

**EASTGROUP
PROPERTIES**

CYPRESS CREEK BUSINESS PARK



January 14, 2022

CAM 22-0108
Exhibit 2
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January 14, 2022

Fort Lauderdale Executive Airport
City of Fort Lauderdale
6000 NW 21st Avenue
Fort Lauderdale, FL 33309

RE: ASSIGNMENT OF CYPRESS CREEK BUSINESS PARK GROUND LEASE

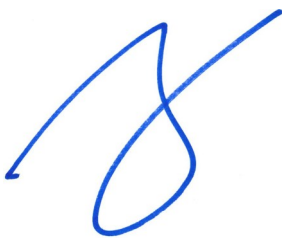
EastGroup Properties is submitting the attached presentation for consideration by the Fort Lauderdale Executive Airport (FXE) and the City Council of Fort Lauderdale so that EastGroup may assign its interest in the ground lease at Cypress Creek Business Park to Adler Group. Through an extensive sales and marketing process conducted by CBRE, EastGroup has selected Adler Group as the most qualified buyer for the property.

We believe that this transaction will provide the following benefits:

- EastGroup Properties, a publicly traded Real Estate Investment Trust (NYSE: EGP) with a total market capitalization of more than \$8B, has ground leased the property since the mid-1980's. While EastGroup has meticulously self managed these buildings and completed numerous capital improvements at the property over the years, including new roofs in 2018, and exterior LED lights in 2021, we believe a new owner like Adler Group will infuse new life into the buildings and continue to make improvements at the property.
- Adler is an existing ground lessee, having acquired the property at 5101 NW 21st Avenue named Ft. Lauderdale Executive Business Center, which consists of two similar flex buildings.
- The property currently has 23,950 SF that is vacant and Adler has plans to improve those vacant spaces and market them to new tenants.
- Adler is a long-term owner with a focus on quality buildings located in "in-fill" locations.
- With other properties in the area, Adler can accommodate the size and growth needs of its tenants by providing space in different buildings depending on each tenants' needs.

We view this as a good opportunity to convey our interests in this property to an existing FXE lessee that will continue to operate and maintain the property with high standards.

Sincerely,



Alex Vargas Vila
Vice President

Transaction Summary

Assignment of Ground Land Lease

Presented to City of Fort Lauderdale and FXE:



**Cypress Creek Business Park
Fort Lauderdale, Florida**

January 2022

6555 NW 9th Avenue

Company Overviews

EastGroup Properties, Inc. (Seller)

EastGroup Properties, Inc. is a self administered equity real estate investment trust focuses 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, Georgia and North Carolina. The Company's strategy for growth is based on its property portfolio orientation toward premier multi-tenant business distribution facilities clustered near major transportation features in supply constrained submarkets. EastGroup's portfolio currently includes 50 million square feet.

EastGroup's common shares are traded on the New York Stock Exchange under the symbol "EGP". The Company's shares are included in the S&P MidCap 400 Index.

Adler Group (Buyer)

With over 60 years of leasing, property management, acquisitions, investment, development and construction experience, Adler Group and its affiliates offer a seamless network of services designed to maximize the value and strength of real estate assets. Adler Group is a long-term owner of real estate and approaches each management project from an ownership perspective. Adler seeks out ways to add value to its managed properties by applying its full-scale real estate services, increasing the useful life of our buildings, and improving the tenant experience. Adler's principals and investors have successfully raised debt and equity for countless projects of varying class and profile throughout South and Central Florida.

Why Adler Group?

1. Established Real Estate Company for 60+ years
2. Owner of ##MM square feet
5. In-house management and leasing to move quickly and economically
6. Long-term ownership
7. Seasoned management team to execute transaction
8. Extensive experience in Fort Lauderdale and existing ground lessee

Recent Ground Lease Acquisition via FXE

Adler Group's most recent acquisition is a neighboring property known as the Ft. Lauderdale Executive Business Center ("FXE") located at 5101 NW 21st Avenue in Ft. Lauderdale. The FXE business center consists of two flex office buildings comprising ~73,000 SF of leasable space. The property is also encumbered by a ground lease with the City of Ft. Lauderdale. As such, Adler understands the approval process and has a demonstrable ability to acquire, finance, and manage ground leased assets.

SUMMARY TERM SHEET

Cypress Creek Business Park

Location	6555 NW 9th Avenue Fort Lauderdale, FL 33309
Building SF	55,825 SF
Purchase Price	\$5,600,000
Offering Price Per Square Foot	\$100.31
Purchase & Sales Agreement (“PSA”)	Currently under negotiation. Access and Inspection agreement executed.
Due Diligence Period	Due Diligence period ends on February 11, 2022
First Deposit	\$100,000 at joint execution of PSA. <i>Refundable until expiration of Due Diligence.</i>
Second Deposit	\$100,000 at expiration of Due Diligence (assuming PSA is not terminated). <i>Nonrefundable.</i>
Total Deposit	\$200,000 <i>Nonrefundable after end of Due Diligence</i>
Closing Date	30 days after the end of Due Diligence.
Closing Extension	\$50,000 to extend closing for 30 days (<i>nonrefundable and not credited to the purchase price</i>).