowing capacity of $359.8 million on the facility. The amount that the Company may draw under the Credit Facility is a defined calculation based on the Company's unencumbered assets and other factors and is reduced by both letters of credit and borrowings outstanding.

The Credit Facility includes customary events of default, including, but not limited to, the failure to pay any interest or principal when due, the failure to perform under covenants of the credit agreement, incorrect or misleading representations or warranties, insolvency or bankruptcy, change of control, the occurrence of certain ERISA events and certain judgment defaults. The amounts outstanding under the Credit Facility may be accelerated upon an event of default. The Credit Facility contains restrictive covenants pertaining to the operations of the Company, including limitations on the amount of debt that may be incurred, the sale of assets, transactions with affiliates, dividends and distributions. The Credit Facility also includes certain financial covenants (as defined in the agreement) that require, among other things, the maintenance of an unencumbered interest coverage ratio of at least 2.00; a fixed charge coverage ratio of 1.50; and a leverage ratio of no more than 60%. The Company is currently in compliance with its financial covenants.

Future Capital Requirements

Over the long term, management intends to actively manage its portfolio of properties and strategically sell assets to exit its non-core holdings, reposition its portfolio of income-producing assets geographically and by product type, and generate capital for future investment activities. The Company expects to continue to utilize indebtedness to fund future commitments and expects to place long-term mortgages on selected assets as well as to utilize construction facilities for some development assets, if available and under appropriate terms.

The Company may also generate capital through the issuance of securities that include common or preferred stock, warrants, debt securities or depositary shares. In March 2013, the Company filed a shelf registration statement to allow for the issuance from time to time of such securities. Management will continue to evaluate all public equity sources and select the most appropriate options as capital is required.

The Company's business model is dependent upon raising or recycling capital to meet obligations. If one or more sources of capital are not available when required, the Company may be forced to reduce the number of projects it acquires or develops and/or raise capital on potentially unfavorable terms, or may be unable to raise capital, which could have an adverse effect on the Company's financial position or results of operations.

Cash Flows

The reasons for significant increases and decreases in cash flows between the years are as follows:

Cash Flows from Operating Activities

Cash flows provided by operating activities increased $5.1 million between 2014 and 2013 due to the following:

- Decrease of $57.1 million in operating distributions from joint ventures due to the 2013 sale of the Company's interests in CP Venture Two LLC and CP Venture Five LLC and the sale of The Avenue Murfreesboro through CF Murfreesboro Associates;
- Decrease of $7.6 million as a result of lower interest paid due to higher average debt outstanding during 2014;
- Decrease of $4.6 million as a result of discontinued operations; and
- The remaining increase is primarily a result of acquisition activities in 2014 and 2013.

Cash flows provided by operating activities increased $42.0 million between 2013 and 2012 due to the following:

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- Increase of $29.7 million in operating distributions from joint ventures due to the sale of the Company's interests in CP Venture Two LLC and CP Venture Five LLC and the sale of The Avenue Murfreesboro through CF Murfreesboro Associates;
- Increase of $7.6 million as a result of lower interest paid due to lower average debt outstanding and a lower weighted average interest rate;
- Decrease of $22.8 million as a result of discontinued operations;
- Decrease of $14.2 million related to the deconsolidation of Terminus 100;
- Decrease of $6.7 million as a result of higher acquisition and related costs associated with increased acquisition activity;
- Decrease of $3.5 million in fee income as a result of the sale of the Company's interest in CP Venture Two LLC and CP Venture Five LLC and the sale of The Avenue Murfreesboro through CF Murfreesboro Associates;
- Decrease of $3.5 million due to the receipt of a lease termination fee in 2012;
- Decrease of $3.4 million related to a participation interest in a former development project in 2012; and
- The remaining increase is primarily a result of acquisition activities in 2013 and 2012 and increased occupancy at 191 Peachtree Tower and Promenade in 2013.

Cash Flows from Investing Activities

Net cash used in investing activities decreased $804.6 million between 2014 and 2013 due to the following:

- Decrease of $815.5 million related to acquisition, development, and tenant asset expenditures. This decrease is primarily attributable to the 2014 acquisitions of Fifth Third and Northpark requiring less cash than the 2013 acquisitions of Post Oak Central, 816 Congress, Greenway Plaza, and 777 Main;
- Decrease of $62.5 million in distributions from unconsolidated joint ventures. In 2014, Cousins Watkins LLC sold all of its assets and made a distribution to the Company. In 2013, the Company sold its investments in CP Venture Two LLC and CP Venture Five LLC, sold The Avenue Murfreesboro retail center through CF Murfreesboro Associates, and received distributions from Crawford Long - CPI LLC as a result of a new mortgage note financing. The cash flows from the 2013 activities were greater than the cash flows from the 2014 activities.
- Increase of $65.5 million in proceeds from investment property sales. In 2014, the Company sold four operating properties and one tract of land. In 2013, the Company sold two operating properties and three tracts of land.

Net cash from investing activities decreased $1.5 billion between 2013 and 2012 due to the following:

- Increase of $1.4 billion in acquisition, development, and tenant asset expenditures. This increase is primarily attributable to the acquisition of Post Oak Central, 816 Congress, Greenway Plaza, and 777 Main in 2013 and 2100 Ross in 2012;
- Increase of $94.4 million due to a decrease in investment property sales. In 2013, the Company sold two operating properties and three tracts of land. In 2012, the Company sold six operating properties and four tracts of land;
- Increase of $3.7 million due to a decrease in proceeds from the sale of the third party management and leasing business; and
- Decrease of $15.9 million from joint ventures. In 2013, the Company sold its investments in CP Venture Two LLC and CP Venture Five LLC, sold The Avenue Murfreesboro retail center through CF Murfreesboro Associates, and received distributions from Crawford Long - CPI LLC as a result of a new mortgage note financing. In 2012, the Company sold its investment in Palisades West, received distributions from Ten Peachtree Place Associates from the sale of its only asset, and received distributions from CL Realty, L.L.C. and Temco Associates in connection with the sale of most of the assets owned in these two ventures. In addition, the Company invested more in its joint ventures as a result of capital contributions in EP II, which was formed and initially capitalized in 2013.

Cash Flows from Financing Activities

Net cash provided by financing activities decreased $634.7 million between 2014 and 2013 due to the following:

- Decrease of $504.4 million from the issuance of common stock;
- Decrease of $104.2 million in net debt borrowings;
- Increase of $27.3 million in common and preferred dividends paid;
- Decrease of $23.5 million in distributions from noncontrolling interests as a result of the 2013 sale of the Company's interest in CP Venture Five LLC; and

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- Increase of $19.9 million in preferred stock redemptions.

Net cash used in financing activities increased $1.1 billion between 2013 and 2012 due to the following:

- Increase of $826.2 million from the issuance of common stock;
- Increase of $380.5 million from new debt, net of repayments;
- Decrease of $74.8 million from the redemption of preferred shares;
- Decrease of $9.9 million due to an increase of distributions to noncontrolling interests as a result of the sale of the Company's interest in CP Venture Five LLC; and
- Decrease of $8.4 million due to an increase in common dividends paid related to the increase in common shares outstanding.

Capital Expenditures

The Company incurs costs related to its real estate assets that include acquisition of properties, development of new properties, redevelopment of existing or newly purchased properties, leasing costs for new or replacement tenants and ongoing property repairs and maintenance.

Capital expenditures for assets the Company develops or acquires and then holds and operates are included in the property acquisition, development, and tenant asset expenditures line item within investing activities on the statements of cash flows. Amounts accrued are removed from the table below (accrued capital adjustment) to show the components of these costs on a cash basis. Components of costs included in this line item for the years ended December 31, 2014, 2013 and 2012 are as follows (in thousands):

	2014	2013	2012
Acquisition of property	$551,153	$1,470,147	$63,562
Projects under development	63,911	16,829	13,387
Operating properties—leasing costs	10,431	14,594	20,179
Operating properties—building improvements	76,296	20,726	4,499
Land held for investment	—	—	480
Capitalized interest	2,535	518	407
Capitalized salaries	6,821	5,230	1,515
Accrued capital adjustment	(404)	(1,781)	1,040
Total property acquisition, development and tenant asset expenditures	$710,743	$1,526,263	$105,069

Capital expenditures decreased $815.5 million between 2014 and 2013 mainly due to decreased acquisition activity. In 2014, the Company acquired Fifth Third Center and Northpark Town Center. In 2013, the Company acquired Post Oak Central, 816 Congress Avenue, Greenway Plaza, and 777 Main. In addition, the Company was constructing Colorado Tower and commenced construction on Research Park V in 2014, causing an increase in projects under development. Leasing costs, as well as some of the tenant improvements and capitalized personnel costs, are a function of the number and size of executed new and renewed leases, which generally increased in 2014 due to the 2013 and 2014 acquisition activity. The amount of tenant improvements and leasing costs on a per square foot basis was $5.71 for 2014, but varies by lease and by market. Given the level of expected leasing and renewal activity in future periods and the 2013 and 2014 acquisitions, management anticipates future tenant improvement and leasing costs to be greater than those experienced in 2014.

Dividends. The Company paid common and preferred dividends of $64.5 million, $37.2 million, and $31.7 million in 2014, 2013 and 2012, respectively, which it funded with cash provided by operating activities. The Company expects to fund its quarterly distributions to common and preferred stockholders with cash provided by operating activities, proceeds from investment property sales, distributions from unconsolidated joint ventures and indebtedness, if necessary.

On a quarterly basis, the Company reviews the amount of the common dividend in light of current and projected future cash flows from the sources noted above and also considers the requirements needed to maintain its REIT status. In addition, the Company has certain covenants under its Credit Facility which could limit the amount of dividends paid. In general, dividends of any amount can be paid as long as leverage, as defined in the facility, is less than 60% and the Company is not in default under its facility. Certain conditions also apply in which the Company can still pay dividends if leverage is above that amount. The Company routinely monitors the status of its dividend payments in light of the Credit Facility covenants. In the first quarter of 2014, the Company increased the quarterly dividend on its common stock from $0.045 per share to $0.075 per share.

Effects of Inflation

The Company attempts to minimize the effects of inflation on income from operating properties by providing periodic fixed-rent increases or increases based on the Consumer Price Index and/or pass-through of certain operating expenses of properties to tenants or, in certain circumstances, rents tied to tenants' sales.

Off Balance Sheet Arrangements

General. The Company has a number of off balance sheet joint ventures with varying structures, as described in note 5 of notes to consolidated financial statements. Most of the joint ventures in which the Company has an interest are involved in the ownership and/or development of real estate. A venture will fund capital requirements or operational needs with cash from operations or financing proceeds, if possible. If additional capital is deemed necessary, a venture may request a contribution from the partners, and the Company will evaluate such request. Except as previously discussed, based on the nature of the activities conducted in these ventures, management cannot estimate with any degree of accuracy amounts that the Company may be required to fund in the short or long-term. However, management does not believe that additional funding of these ventures will have a material adverse effect on its financial condition or results of operations.

Debt. At December 31, 2014, the Company's unconsolidated joint ventures had aggregate outstanding indebtedness to third parties of $395.0 million. These loans are generally mortgage or construction loans, most of which are non-recourse to the Company, except as described below. In addition, in certain instances, the Company provides "non-recourse carve-out guarantees" on these non-recourse loans. Certain of these loans have variable interest rates, which creates exposure to the ventures in the form of market risk to interest rate changes. At December 31, 2014, $2.7 million of the $12.7 million in recourse loans at unconsolidated joint ventures were recourse to the Company.

The Company guarantees repayment of up to $8.6 million of the EP II construction loan, which has a maximum amount available of $46.0 million. At December 31, 2014, the Company guaranteed $8.6 million based on amounts outstanding as of that date under this loan. This guarantee may be reduced and/or eliminated based on achievement of certain criteria.

Item 7A. Quantitative and Qualitative Disclosure about Market Risk

The Company's primary exposure to market risk results from its debt, which bears interest at both fixed and variable rates. The Company mitigates this risk by limiting its debt exposure in total and its maturities in any one year and weighting more towards fixed-rate, non-recourse debt compared to recourse, variable-rate debt in its portfolio. The fixed rate debt obligations limit the risk of fluctuating interest rates, and generally are mortgage loans secured by certain of the Company's real estate assets. The Company does not have consolidated fixed-rate mortgage debt maturing in 2015 and has only one such mortgage maturing in 2016 in the amount of $14.0 million. The Company, therefore, does not have significant exposure for the refinancing of its mortgage debt in the near term. At December 31, 2014, the Company had $652.1 million of fixed rate debt outstanding at a weighted average interest rate of 4.11%. At December 31, 2013, the Company had $412.4 million of fixed rate debt outstanding at a weighted average interest rate of 5.24%. The amount of fixed-rate debt outstanding increased and the weighted average interest rate decreased from 2013 to 2014 as a result of the Company entering into a $85.0 million non-recourse mortgage note payable secured by 816 Congress at a fixed interest rate of 3.75%. In addition, the Company effectively sold 50% of its interest in Terminus 100 to a third party. Based upon the ownership and management structure of the joint venture that owns Terminus 100 after these transactions, the Company accounts for its investment in this entity under the equity method and no longer consolidates the Terminus 100 mortgage note, which has a fixed rate of 5.25%. See note 8 of the notes to consolidated financial statements included in this Annual Report on Form 10-K for additional information regarding 2014 debt activity.

At December 31, 2014, the Company had $140.2 million of variable rate debt outstanding, which consisted of the Credit Facility at a weighted average interest rate of 1.25%. As of December 31, 2013, the variable rate debt consisted primarily of a the credit facility, which had $40 million outstanding at an interest rate of 1.67%. Borrowings under the Credit Facility increased in 2014 due to the cash outflow resulting from the acquisition of several real estate assets. Based on the Company's average variable rate debt balances in 2014, interest incurred would have increased by $1.3 million in 2014 if these interest rates had been 1% higher.

The following table summarizes the Company's market risk associated with notes payable as of December 31, 2014. It includes the principal maturing, an estimate of the weighted average interest rates on those expected principal maturity dates and the fair values of the Company's fixed and variable rate notes payable. Fair value was calculated by discounting future principal payments at estimated rates at which similar loans could have been obtained at December 31, 2014. The information presented below should be read in conjunction with note 8 of notes to consolidated financial statements included in this Annual Report on Form 10-K. (The Company did not have a significant level of notes receivable at December 31, 2014, and the table does not include information related to notes receivable.)

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($ in thousands)	2015	2016	2017	2018	2019	Thereafter	Total
Notes Payable:							
Fixed Rate	$8,825	$24,095	$138,195	$105,734	$9,447	$365,848	$652,144
Average Interest Rate	4.87 %	5.21 %	6.23 %	3.37 %	3.60 %	3.44 %	4.11 %
Variable Rate	$—	$—	$—	$—	$140,200	$—	$140,200
Average Interest Rate (1)	—	—	—	—	1.25 %	—	1.25 %

(1) Interest rates on variable rate notes payable are equal to the variable rates in effect on December 31, 2014.

Item 8. Financial Statements and Supplementary Data

The consolidated financial statements, notes to consolidated financial statements, and report of independent registered public accounting firm are included on pages F-1 through F-31.

Certain components of quarterly net income (loss) available to common stockholders disclosed below differ from those as reported on the Company's respective quarterly reports on Form 10-Q. As discussed in notes 2 and 3 of notes to consolidated financial statements, gains and losses from the disposition of certain real estate assets and the related historical operating results were reclassified as discontinued operations for all applicable periods presented. Additionally, impairment losses were recorded in certain quarters during both 2014 and 2013, as discussed in note 15 of notes to consolidated financial statements included in this Annual Report on Form 10-K. The following selected quarterly financial information (unaudited) for the years ended December 31, 2014 and 2013 should be read in conjunction with the consolidated financial statements and notes thereto included herein (in thousands, except per share amounts):

	Quarters			
	First	Second	Third	Fourth
2014	(Unaudited)			
Revenues	$81,725	$84,505	$89,098	$106,055
Income from unconsolidated joint ventures	1,287	2,027	2,030	5,924
Gain on sale of investment properties	161	1,327	81	10,967
Income (loss) from continuing operations	(121)	2,034	6,073	23,864
Discontinued operations	7,255	580	13,341	(18)
Net income	7,134	2,614	19,414	23,846
Net income attributable to controlling interest	6,979	2,485	19,322	23,218
Net income (loss) available to common stockholders	5,202	(2,223)	19,322	23,218
Basic and diluted net income (loss) per common share	0.03	(0.01)	0.09	0.11

	Quarters			
	First	Second	Third	Fourth
	(Unaudited)			
2013				
Revenues	$38,266	$42,251	$50,434	$79,520
Impairment losses	—	—	—	—
Income from unconsolidated joint ventures	1,652	1,132	63,078	1,463
Gain (loss) on sale of investment properties	57,153	406	3,801	(72)
Income from continuing operations	56,011	46	55,434	550
Discontinued operations	897	773	9,603	3,515
Net income	56,904	819	65,037	4,069
Net income attributable to controlling interest	56,397	307	61,158	3,902

Net income (loss) available to common stockholders	53,170	(5,579)	59,381	2,125
Basic and diluted net income (loss) per common share	0.51	(0.05)	0.36	0.01

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The above per share quarterly information does not sum to full year per share information due to rounding. Other financial statements and financial statement schedules required under Regulation S-X are filed pursuant to item 15 of part IV of this report.
During 2014 and 2013, the Company's quarterly results varied as a result of the timing of the sales of assets, which generated gains within quarters of each year. These gains were recorded within gain (loss) on sale of investment properties, discounted operations and income from unconsolidated joint ventures.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure
Not applicable.

Item 9A. Controls and Procedures
We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Management necessarily applied its judgment in assessing the costs and benefits of such controls and procedures, which, by their nature, can provide only reasonable assurance regarding management's control objectives. As of the end of the period covered by this annual report, we carried out an evaluation, under the supervision and with the participation of management, including the Chief Executive Officer along with the Chief Financial Officer, of the effectiveness, design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Based upon the foregoing, the Chief Executive Officer along with the Chief Financial Officer concluded that our disclosure controls and procedures were effective. In addition, based on such evaluation we have identified no changes in our internal control over financial reporting that occurred during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.
Report of Management on Internal Control over Financial Reporting
Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States ("GAAP"). Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.
Management, under the supervision of and with the participation of the Chief Executive Officer and the Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2014. The framework on which the assessment was based is described in "Internal Control – Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, we concluded that we maintained effective internal control over financial reporting as of December 31, 2014. Deloitte & Touche, our independent registered public accounting firm, issued an opinion on the effectiveness of our internal control over financial reporting as of December 31, 2014, which follows this report of management.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Cousins Properties Incorporated
Atlanta, Georgia

We have audited the internal control over financial reporting of Cousins Properties Incorporated and subsidiaries (the "Company") as of December 31, 2014, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule as of and for the year ended December 31, 2014 of the Company and our report dated February 12, 2015 expressed an unqualified opinion on those consolidated financial statements and financial statement schedule and included an explanatory paragraph regarding the Company’s change in method of accounting for and disclosure of discontinued operations and disposals of components of an entity due to the adoption of a new accounting standard.

/s/ DELOITTE & TOUCHE LLP
Atlanta, Georgia
February 12, 2015

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Item 9B. Other Information
None.

PART III
Item 10. Directors, Executive Officers and Corporate Governance
The information required by Items 401, 405, 406 and 407 of Regulation S-K is presented in item X in part I above and is included under the captions “Proposal 1 - Election of Directors” and “Section 16(a) Beneficial Ownership Reporting Compliance” in the Proxy Statement relating to the 2015 Annual Meeting of the Registrant’s Stockholders, and is incorporated herein by reference. The Company has a Code of Business Conduct and Ethics (the “Code”) applicable to its Board of Directors and all of its employees. The Code is publicly available on the “Investor Relations” page of its website site at www.cousinsproperties.com. Section 1 of the Code applies to the Company’s senior executive and financial officers and is a “code of ethics” as defined by applicable SEC rules and regulations. If the Company makes any amendments to the Code other than technical, administrative or other non-substantive amendments, or grants any waivers, including implicit waivers, from a provision of the Code to the Company’s senior executive or financial officers, the Company will disclose on its website the nature of the amendment or waiver, its effective date and to whom it applies. There were no amendments or waivers during 2014.

Item 11. Executive Compensation
The information required by Items 402 and 407 of Regulation S-K is included under the captions “Executive Compensation” “Director Compensation” and "Compensation Committee Interlocks and Insider Participation" in the Proxy Statement relating to the 2015 Annual Meeting of the Registrant’s Stockholders is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters
The information under the captions “Beneficial Ownership of Common Stock” and "Equity Compensation Plan Information" in the Proxy Statement relating to the 2015 Annual Meeting of the Registrant’s Stockholders is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence
The information under the caption “Certain Transactions” and “Director Independence” in the Proxy Statement relating to the 2015 Annual Meeting of the Registrant’s Stockholders is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services
The information under the caption “Summary of Fees to Independent Registered Public Accounting Firm” in the Proxy Statement relating to the 2015 Annual Meeting of the Registrant’s Stockholders has fee information for fiscal years 2014 and 2013 and is incorporated herein by reference.

PART IV
Item 15. Exhibits and Financial Statement Schedules
(a) 1. Financial Statements
A. The following consolidated financial statements of the Registrant, together with the applicable report of independent registered public accounting firm, are filed as a part of this report:

2. Financial Statement Schedule

The following financial statement schedule for the Registrant is filed as a part of this report:

NOTE: Other schedules are omitted because of the absence of conditions under which they are required or because the required information is given in the financial statements or notes thereto.

(b) Exhibits

2.1	First Amendment to Membership Interest Purchase Agreement between 3280 Peachtree III LLC and MSREF VII Global U.S. Holdings (FRC), L.L.C., dated January 30, 2013, filed as Exhibit 2.2 to the Registrant's Form 8-K/A filed on March 26, 2013, and incorporated herein by reference. (Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted exhibit or schedule to the Securities and Exchange Commission upon request.)
2.2	Sale and Contribution Agreement between Cousins Properties Incorporated, 3280 Peachtree I LLC, 3280 Peachtree III LLC and Terminus Acquisition Company LLC, dated February 4, 2013, filed as Exhibit 2.3 to the Registrant's Form 8-K/A filed on March 26, 2013, and incorporated herein by reference. (Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted exhibit or schedule to the Securities and Exchange Commission upon request.)
2.3	Purchase and Sale Agreement (Post Oak Central) between Crescent POC Investors, L.P. and Cousins POC I LLC, dated February 4, 2013, filed as Exhibit 2.4 to the Registrant's Form 8-K/A filed on March 26, 2013, and incorporated herein by reference. (Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted exhibit or schedule to the Securities and Exchange Commission upon request.)
2.4	Purchase and Sale Contract, dated as of July 19, 2013, by and between Crescent Crown Greenway Plaza SPV, LLC, Crescent Crown Seven Greenway SPV, LLC, Crescent Crown Nine Greenway SPV, LLC, and Crescent Crown Edloe Garage SPV, LLC and Cousins Properties Incorporated, filed as Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed July 29, 2013 and incorporated herein by reference. (Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted exhibit or schedule to the Securities and Exchange Commission upon request.)
2.5	Purchase and Sale Contract, dated as of July 19, 2013, by and between Crescent One SPV, LLC and Cousins Properties Incorporated, filed as Exhibit 2.2 to the Registrant's Current Report on Form 8-K filed July 29, 2013 and incorporated herein by reference. (Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any

	omitted exhibit or schedule to the Securities and Exchange Commission upon request.)
2.6	Purchase and Sale Contract for Northpark Town Center, dated as of August 1, 2014, by and between FulcoProp400LLC and FulcoProp56 LLC and Cousins Acquisitions Entity, LLC, a wholly owned subsidiary of the Registrant, filed as Exhibit 2.1 to the Registrant's Form 10-Q for the quarter ended September 30, 2014 and incorporated herein by reference. (Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted exhibit or schedule to the Securities and Exchange Commission upon request.)
3.1	Restated and Amended Articles of Incorporation of the Registrant, as amended August 9, 1999, filed as Exhibit 3.1 to the Registrant's Form 10-Q for the quarter ended June 30, 2002, and incorporated herein by reference.

3.1.1	Articles of Amendment to Restated and Amended Articles of Incorporation of the Registrant, as amended July 22, 2003, filed as Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on July 23, 2003, and incorporated herein by reference.
3.1.2	Articles of Amendment to Restated and Amended Articles of Incorporation of the Registrant, as amended December 15, 2004, filed as Exhibit 3(a)(i) to the Registrant's Form 10-K for the year ended December 31, 2004, and incorporated herein by reference.
3.1.3	Articles of Amendment to Restated and Amended Articles of Incorporation of the Registrant, dated May 4, 2010, filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on May 10, 2010, and incorporated herein by reference.
3.1.4	Articles of Amendment to Restated and Amended Articles of Incorporation of the Registrant, as amended May 9, 2014, filed as Exhibit 3.1.4 to the Registrant's Form 10-Q for the quarter ended June 30, 2014, and incorporated herein by reference.
3.2	Bylaws of the Registrant, as amended and restated December 4, 2012, filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on December 7, 2012, and incorporated herein by reference.
4(a)	Dividend Reinvestment Plan as restated as of March 27, 1995, filed in the Registrant's Form S-3 dated March 27, 1995, and incorporated herein by reference.
10(a)(i)*	Cousins Properties Incorporated 1999 Incentive Stock Plan, as amended and restated, approved by the Stockholders on May 6, 2008, filed as Annex B to the Registrant's Proxy Statement dated April 13, 2008, and incorporated herein by reference.
10(a)(ii)*	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan, filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated December 9, 2005, and incorporated herein by reference.
10(a)(iii)*	Amendment No. 1 to Cousins Properties Incorporated 2005 Restricted Stock Unit Plan, filed as Exhibit 10(a)(iii) to the Registrant's Form 10-Q for the quarter ended March 31, 2006, and incorporated herein by reference.
10(a)(iv)*	Cousins Properties Incorporated 1999 Incentive Stock Plan – Form of Key Employee Non-Incentive Stock Option and Stock Appreciation Right Certificate, amended effective December 6, 2007, filed as Exhibit 10(a)(vi) to the Registrant's Form 10-K for the year ended December 31, 2007, and incorporated herein by reference.
10(a)(v)*	Cousins Properties Incorporated 1999 Incentive Stock Plan – Form of Key Employee Incentive Stock Option and Stock Appreciation Right Certificate, amended effective December 6, 2007, filed as Exhibit 10(a)(vii) to the Registrant's Form 10-K for the year ended December 31, 2007, and incorporated herein by reference.
10(a)(vi)*	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan – Form of Restricted Stock Unit Certificate, filed as Exhibit 10.3 to the Registrant's Current Report on Form 8-K dated December 11, 2006, and incorporated herein by reference.

10(a)(vii)*	Amendment No. 2 to the Cousins Properties Incorporated 2005 Restricted Stock Unit Plan, filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on August 18, 2006, and incorporated herein by reference.
10(a)(viii)*	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan – Form of Restricted Stock Unit Certificate for Directors, filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on August 18, 2006, and incorporated herein by reference.
10(a)(ix)*	Form of Change in Control Severance Agreement, filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on August 31, 2007, and incorporated herein by reference.
10(a)(x)*	Amendment No. 1 to the Cousins Properties Incorporated 1999 Incentive Stock Plan, filed as Exhibit 10(a)(ii) to the Registrant's Form 10-Q for the quarter ended March 31, 2008, and incorporated herein by reference.
10(a)(xi)*	Amendment No. 4 to the Cousins Properties Incorporated 2005 Restricted Stock Unit Plan dated September 8, 2008, filed as Exhibit 10(a)(xiii) to the Registrant's Form 10-K for the year ended December 31, 2008, and incorporated herein by reference.
10(a)(xii)*	Amendment No. 5 to the Cousins Properties Incorporated 2005 Restricted Stock Unit Plan dated February 16, 2009, filed as Exhibit 10(a)(xiv) to the Registrant's Form 10-K for the year ended December 31, 2008, and incorporated herein by reference.
10(a)(xiii)*	Form of Amendment Number One to Change in Control Severance Agreement filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K dated May 12, 2009, and incorporated herein by reference.

10(a)(xiv)*	Amendment Number 6 to the Cousins Properties Incorporated 2005 Restricted Stock Unit Plan filed as Exhibit 10.3 to the Registrant's Current Report on Form 8-K dated May 12, 2009, and incorporated herein by reference.
10(a)(xv)*	Form of Cousins Properties Incorporated Cash Long Term Incentive Award Certificate filed as Exhibit 10.3 to the Registrant's Current Report on Form 8-K dated May 12, 2009, and incorporated herein by reference.
10(a)(xvi)*	Cousins Properties Incorporated 2009 Incentive Stock Plan, as approved by the Stockholders on May 12, 2009, filed as Annex B to the Registrant's Proxy Statement dated April 3, 2009, and incorporated herein by reference.
10(a)(xvii)*	Cousins Properties Incorporated Director Non-Incentive Stock Option and Stock Appreciation Right Certificate under the Cousins Properties Incorporated 2009 Incentive Stock Plan, filed as Exhibit 10.2 to the Registrant's Form 10-Q for the quarter ended June 30, 2009, and incorporated herein by reference.
10(a)(xviii)*	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan – Form of Restricted Stock Unit Certificate for 2010-2012 Performance Period filed as Exhibit 10(a)(xx) to the Registrant's Form 10-K for the year ended December 31, 2009, and incorporated herein by reference.
10(a)(xix)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Key Employee Non-Incentive Stock Option Certificate filed as Exhibit 10(a)(xxi) to the Registrant's Form 10-K for the year ended December 31, 2009, and incorporated herein by reference.
10(a)(xx)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Stock Grant Certificate filed as Exhibit 10(a)(xxii) to the Registrant's Form 10-K for the year ended December 31, 2009, and incorporated herein by reference.
10(a)(xxi)*	Form of New Change in Control Severance Agreement, filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on January 7, 2011, and incorporated herein by reference.
10(a)(xxii)*	Form of Amendment Number Two to Change in Control Severance Agreement, filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on January 7, 2011, and incorporated herein by reference.
10(a)(xxiii)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Stock Grant Certificate filed as Exhibit 10(a)(xxv) to the Registrant's Form 10-K for the year ended December 31, 2010, and incorporated herein by reference.
10(a)(xxiv)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Key Employee Non-Incentive Stock Option Certificate filed as Exhibit 10(a)(xxvi) to the Registrant's Form 10-K for the year ended December 31, 2010, and incorporated herein by reference.
10(a)(xxv)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Key Employee Incentive Stock Option Certificate filed as Exhibit 10(a)(xxvii) to the Registrant's Form 10-K for the year ended December 31, 2010, and incorporated herein by reference.
10(a)(xxvi)*	

	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan – Form of Restricted Stock Unit Certificate for 2011-2013 Performance Period filed as Exhibit 10(a)(xxviii) to the Registrant's Form 10-K for the year ended December 31, 2010, and incorporated herein by reference.
10(a)(xxvii)*	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan – Form of Restricted Stock Unit Certificate for 2012-2016 Performance Period filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on February 3, 2012, and incorporated herein by reference.
10(a)(xxviii)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Key Employee Incentive Stock Option Certificate filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on February 3, 2012, and incorporated herein by reference.
10(a)(xxix)*	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan – Form of Restricted Stock Unit Certificate for 2012-2016 Performance Period, filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on February 3, 2012 and incorporated herein by reference.
10(a)(xxx)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Stock Grant Certificate, filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on February 3, 2012 and incorporated herein by reference.
10(a)(xxxi)*	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan — Form of Restricted Stock Unit Certificate for 2014-2016 Performance Period, filed as Exhibit 10(a)(xxxi) to the Registrant's Form 10-K for the year ended December 31, 2013, and incorporated herein by reference.

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10(a)(xxxii)*	Cousins Properties Incorporated 2009 Incentive Stock Plan – Form of Stock Grant Certificate, filed as Exhibit 10(a)(xxxii) to the Registrant's Form 10-K for the year ended December 31, 2013, and incorporated herein by reference.
10(a)(xxxiii)*†	Cousins Properties Incorporated 2005 Restricted Stock Unit Plan - Form of Restricted Stock Unit Certificate for 2015-2017 Performance period.
10(d)	Loan Agreement dated as of August 31, 2007, between Cousins Properties Incorporated, a Georgia corporation, as Borrower and JP Morgan Chase Bank, N.A., a banking association chartered under the laws of the United States of America, as Lender, filed as Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed on September 7, 2007, and incorporated herein by reference.
10(e)	Loan Agreement dated as of October 16, 2007, between 3280 Peachtree I LLC, a Georgia limited liability corporation, as Borrower and The Northwestern Mutual Life Insurance Company, as Lender, filed as Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed October 17, 2007, and incorporated herein by reference.
10(f)	Contribution and Formation Agreement between Cousins Properties Incorporated, CP Venture Three LLC and The Prudential Insurance Company of America, including Exhibit U thereto, filed as Exhibit 10.1 to the Registrant’s Form 8-K filed on May 4, 2006, and incorporated herein by reference.
10(g)	Form of Indemnification Agreement, filed as Exhibit 10.1 to the Registrant’s Form 8-K dated June 18, 2007, and incorporated herein by reference.
10(h)	Third Amended and Restated Credit Agreement, dated as of May 28, 2014, among Cousins Properties Incorporated as the Borrower (and the Borrower Parties, as defined, and the Guarantors, as defined); JPMorgan Chase Bank, N.A., as Syndication Agent and an L/C Issuer; Bank of America, N.A., as Administrative Agent, Swing Line Lender and an L/C Issuer; SunTrust Bank as Documentation Agent and an L/C Issuer; Wells Fargo Bank, N.A., PNC Bank, N. A., U.S. Bank National, N. A., Citizens Bank, N.A. and Morgan Stanley Senior Funding, Inc. as Co-Documentation Agents; The Northern Trust Company, First Tennessee Bank N.A. and Atlantic Capital Bank as Other Lender Parties; J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Inc. and SunTrust Robinson Humphrey, Inc. as Joint Lead Arrangers and Joint Bookrunners, filed as Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed on May 28, 2014, and incorporated herein by reference.
10(i)	Loan Agreement dated as of July 29, 2013 among Cousins Properties Incorporated, as the Borrower, certain consolidated entities of the Borrower from time to time party thereto, as the Guarantors, JPMorgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A., as Syndication Agent, and the other Lenders party thereto, filed as Exhibit 10.1 to the Registrant’s Amendment No. 1 to Current Report on Form 8-K filed July 29, 2013 and incorporated herein by reference.