

EASTGROUP

P R O P E R T I E S

2022

THIRD QUARTER

Conference Call

888-346-0688 | ID – EastGroup

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webcast available at

EastGroup.net

Supplemental Information

September 30, 2022

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FORWARD-LOOKING STATEMENTS

The statements and certain other information contained herein, which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "expects," "anticipates," "believes," "targets," "intends," "should," "estimates," "could," "continue," "assume," "projects," "goals" or "plans" and variations of such words or similar expressions or the negative of such words, constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbors created thereby. These forward-looking statements reflect the current views of EastGroup Properties, Inc. (the "Company" or "EastGroup") about its plans, intentions, expectations, strategies and prospects, which are based on the information currently available to the Company and on assumptions it has made. Although the Company believes that its plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, the Company can give no assurance that such plans, intentions, expectations or strategies will be attained or achieved. Furthermore, these forward-looking statements should be considered as subject to the many risks and uncertainties that exist in the Company's operations and business environment. Such risks and uncertainties could cause actual results to differ materially from those projected. These uncertainties include, but are not limited to: international, national, regional and local economic conditions; disruption in supply and delivery chains; construction costs could increase as a result of inflation impacting the costs to develop properties; increase in interest rates and ability to raise equity capital on attractive terms; financing risks, including the risks that our cash flows from operations may be insufficient to meet required payments of principal and interest, and we may be unable to refinance our existing debt upon maturity or obtain new financing on attractive terms or at all; our ability to retain our credit agency ratings; our ability to comply with applicable financial covenants; the competitive environment in which the Company operates; fluctuations of occupancy or rental rates; potential defaults (including bankruptcies or insolvency) on or non-renewal of leases by tenants, or our ability to lease space at current or anticipated rents, particularly in light of the significant uncertainty as to the conditions under which current or potential tenants will be able to operate physical locations in the future; potential changes in the law or governmental regulations and interpretations of those laws and regulations, including changes in real estate laws or REIT or corporate income tax laws, and potential increases in real property tax rates; our ability to maintain our qualification as a REIT; acquisition and development risks, including failure of such acquisitions and development projects to perform in accordance with projections; natural disasters such as fires, floods, tornadoes, hurricanes and earthquakes; pandemics, epidemics or other public health emergencies, such as the coronavirus pandemic; the terms of governmental regulations that affect us and interpretations of those regulations, including the costs of compliance with those regulations, changes in real estate and zoning laws and increases in real property tax rates; credit risk in the event of non-performance by the counterparties to our interest rate swaps; the discontinuation of London Interbank Offered Rate; lack of or insufficient amounts of insurance; litigation, including costs associated with prosecuting or defending claims and any adverse outcomes; our ability to attract and retain key personnel; risks related to the failure, inadequacy or interruption of our data security systems and processes; potentially catastrophic events such as acts of war, civil unrest and terrorism; environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by us. All forward-looking statements should be read in light of the risks identified in Part I, Item 1A, Risk Factors within the Company's Annual Report on Form 10-K for the year ended December 31, 2021, and in its subsequent Quarterly Reports on Form 10-Q. The Company assumes no obligation to update publicly any forward-looking statements, including its Outlook for 2022, whether as a result of new information, future events or otherwise.

	September 30, 2022	December 31, 2021
ASSETS		
Real estate properties	\$ 4,251,279	3,546,711
Development and value-add properties	578,575	504,614
	<u>4,829,854</u>	<u>4,051,325</u>
Less accumulated depreciation	(1,121,208)	(1,035,617)
	<u>3,708,646</u>	<u>3,015,708</u>
Real estate assets held for sale	-	5,695
Unconsolidated investment	7,666	7,320
Cash	4,848	4,393
Other assets	<u>241,163</u>	<u>182,220</u>
TOTAL ASSETS	<u>\$ 3,962,323</u>	<u>3,215,336</u>
LIABILITIES AND EQUITY		
LIABILITIES		
Unsecured bank credit facilities, net of debt issuance costs	\$ 154,188	207,066
Unsecured debt, net of debt issuance costs	1,541,481	1,242,570
Secured debt, net of debt issuance costs	2,059	2,142
Accounts payable and accrued expenses	190,950	109,760
Other liabilities	<u>83,459</u>	<u>82,338</u>
Total Liabilities	<u>1,972,137</u>	<u>1,643,876</u>
EQUITY		
Stockholders' Equity:		
Common shares; \$0.0001 par value; 70,000,000 shares authorized; 43,573,951 shares issued and outstanding at September 30, 2022 and 41,268,846 at December 31, 2021	4	4
Excess shares; \$0.0001 par value; 30,000,000 shares authorized; zero shares issued	-	-
Additional paid-in capital	2,266,831	1,886,820
Distributions in excess of earnings	(319,063)	(318,056)
Accumulated other comprehensive income	<u>41,128</u>	<u>1,302</u>
Total Stockholders' Equity	<u>1,988,900</u>	<u>1,570,070</u>
Noncontrolling interest in joint ventures	<u>1,286</u>	<u>1,390</u>
Total Equity	<u>1,990,186</u>	<u>1,571,460</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 3,962,323</u>	<u>3,215,336</u>

Consolidated Statements of Income and Comprehensive Income

(In thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
REVENUES				
Income from real estate operations	\$ 125,570	104,584	357,020	302,063
Other revenue	88	13	165	40
	<u>125,658</u>	<u>104,597</u>	<u>357,185</u>	<u>302,103</u>
EXPENSES				
Expenses from real estate operations	35,033	29,644	98,643	85,521
Depreciation and amortization	39,277	32,263	113,079	93,925
General and administrative	3,967	3,559	12,503	12,081
Indirect leasing costs	119	133	410	597
	<u>78,396</u>	<u>65,599</u>	<u>224,635</u>	<u>192,124</u>
OTHER INCOME (EXPENSE)				
Interest expense	(9,771)	(8,416)	(26,851)	(24,873)
Gain on sales of real estate investments	-	-	40,999	-
Other	326	210	888	621
	<u>37,817</u>	<u>30,792</u>	<u>147,586</u>	<u>85,727</u>
NET INCOME				
Net income attributable to noncontrolling interest in joint ventures	(25)	(21)	(75)	(59)
NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS	<u>37,792</u>	<u>30,771</u>	<u>147,511</u>	<u>85,668</u>
Other comprehensive income - interest rate swaps	17,157	1,325	39,826	8,276
TOTAL COMPREHENSIVE INCOME	<u>\$ 54,949</u>	<u>32,096</u>	<u>187,337</u>	<u>93,944</u>

BASIC PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS

Net income attributable to common stockholders	\$ 0.87	0.76	3.49	2.14
Weighted average shares outstanding	<u>43,467</u>	<u>40,434</u>	<u>42,308</u>	<u>40,058</u>

DILUTED PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS

Net income attributable to common stockholders	\$ 0.87	0.76	3.48	2.13
Weighted average shares outstanding	<u>43,581</u>	<u>40,567</u>	<u>42,419</u>	<u>40,165</u>

NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC.

COMMON STOCKHOLDERS

Depreciation and amortization

Company's share of depreciation from unconsolidated investment

Depreciation and amortization from noncontrolling interest

Gain on sales of real estate investments

FUNDS FROM OPERATIONS ("FFO") ATTRIBUTABLE TO COMMON STOCKHOLDERS

NET INCOME

Interest expense ⁽¹⁾

Depreciation and amortization

Company's share of depreciation from unconsolidated investment

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION ("EBITDA")

Gain on sales of real estate investments

EBITDA FOR REAL ESTATE ("EBITDAre")

DILUTED PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS

Net income attributable to common stockholders

FFO attributable to common stockholders

Weighted average shares outstanding for EPS and FFO purposes

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
\$	37,792	30,771	147,511	85,668
	39,277	32,263	113,079	93,925
	31	34	93	102
	(5)	-	(14)	-
	-	-	(40,999)	-
\$	77,095	63,068	219,670	179,695
\$	37,817	30,792	147,586	85,727
	9,771	8,416	26,851	24,873
	39,277	32,263	113,079	93,925
	31	34	93	102
	86,896	71,505	287,609	204,627
	-	-	(40,999)	-
\$	86,896	71,505	246,610	204,627
\$	0.87	0.76	3.48	2.13
\$	1.77	1.55	5.18	4.47
	43,581	40,567	42,419	40,165

⁽¹⁾ Net of capitalized interest of \$3,572 and \$2,292 for the three months ended September 30, 2022 and 2021, respectively; and \$8,515 and \$6,686 for the nine months ended September 30, 2022 and 2021, respectively.

Reconciliations of GAAP to Non-GAAP Measures (Continued)

(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
NET INCOME	\$ 37,817	30,792	147,586	85,727
Gain on sales of real estate investments	-	-	(40,999)	-
Interest income	(36)	(2)	(42)	(6)
Other revenue	(88)	(13)	(165)	(40)
Indirect leasing costs	119	133	410	597
Depreciation and amortization	39,277	32,263	113,079	93,925
Company's share of depreciation from unconsolidated investment	31	34	93	102
Interest expense ⁽¹⁾	9,771	8,416	26,851	24,873
General and administrative expense ⁽²⁾	3,967	3,559	12,503	12,081
Noncontrolling interest in PNOI of consolidated joint ventures	(31)	(15)	(84)	(46)
PROPERTY NET OPERATING INCOME ("PNOI")	90,827	75,167	259,232	217,213
PNOI from 2021 and 2022 acquisitions	(5,888)	(702)	(11,434)	(738)
PNOI from 2021 and 2022 development and value-add properties	(9,906)	(2,767)	(25,023)	(6,107)
PNOI from 2021 and 2022 operating property dispositions	-	(867)	(237)	(2,585)
Other PNOI	108	(39)	221	(166)
SAME PNOI (Straight-Line Basis)	75,141	70,792	222,759	207,617
Net lease termination fee income from same properties	(24)	(353)	(1,115)	(947)
SAME PNOI EXCLUDING INCOME FROM LEASE TERMINATIONS (Straight-Line Basis)	75,117	70,439	221,644	206,670
Straight-line rent adjustments for same properties	(519)	(1,824)	(1,564)	(4,413)
Acquired leases — market rent adjustment amortization for same properties	(103)	(103)	(331)	(541)
SAME PNOI EXCLUDING INCOME FROM LEASE TERMINATIONS (Cash Basis)	\$ 74,495	68,512	219,749	201,716

⁽¹⁾ Net of capitalized interest of \$3,572 and \$2,292 for the three months ended September 30, 2022 and 2021, respectively; and \$8,515 and \$6,686 for the nine months ended September 30, 2022 and 2021, respectively.

⁽²⁾ Net of capitalized development costs of \$2,388 and \$2,031 for the three months ended September 30, 2022 and 2021, respectively; and \$7,474 and \$5,311 for the nine months ended September 30, 2022 and 2021, respectively.

	Nine Months Ended September 30,	
	2022	2021
OPERATING ACTIVITIES		
Net income	\$ 147,586	85,727
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	113,079	93,925
Stock-based compensation expense	6,530	5,840
Gain on sales of real estate investments	(40,999)	-
Changes in operating assets and liabilities:		
Accrued income and other assets	(2,743)	(2,688)
Accounts payable, accrued expenses and prepaid rent	52,496	57,099
Other	602	1,263
NET CASH PROVIDED BY OPERATING ACTIVITIES	276,551	241,166
INVESTING ACTIVITIES		
Development and value-add properties	(395,313)	(189,955)
Purchases of real estate	(2,049)	(104,006)
Real estate improvements	(31,043)	(26,749)
Net proceeds from sales of real estate investments	51,006	-
Leasing commissions	(26,968)	(22,791)
Changes in accrued development costs	22,141	22,130
Changes in other assets and other liabilities	(3,328)	856
NET CASH USED IN INVESTING ACTIVITIES	(385,554)	(320,515)
FINANCING ACTIVITIES		
Proceeds from unsecured bank credit facilities	695,726	316,893
Repayments on unsecured bank credit facilities	(749,053)	(380,877)
Proceeds from unsecured debt	375,000	175,000
Repayments on unsecured debt	(75,000)	(40,000)
Repayments on secured debt	(60,070)	(43,591)
Debt issuance costs	(1,617)	(2,647)
Distributions paid to stockholders (not including dividends accrued)	(139,597)	(95,240)
Proceeds from common stock offerings	75,379	154,609
Common stock offering related costs	(190)	(238)
Other	(11,120)	(4,334)
NET CASH PROVIDED BY FINANCING ACTIVITIES	109,458	79,575
INCREASE IN CASH AND CASH EQUIVALENTS	455	226
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	4,393	21
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 4,848	247
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest, net of amounts capitalized of \$8,515 and \$6,686 for 2022 and 2021, respectively	\$ 21,550	21,599
Cash paid for operating lease liabilities	1,445	1,133
Common stock issued in the purchase of real estate	303,682	-
Debt assumed in the purchase of real estate	60,000	-
NON-CASH OPERATING ACTIVITY		
Operating lease liabilities arising from obtaining right of use assets	\$ 398	13,056

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	% Change	2022	2021	% Change
Same Property Portfolio ⁽¹⁾						
Square feet as of period end	43,349	43,349		43,349	43,349	
Average occupancy	98.3%	97.8%	0.5%	98.1%	97.3%	0.8%
Occupancy as of period end	98.5%	98.2%	0.3%	98.5%	98.2%	0.3%
Same Property Portfolio Analysis (Cash Basis) ⁽¹⁾						
Income from real estate operations	\$ 103,445	96,679	7.0%	\$ 306,405	284,273	7.8%
Less cash received for lease terminations	(24)	(396)		(1,115)	(1,087)	
Income excluding lease termination income	103,421	96,283	7.4%	305,290	283,186	7.8%
Expenses from real estate operations	(28,926)	(27,771)	4.2%	(85,541)	(81,470)	5.0%
PNOI excluding income from lease terminations	\$ 74,495	68,512	8.7%	\$ 219,749	201,716	8.9%
Same Property Portfolio Analysis (Straight-Line Basis) ⁽¹⁾						
Income from real estate operations	\$ 104,067	98,563	5.6%	\$ 308,300	289,087	6.6%
Less cash received for lease terminations	(24)	(396)		(1,115)	(1,087)	
Add straight-line rent write-offs for lease terminations	-	43		-	140	
Income excluding lease termination income	104,043	98,210	5.9%	307,185	288,140	6.6%
Expenses from real estate operations	(28,926)	(27,771)	4.2%	(85,541)	(81,470)	5.0%
PNOI excluding income from lease terminations	\$ 75,117	70,439	6.6%	\$ 221,644	206,670	7.2%

⁽¹⁾ Includes properties which were included in the operating portfolio for the entire period of 1/1/21 through 9/30/22.

SELECTED INCOME STATEMENT INFORMATION

Straight-line rent income adjustment	\$	2,764	2,542	6,654	6,511
Recoveries (reserves) of uncollectible straight-line rent		(188)	183	(153)	445
Net straight-line rent adjustment		2,576	2,725	6,501	6,956
Cash received for lease terminations		24	396	2,397	1,087
Less straight-line rent write-offs		-	(43)	-	(140)
Net lease termination fee income		24	353	2,397	947
Recoveries (reserves) of uncollectible cash rent		(10)	73	25	(99)
Stock-based compensation expense		(2,210)	(1,829)	(6,530)	(5,840)
Debt issuance costs amortization		(342)	(320)	(978)	(962)
Indirect leasing costs		(119)	(133)	(410)	(597)
Acquired leases - market rent adjustment amortization		605	230	1,957	704

Three Months Ended September 30,		Nine Months Ended September 30,		
2022	2021	2022	2021	
(Items below represent increases or (decreases) in FFO)				
\$	2,764	2,542	6,654	6,511
	(188)	183	(153)	445
	2,576	2,725	6,501	6,956
	24	396	2,397	1,087
	-	(43)	-	(140)
	24	353	2,397	947
	(10)	73	25	(99)
	(2,210)	(1,829)	(6,530)	(5,840)
	(342)	(320)	(978)	(962)
	(119)	(133)	(410)	(597)
	605	230	1,957	704

WEIGHTED AVERAGE COMMON SHARES

Weighted average common shares	43,467	40,434	42,308	40,058
BASIC SHARES FOR EARNINGS PER SHARE ("EPS")	43,467	40,434	42,308	40,058
Potential common shares:				
Unvested restricted stock	114	133	111	107
DILUTED SHARES FOR EPS AND FFO	43,581	40,567	42,419	40,165

Three Months Ended September 30,		Nine Months Ended September 30,	
2022	2021	2022	2021
43,467	40,434	42,308	40,058
43,467	40,434	42,308	40,058
114	133	111	107
43,581	40,567	42,419	40,165

	Quarter Ended	Years Ended			
	9/30/2022	2021	2020	2019	2018
ASSETS/MARKET CAPITALIZATION					
Assets	\$ 3,962,509	3,215,336	2,720,803	2,546,078	2,131,705
Equity Market Capitalization	6,289,464	9,403,107	5,477,783	5,164,306	3,348,269
Total Market Capitalization (Debt and Equity) ⁽¹⁾	7,992,418	10,859,473	6,791,879	6,350,438	4,458,037
Shares Outstanding - Common	43,573,951	41,268,846	39,676,828	38,925,953	36,501,356
Price per share	\$ 144.34	227.85	138.06	132.67	91.73
FFO CHANGE					
FFO per diluted share ⁽²⁾	\$ 1.77	6.09	5.38	4.98	4.66
Change compared to same period prior year	14.2%	13.2%	8.0%	6.9%	9.6%
COMMON DIVIDEND PAYOUT RATIO					
Dividend distribution	\$ 1.25	3.58	3.08	2.94	2.72
FFO per diluted share ⁽²⁾	1.77	6.09	5.38	4.98	4.66
Dividend payout ratio	71%	59%	57%	59%	58%
COMMON DIVIDEND YIELD					
Dividend distribution	\$ 1.25	3.58	3.08	2.94	2.72
Price per share	144.34	227.85	138.06	132.67	91.73
Dividend yield	3.46%	1.57%	2.23%	2.22%	2.97%
FFO MULTIPLE					
FFO per diluted share ⁽²⁾	\$ 1.77	6.09	5.38	4.98	4.66
Price per share	144.34	227.85	138.06	132.67	91.73
Multiple	20.39	37.41	25.66	26.64	19.68
INTEREST & FIXED CHARGE COVERAGE RATIO					
EBITDAre	\$ 86,896	278,959	245,669	221,517	200,788
Interest expense	9,771	32,945	33,927	34,463	35,106
Interest and fixed charge coverage ratio	8.89	8.47	7.24	6.43	5.72
DEBT-TO-EBITDAre RATIO⁽³⁾					
Debt	\$ 1,697,728	1,451,778	1,310,895	1,182,602	1,105,787
EBITDAre	86,896	278,959	245,669	221,517	200,788
Debt-To-EBITDAre ratio ⁽³⁾	4.88	5.20	5.34	5.34	5.51
Adjusted debt-to-pro forma EBITDAre ratio ⁽³⁾	3.72	3.83	4.43	3.92	4.73
DEBT-TO-TOTAL MARKET CAPITALIZATION⁽¹⁾					
	21.3%	13.4%	19.3%	18.7%	24.9%
ISSUER RATINGS⁽⁴⁾					
Moody's Investors Service	Issuer Rating	Outlook			
	Baa2	Stable			

⁽¹⁾ Before deducting unamortized debt issuance costs.

⁽²⁾ In connection with the Company's adoption of the Nareit Funds from Operations White Paper - 2018 Restatement, the Company now excludes from FFO the gains and losses on sales of non-operating real estate and assets incidental to the Company's business and therefore, adjusted the prior years' results to conform to the updated definition of FFO.

⁽³⁾ Quarterly calculation: Debt/(EBITDAre for the quarter x 4). Yearly calculation: Debt/(EBITDAre for the 12-month period).

⁽⁴⁾ A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency.

Development and Value-Add Properties Summary

(\$ in thousands)
(Unaudited)

		Square Feet (SF)	Costs Incurred			Anticipated	
			3rd Qtr	Cumulative	Projected	Conversion	% Leased
			2022	at 9/30/22	Total Costs	Date ⁽¹⁾	10/24/22
Lease-up							
Mesa Gateway ⁽²⁾	Phoenix, AZ	147,000	\$ 152	18,636	22,600	11/22	100%
Tri-County Crossing 5	San Antonio, TX	106,000	1,749	10,077	11,600	11/22	100%
45 Crossing	Austin, TX	177,000	1,502	25,225	26,900	12/22	100%
Basswood 1 & 2	Fort Worth, TX	237,000	2,782	22,188	25,100	01/23	100%
Cypress Preserve 1 & 2 ⁽²⁾	Houston, TX	516,000	110	54,021	57,800	03/23	50%
Zephyr ⁽²⁾	San Francisco, CA	82,000	65	28,863	29,800	04/23	42%
Access Point 3 ⁽²⁾	Greenville, SC	299,000	22,472	22,472	24,400	07/23	50%
Grand West Crossing 1	Houston, TX	121,000	303	13,012	15,700	07/23	0%
Tri-County Crossing 6	San Antonio, TX	124,000	1,064	9,704	10,600	08/23	72%
Grand Oaks 75 4	Tampa, FL	185,000	1,152	15,915	17,900	09/23	0%
McKinney 3 & 4	Dallas, TX	212,000	2,028	21,241	26,800	09/23	91%
Total Lease-up		2,206,000	33,379	241,354	269,200		63%
							Wgt Avg %

Lease-Up: Projected Stabilized Yield ⁽³⁾ **6.1%**

Under Construction

World Houston 47	Houston, TX	139,000	3,594	16,072	19,100	12/22	100%	
Horizon West 4	Orlando, FL	295,000	4,078	22,499	28,700	01/23	100%	
SunCoast 11	Fort Myers, FL	79,000	1,169	7,154	9,900	01/23	100%	
SunCoast 12	Fort Myers, FL	79,000	802	7,940	9,300	01/23	100%	
LakePort 4 & 5	Dallas, TX	177,000	1,786	17,311	24,000	11/23	83%	
Arlington Tech 3	Fort Worth, TX	77,000	1,589	7,035	10,300	12/23	0%	
Hillside 1	Greenville, SC	122,000	4,678	6,562	11,600	12/23	0%	
I-20 West Business Center	Atlanta, GA	155,000	2,090	12,061	15,500	12/23	36%	
Gateway 2	Miami, FL	133,000	3,946	13,223	23,700	02/24	36%	
Horizon West 1	Orlando, FL	97,000	2,267	6,449	13,200	03/24	0%	
Steele Creek 11 & 12	Charlotte, NC	241,000	5,366	9,578	24,900	04/24	26%	
Springwood 1 & 2	Houston, TX	292,000	10,044	17,691	33,300	05/24	0%	
Stonefield 35 1-3	Austin, TX	274,000	12,766	12,766	35,300	06/24	19%	
SunCoast 10	Fort Myers, FL	100,000	2,084	2,084	13,600	06/24	0%	
McKinney 1 & 2	Dallas, TX	172,000	4,501	4,501	27,300	08/24	0%	
Cass White 1 & 2	Atlanta, GA	296,000	4,737	4,737	31,900	10/24	0%	
Total Under Construction		2,728,000	65,497	167,663	331,600		35%	Wgt Avg %

Under Construction: Projected Stabilized Yield ⁽³⁾ **6.7%** **48%** Wgt Avg %

Development: Projected Stabilized Yield ⁽³⁾ **6.8%**

Value-Add: Projected Stabilized Yield ⁽³⁾ **5.3%**

Prospective Development

	Acres	Projected SF		
Phoenix, AZ	50	655,000	120	15,170
Sacramento, CA	7	93,000	47	3,098
San Francisco, CA	4	65,000	-	3,561
Fort Myers, FL ⁽⁴⁾	28	364,000	(1,275)	6,965
Miami, FL	36	510,000	435	23,933
Orlando, FL	75	886,000	209	17,210
Tampa, FL	2	32,000	-	825
Atlanta, GA ⁽⁴⁾	82	751,000	(1,629)	8,309
Jackson, MS	3	28,000	-	706
Charlotte, NC	158	1,146,000	424	13,566
Greenville, SC	71	476,000	2,392	5,098
Austin, TX	44	550,000	5,170	15,449
Dallas, TX ⁽⁴⁾	12	-	(4,119)	4,594
Fort Worth, TX	44	575,000	287	14,806
Houston, TX	108	1,536,000	714	30,253
San Antonio, TX	24	277,000	5,273	6,015
Total Prospective Development	748	7,944,000	8,048	169,558
Total Development and Value-Add Properties	748	12,878,000	\$ 106,924	578,575

⁽¹⁾ Development properties will transfer to the operating portfolio at the earlier of 90% occupancy or one year after shell completion.

Value-add properties will transfer at the earlier of 90% occupancy or one year after acquisition.

⁽²⁾ Represents value-add acquisitions.

⁽³⁾ Weighted average yield based on projected stabilized annual property net operating income on a straight-line basis at 100% occupancy divided by projected total co

⁽⁴⁾ Negative amounts represent land inventory costs transferred to *Under Construction*.

		Costs Incurred			Conversion Date	% Leased 10/24/22
		Square Feet (SF)	3rd Qtr 2022	Cumulative at 9/30/22		
<u>1st Quarter</u>						
Access Point 1 ⁽¹⁾	Greenville, SC	156,000	\$ 101	13,018	01/22	100%
Speed Distribution Center	San Diego, CA	519,000	(33)	72,427	03/22	100%
		675,000	68	85,445		
<u>2nd Quarter</u>						
Access Point 2 ⁽¹⁾	Greenville, SC	159,000	24	12,329	05/22	100%
Grand Oaks 75 3	Tampa, FL	136,000	125	11,641	06/22	100%
Siempre Viva 3-6 ⁽¹⁾	San Diego, CA	547,000	380	133,795	06/22	100%
		842,000	529	157,765		
<u>3rd Quarter</u>						
Steele Creek 8	Charlotte, NC	72,000	708	8,463	07/22	100%
CreekView 9 & 10	Dallas, TX	145,000	571	15,975	08/22	100%
Gateway 3	Miami, FL	133,000	533	18,558	08/22	100%
Ridgeview 3	San Antonio, TX	88,000	324	9,430	08/22	100%
Americas Ten 2	El Paso, TX	169,000	691	14,406	09/22	100%
Horizon West 2 & 3	Orlando, FL	210,000	94	18,801	09/22	76%
		817,000	2,921	85,633		
Total Transferred to Real Estate Properties		2,334,000	\$ 3,518	328,843		
Projected Stabilized Yield ⁽²⁾		6.6%			98%	Wgt Avg %

⁽¹⁾ Represents value-add acquisitions.

⁽²⁾ Weighted average yield based on projected stabilized annual property net operating income on a straight-line basis at 100% occupancy divided by projected total costs.

ACQUISITIONS

Date	Property Name	Location	Size	Purchase Price ⁽¹⁾
1st Quarter				
02/14/22	Gateway Interchange Land	Phoenix, AZ	50.2 Acres	\$ 13,588
03/28/22	Cypress Preserve 1 & 2	Houston, TX	516,000 SF	54,462 ⁽²⁾
2nd Quarter				
Various ⁽³⁾	Cypress Preserve Land	Houston, TX	45.7 Acres	14,724
04/08/22	Zephyr Distribution Center	San Francisco, CA	82,000 SF	29,017 ⁽²⁾
04/15/22	Mesa Gateway Commerce Center	Phoenix, AZ	147,000 SF	18,315 ⁽²⁾
04/29/22	Homestead Commerce Park Land	Miami, FL	28.1 Acres	15,790
06/01/22	Cebrian Distribution Center and Reed Distribution Center	Sacramento, CA	329,000 SF	49,726 ⁽⁴⁾
06/01/22	6th Street Business Center, Benicia Distribution Center 1-5, Ettie Business Center, Laura Alice Business Center, Preston Distribution Center, Sinclair Distribution Center, Transit Distribution Center and Whipple Business Center	San Francisco, CA	1,377,000 SF	309,404 ⁽⁴⁾
06/01/22	Reed Land	Sacramento, CA	6.6 Acres	3,040 ⁽⁴⁾
06/01/22	Hercules Land	San Francisco, CA	3.9 Acres	3,561 ⁽⁴⁾
06/30/22	Braselton 1 & 2 Land	Atlanta, GA	43.0 Acres	4,048
3rd Quarter				
07/12/22	Access Point 3	Greenville, SC	299,000 SF	21,127 ⁽²⁾
07/20/22	Eisenhower Point 10-12 Land	San Antonio, TX	17.8 Acres	4,894
07/22/22	Hillside 4 Land	Greenville, SC	33.2 Acres	1,280
08/04/22	Braselton 3 Land	Atlanta, GA	13.1 Acres	1,425
08/24/22	Heritage Grove Land	Austin, TX	44.4 Acres	15,295
Total Acquisitions			2,750,000 SF 286.0 Acres	\$ 559,696

DISPOSITIONS

Date	Property Name	Location	Size	Gross Sales Price	Realized Gain
1st Quarter					
01/06/22	Metro Business Park	Phoenix, AZ	189,000 SF	\$ 33,510	26,971 ⁽⁵⁾
03/31/22	Cypress Creek Business Park	Fort Lauderdale, FL	56,000 SF	5,600	3,381 ⁽⁵⁾
2nd Quarter					
05/11/22	World Houston 15 East	Houston, TX	42,000 SF	13,300	10,647 ⁽⁵⁾
3rd Quarter					
None					
Total Dispositions			287,000 SF	\$ 52,410	40,999

⁽¹⁾ Represents acquisition price plus closing costs.

⁽²⁾ Value-add property acquisition; included in *Development and value-add properties* on the Consolidated Balance Sheets.

⁽³⁾ The Cypress Preserve Land was acquired in three separate transactions on various dates in second quarter 2022.

⁽⁴⁾ The Company acquired these properties in connection with its acquisition of Tulloch Corporation on June 1, 2022.

⁽⁵⁾ Included in *Gain on sales of real estate investments* on the Consolidated Statements of Income and Comprehensive Income; not included in FFO.

REAL ESTATE IMPROVEMENTS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Upgrade on acquisitions	\$ 126	214	458	368
Tenant improvements:				
New tenants	3,437	3,349	9,775	8,516
Renewal tenants	606	609	2,477	2,793
Other:				
Building improvements	2,509	1,521	7,926	4,925
Roofs	2,733	1,682	5,665	7,744
Parking lots	373	439	1,598	870
Other	658	160	1,398	853
TOTAL REAL ESTATE IMPROVEMENTS ⁽¹⁾	\$ 10,442	7,974	29,297	26,069

CAPITALIZED LEASING COSTS (Principally Commissions)

Development and value-add	\$ 3,654	1,369	10,422	8,928
New tenants	2,414	2,073	8,554	9,228
Renewal tenants	2,881	2,956	9,779	6,496
TOTAL CAPITALIZED LEASING COSTS ⁽²⁾⁽³⁾	\$ 8,949	6,398	28,755	24,652

⁽¹⁾ Reconciliation of Total Real Estate Improvements to *Real Estate Improvements* on the Consolidated Statements of Cash Flows:

	Nine Months Ended September 30,	
	2022	2021
Total Real Estate Improvements	\$ 29,297	26,069
Change in real estate property payables	(1)	535
Change in construction in progress	1,747	145
<i>Real Estate Improvements</i> on the Consolidated Statements of Cash Flows	\$ 31,043	26,749

⁽²⁾ Included in *Other Assets* on the Consolidated Balance Sheets.

⁽³⁾ Reconciliation of Total Capitalized Leasing Costs to *Leasing Commissions* on the Consolidated Statements of Cash Flows:

	Nine Months Ended September 30,	
	2022	2021
Total Capitalized Leasing Costs	\$ 28,755	24,652
Change in leasing commissions payables	(1,787)	(1,861)
<i>Leasing Commissions</i> on the Consolidated Statements of Cash Flows	\$ 26,968	22,791

Three Months Ended September 30, 2022	Number of Leases Signed	Square Feet Signed (In Thousands)	Weighted Average Term (In Years)	Rental Change Straight-Line Basis	Rental Change Cash Basis	PSF Tenant Improvement ⁽¹⁾	PSF Leasing Commission ⁽¹⁾	PSF Total Leasing Cost ⁽¹⁾
New Leases ⁽²⁾	28	604	6.2	44.2%	29.8%	\$ 9.20	\$ 4.22	\$ 13.42
Renewal Leases	46	1,732	4.8	37.2%	21.3%	0.75	1.60	2.35
Total/Weighted Average	74	2,336	5.2	39.4%	23.8%	\$ 2.94	\$ 2.27	\$ 5.21
					Per Year	\$ 0.57	\$ 0.44	\$ 1.01

Weighted Average Retention ⁽³⁾ **78.9%**

Nine Months Ended September 30, 2022	Number of Leases Signed	Square Feet Signed (In Thousands)	Weighted Average Term (In Years)	Rental Change Straight-Line Basis	Rental Change Cash Basis	PSF Tenant Improvement ⁽¹⁾	PSF Leasing Commission ⁽¹⁾	PSF Total Leasing Cost ⁽¹⁾
New Leases ⁽²⁾	110	2,394	5.6	38.3%	26.1%	\$ 5.16	\$ 3.59	\$ 8.75
Renewal Leases	178	4,910	4.7	35.4%	20.3%	0.74	1.87	2.61
Total/Weighted Average	288	7,304	5.0	36.4%	22.3%	\$ 2.19	\$ 2.43	\$ 4.62
					Per Year	\$ 0.44	\$ 0.48	\$ 0.92

Weighted Average Retention ⁽³⁾ **73.2%**

	09/30/22	06/30/22	03/31/22	12/31/21	09/30/21
Percentage Leased	99.0%	99.1%	98.8%	98.7%	98.8%
Percentage Occupied	98.5%	98.5%	97.9%	97.4%	97.6%

⁽¹⁾ Per square foot (PSF) amounts represent total amounts for the life of the lease, except as noted for the Per Year amounts.

⁽²⁾ Does not include leases with terms less than 12 months and leases for first generation space.

⁽³⁾ Calculated as square feet of renewal leases signed during the quarter / square feet of leases expiring during the quarter (not including early terminations or bankruptcies).

	Total Square Feet of Properties	% of Total Annualized Base Rent ⁽¹⁾	% Leased	% Occupied	Lease Expirations in Square Feet		Same Property PNOI Change (excluding income from lease terminations)				Rental Change New and Renewal Leases ⁽³⁾			
					2022 ⁽²⁾	2023	QTR		YTD		QTR		YTD	
							Straight-Line Basis	Cash Basis ⁽⁴⁾	Straight-Line Basis	Cash Basis ⁽⁴⁾	Straight-Line Basis	Cash Basis ⁽⁴⁾	Straight-Line Basis	Cash Basis ⁽⁴⁾
Florida														
Tampa	4,348,000	7.6%	97.8%	97.8%	121,000	495,000	4.7%	4.4%	3.7%	3.7%	38.6%	28.7%	50.8%	31.8%
Orlando	3,895,000	7.0%	98.7%	97.4%	12,000	527,000	0.2%	-3.1%	3.0%	3.2%	51.3%	32.3%	38.7%	21.8%
Jacksonville	2,273,000	3.5%	100.0%	100.0%	347,000	256,000	11.6%	12.2%	7.5%	7.1%	45.9%	29.9%	40.2%	24.9%
Miami/Fort Lauderdale	1,733,000	3.9%	100.0%	100.0%	33,000	218,000	-0.5%	8.7%	4.5%	9.0%	15.9%	3.0%	47.1%	32.4%
Fort Myers	626,000	1.5%	100.0%	100.0%	54,000	105,000	0.4%	1.8%	-0.2%	1.5%	N/A	N/A	18.4%	7.7%
	12,875,000	23.5%	98.9%	98.5%	567,000	1,601,000	3.3%	3.5%	3.9%	4.6%	47.1%	30.5%	42.5%	25.4%
Texas														
Houston	6,092,000	10.8%	95.5%	95.1%	35,000	788,000	3.7%	8.4%	1.5%	2.6%	17.5%	3.9%	21.9%	6.4%
Dallas	4,862,000	9.1%	100.0%	100.0%	85,000	609,000	6.2%	8.8%	5.6%	9.5%	34.7%	27.9%	29.5%	36.5%
San Antonio	4,181,000	8.2%	100.0%	97.4%	158,000	609,000	8.7%	8.6%	5.9%	5.9%	37.4%	26.2%	24.6%	14.2%
Austin	1,146,000	2.8%	97.4%	94.0%	20,000	89,000	1.3%	2.4%	1.0%	2.4%	150.2%	94.2%	53.2%	33.6%
El Paso	1,126,000	1.7%	100.0%	100.0%	50,000	144,000	5.7%	7.1%	4.8%	6.0%	N/A	N/A	56.7%	39.6%
Fort Worth	794,000	1.5%	100.0%	100.0%	-	129,000	12.0%	20.1%	21.6%	33.6%	41.2%	24.6%	51.3%	29.0%
	18,201,000	34.1%	98.3%	97.4%	348,000	2,368,000	5.8%	8.5%	4.5%	6.4%	32.1%	16.7%	29.4%	18.4%
California														
Los Angeles ⁽⁵⁾	2,484,000	7.4%	98.6%	98.6%	-	149,000	14.7%	14.9%	20.0%	24.0%	N/A	N/A	31.3%	18.7%
San Francisco	2,421,000	6.7%	100.0%	100.0%	152,000	156,000	12.3%	7.1%	17.8%	16.5%	45.0%	41.2%	93.0%	63.2%
San Diego ⁽⁵⁾	1,933,000	5.4%	100.0%	99.8%	-	123,000	11.9%	67.4%	32.1%	58.4%	N/A	N/A	27.3%	21.6%
Fresno	398,000	0.5%	98.5%	96.4%	92,000	44,000	17.2%	17.7%	16.7%	16.2%	21.3%	11.6%	21.0%	12.9%
Sacramento	329,000	0.7%	100.0%	100.0%	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	7,565,000	20.7%	99.5%	99.3%	244,000	472,000	13.6%	20.9%	21.7%	27.4%	28.6%	20.5%	51.8%	35.1%
Arizona														
Phoenix	2,852,000	5.7%	100.0%	100.0%	30,000	391,000	4.4%	12.4%	6.9%	9.5%	55.5%	40.7%	31.4%	19.0%
Tucson	848,000	1.5%	100.0%	100.0%	-	49,000	0.9%	4.2%	2.5%	9.8%	48.0%	31.5%	45.9%	30.2%
	3,700,000	7.2%	100.0%	100.0%	30,000	440,000	3.5%	10.3%	5.8%	9.6%	49.3%	33.1%	35.5%	22.2%
Other Core														
Charlotte	3,642,000	5.9%	100.0%	100.0%	57,000	448,000	9.1%	2.0%	5.4%	1.3%	41.2%	21.6%	32.4%	15.0%
Atlanta	1,312,000	2.2%	100.0%	100.0%	13,000	30,000	1.5%	9.7%	4.0%	13.8%	N/A	N/A	31.4%	25.4%
Denver	886,000	2.0%	100.0%	100.0%	14,000	40,000	10.8%	8.8%	8.1%	8.0%	17.9%	11.3%	19.9%	10.9%
Las Vegas	754,000	1.9%	100.0%	100.0%	12,000	182,000	14.8%	13.4%	17.9%	19.8%	N/A	N/A	66.3%	45.6%
	6,594,000	12.0%	100.0%	100.0%	96,000	700,000	9.1%	6.1%	7.6%	7.1%	33.7%	18.5%	34.3%	19.1%
Total Core Markets	48,935,000	97.5%	99.0%	98.5%	1,285,000	5,581,000	6.6%	8.7%	7.4%	9.1%	39.6%	24.0%	36.7%	22.5%
Total Other Markets	1,763,000	2.5%	99.0%	99.0%	11,000	179,000	9.7%	11.6%	2.5%	4.3%	22.5%	12.7%	23.8%	13.2%
Total Operating Properties	50,698,000	100.0%	99.0%	98.5%	1,296,000	5,760,000	6.6%	8.7%	7.2%	8.9%	39.4%	23.8%	36.4%	22.3%

⁽¹⁾ Based on the Annualized Base Rent as of the reporting period for occupied square feet (without S/L Rent).

⁽²⁾ Square Feet expiring during the remainder of the year, including month-to-month leases.

⁽³⁾ Does not include leases with terms less than 12 months and leases for first generation space.

⁽⁴⁾ Excludes straight-line rent adjustments and amortization of above/below market rent intangibles.

⁽⁵⁾ Includes the Company's share of its less-than-wholly-owned real estate investments.

LEASE EXPIRATION	Square Footage of Leases Expiring	% of Total SF	Annualized Current Base Rent of Leases Expiring (without S/L Rent)	% of Total Base Rent of Leases Expiring (without S/L Rent)
Vacancy	506,000	1.0%	\$ -	0.0%
2022 - remainder of year ⁽¹⁾	1,296,000	2.6%	8,278	2.3%
2023	5,760,000	11.4%	40,719	11.3%
2024	7,776,000	15.3%	54,245	15.1%
2025	7,594,000	15.0%	55,975	15.6%
2026	8,897,000	17.5%	67,704	18.8%
2027	7,936,000	15.7%	59,563	16.6%
2028	3,206,000	6.3%	21,324	5.9%
2029	2,659,000	5.2%	17,266	4.8%
2030	1,234,000	2.4%	8,367	2.3%
2031 and beyond	3,834,000	7.6%	26,216	7.3%
TOTAL	50,698,000	100.0%	\$ 359,657	100.0%

⁽¹⁾ Includes month-to-month leases.

Customer	# of Leases	Location	Total SF Leased	% of Total Portfolio	% of Total Annualized Base Rent ⁽¹⁾
1 Amazon	2	San Diego, CA	710,000		
	1	San Antonio, TX	57,000		
	1	Tucson, AZ	10,000		
				1.5%	2.2%
2 REPET, Inc.	1	Los Angeles, CA	300,000	0.6%	0.9%
3 Starship Logistics LLC	1	Los Angeles, CA	262,000	0.5%	0.9%
4 Consolidated Electrical Distributors	2	San Antonio, TX	145,000		
	2	Orlando, FL	91,000		
	1	San Francisco, CA	84,000		
	1	Charlotte, NC	28,000		
				0.7%	0.8%
5 The Chamberlain Group	2	Tucson, AZ	350,000		
	1	Charlotte, NC	11,000		
				0.7%	0.8%
6 FedEx Corp.	1	Dallas, TX	157,000		
	1	Fort Myers, FL	63,000		
	1	San Diego, CA	51,000		
	1	Fort Lauderdale, FL	50,000		
	1	Jackson, MS	6,000		
				0.6%	0.8%
7 Novolex Holdings, LLC	1	Los Angeles, CA	286,000	0.6%	0.7%
8 Essendant Co.	1	Orlando, FL	404,000	0.8%	0.6%
9 Kuehne & Nagel, Inc.	2	Houston, TX	172,000		
	1	Charlotte, NC	71,000		
	1	San Diego, CA	42,000		
				0.6%	0.6%
10 Lowes Home Centers LLC	1	Miami, FL	97,000		
	1	Tampa, FL	75,000		
	1	Orlando, FL	70,000		
	1	Pheonix, AZ	59,000		
				0.6%	0.6%
			30	3,651,000	7.2%
					8.9%

⁽¹⁾ Calculation: Customer Annualized Base Rent as of 9/30/22 (without S/L Rent) / Total Annualized Base Rent (without S/L Rent).

	Remainder of 2022	2023	2024	2025	2026	2027 and Beyond	Total	Average Years to Maturity
Unsecured debt (fixed rate) ⁽¹⁾	\$ -	115,000	170,000	145,000	140,000	975,000	1,545,000	5.6
<i>Weighted average interest rate</i>	-	2.96%	3.65%	3.12%	2.57%	3.09%	3.09%	
Secured debt (fixed rate)	30	119	122	128	1,672	-	2,071	3.6
<i>Weighted average interest rate</i>	3.85%	3.85%	3.85%	3.85%	3.85%	-	3.85%	
Total unsecured debt and secured debt	\$ 30	115,119	170,122	145,128	141,672	975,000	1,547,071	5.6
<i>Weighted average interest rate</i>	3.85%	2.96%	3.65%	3.12%	2.58%	3.09%	3.10%	
<hr/>								
Unsecured debt and secured debt (fixed rate)							\$ 1,547,071	
Unsecured bank credit facilities (variable rate)								
\$50MM Line - 3.918% - matures 7/30/2025							35,883	
\$425MM Line - 3.752% - matures 7/30/2025							120,000	
Total carrying amount of debt							\$ 1,702,954	
Total unamortized debt issuance costs							(5,226)	
Total debt, net of unamortized debt issuance costs							\$ 1,697,728	
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Equity market capitalization								
Shares outstanding - common							43,573,951	
Price per share at quarter end							\$ 144.34	
Total equity market capitalization							\$ 6,289,464	
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Total market capitalization (debt and equity) ⁽²⁾							\$ 7,992,418	
<hr/>								
Total debt / total market capitalization ⁽²⁾							21.3%	

⁽¹⁾ These loans have a fixed interest rate or an effectively fixed interest rate due to interest rate swaps.

⁽²⁾ Before deducting unamortized debt issuance costs.

	Shares Issued and Sold ⁽¹⁾	Average Sales Price (Per Share)	Gross Proceeds	Offering-Related Fees and Expenses	Net Proceeds
1st Quarter	385,538	\$ 194.53	\$ 75,000	\$ (821)	\$ 74,179
2nd Quarter	-	-	-	-	-
3rd Quarter	6,368	179.18	1,141	(131)	1,010
TOTAL 2022	391,906	\$ 194.28	\$ 76,141	\$ (952)	\$ 75,189

⁽¹⁾ As of October 25, 2022, the Company had common shares with an aggregate gross sales price of \$305.7 million authorized and remaining for issuance under its continuous common equity program.

	Quarter Ended September 30, 2022 ⁽¹⁾	Years Ended December 31, ⁽²⁾			
		2021	2020	2019	2018
EBITDAre	\$ 86,896	\$ 278,959	245,669	221,517	200,788
Debt	1,697,728	1,451,778	1,310,895	1,182,602	1,105,787
DEBT-TO-EBITDAre RATIO	4.88	5.20	5.34	5.34	5.51
EBITDAre	\$ 86,896	\$ 278,959	245,669	221,517	200,788
Adjust for acquisitions as if owned for entire period	-	4,213	1,906	5,590	1,909
Adjust for development and value-add properties in lease-up or under construction	(252)	(700)	(1,327)	(2,072)	(304)
Adjust for properties sold during the period	-	(1,517)	(1,081)	(3,812)	(474)
Pro Forma EBITDAre	\$ 86,644	\$ 280,955	245,167	221,223	201,919
Debt	\$ 1,697,728	\$ 1,451,778	1,310,895	1,182,602	1,105,787
Subtract development and value-add properties in lease-up or under construction	(409,017)	(376,611)	(225,964)	(315,794)	(149,860)
Adjusted Debt	\$ 1,288,711	\$ 1,075,167	1,084,931	866,808	955,927
ADJUSTED DEBT-TO-PRO FORMA EBITDAre RATIO	3.72	3.83	4.43	3.92	4.73

⁽¹⁾ Quarterly calculations use EBITDAre for the quarter x 4.

⁽²⁾ Yearly calculations use EBITDAre for the 12-month period.

	Low Range		High Range	
	Q4 2022	Y/E 2022	Q4 2022	Y/E 2022
	<i>(In thousands, except per share data)</i>			
Net income attributable to common stockholders	\$ 34,039	181,550	35,747	183,258
Depreciation and amortization	41,207	154,365	41,207	154,365
Gain on sales of real estate investments	-	(40,999)	-	(40,999)
Funds from operations attributable to common stockholders	<u>\$ 75,246</u>	<u>294,916</u>	<u>76,954</u>	<u>296,624</u>
Diluted shares	43,586	42,710	43,586	42,710
Per share data (diluted):				
Net income attributable to common stockholders	\$ 0.78	4.25	0.82	4.29
Funds from operations attributable to common stockholders	1.73	6.91	1.77	6.95

The following assumptions were used for the mid-point:

Metrics	Revised Guidance for Year 2022	July Earnings Release Guidance for Year 2022	Actual for Year 2021
FFO per share	\$6.91 - \$6.95	\$6.84 - \$6.96	\$6.09
FFO per share increase over prior year	13.8%	13.3%	13.2%
Same PNOI growth: cash basis ⁽¹⁾	8.3% - 9.3% ⁽²⁾	8.0% - 9.0% ⁽²⁾	5.7%
Average month-end occupancy - operating portfolio	97.5% - 98.5%	97.3% - 98.3%	97.1%
Lease termination fee income	\$2.5 million	\$2.5 million	\$1.4 million
Recoveries (reserves) of uncollectible rent	(\$500,000)	(\$675,000)	\$475,000
Development starts:			
Square feet	3.1 million	3.2 million	2.8 million
Projected total investment	\$375 million	\$350 million	\$341 million
Value-add property acquisitions (Projected total investment)	\$125 million	\$125 million	\$178 million
Operating property acquisitions	\$380 million	\$360 million	\$108 million
Operating property dispositions <small>(Potential gains on dispositions are not included in the projections)</small>	\$70 million	\$70 million	\$45 million
Unsecured debt closing in period	\$525 million at 3.82% weighted average interest rate	\$525 million at 3.82% weighted average interest rate	\$175 million at 2.40% weighted average interest rate
Common stock issuances	\$75 million	\$75 million	\$274 million
General and administrative expense	\$17.0 million	\$16.9 million	\$15.7 million

⁽¹⁾ Excludes straight-line rent adjustments, amortization of market rent intangibles for acquired leases, and income from lease terminations.

⁽²⁾ Includes properties which have been in the operating portfolio since 1/1/21 and are projected to be in the operating portfolio through 12/31/22; includes 43,273,000 square feet.

Listed below are definitions of commonly used real estate investment trust (“REIT”) industry terms. For additional information on REITs, please see the National Association of Real Estate Investment Trusts (“Nareit”) web site at www.reit.com.

Adjusted Debt-to-Pro Forma EBITDAre Ratio: A ratio calculated by dividing a company’s adjusted debt by its pro forma EBITDAre. Debt is adjusted by subtracting the cost of development and value-add properties in lease-up or under construction. EBITDAre is further adjusted by adding an estimate of NOI for significant acquisitions as if the acquired properties were owned for the entire period, and by subtracting NOI from development and value-add properties in lease-up or under construction and from properties sold during the period. The Adjusted Debt-to-Pro Forma EBITDAre Ratio is a non-GAAP financial measure used to analyze the Company’s financial condition and operating performance relative to its leverage, on an adjusted basis, so as to normalize and annualize property changes during the period.

Cash Basis: The Company adjusts its GAAP reporting to exclude straight-line rent adjustments and amortization of market rent intangibles for acquired leases. The cash basis is an indicator of the rents charged to customers by the Company during the periods presented and is useful in analyzing the embedded rent growth in the Company’s portfolio.

Debt-to-EBITDAre Ratio: A ratio calculated by dividing a company’s debt by its EBITDAre; this non-GAAP measure is used to analyze the Company’s financial condition and operating performance relative to its leverage.

Debt-to-Total Market Capitalization Ratio: A ratio calculated by dividing a company’s debt by the total amount of a company’s equity (at market value) and debt.

Earnings Before Interest Taxes Depreciation and Amortization for Real Estate (“EBITDAre”): In accordance with standards established by Nareit, EBITDAre is computed as Earnings, defined as Net Income, excluding gains or losses from sales of real estate investments and non-operating real estate, plus interest, taxes, depreciation and amortization. EBITDAre is a non-GAAP financial measure used to measure the Company’s operating performance and its ability to meet interest payment obligations and pay quarterly stock dividends on an unleveraged basis.

Funds From Operations (“FFO”): FFO is the most commonly accepted reporting measure of a REIT’s operating performance, and the Company computes FFO in accordance with standards established by Nareit in the Nareit Funds from Operations White Paper — 2018 Restatement. It is equal to a REIT’s net income (loss) attributable to common stockholders computed in accordance with generally accepted accounting principles (“GAAP”), excluding gains and losses from sales of real estate property (including other assets incidental to the Company’s business) and impairment losses, adjusted for real estate related depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. FFO is a non-GAAP financial measure used to evaluate the performance of the Company’s investments in real estate assets and its operating results.

FFO Excluding Gain on Casualties and Involuntary Conversion: A reporting measure calculated as FFO (as defined above), adjusted to exclude gain on casualties and involuntary conversion. The Company believes that the exclusion of gain on casualties and involuntary conversion presents a more meaningful comparison of operating performance.

Industrial Properties: Generally consisting of four concrete walls tilted up on a slab of concrete. An internal office component is then added. Business uses include warehousing, distribution, light manufacturing and assembly, research and development, showroom, office, or a combination of some or all of the aforementioned.

Leases Expiring and Renewal Leases Signed of Expiring Square Feet: Includes renewals during the period with terms commencing during the period and after the end of the period.

Operating Land: Land with no buildings or improvements that generates income from leases with tenants; included in *Real estate properties* on the Consolidated Balance Sheets.

Operating Properties: Stabilized real estate properties (land including buildings and improvements) in the Company’s operating portfolio; included in *Real estate properties* on the Consolidated Balance Sheets.

Percentage Leased: The percentage of total leasable square footage for which there is a signed lease, including month-to-month leases, as of the close of the reporting period. Space is considered leased upon execution of the lease.

Percentage Occupied: The percentage of total leasable square footage for which the lease term has commenced as of the close of the reporting period.

Property Net Operating Income (“PNOI”): *Income from real estate operations less Expenses from real estate operations* (including market-based internal management fee expense) plus the Company’s share of income and property operating expenses from its less-than-wholly-owned real estate investments. PNOI is a non-GAAP, property-level supplemental measure of performance used to evaluate the performance of the Company’s investments in real estate assets and its operating results.

Real Estate Investment Trust (“REIT”): A company that owns and, in most cases, operates income-producing real estate such as apartments, shopping centers, offices, hotels and warehouses. Some REITs also engage in financing real estate. The shares of most REITs are freely traded, usually on a major stock exchange. To qualify as a REIT, a company must distribute at least 90 percent of its taxable income to its stockholders annually. A company that qualifies as a REIT is permitted to deduct dividends paid to its stockholders from its corporate taxable income. As a result, most REITs remit at least 100 percent of their taxable income to their stockholders and therefore owe no corporate federal income tax. Taxes are paid by stockholders on the dividends received. Most states honor this federal treatment and also do not require REITs to pay state income tax.

Rental changes on new and renewal leases: Rental changes are calculated as the difference, weighted by square feet, of the annualized base rent due the first month of the new lease’s term and the annualized base rent of the rent due the last month of the former lease’s term. If free rent is given, then the first positive full rent value is used. Rental amounts exclude base stop amounts, holdover rent, and premium or discounted rent amounts. This calculation excludes leases with terms less than 12 months and leases for first generation space on properties acquired or developed by EastGroup.

Same Properties: Operating properties owned during the entire current and prior year reporting periods. Properties developed or acquired are excluded until held in the operating portfolio for both the current and prior year reporting periods. Properties sold during the current or prior year reporting periods are excluded. The **Same Property Pool** includes properties which were included in the operating portfolio for the entire period from January 1, 2021 through September 30, 2022.

Same Property Net Operating Income (“Same PNOI”): *Income from real estate operations less Expenses from real estate operations* (including market-based internal management fee expense), plus the Company’s share of income and property operating expenses from its less-than-wholly-owned real estate investments, for the same properties owned by the Company during the entire current and prior year reporting periods. Same PNOI is a non-GAAP, property-level supplemental measure of performance used to evaluate the performance of the Company’s investments in real estate assets and its operating results on a same property basis.

Same PNOI Excluding Income from Lease Terminations: Same PNOI (as defined above), adjusted to exclude income from lease terminations. The Company believes it is useful to evaluate Same PNOI Excluding Income from Lease Terminations on both a straight-line and cash basis. The straight-line basis is calculated by averaging the customers’ rent payments over the lives of the leases; GAAP requires the recognition of rental income on the straight-line basis. The cash basis excludes adjustments for straight-line rent and amortization of market rent intangibles for acquired leases; the cash basis is an indicator of the rents charged to customers by the Company during the periods presented and is useful in analyzing the embedded rent growth in the Company’s portfolio.

Straight-Lining: The process of averaging the customer’s rent payments over the life of the lease. GAAP requires real estate companies to “straight-line” rents.

Total Return: A stock’s dividend income plus capital appreciation/depreciation over a specified period as a percentage of the stock price at the beginning of the period.

Value-Add Properties: Properties that are either acquired but not stabilized or can be converted to a higher and better use. Acquired properties meeting either of the following two conditions are considered value-add properties: (1) Less than 75% occupied as of the acquisition date (or will be less than 75% occupied within one year of acquisition date based on near term lease roll), or (2) 20% or greater of the acquisition cost will be spent to redevelop the property.