



Invest in Excellence

2019

Parkway Property Investments, LLC
800 N. Magnolia Avenue
Suite 1625
Orlando, FL 32803

info@pky.com
346-200-3100

About

Parkway Property Investments, LLC ("Parkway") is a privately-owned, full-service real estate investment firm led by a team with a strong track record of investing in high-growth markets throughout the U.S. and across economic cycles. We own, operate, and manage institutional-quality commercial office assets throughout the Sun Belt region. In addition, we identify and structure acquisitions and provide best-in-class property and asset management, leasing, accounting, and construction management services.

We are rewarded by our partners based upon the performance of the asset. Recognizing this, we operate our properties with two goals in mind: to make our partners profitable and our tenants productive.

Our Story

To understand our story, you need to start with Jim Heistand, our President and CEO, and his extensive real estate experience.

In 1989, Jim founded and served as chairman of Associated Capital Properties, Inc., an office and investment company, where he directed all of the company's operations until its sale in 1997 to Highwoods Properties for \$622 million. After the sale, Jim served as Senior VP for Highwoods from 1997–1999 and as a member of its board of directors for three years.

From 1999 to 2004, Jim also served as chairman of the executive committee of DASCO, an owner and operator of medical office buildings, until its sale to CNL Retirement for \$241 million.

Jim founded Eola Capital LLC ("Eola Capital") in 2000. Over the next eleven years, Eola Capital acquired \$4 billion of office assets with other leading institutional partners, including 13.3 million square feet in Florida, Atlanta, and Virginia.

In May 2011, Eola Capital combined with Parkway Properties, Inc. ("Legacy Parkway"), a publicly traded real estate investment trust ("REIT"), and Jim was named Executive Chairman of Legacy Parkway's board.

In December 2011, Jim assumed the role of President and CEO of Legacy Parkway. From 2011 to 2016, Jim and his leadership team, including Jason Bates and Scott Francis, transformed the Legacy Parkway portfolio by acquiring \$3.9 billion of assets and recycling \$2.6 billion of assets.

As a result of this transformation and through innovative, accretive transactions, Legacy Parkway's stock realized an annual rate of return in excess of 21% at relatively low leverage, making Legacy Parkway the highest performing office REIT within its peer group.

In 2013, Legacy Parkway acquired Thomas Properties Group, Inc. and entered into the key market of Austin, TX.

When oil prices began to decline in 2014, Legacy Parkway's stock price also dropped steadily, along with the stock price of companies in its peer group with significant holdings in Houston like Cousins Properties Incorporated ("Cousins").

After months of strategic evaluation, the Legacy Parkway executive management team determined that the best way to unlock shareholder value and create liquidity for the company was to merge with Cousins (the "Merger") and spin off the combined company's Houston assets into a new, publicly-traded REIT, Parkway, Inc. ("PKY").

This simultaneous merger and spin-off was completed in October 2016 and allowed the non-Houston assets to trade without being encumbered by the effects of declining oil pricing, while providing investors with an opportunity to invest in a pure-play Houston REIT and capitalize on the Houston market's eventual resurgence.

Heistand, Bates, and Francis led the management team of the newly spun-off PKY. Recognizing the immediate need to unlock value in the Houston portfolio, prior to the closing of the Merger, the management team began exploring joint venture opportunities for Greenway Plaza, PKY's largest asset.

Within six months of the closing of the Merger, PKY closed on the joint venture of Greenway Plaza with an affiliate of the Canada Pension Plan Investment Board ("CPPIB") and an entity controlled by TH Real Estate Global Asset Management ("TH Real Estate") and Silverpeak Real Estate Partners ("Silver Peak"), each owning a 24.5% interest.

A few months after the closing of the joint venture, CPPIB and PKY entered into a definitive merger agreement under which CPPIB agreed to acquire 100% of PKY for \$1.2 billion, or \$23.05 per share, representing a 28% premium to PKY's initial trading value.

The merger with CPPIB closed in October 2017, and immediately afterwards, Heistand, Bates, and Francis purchased PKY's management business and operations from the remainder of PKY's business and formed Parkway Property Investments.

Today Parkway Property Investments, or Parkway, operates and indirectly owns approximately 12.6 million square feet of commercial office assets located in high-growth markets throughout the Sun Belt region of the U.S., including Houston, Miami, Jacksonville, Raleigh, Charlotte, and Sacramento.

Our Values

Who We Are

TRUST

We place a high value on conducting our business with integrity and accountability.

ENTREPRENEURSHIP

The will to forge ahead, take calculated risks, and succeed are woven into our company culture.

What We Do

INNOVATION

We stay at the forefront of industry trends, building innovative features and amenities into our assets.

PERFORMANCE

As a leader in real-estate investment management, we're focused on driving results for our investors and providing our tenants with best-in-class service.

How We Do It

EXPERTISE

With a leadership team boasting extensive experience in the industry, we're confident in our ability to deliver.

SERVICE

In all areas of business, we work hard to provide quality service to tenants and investors every day.

Our Ownership



Jim Heistand

Owner, President, and CEO

With 30+ years of industry expertise, Jim Heistand has a proven track record of success and continues to lead Parkway into lucrative investment opportunities.

- + Founded Eola Capital in 2000, which acquired \$1.3 billion in office assets backed by PSP, GE Capital, Lehman Brothers, and others
- + Served as Chairman of the Executive Committee of DASCO, owner and operator of medical office buildings, until its sale for \$241 million in 2004
- + Partnered with Lehman Brothers to acquire and develop 28 properties with an aggregate cost of \$148 million.
- + Founded Associated Capital Properties in 1989, which sold for \$622 million in 1997 to Highwoods Properties.

Jason Bates

Owner and Chief Investment Officer

Jason has 13+ years of industry experience and holds a B.S. in Finance from Virginia Tech.

- + Led over \$8 billion of real estate transactions since joining Parkway in 2011.
- + Participated in more than \$15 billion of real estate capital markets activity
- + Completed \$7 billion of real estate capital markets activity as an Analyst for Banc of America Securities
- + Youngest *40 under 40* award recipient in Charlotte, North Carolina
- + As an investment banker at Banc of America Securities, helped manage IPOs and M&A activity for public and private companies
- + Diverse investment experience including office, healthcare, retail, self-storage
- + Member of ULI

Scott Francis

Owner and Chief Financial Officer

With a B.S. in Accounting from UF and 20+ years of experience, Scott is one of our owning partners and CFO.

- + Managed all financial and tax reporting for Eola Capital as its Chief Financial Officer and Chief Accounting Officer
- + As Director of Finance, he managed all financial and tax reporting for Insurance Office of America, the ninth largest private insurance agency in the U.S. from 2004 to 2005, and its 12 subsidiaries
- + Worked as a Tax Manager for middle-market companies from 1998–2004, focusing primarily in construction and real estate.
- + Licensed Certified Public Accountant