For Immediate Release

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EastGroup Properties Announces Recent Business Activity

JACKSON, Miss., Nov. 8, 2021 /PRNewswire/ -- **EastGroup Properties, Inc. (NYSE: EGP)** (the "Company" or "EastGroup") announced today its recent business activity.

EastGroup is under contract to purchase four multi-tenant business distribution buildings totaling 547,000 square feet for $135 million in the Otay Mesa submarket of San Diego. The buildings, known as Siempre Viva Distribution Center III, are 66% leased and are located adjacent to the Company's Siempre Viva Distribution Center I and II properties, which are 100% leased. The acquisition is expected to close in late November.

In November, EastGroup began construction of LakePort 4 & 5 in the Flower Mound submarket of Dallas, Texas, which will contain 177,000 square feet and have a projected total cost of $22 million. These buildings will adjoin the Company's LakePort 1-3 properties, which are 100% leased.

The Company executed a lease with a customer that will fully occupy World Houston 47 in Houston, Texas upon completion. The construction of this property, which will contain 139,000 square feet and has a projected total cost of $19 million, is expected to commence in first quarter 2022.

Also, the Company is under contract to sell Jetport Commerce Park in Tampa, an 11-building park totaling 284,000 square feet, for $45 million. The sale will generate a gain, which will be included in gain on sales of real estate investments; this gain will be excluded from funds from operations. This transaction is expected to close in mid-November.

Commenting on the Company's activity, Marshall Loeb, CEO, stated, "We began the year with a 42-acre development site in south San Diego. We, thankfully, found a user and are under construction for a 100% pre-leased development. We then began searching for a new land site or existing vacancy opportunity. We are pleased that we are under contract to purchase these four adjacent buildings and that we were able to raise the percent leased from 53% to 66% prior to closing. I'm also excited to add to our prospective 2022 development starts a 100% pre-leased project within our World Houston Business Park."

As of November 5, 2021, EastGroup's portfolio was 98.5% leased and 97.6% occupied.

During the fourth quarter of 2021 to date, the Company has issued and sold 182,473 shares of common stock under its continuous common equity offering program at an average price of $199.53 per share, providing gross proceeds to the Company of approximately $36 million.

Management is scheduled to participate in Nareit's REITworld: 2021 Annual Conference. Conference registration is complimentary and may be completed via www.reit.com. During the conference, EastGroup executives may discuss the Company's transaction activity, leasing environment, market trends and conditions, financial matters and other business that may be affecting the Company.

About EastGroup Properties, Inc.

EastGroup, an S&P MidCap 400 company, 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 15,000 to 70,000 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 and value-add acquisitions in lease-up and under construction, currently includes approximately 50.7 million square feet.

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

Forward-Looking Information

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" 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 Company's current views 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; the duration and extent of the impact of the coronavirus ("COVID-19") pandemic, including as a result of any COVID-19 variants or as affected by the efficacy of COVID-19 vaccines, and any related lockdowns or other orders on our business operations or the business operations of our tenants (including their ability to timely make rent payments) and the economy generally; disruption in supply and delivery chains; the general level of 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 when and 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 outbreak of COVID-19; 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; lack of or insufficient amounts of insurance; litigation, including costs associated with prosecuting or defending claims and any adverse outcomes; our ability to retain key personnel; the consequences of future terrorist attacks or civil unrest; and 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, 2020, and in its subsequent Quarterly Reports on Form 10-Q. The Company assumes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise.

SOURCE EastGroup Properties

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https://investor.eastgroup.net/2021-11-08-EastGroup-Properties-Announces-Recent-Business-Activity

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