



STRATEGIC ATLANTA TRANSACTIONS

March 4, 2019

OVERVIEW

THREE TRANSACTIONS GENERATE:

- \$65.4MM IN GAIN/FEES RUNNING THROUGH FFO
- AN ATTRACTIVE ACQUISITION OPPORTUNITY
- FUTURE DEVELOPMENT RIGHTS

1

Gulch Air Rights

Sale

- Sales price \$13.25MM
- Gain on sale \$13.1MM¹
- Future office development rights

2

650 West Peachtree

Fee Development

- Cousins to develop new 750K SF headquarters for Norfolk Southern in Midtown Atlanta
- Fee income \$52.3MM

3

1200 Peachtree

Acquisition

- Acquisition price \$82MM
- 11.5% Year 1 GAAP yield

THE TABLE BELOW OUTLINES THE EXPECTED ANNUAL FFO IMPACT OF THE GULCH AIR RIGHTS AND 650 WEST PEACHTREE TRANSACTIONS.²

	ANNUAL FFO IMPACT ³				
(\$MM's)	2019	2020	2021	2022	Total
Gulch Air Rights Gain on Sale	\$13.1	-	-	-	\$13.1
Fee Income ⁴	\$21.1	\$15.6	\$12.5	\$3.1	\$52.3
Total FFO Impact	\$34.2	\$15.6	\$12.5	\$3.1	\$65.4

¹ Gain on sale reflects approximately \$150K in closing costs.

² Excludes the impact from 1200 Peachtree acquisition which includes \$8mm of GAAP NOI in 2019.

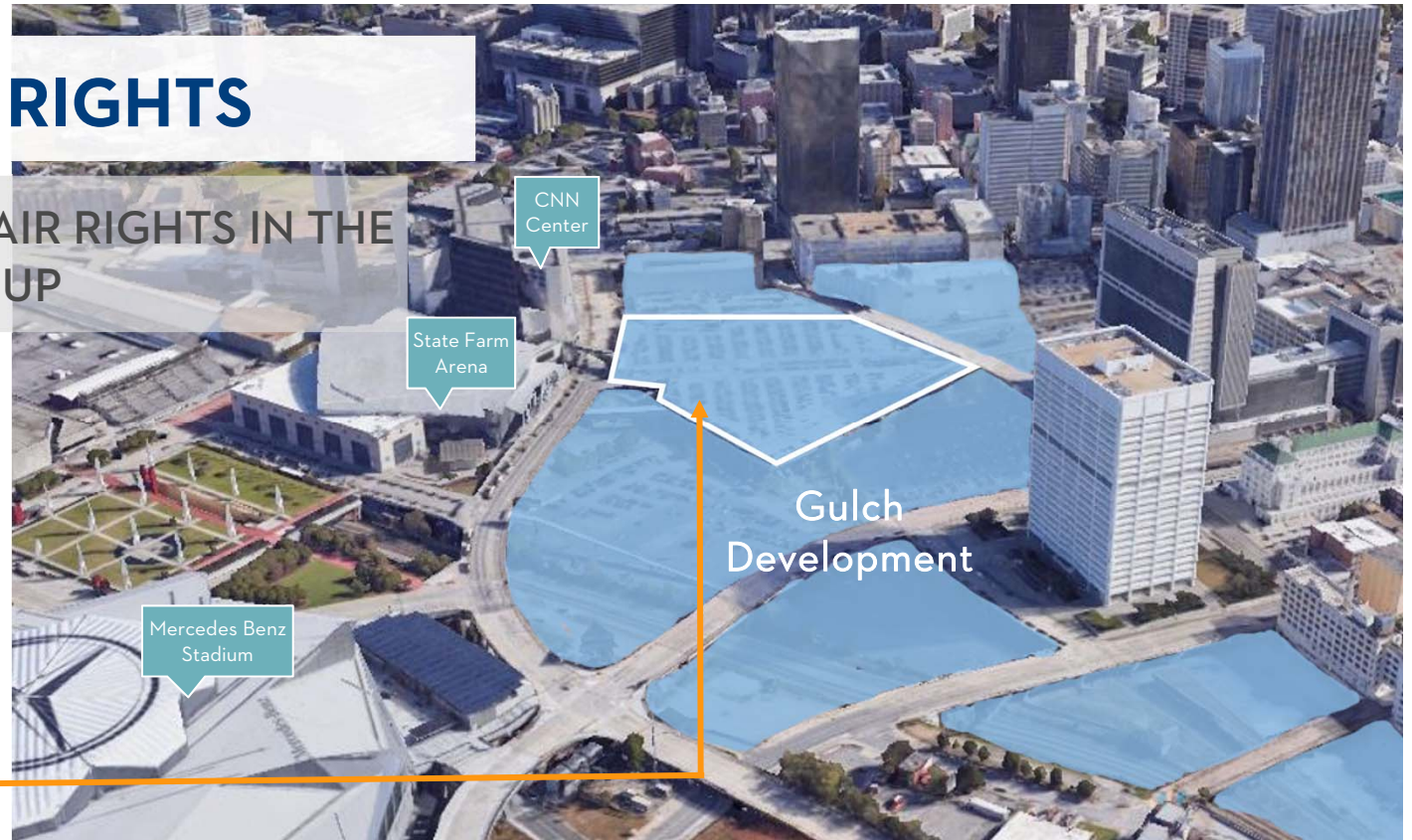
³ Recorded in accordance with GAAP. Actual fee payments are tied to specific development milestones.

⁴ Represents anticipated recognition of fees based on current development schedule for 650 West Peachtree.

1 GULCH AIR RIGHTS

COUSINS SELLS ITS AIR RIGHTS IN THE GULCH TO CIM GROUP

CUZ
Air Rights



SALE PRICE:

\$13.25MM (\$0 Basis)

SIZE:

~8 ACRES

CLOSING:

FEBRUARY 26, 2019

BENEFITS:

\$13.1MM GAIN ON SALE¹

FUTURE OFFICE DEVELOPMENT RIGHTS

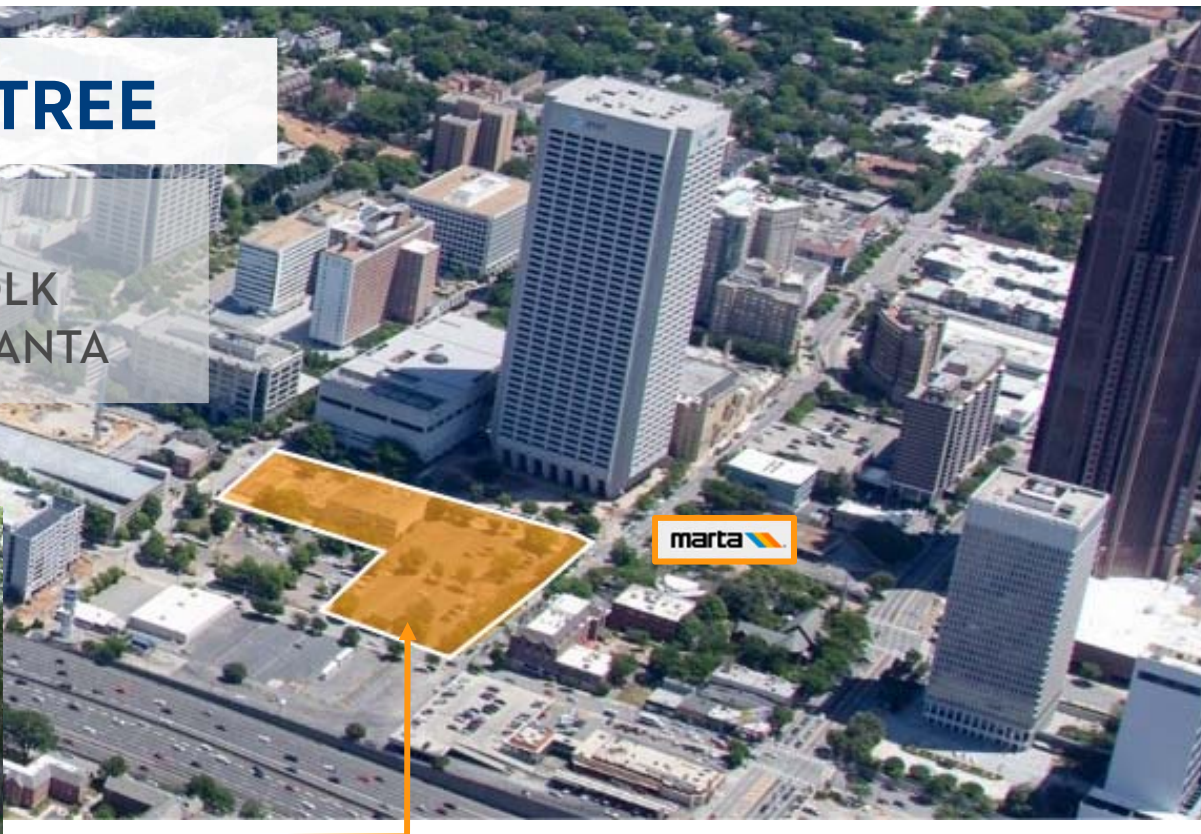
- COUSINS ACQUIRED AIR RIGHTS WHEN DEVELOPING THE CNN CENTER IN THE 1970s
- CIM GROUP INTENDS TO DEVELOP A MIXED-USE DISTRICT INCLUDING APPROXIMATELY 4MM SF OF OFFICE, RETAIL, APARTMENTS, CONDOMINIUMS AND ENTERTAINMENT FACILITIES
- COUSINS RETAINS, UNDER CERTAIN CONDITIONS, OFFICE DEVELOPMENT RIGHTS ON THE GULCH SITE
- PROCEEDS FROM THE SALE RUN THROUGH FFO AS A GAIN ON SALE

¹ Gain on sale reflects approximately \$150K in closing costs.

2

650 WEST PEACHTREE

COUSINS TO DEVELOP NEW
HEADQUARTERS FOR NORFOLK
SOUTHERN IN MIDTOWN ATLANTA



SIZE:

750K SF

CONSTRUCTION START:

Q1 2019

ESTIMATED DELIVERY:

Q3 2021

BENEFITS:

**FEE DEVELOPMENT GENERATING
\$52.3MM IN FFO THROUGH 2022**

- NORFOLK SOUTHERN WILL RELOCATE ITS CORPORATE HEADQUARTERS TO ATLANTA AND CONSOLIDATE ITS EXISTING ATLANTA OPERATIONS AT THIS LOCATION
- THE NEW HQ SITE IS LOCATED IN MIDTOWN ATLANTA NEAR GEORGIA TECH AND IS ADJACENT TO THE NORTH AVENUE MARTA STATION
- NORFOLK SOUTHERN ACQUIRED THE SITE FROM COUSINS AND WILL OWN THE ENTIRE DEVELOPMENT
- COUSINS WILL SERVE AS FEE DEVELOPER. IT WILL HAVE NO FUNDING REQUIREMENTS OR OWNERSHIP INTEREST IN THE DEVELOPMENT

3 1200 PEACHTREE

COUSINS ACQUIRES 1200 PEACHTREE
FROM NORFOLK SOUTHERN IN
MIDTOWN ATLANTA



ACQUISITION PRICE:

\$82MM (\$222/SF)

SIZE:

370K SF

CLOSING:

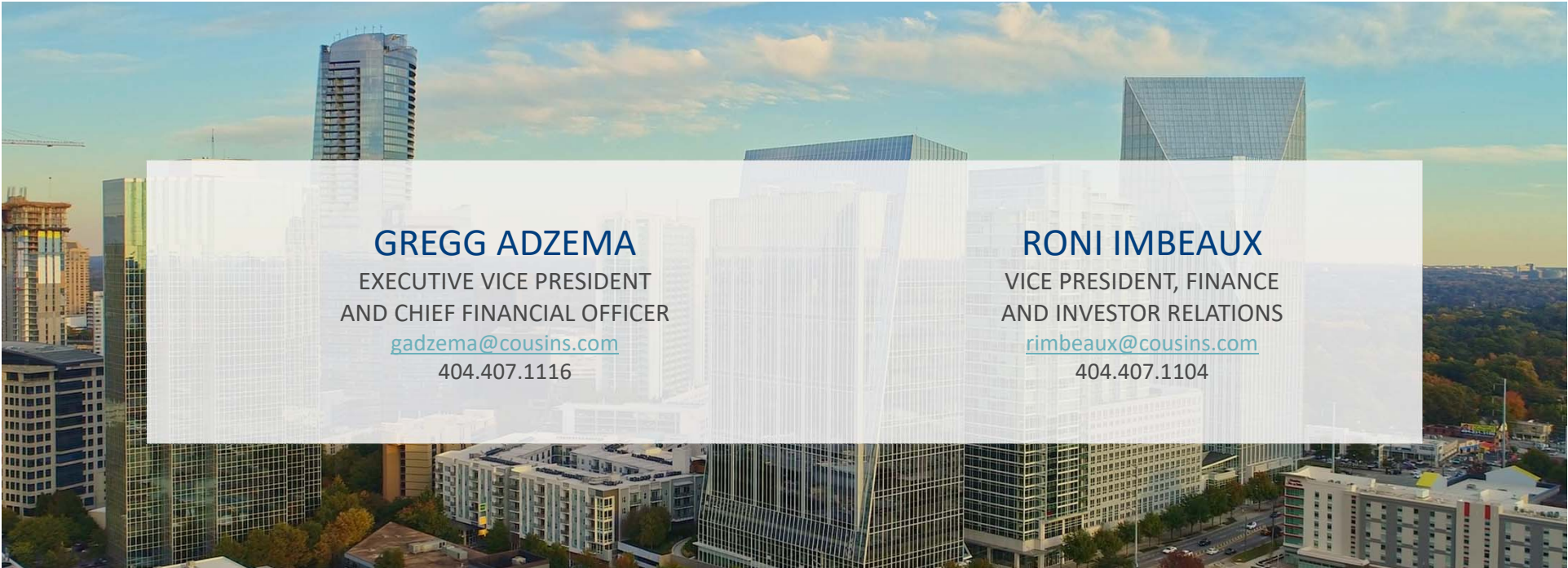
MARCH 1, 2019

BENEFITS:

ATTRACTIVE ACQUISITION OPPORTUNITY

11.5% YEAR 1 GAAP YIELD

- CLASS A OFFICE BUILDING IN MIDTOWN ATLANTA WITH SIGNIFICANT RECENT UPGRADES
- LOCATED ON PEACHTREE STREET ADJACENT TO COUSINS' PROMENADE OFFICE TOWER AND THE ARTS CENTER MARTA STATION
- NORFOLK SOUTHERN HAS SIGNED A TRIPLE NET LEASE FOR 100% OF THE BUILDING WITH NO REQUIRED TENANT IMPROVEMENTS AND AN EXPIRATION OF DECEMBER 31, 2021



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