

EASTGROUP PROPERTIES INC
Form 10-Q
May 03, 2010

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, 2010

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.)

190 EAST CAPITOL STREET
SUITE 400
JACKSON, MISSISSIPPI
(Address of principal executive offices)

39201
(Zip code)

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 () NO ()*

(*Registrant is not subject to the requirements of Rule 405 of Regulation S-T at this time.)

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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 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

The number of shares of common stock, \$.0001 par value, outstanding as of April 30, 2010 was 26,939,810.

EASTGROUP PROPERTIES, INC.

FORM 10-Q

TABLE OF CONTENTS
FOR THE QUARTER ENDED MARCH 31, 2010

	Page
PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements	
Consolidated Balance Sheets, March 31, 2010 (unaudited) and December 31, 2009	3
Consolidated Statements of Income for the three months ended March 31, 2010 and 2009 (unaudited)	4
Consolidated Statement of Changes in Equity for the three months ended March 31, 2010 (unaudited)	5
Consolidated Statements of Cash Flows for the three months ended March 31, 2010 and 2009 (unaudited)	6
Notes to Consolidated Financial Statements (unaudited)	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	13
Item 3. Quantitative and Qualitative Disclosures About Market Risk	22
Item 4. Controls and Procedures	23
PART II. OTHER INFORMATION	
Item 1A. Risk Factors	24
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	24
Item 6. Exhibits	24
SIGNATURES	
Authorized signatures	25

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

	March 31, 2010 (Unaudited)	December 31, 2009
ASSETS		
Real estate properties	\$ 1,414,992	1,370,588
Development	77,929	97,594
	1,492,921	1,468,182
Less accumulated depreciation	(366,820)	(354,745)
	1,126,101	1,113,437
Unconsolidated investment	2,724	2,725
Cash	149	1,062
Other assets	62,214	61,294
TOTAL ASSETS	\$ 1,191,188	1,178,518
LIABILITIES AND EQUITY		
LIABILITIES		
Mortgage notes payable	\$ 598,019	602,949
Notes payable to banks	124,548	89,156
Accounts payable and accrued expenses	15,748	23,602
Other liabilities	14,759	15,715
Total Liabilities	753,074	731,422
EQUITY		
Stockholders' Equity:		
Common shares; \$.0001 par value; 70,000,000 shares authorized; 26,939,810 shares issued and outstanding at March 31, 2010 and 26,826,100 at December 31, 2009	3	3
Excess shares; \$.0001 par value; 30,000,000 shares authorized; no shares issued	-	-
Additional paid-in capital on common shares	589,361	589,197
Distributions in excess of earnings	(153,585)	(144,363)
Accumulated other comprehensive loss	(256)	(318)
Total Stockholders' Equity	435,523	444,519
Noncontrolling interest in joint ventures	2,591	2,577
Total Equity	438,114	447,096
TOTAL LIABILITIES AND EQUITY	\$ 1,191,188	1,178,518

See accompanying Notes to Consolidated Financial Statements (unaudited).

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

	Three Months Ended March 31,	
	2010	2009
REVENUES		
Income from real estate operations	\$ 44,431	43,310
Other income	28	15
	44,459	43,325
EXPENSES		
Expenses from real estate operations	13,524	12,568
Depreciation and amortization	14,717	13,029
General and administrative	2,610	2,561
	30,851	28,158
OPERATING INCOME	13,608	15,167
OTHER INCOME (EXPENSE)		
Equity in earnings of unconsolidated investment	84	81
Gain on sales of non-operating real estate	11	8
Interest income	81	124
Interest expense	(8,778)	(7,501)
INCOME FROM CONTINUING OPERATIONS	5,006	7,879
DISCONTINUED OPERATIONS		
Loss from real estate operations	-	(38)
Gain on sales of real estate investments	-	-
LOSS FROM DISCONTINUED OPERATIONS	-	(38)
NET INCOME	5,006	7,841
Net income attributable to noncontrolling interest in joint ventures	(103)	(163)
NET INCOME ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC.		
COMMON STOCKHOLDERS	\$ 4,903	7,678

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

Income from continuing operations	\$.18	.31
Loss from discontinued operations	.00	.00
Net income attributable to common stockholders	\$.18	.31
Weighted average shares outstanding	26,735	24,999

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

Income from continuing operations	\$.18	.31
Loss from discontinued operations	.00	.00
Net income attributable to common stockholders	\$.18	.31
Weighted average shares outstanding	26,794	25,070

**AMOUNTS ATTRIBUTABLE TO EASTGROUP PROPERTIES, INC.
COMMON STOCKHOLDERS**

Income from continuing operations	\$ 4,903	7,716
Loss from discontinued operations	–	(38)
Net income attributable to common stockholders	\$ 4,903	7,678
Dividends declared per common share	\$.52	.52

See accompanying Notes to Consolidated Financial Statements (unaudited).

EASTGROUP PROPERTIES, INC.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(IN THOUSANDS, EXCEPT FOR SHARE AND PER SHARE DATA)
(UNAUDITED)

	EastGroup Properties, Inc.					
	Common Stock	Paid-In Capital	In Excess Of Earnings	Accumulated Distributions Comprehensive Loss	Other Noncontrolling Interest in Joint Ventures	Total
BALANCE, DECEMBER 31, 2009	\$ 3	589,197	(144,363)	(318)	2,577	447,096
Comprehensive income						
Net income	–	–	4,903	–	103	5,006
Net unrealized change in fair value of interest rate swap	–	–	–	62	–	62
Total comprehensive income						5,068
Common dividends declared – \$.52 per share	–	–	(14,125)	–	–	(14,125)
Stock-based compensation, net of forfeitures	–	444	–	–	–	444
Issuance of 650 shares of common stock, options exercised	–	16	–	–	–	16
Issuance of 1,700 shares of common stock, dividend reinvestment plan	–	65	–	–	–	65
Withheld 9,494 shares of common stock to satisfy tax withholding obligations in connection with the vesting of restricted stock	–	(361)	–	–	–	(361)
Distributions to noncontrolling interest	–					