

Supplemental Information

March 31, 2005

**Palm River South I
Tampa, Florida
79,000 Square Feet**



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In addition to historical information, certain statements in this release are forward-looking, such as those pertaining to the Company's hopes, expectations, intentions, plans, beliefs, strategies regarding the future, the anticipated performance of development and acquisition properties, capital resources, profitability and portfolio performance. Forward-looking statements involve numerous risks and uncertainties. The following factors, among others discussed herein, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: defaults or nonrenewal of leases, increased interest rates and operating costs, failure to obtain necessary outside financing, difficulties in identifying properties to acquire and in effecting acquisitions, failure to qualify as a real estate investment trust under the Internal Revenue Code of 1986, as amended, environmental uncertainties, risks related to disasters and the costs of insurance to protect from such disasters, financial market fluctuations, changes in real estate and zoning laws, increases in real property tax rates and risks relating to the Company's development program, including weather, delays in construction schedules, contractor's failure to perform, increases in the price of construction materials or the unavailability of such materials, difficulty in obtaining necessary governmental approvals and other matters outside the Company's control. The success of the Company also depends upon the trends of the economy, including interest rates and the effects to the economy from possible terrorism and related world events, income tax laws, governmental regulation, legislation, population changes and those risk factors discussed elsewhere in this release. Readers are cautioned not to place undue reliance on forward-looking statements, which reflect management's analysis only as the date hereof. The Company assumes no obligation to update forward-looking statements. See also the Company's reports to be filed from time to time with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

| | March 31, 2005 (Unaudited) | December 31, 2004 |
|--|---|--------------------------|
| ASSETS | | |
| Real estate properties | \$ 898,847 | 845,139 |
| Development | 47,302 | 39,330 |
| | <u>946,149</u> | <u>884,469</u> |
| Less accumulated depreciation | <u>(182,426)</u> | <u>(174,662)</u> |
| | <u>763,723</u> | <u>709,807</u> |
| Real estate held for sale | 975 | 2,637 |
| Unconsolidated investment | 9,268 | 9,256 |
| Mortgage loans receivable | 7,550 | 7,550 |
| Cash | 972 | 1,208 |
| Other assets | 43,407 | 38,206 |
| TOTAL ASSETS | \$ 825,895 | 768,664 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| LIABILITIES | | |
| Mortgage notes payable | \$ 325,342 | 303,674 |
| Notes payable to banks | 95,546 | 86,431 |
| Accounts payable & accrued expenses | 16,392 | 16,181 |
| Other liabilities | 9,526 | 8,688 |
| | <u>446,806</u> | <u>414,974</u> |
| Minority interest in joint venture | <u>1,834</u> | <u>1,884</u> |
| STOCKHOLDERS' EQUITY | | |
| Series C Preferred Shares; \$.0001 par value; 600,000 shares authorized; no shares issued | - | - |
| Series D 7.95% Cumulative Redeemable Preferred Shares and additional paid-in capital; \$.0001 par value; 1,320,000 shares authorized and issued; stated liquidation preference of \$33,000 | 32,326 | 32,326 |
| Common shares; \$.0001 par value; 68,080,000 shares authorized; 21,920,822 shares issued and outstanding at March 31, 2005 and 21,059,164 at December 31, 2004 | 2 | 2 |
| Excess shares; \$.0001 par value; 30,000,000 shares authorized; no shares issued | - | - |
| Additional paid-in capital on common shares | 387,957 | 357,011 |
| Distributions in excess of earnings | (40,553) | (35,207) |
| Accumulated other comprehensive income | 258 | 14 |
| Unearned compensation | <u>(2,735)</u> | <u>(2,340)</u> |
| | <u>377,255</u> | <u>351,806</u> |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 825,895 | 768,664 |

| | Three Months Ended | |
|--|---------------------------|---------------|
| | March 31, | |
| | 2005 | 2004 |
| REVENUES | | |
| Income from real estate operations | \$ 30,298 | 27,416 |
| Equity in earnings of unconsolidated investment | 162 | - |
| Mortgage interest income | 119 | - |
| Other | 75 | 32 |
| | <u>30,654</u> | <u>27,448</u> |
| EXPENSES | | |
| Operating expenses from real estate operations | 8,461 | 7,616 |
| Interest | 5,970 | 4,919 |
| Depreciation and amortization | 9,070 | 8,198 |
| General and administrative | 1,898 | 1,676 |
| Minority interest in joint venture | 129 | 121 |
| | <u>25,528</u> | <u>22,530</u> |
| INCOME FROM CONTINUING OPERATIONS | 5,126 | 4,918 |
| DISCONTINUED OPERATIONS | | |
| Income from real estate operations | 33 | 94 |
| Gain on sale of real estate investments | 377 | - |
| INCOME FROM DISCONTINUED OPERATIONS | <u>410</u> | <u>94</u> |
| NET INCOME | 5,536 | 5,012 |
| Preferred dividends-Series D | 656 | 656 |
| NET INCOME AVAILABLE TO COMMON STOCKHOLDERS | <u>\$ 4,880</u> | <u>4,356</u> |
| BASIC PER COMMON SHARE DATA | | |
| Income from continuing operations | \$ 0.21 | 0.21 |
| Income from discontinued operations | 0.02 | - |
| Net income available to common stockholders | <u>\$ 0.23</u> | <u>0.21</u> |
| Weighted average shares outstanding | <u>20,891</u> | <u>20,687</u> |
| DILUTED PER COMMON SHARE DATA | | |
| Income from continuing operations | \$ 0.21 | 0.20 |
| Income from discontinued operations | 0.02 | 0.01 |
| Net income available to common stockholders | <u>\$ 0.23</u> | <u>0.21</u> |
| Weighted average shares outstanding | <u>21,196</u> | <u>21,114</u> |
| Dividends declared per common share | \$ 0.485 | 0.480 |

| | Three Months Ended March 31, | |
|--|---|---------------|
| | 2005 | 2004 |
| RECONCILIATIONS OF OTHER REPORTING MEASURES TO NET INCOME: | | |
| Income from real estate operations | \$ 30,298 | 27,416 |
| Operating expenses from real estate operations | (8,461) | (7,616) |
| PROPERTY NET OPERATING INCOME (PNOI) | 21,837 | 19,800 |
| Equity in earnings of unconsolidated investment (before depreciation) | 199 | - |
| Mortgage interest income | 119 | - |
| Other income | 75 | 32 |
| General and administrative expense | (1,898) | (1,676) |
| EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA) | 20,332 | 18,156 |
| Income from discontinued operations (before depreciation and amortization) | 34 | 159 |
| Interest expense (A) | (5,970) | (4,919) |
| Minority interest in earnings (before depreciation and amortization) | (164) | (156) |
| Dividends on Series D preferred shares | (656) | (656) |
| FUNDS FROM OPERATIONS (FFO) AVAILABLE TO COMMON STOCKHOLDERS | 13,576 | 12,584 |
| Depreciation and amortization from continuing operations | (9,070) | (8,198) |
| Depreciation and amortization from discontinued operations | (1) | (65) |
| Depreciation from unconsolidated investment | (37) | - |
| Share of joint venture depreciation and amortization | 35 | 35 |
| Gain on sale of depreciable real estate investments | 377 | - |
| NET INCOME AVAILABLE TO COMMON STOCKHOLDERS | 4,880 | 4,356 |
| Dividends on preferred shares | 656 | 656 |
| NET INCOME | \$ 5,536 | 5,012 |
| DILUTED PER COMMON SHARE DATA: (B) | | |
| Income from continuing operations | \$ 0.21 | 0.20 |
| Income from discontinued operations | 0.02 | 0.01 |
| Net income available to common stockholders | \$ 0.23 | 0.21 |
| Weighted average shares outstanding | 21,196 | 21,114 |
| Funds from operations available to common stockholders | \$ 0.64 | 0.60 |
| Weighted average shares outstanding for FFO purposes | 21,196 | 21,114 |

(A) Net of capitalized interest of \$501,000 and \$500,000 for the three months ended March 31, 2005 and 2004, respectively.

(B) Assumes dilutive effect of common stock equivalents.

| | Three Months Ended | |
|---|---------------------------|---------------|
| | March 31, | |
| | 2005 | 2004 |
| Weighted average common shares | 20,891 | 20,687 |
| BASIC SHARES FOR EARNINGS PER SHARE | <u>20,891</u> | <u>20,687</u> |
| Potential common shares: | | |
| Stock options | 166 | 240 |
| Nonvested restricted stock | 139 | 187 |
| DILUTED SHARES FOR EARNINGS PER SHARE | <u>21,196</u> | <u>21,114</u> |
| DILUTED SHARES FOR FUNDS FROM OPERATIONS | <u>21,196</u> | <u>21,114</u> |

**Three Months Ended
March 31,**

| | 2005 | 2004 | Variance |
|---|------------------|---------------|-----------------|
| Components of Property NOI | | | |
| Same Property | \$ 20,060 | 18,743 | 7.0% |
| 2005 Acquisitions | 566 | - | |
| 2004 Acquisitions | 445 | 50 | |
| 2005 Development | 57 | 116 | |
| 2004 Development | 261 | - | |
| Other | (9) | (12) | |
| TOTAL NOI BEFORE STRAIGHT-LINE RENT ADJUSTMENT | 21,380 | 18,897 | |
| Straight-Line Rent Adjustment (Continuing Operations) | 457 | 903 | |
| TOTAL PROPERTY NOI | \$ 21,837 | 19,800 | |
| SAME PROPERTY NOI | | | |
| Same Property Before Straight-Line Rent Adjustment | \$ 20,060 | 18,743 | 7.0% |
| Same Property Straight-Line Rent Adjustment | 206 | 795 | |
| Total Same Property NOI | \$ 20,266 | 19,538 | 3.7% |
| REAL ESTATE INCOME & EXPENSE | | | |
| PNOI from consolidated entities | | | |
| Real Estate Income | \$ 30,298 | 27,416 | |
| Real Estate Expense | (8,461) | (7,616) | |
| Total PNOI from consolidated entities | 21,837 | 19,800 | |
| PNOI from unconsolidated investment | | | |
| Real Estate Income | 252 | - | |
| Real Estate Expense | (53) | - | |
| Total PNOI from unconsolidated investment | 199 | - | |
| TOTAL PNOI BEFORE MINORITY INTEREST | | | |
| Real Estate Income | 30,550 | 27,416 | |
| Real Estate Expense | (8,514) | (7,616) | |
| TOTAL PNOI BEFORE MINORITY INTEREST | \$ 22,036 | 19,800 | |
| EXPENSE TO REVENUE RATIO | 27.9% | 27.8% | |

| | Interest Rate | Maturity Date | Balance @ March 31, 2005 | Annualized Interest |
|---|--------------------------|--------------------------|-------------------------------------|--------------------------------|
| BANK CREDIT FACILITIES | | | | |
| \$20MM Line - Floating Rate | 3.800% | 12/02/05 | \$ 1,546,000 | \$ 59,000 |
| \$175MM Line - Floating Rate | 3.970% | 01/07/08 | 94,000,000 | 3,732,000 |
| Total Bank Debt | | | <u>95,546,000</u> | <u>3,791,000</u> |
| MORTGAGE DEBT | | | | |
| Exchange Distribution Center I | 8.375% | 07/01/05 | 1,789,000 | 150,000 |
| Lake Pointe Business Park | 8.125% | 10/01/05 | 9,785,000 | 795,000 |
| Jetport Commerce Park | 8.125% | 10/01/05 | 2,871,000 | 233,000 |
| Huntwood Associates | 7.990% | 08/22/06 | 11,010,000 | 880,000 |
| Wiegman Associates | 7.990% | 08/22/06 | 5,082,000 | 406,000 |
| Arion Business Park | 4.450% | 12/01/06 | 21,006,000 | 935,000 |
| World Houston 1 & 2 | 7.770% | 04/15/07 | 4,177,000 | 325,000 |
| E. University I & II, Broadway VI, 55th Avenue and Ethan Allen | 8.060% | 06/26/07 | 10,874,000 | 876,000 |
| Lamar Distribution Center II | 6.900% | 12/01/08 | 1,801,000 | 124,000 |
| Dominguez, Kingsview, Walnut, Washington, Industry and Shaw | 6.800% | 03/01/09 | 38,810,000 | 2,639,000 |
| Auburn Facility | 8.875% | 09/01/09 | 2,313,000 | 205,000 |
| Tower Automotive Center (recourse) | 5.300% | 01/15/11 | 10,485,000 | 556,000 |
| Interstate Warehouse I, II & III, Venture, Stemmons Circle, Glenmont I & II, West Loop I & II, Butterfield Trail and Rojas | 7.250% | 05/01/11 | 42,178,000 | 3,058,000 |
| America Plaza, Central Green and World Houston 3-9 | 7.920% | 05/10/11 | 25,191,000 | 1,995,000 |
| University Business Center (120 & 130 Cremona) | 6.430% | 05/15/12 | 6,790,000 | 437,000 |
| University Business Center (125 & 175 Cremona) | 7.980% | 06/01/12 | 10,663,000 | 851,000 |
| Airport Distribution, Southpointe, Broadway I, III & IV, Southpark, 51st Avenue, Chestnut, Main Street, Interchange Business Park, North Stemmons I and World Houston 12 & 13 | 6.860% | 09/01/12 | 38,353,000 | 2,631,000 |
| Interstate Distribution Center - Jacksonville | 5.640% | 01/01/13 | 4,997,000 | 282,000 |
| Broadway V, 35th Avenue, Sunbelt, Freeport, Lockwood, Northwest Point, Techway Southwest I and World Houston 10, 11 & 14 | 4.750% | 09/05/13 | 44,023,000 | 2,091,000 |
| Kyrene Distribution Center I | 9.000% | 07/01/14 | 850,000 | 77,000 |
| World Houston 17, Kirby, Americas Ten I, Shady Trail, Palm River North I, II & III and Westlake I & II | 5.680% | 10/10/14 | 30,300,000 | 1,721,000 |
| Blue Heron Distribution Center II | 5.390% | 03/01/20 | 1,994,000 | 107,000 |
| Total Mortgage Debt | | | <u>325,342,000</u> | <u>21,374,000</u> |
| TOTAL DEBT | | | <u>\$ 420,888,000</u> | <u>\$ 25,165,000</u> |
| EQUITY MARKET CAPITALIZATION | | | | |
| Shares Outstanding - Common | | | 21,920,822 | |
| Price per share | | | \$ 37.70 | |
| Total Market Capitalization - Common | | | <u>826,415,000</u> | |
| Shares Outstanding - Preferred Series D | | | 1,320,000 | |
| Liquidation price per share | | | \$ 25.00 | |
| Total Market Capitalization - Preferred Series D | | | <u>33,000,000</u> | |
| TOTAL EQUITY MARKET CAPITALIZATION | | | <u>\$ 859,415,000</u> | |
| TOTAL MARKET CAPITALIZATION (DEBT AND EQUITY) | | | <u>\$ 1,280,303,000</u> | |
| TOTAL DEBT ÷ (TOTAL MARKET CAPITALIZATION) | | | | <u>32.9%</u> |
| Weighted Average Interest Rate - Bank Debt | | | | <u>4.0%</u> |
| Weighted Average Interest Rate - Mortgage Debt | | | | <u>6.6%</u> |
| Weighted Average Interest Rate - Total Debt | | | | <u>6.0%</u> |

| Year | Amortization | | Balloon Payments | | Total | |
|---------------------------------|----------------------|--------------------------------|-----------------------|--------------------------------|-----------------------|--------------------------------|
| | Repayments | Weighted Average Interest Rate | Repayments | Weighted Average Interest Rate | Repayments | Weighted Average Interest Rate |
| 2005 | \$ 5,813,000 | 6.81% | 14,235,000 | 8.16% | 20,048,000 | 7.77% |
| 2006 | 7,977,000 | 6.71% | 35,885,000 | 6.85% | 43,862,000 | 6.82% |
| 2007 | 7,935,000 | 6.67% | 14,191,000 | 7.98% | 22,126,000 | 7.51% |
| 2008 | 8,264,000 | 6.65% | 1,481,000 | 6.90% | 9,745,000 | 6.69% |
| 2009 | 6,732,000 | 6.57% | 31,357,000 | 6.80% | 38,089,000 | 6.76% |
| 2010 and beyond | 18,322,000 | 6.08% | 173,150,000 | 6.47% | 191,472,000 | 6.43% |
| TOTAL / WEIGHTED AVERAGE | \$ 55,043,000 | 6.48% | \$ 270,299,000 | 6.73% | \$ 325,342,000 | 6.68% |

SALES

| Date | Property Name | Location | Size | Net Sales Price (1) | Cost | Accumulated Depreciation/Amortization | Gain |
|--------------------------|-----------------------------|-------------|------------|---------------------|--------------|---------------------------------------|------------|
| 1st Quarter Sales | | | | | | | |
| 02/23/05 | Delp Distribution Center II | Memphis, TN | 102,000 SF | \$ 2,085,000 | 2,116,000 | (408,000) | 377,000 |
| Total Sales | | | 102,000 SF | \$ 2,085,000 | \$ 2,116,000 | \$ (408,000) | \$ 377,000 |

ACQUISITIONS

| Date | Property Name | Location | Size | Cost (2) |
|---------------------------------|--------------------------------|------------------|---------------------------|---------------|
| 1st Quarter Acquisitions | | | | |
| 01/21/05 | Arion Business Park | San Antonio, TX | 524,000 SF | \$ 38,662,000 |
| 01/21/05 | Arion Business Park Land | San Antonio, TX | 15.5 Acres | 2,093,000 |
| 01/24/05 | Southridge Agere Land | Orlando, FL | 32.2 Acres | 1,920,000 |
| 02/15/05 | Oak Creek Land | Tampa, FL | 65.8 Acres | 4,957,000 |
| 03/31/05 | Interstate Distribution Center | Jacksonville, FL | 181,000 SF | 8,359,000 |
| Total Acquisitions | | | 113.5 Acres 705,000 SF | \$ 55,991,000 |

(1) Net sales price represents contract sales price less closing costs.

(2) Cost represents acquisition price plus closing costs.

| | Size (SF) at Completion | Costs Incurred | | | NOI (1) | | Completion Date | Anticipated Conversion Date (2) | Projected Stabilized Yield (3) | Projected Avg % Occupied | | % Leased | % Leased |
|---|-------------------------|----------------|-----------------------|-----------------------|----------------|---------------|-----------------|---------------------------------|--------------------------------|--------------------------|-------|----------|----------|
| | | 1st Qtr 2005 | Cumulative at 3/31/05 | Projected Total Costs | 1st Qtr 2005 | YTD 3/31/2005 | | | | 2Q 05 | 3Q 05 | 1Q 05 | 4/22/05 |
| Lease-up: | | | | | | | | | | | | | |
| Palm River South I | Tampa, FL | 79 | \$ 628 | 3,820 | 4,300 | | 12/04 | 05/05 | 10.3% | 58% | 92% | 92% | 92% |
| World Houston 16 | Houston, TX | 94 | 360 | 3,627 | 5,100 | | 01/05 | 10/05 | 9.8% | 11% | 77% | 68% | 77% |
| Total Lease-up | | 173 | 988 | 7,447 | 9,400 | 11 | 11 | | | | | | |
| Under Construction: | | | | | | | | | | | | | |
| Executive Airport CC II | Fort Lauderdale, FL | 55 | 620 | 3,591 | 4,200 | | 04/05 | 04/06 | 10.3% | 0% | 0% | 0% | 0% |
| Southridge I | Orlando, FL | 41 | 865 | 1,709 | 3,900 | | 05/05 | 05/06 | 10.5% | 0% | 13% | 13% | 13% |
| Southridge V | Orlando, FL | 70 | 1,146 | 2,428 | 4,600 | | 05/05 | 05/06 | 10.1% | 0% | 50% | 50% | 50% |
| Techway SW III | Houston, TX | 100 | 407 | 1,557 | 5,700 | | 08/05 | 08/06 | 9.8% | 0% | 0% | 0% | 0% |
| Palm River South II | Tampa, FL | 82 | 64 | 1,521 | 4,500 | | 08/05 | 08/06 | 10.8% | 0% | 0% | 0% | 0% |
| Sunport Center VI | Orlando, FL | 63 | 291 | 1,335 | 3,800 | | 08/05 | 08/06 | 10.5% | 0% | 0% | 0% | 0% |
| Total Under Construction | | 411 | 3,393 | 12,141 | 26,700 | - | - | | | | | | |
| Prospective Development: | | | | | | | | | | | | | |
| Phoenix, AZ | | 213 | 124 | 2,320 | 11,400 | | | | | | | | |
| Tucson, AZ | | 70 | - | 326 | 3,500 | | | | | | | | |
| Tampa, FL | | 525 | 4,978 | 4,978 | 29,000 | | | | | | | | |
| Orlando, FL | | 925 | 2,709 | 8,831 | 68,500 | | | | | | | | |
| West Palm Beach, FL | | 20 | 11 | 489 | 2,300 | | | | | | | | |
| El Paso, TX | | 251 | - | 2,444 | 9,600 | | | | | | | | |
| Houston, TX | | 583 | 87 | 5,503 | 31,000 | | | | | | | | |
| San Antonio, TX | | 171 | 2,119 | 2,119 | 12,400 | | | | | | | | |
| Jackson, MS | | 28 | 123 | 704 | 2,000 | | | | | | | | |
| Total Prospective Development | | 2,786 | 10,151 | 27,714 | 169,700 | - | - | | | | | | |
| | | 3,370 | \$ 14,532 | 47,302 | 205,800 | 11 | 11 | | | | | | |
| Completed Development and Transferred to Real Estate Properties During 2005: | | | | | | | | | | | | | |
| 1st Quarter | | | | | | | | | | | | | |
| Santan 10 | Chandler, AZ | 65 | \$ 191 | 3,497 | | | | | 10.2% | | | 100% | 100% |
| Sunport Center V | Orlando, FL | 63 | 1,731 | 4,985 | | | | | 10.1% | | | 100% | 100% |
| | | 128 | 1,922 | 8,482 | | | | | | | | | |
| | | | | | | 127 | 127 | | | | | | |
| Total Transferred to Real Estate Properties | | 128 | \$ 1,922 | 8,482 | | | | | | | | | |
| | | | | | | 127 | 127 | | | | | | |

(1) Computed with rents on a straight-line basis.

(2) Transferred from Development to the Portfolio--earlier of 80% occupied or one year after completion date.

(3) Based on 100% occupancy and rents computed on a straight-line basis.

| | Three Months Ended | |
|--|---------------------------|-----------------|
| | March 31, | |
| | 2005 | 2004 |
| Straight-Line Rent Income Adjustment (1) | \$ 457 | 903 |
| Stock-Based Compensation Expense | \$ 448 | 303 |
| Amortization of Loan Costs | \$ 201 | 207 |
| | | |
| CAPITAL EXPENDITURES | Estimated | |
| | Useful Life | |
| Upgrade on Acquisitions | 40 Yrs | \$ 17 |
| Tenant Improvements: | | |
| New Tenants | Lease Life | 843 |
| New Tenants (first generation) (2) | Lease Life | 248 |
| Renewal Tenants | Lease Life | 135 |
| Other | | |
| Building Improvements | 5-40 Yrs | 255 |
| Roofs | 5-15 Yrs | 14 |
| Parking Lots | 3-5 Yrs | 154 |
| Other | 5 Yrs | 26 |
| TOTAL CAPITAL EXPENDITURES | | \$ 1,692 |
| | | 2,230 |
| | | |
| CAPITAL LEASING COSTS (3) | | |
| Development | Lease Life | \$ 352 |
| New Tenants | Lease Life | 342 |
| New Tenants (first generation) (2) | Lease Life | 49 |
| Renewal Tenants | Lease Life | 365 |
| TOTAL CAPITAL LEASING COSTS | | \$ 1,108 |
| | | 923 |
| | | |
| AMORTIZATION OF LEASING COSTS (4) | | \$ 872 |
| | | 778 |

(1) Includes discontinued operations and is net of bad debt expense.

(2) First generation refers to space that has never been occupied under EastGroup's ownership.

(3) Included in Other Assets.

(4) Included in Depreciation and Amortization (includes discontinued operations).

| Three Months Ended March 31, 2005 | | | | |
|---|----------------|------------------|-------------------|--------------------------|
| | # of Leases | % of Expiring | Total SF | % of Expiring |
| Total Square Feet Operating Properties as of 12/31/04 | | | 20,483,920 | |
| Acquisitions | | | 705,425 | |
| Dispositions | | | (102,000) | |
| Development Transfers | | | 128,112 | |
| Total Square Feet Operating Properties as of 03/31/05 | | | <u>21,215,457</u> | |
| Percentage Leased as of 03/31/05 | | | | 92.9% |
| Percentage Occupied as of 03/31/05 | | | | 91.2% |
| Beginning Vacancy | | | 1,386,549 | |
| Additions: | | | | |
| Leases Expiring | 79 | | 1,245,799 | 5.87% of Total Portfolio |
| New Development/Acquisition vacancy | | | 88,744 | |
| Early Terminations/Bankruptcies | | | <u>32,272</u> | |
| | | | <u>1,366,815</u> | |
| Deletions: | | | | |
| Leases Renewed | 38 | 48% | (494,935) | 40% |
| New Leases Commenced of Leases Expiring (1) | 17 | | (140,261) | 11% |
| New Leases Commenced of Vacancy | 33 | | <u>(356,308)</u> | |
| | | | <u>(991,504)</u> | |
| Net Change in Month-to-Month Leases | | | 101,349 | |
| Other SF Adjustments | | | 1,556 | |
| Ending Vacancy | | | <u>1,864,765</u> | |
| Renewals on Leases Expiring after 03/31/05 | | | 271,681 | |
| New Leases on Leases Expiring after 03/31/05 | | | 10,511 | |
| | | | <u>282,192</u> | |

| Three Months Ended March 31, 2005 | | | | | | |
|--------------------------------------|--------------------------|-----------------------|------------------|------------------------------------|----------------------------|----------------------------|
| | Average Term in Years | Average Lease Size | Rental Change | Rental Change (Before S/L Rent) | Tenant Improvements (3) | Leasing Commissions (3) |
| New Leases (2) | 4.04 | 9,931 | 3.96% | 0.60% | \$ 2.04 psf | \$ 0.92 psf |
| Renewal Leases | 2.83 | 13,025 | 0.56% | -3.40% | \$ 0.41 psf | \$ 0.54 psf |
| Average for New & Renewal (2) | 3.52 | 11,267 | 1.84% | -1.89% | \$ 1.05 psf | \$ 0.69 psf |

(1) Only for leases commenced during same quarter as leases expired.

(2) Rental changes and tenant improvement and leasing commission amounts do not include 1st generation space on properties developed by EastGroup.

(3) PSF amounts are calculated over the life of the lease term.

Percentage Leased represents the percentage of total leasable square footage for which there is a signed lease, including month-to-month leases, as of the close of the reporting period. Space is considered leased upon execution of the lease.

Percentage Occupied represents the percentage of total leasable square footage for which the lease term has commenced as of the close of the reporting period.

| | Total Square Feet of Properties | % of Total | % of Total Base Rent of Properties | % Leased | % Occupied | Same Store (Before S/L Rent) PNOI Change | | Rental Change (Before S/L Rent) New and Renewals | | Lease Expirations in Square Feet | | | |
|-----------------------------------|---------------------------------------|---------------|--|--------------|---------------|--|--------------|--|--------------|----------------------------------|---------------|------------------|---------------|
| | | | | | | QTR | YTD | QTR | YTD | 2005 | % (1) | 2006 | % (1) |
| Florida | | | | | | | | | | | | | |
| Jacksonville | 1,765,484 | 8.3% | 6.1% | 92.5% | 91.7% | -6.2% | -6.2% | -9.2% | -9.2% | 36,669 | 1.7% | 154,867 | 5.7% |
| Orlando | 1,145,595 | 5.4% | 5.9% | 99.8% | 90.1% | -3.7% | -3.7% | -10.2% | -10.2% | 128,144 | 5.9% | 148,204 | 5.4% |
| Tampa | 2,067,948 | 9.7% | 11.3% | 97.3% | 94.0% | 8.6% | 8.6% | 6.1% | 6.1% | 193,108 | 8.8% | 155,907 | 5.7% |
| Ft. Lauderdale | 861,974 | 4.1% | 5.2% | 96.9% | 93.4% | 16.2% | 16.2% | 3.0% | 3.0% | 98,090 | 4.5% | 73,767 | 2.7% |
| | 5,841,001 | 27.5% | 28.5% | 96.3% | 92.4% | 3.1% | 3.1% | -0.7% | -0.7% | 456,011 | 20.9% | 532,745 | 19.5% |
| Texas | | | | | | | | | | | | | |
| Dallas | 1,263,301 | 6.0% | 4.2% | 84.2% | 84.2% | -4.6% | -4.6% | 5.3% | 5.3% | 60,664 | 2.7% | 233,534 | 8.6% |
| Houston | 3,066,103 | 14.4% | 14.2% | 97.3% | 95.3% | 15.1% | 15.1% | -13.6% | -13.6% | 80,460 | 3.7% | 346,887 | 12.7% |
| El Paso | 1,019,455 | 4.8% | 3.9% | 90.4% | 90.4% | 4.2% | 4.2% | 0.0% | 0.0% | 362,322 | 16.6% | 197,397 | 7.2% |
| San Antonio | 777,070 | 3.7% | 3.3% | 83.3% | 83.3% | NA | NA | 6.1% | 6.1% | 117,958 | 5.4% | 106,427 | 3.9% |
| | 6,125,929 | 28.9% | 25.6% | 91.7% | 90.7% | 8.8% | 8.8% | -3.1% | -3.1% | 621,404 | 28.4% | 884,245 | 32.4% |
| California | | | | | | | | | | | | | |
| San Francisco | 960,204 | 4.5% | 4.2% | 91.5% | 91.5% | 9.7% | 9.7% | NA | NA | 40,000 | 1.8% | 81,000 | 3.0% |
| Los Angeles | 2,159,508 | 10.2% | 10.9% | 96.3% | 94.5% | 0.1% | 0.1% | 25.0% | 25.0% | 411,469 | 18.8% | 220,987 | 8.1% |
| Santa Barbara | 230,412 | 1.1% | 5.0% | 94.4% | 94.4% | 2.2% | 2.2% | -6.3% | -6.3% | - | 0.0% | 30,235 | 1.1% |
| Fresno | 398,100 | 1.9% | 1.6% | 100.0% | 100.0% | 21.9% | 21.9% | 0.3% | 0.3% | 39,700 | 1.8% | 85,279 | 3.1% |
| San Diego | 191,158 | 0.9% | 1.2% | 100.0% | 100.0% | 29.8% | 29.8% | NA | NA | - | 0.0% | - | 0.0% |
| | 3,939,382 | 18.6% | 22.9% | 95.6% | 94.6% | 5.3% | 5.3% | -0.3% | -0.3% | 491,169 | 22.4% | 417,501 | 15.3% |
| Arizona | | | | | | | | | | | | | |
| Phoenix | 1,680,504 | 7.9% | 7.3% | 94.9% | 94.4% | 9.9% | 9.9% | -8.1% | -8.1% | 361,922 | 16.6% | 248,556 | 9.1% |
| Tucson | 522,769 | 2.5% | 1.9% | 68.9% | 68.9% | 5.8% | 5.8% | NA | NA | - | 0.0% | - | 0.0% |
| | 2,203,273 | 10.4% | 9.2% | 88.7% | 88.4% | 9.0% | 9.0% | -8.1% | -8.1% | 361,922 | 16.6% | 248,556 | 9.1% |
| Total Core Markets | 18,109,585 | 85.4% | 86.2% | 93.7% | 91.8% | 5.8% | 5.8% | -1.8% | -1.8% | 1,930,506 | 88.3% | 2,083,047 | 76.3% |
| Total Other Markets | 3,105,872 | 14.6% | 13.8% | 88.2% | 87.7% | 14.7% | 14.7% | -2.9% | -2.9% | 254,729 | 11.7% | 648,653 | 23.7% |
| Total Operating Properties | 21,215,457 | 100.0% | 100.0% | 92.9% | 91.2% | 7.0% | 7.0% | -1.9% | -1.9% | 2,185,235 | 100.0% | 2,731,700 | 100.0% |

(1) Represents percentage of total portfolio lease expirations.

| LEASE EXPIRATION | Square Footage of Leases Expiring | % of Total SF | Annualized Current Base Rent of Leases Expiring | % of Total Base Rent of Leases Expiring |
|-----------------------|--------------------------------------|------------------|---|---|
| Month-to-Month | 376,274 | 1.77% | \$ 830,612 | 0.86% |
| Vacant (1) | 1,516,055 | 7.15% | - | 0.00% |
| 2005 | 2,185,235 | 10.30% | 10,580,647 | 10.96% |
| 2006 | 2,731,700 | 12.88% | 15,191,328 | 15.75% |
| 2007 | 3,759,315 | 17.72% | 18,457,989 | 19.13% |
| 2008 | 2,682,553 | 12.64% | 13,695,661 | 14.20% |
| 2009 and beyond | 7,964,325 | 37.54% | 37,721,597 | 39.10% |
| TOTAL | 21,215,457 | 100.00% | \$ 96,477,834 | 100.00% |

(1) Represents SF vacant as of 03/31/05 of 1,864,765 SF less new leases signed with lease terms commencing subsequent to 03/31/05 of 348,710 SF.

Total SF as of 03/31/05 for Operating Properties 21,215,457

 Total Base Rent for Three Months Ended 03/31/05 for Operating Properties \$ 23,713,014

| Customer | # of Leases | Location | Total SF Leased | % of Total Portfolio | Customer Annualized Base Rent (1) | % of Total Annualized Base Rent (2) | Expiration Date (3) |
|-----------------------------------|-------------|-------------------|------------------|----------------------|-----------------------------------|-------------------------------------|---------------------|
| 1 Universal Wilkes Company | 1 | Los Angeles, CA | 159,337 | | \$ 764,820 | | 07/31/05 |
| | 1 | Los Angeles, CA | 308,568 (4) | 2.21% | 759,078 (4) | 1.61% | 12/31/14 |
| 2 Premier Beverage | 1 | Jacksonville, FL | 162,000 | | 413,160 | | 04/30/18 |
| | 1 | Tampa, FL | 47,796 | | 172,066 | | 11/30/08 |
| | 1 | Tampa, FL | 222,000 | 2.03% | 825,050 | 1.49% | 08/31/09 |
| 3 U.S. Postal Service | 1 | Tampa, FL | 46,180 | | 346,350 | | 11/30/07 |
| | 1 | Tampa, FL | 44,800 | | 263,424 | | 06/30/09 |
| | 1 | Tampa, FL | 53,950 | | 376,571 | | 08/31/09 |
| | 1 | New Orleans, LA | 99,000 | | 379,170 | | 06/30/09 |
| | 1 | Houston, TX | 110,000 | | 499,992 | | 06/30/09 |
| | 1 | San Antonio, TX | 64,000 | 1.97% | 460,000 | 2.45% | 06/30/06 |
| 4 Palmer Distribution | 1 | Houston, TX | 392,291 | 1.85% | 1,153,336 | 1.22% | 12/31/09 |
| 5 Ethan Allen | 1 | Los Angeles, CA | 300,300 | 1.42% | 1,278,504 | 1.35% | 01/31/10 |
| 6 International Paper | 1 | San Francisco, CA | 139,400 | | 614,252 | | 06/30/08 |
| | 1 | San Francisco, CA | 125,700 | 1.25% | 553,884 | 1.23% | 10/31/08 |
| 7 Price Transfer | 1 | Los Angeles, CA | 261,500 | 1.23% | 1,255,440 | 1.32% | 01/31/09 |
| 8 Tower Automotive | 1 | Jackson, MS | 210,045 | 0.99% | 1,398,124 | 1.47% | 12/31/10 |
| 9 Rain Bird Corporation | 1 | Tucson, AZ | 206,691 | 0.97% | 621,793 | 0.66% | 07/31/20 |
| 10 Biagi Warehousing | 1 | Jacksonville, FL | 134,700 | | 343,485 | | 08/31/07 |
| | 1 | Jacksonville, FL | 50,000 | 0.87% | 127,500 | 0.49% | 08/31/07 |
| | <u>20</u> | | <u>3,138,258</u> | <u>14.79%</u> | <u>\$ 12,605,999</u> | <u>13.29%</u> | |

(1) Based on the annualized base rent as of 03/31/05.

(2) Calculation: Customer Annualized Base Rent / Total Annualized Base Rent.

(3) Expiration date reflects renewals as of 04/22/05.

(4) Lease represents EastGroup's 50% interest in Base Rent and 100% of property SF.

| | Quarter Ended | Years Ended | | | |
|--|----------------|---------------|---------------|-------------|-------------|
| | 3/31/2005 | 2004 | 2003 | 2002 | 2001 |
| ASSETS/MARKET CAPITALIZATION | | | | | |
| Assets | \$ 825,895,000 | 768,664,000 | 729,267,000 | 703,737,000 | 684,062,000 |
| Equity Market Capitalization | 859,415,000 | 839,987,000 | 708,245,000 | 523,786,000 | 480,216,000 |
| Total Market Capitalization (Debt and Equity) | 1,280,303,000 | 1,230,092,000 | 1,046,517,000 | 846,086,000 | 771,288,000 |
| Shares Outstanding - Common | 21,920,822 | 21,059,164 | 20,853,780 | 16,104,356 | 15,912,060 |
| Price per share | 37.70 | 38.32 | 32.38 | 25.50 | 23.07 |
| Shares Outstanding (Series A) - Preferred | - | - | - | 1,725,000 | 1,725,000 |
| Liquidation price per share | - | - | - | 25.00 | 25.00 |
| Shares Outstanding (Series B) - Preferred | - | - | - | 2,800,000 | 2,800,000 |
| Liquidation price per share | - | - | - | 25.00 | 25.00 |
| Shares Outstanding (Series D) - Preferred | 1,320,000 | 1,320,000 | 1,320,000 | - | - |
| Liquidation price per share | 25.00 | 25.00 | 25.00 | - | - |
| FFO GROWTH RATES | | | | | |
| FFO per diluted share | 0.64 | 2.49 | 2.36 | 2.57 | 2.75 |
| Growth rate | 6.7% | 5.5% | -8.2% | -6.5% | 9.1% |
| COMMON DIVIDEND PAYOUT RATIO | | | | | |
| Dividend Distribution | 0.485 | 1.92 | 1.90 | 1.88 | 1.80 |
| FFO per diluted share | 0.64 | 2.49 | 2.36 | 2.57 | 2.75 |
| Dividend Payout Ratio | 76% | 77% | 81% | 73% | 65% |
| COMMON DIVIDEND YIELD | | | | | |
| Dividend Distribution | 0.485 | 1.92 | 1.90 | 1.88 | 1.80 |
| Price Per Share | 37.70 | 38.32 | 32.38 | 25.50 | 23.07 |
| Dividend Yield | 5.15% | 5.01% | 5.87% | 7.37% | 7.80% |
| FFO MULTIPLES | | | | | |
| FFO per diluted share | 0.64 | 2.49 | 2.36 | 2.57 | 2.75 |
| Price | 37.70 | 38.32 | 32.38 | 25.50 | 23.07 |
| Multiple | 14.73 | 15.39 | 13.72 | 9.92 | 8.39 |
| INTEREST COVERAGE RATIO | | | | | |
| EBITDA (1) | 20,366,000 | 76,313,000 | 71,814,000 | 71,730,000 | 75,085,000 |
| Interest expense | 5,970,000 | 20,481,000 | 19,015,000 | 17,387,000 | 17,823,000 |
| Interest coverage ratio | 3.41 | 3.73 | 3.78 | 4.13 | 4.21 |
| FIXED CHARGE COVERAGE RATIO | | | | | |
| EBITDA (1) | 20,366,000 | 76,313,000 | 71,814,000 | 71,730,000 | 75,085,000 |
| Interest expense plus dividends on nonconvertible preferred stock | 6,626,000 | 23,105,000 | 22,336,000 | 21,267,000 | 21,703,000 |
| Fixed charge coverage ratio | 3.07 | 3.30 | 3.22 | 3.37 | 3.46 |
| DEBT-TO-TOTAL MARKET CAPITALIZATION | | | | | |
| | 33% | 32% | 32% | 38% | 38% |

(1) EBITDA for ratio analysis includes discontinued operations.

Listed below are definitions of commonly used real estate investment trust (REIT) industry terms. For additional information on REITs, please see the National Association of Real Estate Investment Trusts (NAREIT) web site at www.nareit.com.

Real Estate Investment Trust: A company that owns and, in most cases, operates income-producing real estate such as apartments, shopping centers, offices, hotels and warehouses. Some REITs also engage in financing real estate. The shares of most REITs are freely traded, usually on a major stock exchange.

To qualify as a REIT, a company must distribute at least 90 percent of its taxable income to its shareholders annually. A company that qualifies as a REIT is permitted to deduct dividends paid to its shareholders from its corporate taxable income. As a result, most REITs remit at least 100 percent of their taxable income to their shareholders and therefore owe no corporate federal income tax. Taxes are paid by shareholders on the dividends received and on any capital gains. Most states honor this federal treatment and also do not require REITs to pay state income tax.

Industrial Properties: Generally consisting of four concrete walls tilted up on a slab of concrete with a roof that holds it all together. An internal office component is then added. Business uses include warehousing, distribution, light manufacturing and assembly, research and development, showroom, office, or a combination of some or all of the aforementioned.

Property Net Operating Income (PNOI): Income from real estate operations less property operating expenses (before interest expense and depreciation and amortization).

EBITDA: Earnings before interest, taxes, depreciation and amortization.

Funds From Operations (FFO): The most commonly accepted reporting measure of a REIT's operating performance. It is equal to a REIT's net income (loss) determined in accordance with generally accepted accounting principles, excluding gains or losses from sales of depreciable property, adding back real estate depreciation and amortization, and adjusting for unconsolidated partnerships and joint ventures.

Total Return: A stock's dividend income plus capital appreciation over a specified period as a percentage of the stock price at the beginning of the period.

Straight-Lining: The process of averaging the tenant's rent payments over the life of the lease. Generally accepted accounting principles require real estate companies to "straight-line" rents.

Debt-to-Total Market Capitalization Ratio: A ratio calculated by dividing a company's debt by the total amount of a company's equity (at market value) and debt.

Percentage Leased: The percentage of total leasable square footage for which there is a signed lease, including month-to-month leases, as of the close of the reporting period. Space is considered leased upon execution of the lease.

Percentage Occupied: The percentage of total leasable square footage for which the lease term has commenced as of the close of the reporting period.

Same Store Properties: Operating properties owned during the entire current period and prior year reporting period. Development properties are excluded until stabilized for both the current and prior year reporting period.

Business Distribution Facility: A warehouse building with a ceiling clear height of 18 to 24 feet, a depth of 200 feet or less, and an office build-out of 10-25 percent.