



COMPENSATION COMMITTEE CHARTER OF THE BOARD OF DIRECTORS

I. PURPOSE

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of EastGroup Properties, Inc. (the “Company”) is responsible for ensuring that the Company’s compensation program for key executives is effective in attracting and retaining key executives, that it links pay to performance, and that it is administered fairly and in the shareholders’ interests. The Committee will review and recommend to the Board appropriate executive compensation policy, compensation of the Company’s directors and executive officers, and shall be responsible to the Board for overseeing such policies, compensation, plans and programs approved by the Board and, where appropriate, by the shareholders. The Committee will also review non-discriminatory employee benefit plans in which key executives of the Company participate.

II. COMPOSITION

The Committee shall be comprised of three or more directors as determined by the Board, all of whom shall be independent as determined by the Board pursuant to the listing standards of the New York Stock Exchange. In addition, members of the Committee must qualify as “outside directors” as such term is defined under Section 162(m) of the Internal Revenue Code of 1986, as amended, and as “non-employee directors” as such term is defined under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended. No member of the Committee shall occupy a position disclosable as a compensation committee interlock under Securities and Exchange Commission regulations.

Each member of the Committee shall be elected by the Board annually upon the recommendation of the Nominating and Corporate Governance Committee and shall serve until the earlier to occur of her or his resignation or removal or the election and qualification of such member’s successor. Unless a Chair of the Committee is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. The Board may at any time, consistent with the Bylaws, remove one or more directors as members of the Committee and may fill any vacancy on the Committee.

III. MEETINGS

The Committee shall meet at least two times each fiscal year and at such other times as it deems necessary to fulfill its responsibilities. The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee to provide such pertinent information as the Committee requests.

Meetings of the Committee may be called by the Chair of the Committee or any other two or more members of the Committee. A majority of the Committee shall constitute a quorum for the

transaction of business. The action of a majority of those present at a meeting (in person or by telephonic means), at which a quorum is present, shall be the act of the Committee. The Committee may also act by unanimous consent of all members of the Committee in accordance with the provisions of the Company's Bylaws and the Maryland General Company Law. The Committee may delegate authority to act upon specific matters within determined parameters to a subcommittee consisting of one or more members, consistent with applicable law. Any such subcommittee shall report any action to the full Committee at its next meeting. The Committee shall keep a record of its actions and proceedings and make a report thereof from time to time to the Board. The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and its Charter.

IV. POLICIES AND PRINCIPLES

The Committee shall apply the following principles in the performance of their duties for the Company: (i) compensate competitively in order to attract, retain and motivate a highly competent executive team dedicated to achieving the Company's mission and strategic plans, which are designed to result in long-term growth in shareholder value; (ii) tie individual compensation to individual performance and the success of the Company; and (iii) align executive officers' and selected eligible employees' interests with those of the Company and its shareholders by providing long-term compensation opportunities.

V. RESPONSIBILITIES AND DUTIES

The Committee shall have the power, duty and responsibility to:

A. Compensation Structure

1. Review from time to time and approve the Company's compensation strategy to ensure that management is afforded the appropriate incentives and is rewarded appropriately for its contributions to the Company's growth and profitability and that the compensation strategy aligns with and supports the Company's objectives and stockholder interests.
2. Review from time to time the Company's various compensation programs to determine whether the programs encourage Executive Officers to engage in unnecessary or excessive risk taking that could have a material adverse effect on the Company.
3. Review and approve annually the corporate goals and objectives relevant to the compensation of the Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer and all Senior Vice Presidents of the Company and any other individual who is an "officer" as such term is defined under Rule 16a-1 promulgated under the Securities Exchange Act of 1934 (collectively, the Company's "Executive Officers").

B. Performance Evaluations; Compensation Determinations

1. Review and evaluate annually the performance of the Company's Executive Officers in light of the compensation strategy and the goals and objectives established in accordance with Sections A.1 and A.3 above, and determine, set and approve, pursuant to the Committee's

sole authority, the individual elements of the Company's Executive Officers' total compensation, including perquisites, based on such reviews and evaluations.

2. Review the overall compensation strategy and the individual elements of total compensation for the Executive Officers of the Company and provide an annual Compensation Committee Report to shareholders communicating that the Committee has reviewed and discussed the Compensation Discussion and Analysis with management, and based on its review and discussions with management, recommends that the Compensation Discussion and Analysis be included in the Company's proxy statement, as required by the rules and regulations of the Securities and Exchange Commission.
3. Review and approve employment agreements, severance agreements, retirement arrangements, change in control agreements/provisions, and any special or supplemental benefits for the Company's Executive Officers.
4. Review periodically the compensation and benefits offered to non-employee directors and recommend changes to the full Board of Directors, as appropriate.
5. Review and adopt the Company's equity-based and incentive-based compensation plans and approve changes to such plans or, where necessary, recommend changes to such plans for approval by the Board or the Company's stockholders. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of such plans.
6. To the extent required for compliance with Section 162(m) of the Internal Revenue Code, where desirable, review and approve performance objectives and goals relevant to "covered employees" under Section 162(m), including:
 - (i) Determining performance measures and goals;
 - (ii) Setting thresholds, targets and maximum awards;
 - (iii) Reviewing periodically performance against pre-determined goals; and
 - (iv) Certifying goal attainment and approving incentive payments.
7. Interpret and administer the Company's equity incentive plans as may be in effect from time to time (the "Plans") and undertake such actions and make such determinations and decisions as it deems necessary and appropriate to carry out the Plans' intent, including:
 - (i) Selecting officers and non-employee directors to receive awards;
 - (ii) Determining the number of shares to be covered by each award;
 - (iii) Deciding the type of award or awards to be made to each participant and the terms and conditions applicable to each such award;
 - (iv) Entering into agreements evidencing awards made under the Plans and their respective terms and conditions; and

- (v) Establishing, maintaining and rescinding rules and regulations relating to the Plans.

The Committee may delegate to one or more Executive Officers the authority to make grants of equity-based compensation to eligible individuals who are not Executive Officers. Any Executive Officer to whom the Committee grants such authority shall regularly report to the Committee grants so made and the Committee may revoke any delegation of authority at any time.

C. Other Powers, Duties and Responsibilities

1. Review and, if necessary, revise this Charter periodically as conditions dictate. Upon any revision, submit the revised Charter to the Nominating and Corporate Governance Committee and the Board of Directors for approval.
2. Work with the Board of Directors and the Nominating and Corporate Governance Committee to establish and maintain a process for the annual evaluation of the performance of the Committee and, pursuant to such process, conduct an annual evaluation of the Committee. In conducting this review, the Committee shall address all matters that it considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work.
3. Report to the Board, as appropriate, on matters relevant to the Board's considerations in the areas of executive and director compensation.
4. Retain or obtain the advice, in the Committee's sole discretion and authority and at the Company's expense, experts in the fields of compensation, labor, employment and human resources, independent legal counsel, and other advisers to advise the Committee with regard to any of its activities. The Committee shall be directly responsible for the appointment, termination, compensation and oversight of the work of such advisers. The Committee will, prior to selection and retention, consider the independence of any Committee consultant, legal counsel or other advisor (other than those for which an exception is provided by SEC rules or NYSE listing standards) based on the factors required by the SEC and the listing standards of the NYSE.
5. Perform any other activities consistent with this Charter, the Company's By-laws, applicable law and applicable stock exchange regulations, as the Committee deems appropriate or as requested by the Board.

JFM 676068v9