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EastGroup Properties Announces Recent Business Activity

JACKSON, Miss., May 30, 2017 /[PRNewswire](#)/ -- **EastGroup Properties** (NYSE: EGP) announced today its recent business activity.

PERSONNEL

Two new executive officers recently joined the Company to serve as Senior Vice Presidents over the Texas and Western regions, both of whom assumed their new positions in late May. Reid Dunbar, formerly a Senior Vice President with Prologis, assumed the role of Senior Vice President for EastGroup's Texas region. Ryan Collins, formerly a Vice President with Clarion Partners, is opening a Los Angeles office for the Company and is serving as Senior Vice President of EastGroup's Western region.

In addition, John F. Coleman was promoted to Executive Vice President. Mr. Coleman is responsible for EastGroup's operations in Florida, Georgia and North Carolina. Brent W. Wood was also promoted to Executive Vice President; Mr. Wood is currently responsible for the Company's Texas operations and effective August 1, 2017, will relocate to the Company's headquarters in Jackson, Mississippi, to serve as Chief Financial Officer upon Keith McKey's retirement. Bruce Corkern continues to serve the Company as Senior Vice President and Chief Accounting Officer and beginning August 1, 2017, will also serve as Secretary. Staci H. Tyler, a Vice President of the Company, assumed the position of Controller.

ACQUISITIONS AND DISPOSITIONS

In April, EastGroup purchased Broadmoor Commerce Park in Atlanta for \$6.3 million. The 100% leased, 84,000 square foot multi-tenant business distribution building resides on 17 acres of land, and the Company intends to develop an additional 107,000 square foot distribution building on the site.

Also in April, the Company acquired 30 acres of land in the Round Rock submarket of Austin for \$5.3 million. The Company's plans for future development of the land include a master-planned, multi-phased development project, Settlers Crossing, which will consist of four business distribution buildings totaling approximately 340,000 square feet.

In May, EastGroup acquired Southpark Corporate Center 5-7 in Austin for \$10.2 million. The three buildings, which the Company purchased from the buyer of its Stemmons Circle property, contain a total of 99,000 square feet and are 100% leased to four customers. The buildings are located adjacent to EastGroup's 100% leased Southpark 3 and 4 buildings in Austin's Southeast/Airport submarket.

Also in May, the Company sold Stemmons Circle, a 99,000 square foot building in Dallas, to the seller of Southpark Corporate Center 5-7 for \$5.1 million. EastGroup plans to record a gain on the sale which will not be included in funds from operations.

COMMON STOCK SALES

Through May 26, 2017, the Company has issued 322,141 shares of common stock in the second quarter through its continuous equity program at an average price of \$79.24, generating gross proceeds to the Company of \$25.5 million.

Marshall Loeb, President and CEO, stated, "We're excited to see a number of goals reach fruition. First and foremost, we're adding two solid people in key positions to our Company, while also recognizing and promoting several people from within. Second, we're pleased to see growth opportunities in Atlanta and Austin, while disposing of one of the oldest properties in our portfolio. The Broadmoor acquisition brings our total Atlanta investments to just under \$27 million at blended year one cash return of approximately 7%. Finally, thus far in the second quarter, we have raised over \$25 million in proceeds via our continuous equity program, further solidifying our balance sheet."

EastGroup Properties, Inc. is a self-administered equity real estate investment trust focused on the development, acquisition and operation of industrial properties in major Sunbelt markets throughout the United States with an emphasis in the states of Florida, Texas, Arizona, California and North Carolina. The Company's goal is to maximize shareholder value by being a leading provider in its markets of functional, flexible and quality business distribution space for location sensitive customers (primarily in the 10,000 to 50,000 square foot range). The Company's strategy for growth is based on ownership of premier distribution facilities generally clustered near major transportation features in supply-constrained submarkets. EastGroup's portfolio, including development projects in lease-up and under construction, currently includes over 38.5 million square feet.

Certain statements in this release are forward-looking and as such are based upon the Company's current belief as to the outcome and timing of future events. There can be no assurance that future developments affecting the Company will be those anticipated by the Company. These forward-looking statements involve risks and uncertainties (some of which are beyond the control of the Company) and are subject to change based upon various factors, including but not limited to the following risks and uncertainties: the risks associated with property acquisitions and sales; the failure to acquire or sell properties as and when anticipated; changes in the real estate industry and in performance of the financial markets; the demand for and market acceptance of the Company's properties for rental purposes; the amount and growth of the Company's expenses; tenant financial difficulties; and general economic conditions, including interest rates, as well as economic conditions in those areas where the Company owns properties, the risks associated with the development of real property, and other risks and uncertainties detailed from time to time in the Company's SEC filings. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, the Company's results could differ materially from those expressed in the forward-looking statements.

EastGroup Properties, Inc. press releases are available at www.eastgroup.net.

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/eastgroup-properties-announces-recent-business-activity-300465770.html>

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