

Cousins Properties (CUZ)

\$25.11 (Stock Price as of 12/12/2025)

Price Target (6-12 Months): **\$27.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 11/07/23)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

2-Buy

Zacks Style Scores:

VGM: C

Value: B

Growth: D

Momentum: B

Summary

Cousins Properties' portfolio of Class A office assets in high-growth Sun Belt markets is witnessing higher leasing activity due to tenants' preference for premium office spaces with class-apart amenities. With negligible new starts, limited ongoing construction activities and a growing emphasis on return-to-office mandates, Cousins' development pipeline is well-poised to embrace this flight to quality opportunity. In the third quarter of 2025, it executed leases for 551,000 square feet of office space. A diverse tenant base assures steady cash flows. Its capital-recycling efforts are encouraging, and a healthy balance sheet aids financial flexibility. However, competition from other industry players is likely to limit its pricing power, affecting rent growth momentum. A concentrated portfolio and high interest expenses add to its woes.

Data Overview

52 Week High-Low	\$31.66 - \$24.07
20 Day Average Volume (sh)	1,213,101
Market Cap	\$4.2 B
YTD Price Change	-18.1%
Beta	1.21
Dividend / Div Yld	\$1.28 / 5.1%
Industry	REIT and Equity Trust - Other
Zacks Industry Rank	Bottom 44% (136 out of 243)

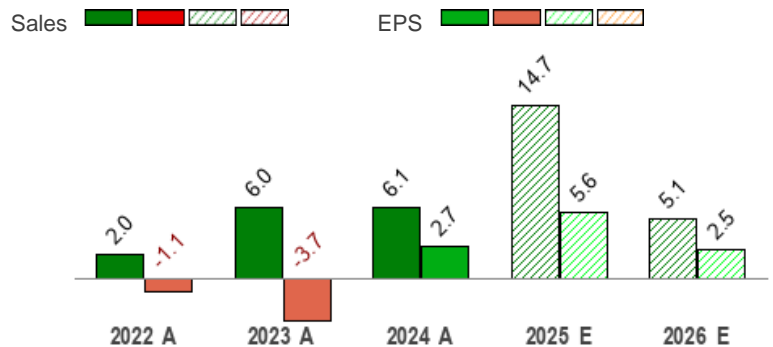
Last EPS Surprise	0.0%
Last Sales Surprise	1.4%
EPS F1 Est- 4 week change	0.4%
Expected Report Date	02/05/2026
Earnings ESP	0.0%

P/E TTM	8.9
P/E F1	8.8
PEG F1	2.2
P/S TTM	4.4

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	252 E	254 E	258 E	259 E	1,023 E
2025	243 A	238 A	246 A	249 E	973 E
2024	209 A	211 A	207 A	220 A	848 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.71 E	0.72 E	0.74 E	0.74 E	2.91 E
2025	0.74 A	0.70 A	0.69 A	0.71 E	2.84 E
2024	0.65 A	0.68 A	0.67 A	0.69 A	2.69 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/12/2025.

(2) The report's text and the price target are as of 12/03/2025.

Overview

Founded in 1958, Cousins Properties Incorporated is a real estate investment trust (REIT) based in Atlanta, GA. The company engages in the acquisition, ownership, leasing, development, and management of Class A office and mixed-use properties throughout the Sunbelt markets of the United States, with a focus on Atlanta, Austin, Charlotte, Phoenix, Tampa, Dallas, and Nashville.

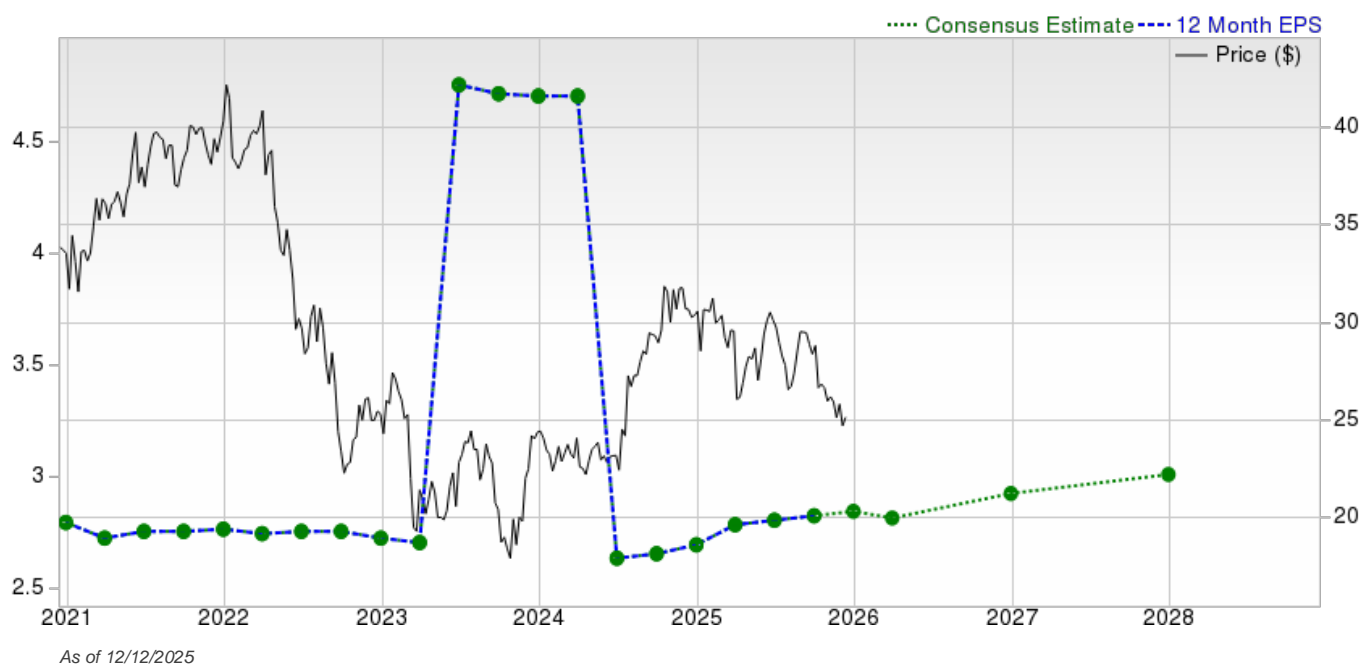
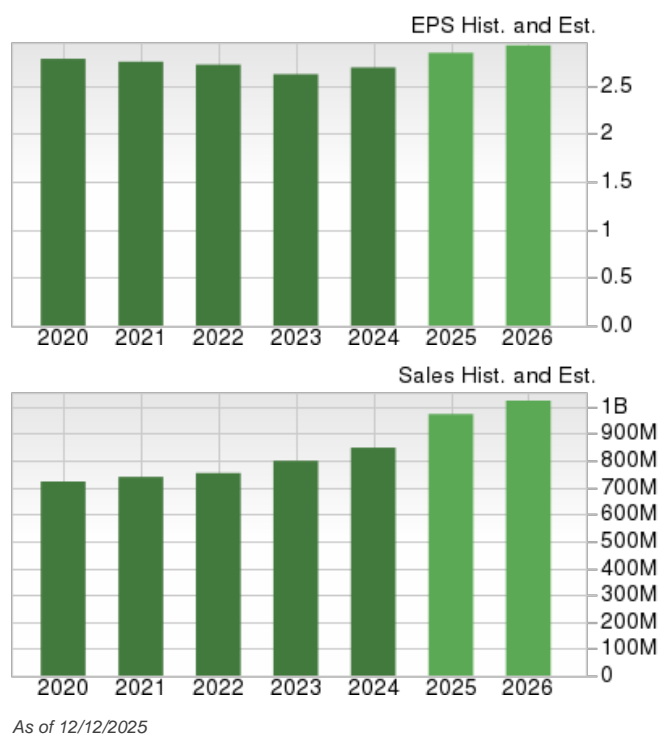
As of Sept. 30, 2025, the company's portfolio of real estate assets comprised interests in 21.1 million square feet of office space and 467,000 square feet of multi-family space. As of the same date, the expected cost for the development projects totaled \$589.1 million, of which \$294.6 million is the company's share. Out of the above total, around \$580.8 million has been incurred through Sept. 30, 2025.

Cousins Properties has enhanced its scale with strategic transactions. In June 2019, the REIT completed the merger with TIER REIT in a 100% stock-for-stock deal. The move has helped create a Sun Belt-focused Class A office REIT and improved scale by providing a strategic foothold in Dallas, enhancing its footprint in Austin and Charlotte and balancing its presence in Atlanta.

Cousins Properties focuses on the growth and repositioning of its portfolio. Apart from the TIER REIT transaction, from 2020 through the third quarter of 2025, the company acquired 3.7 million square feet of operating properties for \$1.84 billion. During the same period, it has completed 2.2 million square feet of development at total project costs of \$909 million and sold 5.5 million square feet of operating properties for \$1.28 billion.

In July 2025, Cousins Properties acquired The Link — a 292,000-square-foot lifestyle office property in Uptown Dallas — for \$218.0 million. In December 2024, Cousins announced the acquisition of Sail Tower, a trophy lifestyle office property in Downtown Austin, TX, for \$521.8 million. The same month, Cousins acquired Vantage South End, a 639,000-square-foot lifestyle office property in the thriving South End submarket in Charlotte, NC, for \$328.5 million.

Note: All EPS numbers presented in this report represent funds from operations (FFO) per share. FFO, a widely used metric to gauge the performance of REITs, is obtained after adding depreciation and amortization and other non-cash expenses to net income.



Reasons To Buy:

- ▲ Cousins Properties has an unmatched portfolio of Class A office assets concentrated in the high-growth Sun Belt markets. This region is experiencing a population influx. Amid favorable migration trends and a pro-business environment, corporate relocations and expansions in the Sun Belt markets have gained pace and this is driving the demand for office space. Properties in these markets are also expected to command higher rents compared with the broader market. During the third quarter of 2025, the second-generation net rent per square foot on a cash basis climbed 4.2%. With a significant presence in the best urban submarkets in each city, Cousins Properties has been able to enjoy healthy demand for its properties. The company has a well-diversified, high-end tenant roster with less dependence on a single industry. This enables it to enjoy steady revenues over different economic cycles.
- ▲ Cousins Properties is seeing a recovery in demand for its high-quality, well-placed office properties, as highlighted by a rebound in new leasing volume. During the first nine months of 2025, the company executed 128 leases for a total of 1.4 million square feet of office space with a weighted average lease term of 7.9 years. This included 489,932 square feet of new leases, 743,103 square feet of renewal leases and 191,794 square feet of expansion leases. With modest lease expirations lined up, the company is well-positioned for growth. Going forward, with the continuation of inbound migration and significant investments being announced by office occupiers to expand the footprint in the Sun Belt regions, Cousins Properties' leading trophy portfolio of class A and highly-amenitized office realties across the region is well-positioned to recover faster. Further, the company is seeing several tenants returning to offices or announcing plans to report to workplaces. This too is likely to support office market fundamentals in its markets.
- ▲ The company makes concerted efforts to upgrade portfolio quality with trophy assets' acquisitions and opportunistic developments in high-growth Sun Belt submarkets. It also makes strategic dispositions for a better portfolio mix. Apart from the TIER REIT transaction, from 2020 through the third quarter of 2025, the company acquired 3.7 million square feet of operating properties for \$1.84 billion. During the same period, it has completed 2.2 million square feet of development at total project costs of \$909 million and sold 5.5 million square feet of operating properties for \$1.28 billion. Such efforts have helped the company shed the slow-growth assets from its portfolio and redeploy the proceeds for developing and acquiring highly differentiated amenitized properties in the Sun Belt submarkets. As of Sept. 30, 2025, Cousins Properties' development pipeline consisted of one project with an estimated total cost of \$589.1 million, of which \$294.6 million is the company's share. Out of the above total, around \$580.8 million has been incurred through Sept. 30, 2025. Its notable development pipeline is likely to deliver meaningful additional annualized net operating income (NOI) in the upcoming years.
- ▲ Cousins Properties focuses on maintaining a solid balance sheet, with ample liquidity and limited near-term debt maturities to capitalize on improving market fundamentals. The company exited the third quarter of 2025 with cash and cash equivalents of \$467.5 million. As of Sept. 30, 2025, Cousins Properties had a net debt-to-annualized EBITDA ratio of 5.38. As of the same date, it had \$83.7 million drawn under its \$1 billion credit facility. Thus, with considerable liquidity and access to capital markets, it enjoys ample flexibility to pursue compelling growth opportunities.

Cousins Properties' high-quality office portfolio, impressive tenant roster, opportunistic investments and developments in best sub-markets and strong balance sheet aid the growth momentum.

Reasons To Sell:

- ▼ There is competition from developers, owners and operators of office properties and other commercial real estate and this affects Cousins Properties' ability to retain tenants at relatively higher rents and affects its pricing power. Given the competitive landscape, it might become increasingly challenging for the company to backfill near-term tenant move-outs, resulting in less scope for rent and occupancy growth.
- ▼ The company's assets are mainly concentrated in Atlanta, GA, and Austin, TX. During the third quarter of 2025, Austin and Atlanta contributed 35.9% and 31.4%, respectively, to the company's NOI. Hence, any economic or political downturn in these markets is likely to affect Cousins Properties' performance.
- ▼ The company has a substantial debt burden, and its total debt as of Sept. 30, 2025, was approximately \$3.48 billion. With a high level of debt, interest expenses are likely to remain elevated. In the third quarter of 2025, interest expenses increased 34.8% year over year to \$41.5 million.

High competition is likely to affect Cousins Properties' ability to retain tenants at relatively higher rents, impacting its pricing power. Concentrated portfolio and high interest expenses also ail.

Last Earnings Report

Cousins Properties Q3 FFO Matches Estimates, Revenues Top, '25 View Up

Cousins Properties reported third-quarter 2025 FFO per share of 69 cents, in line with the Zacks Consensus Estimate. The figure increased 3% on a year-over-year basis.

Cousins Properties experienced healthy leasing activity in the quarter. However, the weighted average occupancy decreased, while interest expenses increased and marred the growth tempo. Cousins Properties also raised its 2025 outlook for FFO per share.

Rental property revenues rose 18.9% year over year to \$246.5 million, surpassing the Zacks Consensus Estimate of \$243.1 million. Total revenues grew 18.7% year over year to \$248.3 million.

Quarter in Detail

Cousins Properties executed leases for 551,398 square feet of office space in the third quarter, including 208,783 square feet of new and expansion leases.

Same-property rental property revenues on a cash basis grew 3.7% year over year to \$195.4 million. Same-property rental property operating expenses on a cash basis increased 10.3% to \$71.3 million in the third quarter of 2025. As a result, the same-property net operating income on a cash basis improved marginally to \$124.1 million from the prior-year period.

The weighted average occupancy of the same-property portfolio was 87.4%, down 70 basis points from a year ago. Cousins Properties ended the quarter with the same-property portfolio being leased at 89.3%, down from 90.8% at the end of the year-ago period. The second-generation net rent per square foot (cash basis) climbed 4.2%.

However, interest expenses jumped 34.8% to \$41.5 million year over year.

In the third quarter, Cousins Properties acquired The Link, a 292,000-square-foot lifestyle office property in Uptown Dallas, for \$218.0 million.

Balance Sheet

Cousins Properties exited the third quarter of 2025 with cash and cash equivalents of \$467.5 million, up from \$416.8 million as of June 30, 2025.

The company's net debt-to-annualized EBITDAre ratio in the quarter was 5.38 compared with 5.11 in the prior quarter. Fixed charges coverage (EBITDAre) was 3.50X, down from 3.73X in the prior quarter.

2025 Outlook

Cousins Properties now expects 2025 FFO per share between \$2.82 and \$2.86, up from the earlier guided range of \$2.79-\$2.85.

FY Quarter Ending **12/31/2024**

Earnings Reporting Date	Oct 30, 2025
Sales Surprise	1.40%
EPS Surprise	0.00%
Quarterly EPS	0.69
Annual EPS (TTM)	2.82

Recent News

Dividend Update

On Sept. 17, Cousins Properties announced a cash dividend of 32 cents per share for the third quarter of 2025. The dividend was paid out on Oct. 15, 2025, to its shareholders on record as of Oct. 3.

Valuation

Cousins Properties' shares have declined 16.8% in the trailing 12 months. While stocks in the Zacks sub-industry have decreased 2.7%, those in the Zacks Finance sector have increased 9.4% over the past year.

The S&P 500 Index is up 14.6% over the trailing 12-month period.

The stock is currently trading at 8.82X forward 12-month FFO, which compares with 15.74X for the Zacks sub-industry, 17.10X for the Zacks sector and 23.41X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 15.15X and as low as 6.66X, with a five-year median of 10.20X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$27 price target reflects 9.31X FFO.

The table below shows a summary of valuation data for Cousins Properties.

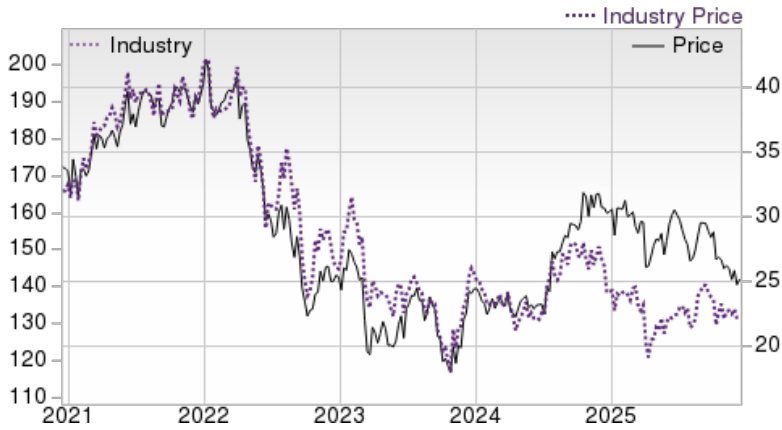
Valuation Multiples - CUZ					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	8.82	15.74	17.10	23.41
	5-Year High	15.15	22.21	18.31	23.82
	5-Year Low	6.66	12.81	12.38	15.73
	5-Year Median	10.20	15.83	16.14	21.19
P/S F12M	Current	4.22	5.29	8.90	5.29
	5-Year High	8.42	9.06	10.06	5.50
	5-Year Low	3.23	5.18	6.68	3.83
	5-Year Median	5.01	6.51	8.37	5.04
P/B TTM	Current	0.90	1.81	4.18	8.47
	5-Year High	1.36	3.06	4.37	9.16
	5-Year Low	0.58	1.39	2.87	6.60
	5-Year Median	0.97	1.84	3.52	8.04

As of 12/02/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 44% (136 out of 243)

Top Peers⁽¹⁾



Company (Ticker)	Rec	Rank
BXP, Inc. (BXP)	Neutral	3
Douglas Emmett, Inc. (DEI)	Neutral	3
Highwoods Properties... (HIW)	Neutral	3
Hudson Pacific Prope... (HPP)	Neutral	3
Kilroy Realty Corpor... (KRC)	Neutral	3
Piedmont Realty Trus... (PDM)	Neutral	3
SL Green Realty Corp... (SLG)	Neutral	4
Alexandria Real Esta... (ARE)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Reit And Equity Trust - Other

	CUZ	X Industry	S&P 500	ARE	BXP	SLG
Zacks Recommendation (Long Term)	Neutral	-	-	Underperform	Neutral	Neutral
Zacks Rank (Short Term)	2	-	-	5	3	4
VGM Score	C	-	-	C	D	F
Market Cap	4.22 B	1.78 B	39.38 B	8.06 B	11.32 B	3.18 B
# of Analysts	3	3	22	3	8	5
Dividend Yield	5.10%	4.36%	1.41%	11.32%	3.92%	6.92%
Value Score	B	-	-	C	C	D
Cash/Price	0.00	0.04	0.04	0.07	0.08	0.11
EV/EBITDA	13.91	12.88	14.60	12.38	16.90	12.96
PEG Ratio	2.20	2.65	2.23	4.02	6.69	NA
Price/Book (P/B)	0.89	1.09	3.35	0.38	1.51	0.80
Price/Cash Flow (P/CF)	10.14	11.01	15.20	5.54	9.34	158.91
P/E (F1)	8.84	11.17	19.78	5.18	10.36	7.72
Price/Sales (P/S)	4.37	3.69	3.06	2.63	3.27	3.27
Earnings Yield	11.31%	8.89%	4.99%	19.30%	9.65%	12.95%
Debt/Equity	0.70	0.88	0.57	0.65	2.26	1.03
Cash Flow (\$/share)	2.48	1.86	8.99	8.42	7.65	0.28
Growth Score	D	-	-	D	F	F
Hist. EPS Growth (3-5 yrs)	2.56%	3.99%	8.16%	6.10%	2.70%	-2.95%
Proj. EPS Growth (F1/F0)	5.58%	1.28%	8.57%	-4.96%	-2.96%	14.91%
Curr. Cash Flow Growth	3.24%	2.82%	6.75%	30.13%	18.17%	-106.47%
Hist. Cash Flow Growth (3-5 yrs)	0.29%	3.14%	7.43%	10.54%	0.12%	-48.69%
Current Ratio	0.91	1.63	1.19	0.24	4.50	3.22
Debt/Capital	41.02%	47.82%	38.01%	39.33%	69.32%	48.36%
Net Margin	5.98%	5.10%	12.78%	-13.43%	-5.82%	1.75%
Return on Equity	1.20%	2.71%	17.00%	-1.89%	1.35%	-0.22%
Sales/Assets	0.11	0.13	0.53	0.08	0.13	0.09
Proj. Sales Growth (F1/F0)	14.70%	0.00%	5.77%	-3.10%	2.50%	8.50%
Momentum Score	B	-	-	B	C	F
Daily Price Chg	-0.20%	0.21%	-1.07%	2.35%	-0.29%	-0.25%
1 Week Price Chg	1.78%	1.03%	-0.63%	2.55%	3.07%	4.81%
4 Week Price Chg	-3.05%	0.18%	1.39%	-10.81%	1.09%	-6.94%
12 Week Price Chg	-12.96%	-3.08%	2.45%	-45.89%	-6.58%	-27.60%
52 Week Price Chg	-18.05%	-10.18%	12.83%	-54.57%	-10.66%	-40.19%
20 Day Average Volume	1,213,101	785,936	2,728,366	3,061,929	1,131,356	1,485,796
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	-1.32%
(F1) EPS Est 4 week change	0.35%	0.00%	0.00%	0.02%	0.10%	-1.45%
(F1) EPS Est 12 week change	0.71%	0.36%	0.69%	-2.55%	0.22%	-1.34%
(Q1) EPS Est Mthly Chg	0.95%	0.00%	0.00%	-1.35%	0.47%	-7.20%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	B
Growth Score	D
Momentum Score	B
VGM Score	C

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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