

EASTGROUP PROPERTIES INC
Form 10-Q
April 22, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED MARCH 31, 2016

COMMISSION FILE NUMBER 1-07094

EASTGROUP PROPERTIES, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

MARYLAND (State or other jurisdiction of incorporation or organization)	13-2711135 (I.R.S. Employer Identification No.)
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190 EAST CAPITOL STREET SUITE 400 JACKSON, MISSISSIPPI (Address of principal executive offices)	39201 (Zip code)
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Registrant's telephone number: (601) 354-3555

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES (x) NO ()

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES (x) NO ()

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer (x) Accelerated Filer () Non-accelerated Filer () Smaller Reporting Company ()

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES () NO (x)

The number of shares of common stock, \$.0001 par value, outstanding as of April 21, 2016 was 32,429,497.

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EASTGROUP PROPERTIES, INC. AND SUBSIDIARIES

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EASTGROUP PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	March 31, 2016 (Unaudited)	December 31, 2015
ASSETS		
Real estate properties	\$2,064,323	2,049,007
Development	161,659	170,441
	2,225,982	2,219,448
Less accumulated depreciation	(665,010)	(657,454)
	1,560,972	1,561,994
Real estate assets held for sale	721	—
Unconsolidated investment	8,023	8,004
Cash	12	48
Other assets	89,554	91,858
TOTAL ASSETS	\$1,659,282	1,661,904
LIABILITIES AND EQUITY		
LIABILITIES		
Secured debt	\$345,444	350,285
Unsecured debt	528,312	528,210
Unsecured bank credit facilities	165,849	149,414
Accounts payable and accrued expenses	26,653	44,181
Other liabilities	36,741	30,613
Total Liabilities	1,102,999	1,102,703
EQUITY		
Stockholders' Equity:		
Common shares; \$.0001 par value; 70,000,000 shares authorized; 32,439,272 shares issued and outstanding at March 31, 2016 and 32,421,460 at December 31, 2015	3	3
Excess shares; \$.0001 par value; 30,000,000 shares authorized; no shares issued	—	—
Additional paid-in capital on common shares	887,635	887,207
Distributions in excess of earnings	(326,790)	(328,892)
Accumulated other comprehensive loss	(8,853)	(3,456)
Total Stockholders' Equity	551,995	554,862
Noncontrolling interest in joint ventures	4,288	4,339
Total Equity	556,283	559,201
TOTAL LIABILITIES AND EQUITY	\$1,659,282	1,661,904

See accompanying Notes to Consolidated Financial Statements (unaudited).

EASTGROUP PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended March 31,	
	2016	2015
REVENUES		
Income from real estate operations	\$61,568	57,575
Other income	21	17
	61,589	57,592
EXPENSES		
Expenses from real estate operations	17,820	16,413
Depreciation and amortization	19,162	18,142
General and administrative	5,312	4,538
	42,294	39,093
	19,295	18,499
OPERATING INCOME		
OTHER INCOME (EXPENSE)		
Interest expense	(9,065)	(8,805)
Gain on sales of real estate investments	11,332	—
Other	268	367
NET INCOME	21,830	10,061
Net income attributable to noncontrolling interest in joint ventures	(119)	(131)
NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS	21,711	9,930
Other comprehensive loss - cash flow hedges	(5,397)	(2,535)
TOTAL COMPREHENSIVE INCOME	\$16,314	7,395
BASIC PER COMMON SHARE DATA FOR NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC. COMMON STOCKHOLDERS		
Net income attributable to common stockholders		\$