KOGER EQUITY INC
Form 424B5
January 07, 2004

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-37919

PRELIMINARY PROSPECTUS SUPPLEMENT (Subject to Completion) *Issued January 6, 2004*
(To Prospectus dated November 18, 1997)

3,500,000 Shares
COMMON STOCK

We are offering 3,500,000 shares of our common stock.

Our common stock is listed on the New York Stock Exchange under the symbol KE. On January 5, 2004, the last reported sale price of our common stock as reported on the NYSE was $20.80 per share.

Investing in our common shares involves risks. See Risk Factors beginning on page S-7 of this prospectus supplement.

PRICE $ PER SHARE

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Us
Per Share	$	$	$
Total	$	$	$

We have granted the underwriters the right to purchase up to an additional 525,000 shares of our common stock to cover over-allotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the common stock to purchasers on January , 2004.

MORGAN STANLEY

WACHOVIA SECURITIES

January , 2004

TABLE OF CONTENTS

As used in this prospectus supplement, references to we, our, the Company and Koger and similar references are to Koger Equity, Inc. and its consolidated subsidiaries unless otherwise expressly stated or the context otherwise requires.

This prospectus supplement is a supplement to the accompanying prospectus. If information in this prospectus supplement is inconsistent with the accompanying prospectus, this prospectus supplement will apply and supercede the information in the accompanying prospectus. It is important for you to read and carefully consider all information contained in this prospectus supplement and the accompanying prospectus. You should also read and carefully consider the information in the documents we have referred you to in Incorporation of Certain Documents by Reference.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This prospectus supplement and the accompanying prospectus is not an offer to sell or the solicitation of an offer to buy any securities other than the registered shares to which they relate, nor is this prospectus supplement or the accompanying prospectus an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. You should assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates. When we or the underwriters deliver this prospectus supplement or the accompanying prospectus or make a sale pursuant to this prospectus supplement or the accompanying prospectus, neither we nor the underwriters are implying that the information is current as of the date of the delivery or sale.

PROSPECTUS SUMMARY

You should read the following summary together with the more detailed information regarding our business, the common stock being sold in this offering and our financial statements and the notes thereto included in or incorporated by reference in this prospectus supplement and the accompanying prospectus.

KOGER EQUITY, INC.

Koger Equity, Inc. is a self-administered and self-managed equity real estate investment trust, or REIT, which develops, owns, operates, leases and manages urban and suburban office buildings in metropolitan areas in the southeastern United States and Texas. As of September 30, 2003, our portfolio of assets consisted of 126 office buildings totaling 9.21 million rentable square feet located in 18 urban and suburban office projects in 10 metropolitan areas in the southeastern United States and Texas. Over the last three years, we have undertaken a substantial repositioning of our portfolio by exiting certain non-core secondary and tertiary markets and focusing our operations and growth in other markets, including Atlanta, Dallas, Houston and southeastern Florida. As of September 30, 2003, the office projects in our portfolio were on average 82% occupied and the average annual base rent per rentable square foot occupied was $17.28.

We are committed to an investment strategy focused on acquiring and developing Class A assets with strong long-term appreciation potential. Our core markets are characterized by diversified and high-growth economies with established office markets and proven liquidity. We target in-fill locations with irreplaceable transportation access, proximity to desirable housing stock and other retail and cultural amenities.

We are committed to providing a high level of tenant service. We provide leasing, management and other customary tenant-related services for each of the properties we manage. In addition to managing most of our own properties, for the past several years we have provided property and asset management services through our wholly-owned subsidiaries for office buildings owned by third parties. Currently, however, we are not providing property and asset management services for any office buildings owned by third parties, though we may decide to do so again in the future.

As of September 30, 2003, we also owned approximately 55.8 acres of unimproved land held for development, approximately 15.5 acres of unimproved land held for sale and approximately 6 acres of land which is not suitable for development. A majority of the land held for development adjoins five of our office projects, which have infrastructure, including roads and utilities, in place. The remaining land held for development adjoins properties that we sold during 2001. We intend over time to develop and construct office buildings using this land and we may decide to acquire additional land for development in the future.

Competitive Advantages

We have benefited, and expect to continue to benefit, from the following competitive advantages:

Superior Property Management. Our senior management team has an average of 22 years of experience in the real estate industry. Each of our office properties is maintained by an on-site, full-service, professional staff.

Acquisition Expertise. Since the beginning of 1998, we have acquired over 4.1 million square feet of office space for approximately $472 million, excluding our expected acquisition of the Atlantic Center Plaza and joint venture investment in the Broward Financial Centre property. We intend to continue to acquire well located Class A suburban office properties in our existing and new markets that we believe are well-positioned to experience job growth in excess of the national averages in connection with an economic recovery. These markets are large and liquid and are historically characterized by active institutional ownership and large national tenants.

Development Expertise and Available Land Holdings. Since the beginning of 1998, we have developed over 1.9 million square feet of office space. We also hold approximately 55.8 acres of unimproved land which we intend to develop in the future.

We are organized as a Florida corporation. Our executive offices are located at 225 NE Mizner Boulevard, Suite 200, Boca Raton, Florida 33432. Our telephone number is (561) 395-9666.

Recent Acquisition Activity

Our business plan includes taking advantage of acquisition opportunities throughout the market cycle. Generally, the environment for acquisitions has been favorable for us, as we have been able to identify acquisition opportunities for under-performing assets during the recent downturn in the economy. We target in-fill locations within our core markets which benefit from proximity to the most desirable residential neighborhoods, cultural and retail amenities and existing or proposed transportation infrastructure. We typically focus on opportunities to acquire under-performing Class A assets at discounts to replacement cost with a value-add component to the investment, which may include redevelopment of the property through capital investment and/or repositioning of the property within its market. We also seek to acquire stabilized assets that will provide good long-term value and cash flow for our shareholders.

The following table sets forth certain information regarding our recent acquisition and investment activity.

Property	Location	Acquisition Date	Purchase Price/ Investment	Year Built/ Renovated	Sq. Ft
Atlantic Center Plaza	Atlanta, Georgia	First Quarter 2004 (1)	$116.5 million	2001	502,000
Broward Financial Centre	Ft. Lauderdale, Florida	January 2004(2)	$4.5-$5 million (2)	1985	325,000
McGinnis Park	Alpharetta, Georgia	December 2003	$14.0 million (3)	1999 & 2001	201,000
Rosemeade Building	Dallas, Texas	September 2003	$17.9 million	1997	152,163
CIGNA Plaza	Dallas, Texas	September 2003	$15.2 million	1998	127,226
The Lakes on Post Oak	Houston, Texas	December 2002	$101.5 million	1978-82	1,204,852
Atlanta Three Ravinia	Atlanta, Georgia	January 2002	$125.0 million	1991	804,528

(1) Anticipated closing date.
(2) Anticipated closing date. Represents our 30% investment interest in a joint venture to acquire the property, as further described below.
(3) Represents our 75% investment interest in a joint venture to acquire the property, as further described below.

Agreement to Acquire Atlanta, Georgia Property. On January 6, 2004, we entered into an agreement to acquire a Class A property located in Atlanta, Georgia known as the Atlantic Center Plaza for a purchase price of $116.5 million, including our anticipated assumption of approximately $86.0 million in debt. The Atlantic Center Plaza, built in 2001, has 23 floors and contains an aggregate of approximately 502,000 square feet. According to records provided by the seller of the property, the property currently has an occupancy rate of 86%. Atlantic Center Plaza is well located in the midtown submarket of Atlanta and is anchored by a national law firm which occupies approximately 229,000 square feet, or approximately 46%, of the property and whose lease expires in October 2013. Approximately 78% of the in-place leases at Atlantic Center Plaza expire after 2011. The debt we anticipate assuming consists of a $76.0 million loan and a $10.0 million mezzanine loan, both of which are secured by a lien on the property. Both loans have a three year term remaining, variable interest rates and require us to execute an interest rate cap agreement. If we acquire the Atlantic Center Plaza, we have a one-time option from the lender to prepay, for a fee, the mezzanine loan and up to $6 million of the secured loan on the closing date. Subject to satisfaction of customary closing conditions, we expect to complete the acquisition of the Atlantic Center Plaza in the first quarter of 2004; however, there can be no assurance that this transaction will close. We expect to fund a portion of this purchase with the net proceeds from this offering, and to the extent necessary, with borrowings under our revolving credit facility. Atlantic Center Plaza will be managed by a third party that is an affiliate of the seller.

Joint Venture Investment for Fort Lauderdale, Florida Property. On October 31, 2003, through a newly formed DownREIT limited partnership, Koger BFC, Ltd., we provided our portion of a non-refundable deposit for the acquisition of all of the partnership interests in a partnership that owns an office building known as Broward Financial Centre, which is located in Fort Lauderdale, Florida and contains approximately

325,000 square feet of rentable space. The transaction is expected to close in January 2004. The newly formed Koger BFC, Ltd. will enter into a joint venture with Investcorp Properties Limited of New York to make the acquisition and have a 30% interest in the joint venture. Our total investment in this joint venture is currently estimated to be between $4.5 million and $5.0 million, including closing costs and fees. This transaction represents our first transaction with an institutional partner. We expect our returns on this investment to be enhanced by various fees payable to us by the partnership, including management fees, leasing commissions, and a promoted interest if certain thresholds are achieved. Thomas J. Crocker, our chief executive officer, has a 50% ownership interest in entities which own approximately 14% of the selling partnership. These entities, which Mr. Crocker has an interest in, will contribute their partnership interests to the newly formed Koger BFC, Ltd. in exchange for limited partnership units of Koger BFC, Ltd. It is estimated that approximately 40% of the limited partnership units of Koger BFC, Ltd. will be owned by the entities in which Mr. Crocker has an interest. This acquisition was approved by our independent directors and the pricing was determined by Investcorp, the 70% equity investor in the partnership. An affiliate of Wachovia Securities, one of the underwriters in this offering, has provided financial advisory services to us in connection with this transaction.

Joint Venture Investment for Alpharetta, Georgia Property. On December 30, 2003, our wholly-owned subsidiary, Koger McGinnis Park, LLC, entered into a joint venture which acquired two Class A mid-rise office buildings and 8.5 acres of undeveloped land suitable for development, located in the McGinnis Park office complex in Alpharetta, Georgia, a submarket of Atlanta. The two existing buildings contain approximately 201,000 square feet of rentable office space. Koger McGinnis Park, LLC has a 75% interest in the joint venture and Triangle W/Development (the seller of the property) owns the other 25% interest. Our total investment in this joint venture is currently approximately $14.0 million, including closing costs and fees. We funded this investment with borrowings under our revolving credit facility. The joint venture assumed a $979,000 mortgage on the undeveloped land. The joint venture anticipates securing a mortgage on the office buildings during the first quarter of 2004, and all of the net proceeds of the financing will be distributed to Koger McGinnis Park, LLC. We will receive a cumulative preferred return of 10% of the annual cash flow, after which we will receive 75% and Triangle W/Development will receive 25% of the annual cash flow. Upon the sale or refinancing of the assets, we will receive a cumulative preferred return of 15% and all of our capital, prior to Triangle W/Development receiving any net sales or refinancing proceeds. Triangle W/Development will subsequently receive all of its capital back and the next tier of capital proceeds will be allocated 25% to us and 75% to Triangle W/Development until Triangle W/Development receives $3.4 million, after which all remaining proceeds will be shared equally.

Acquisition of Dallas, Texas Properties. On September 11, 2003, we completed the acquisition of the Rosemeade Building and CIGNA Plaza in the metropolitan Dallas, Texas area for approximately $33.1 million. The two office buildings contain an aggregate of approximately 280,000 square feet of rentable space. As of September 30, 2003, the Rosemeade Building and CIGNA Plaza were 100% and 92% occupied, respectively. These properties were acquired for cash, which included proceeds from our September 2003 issuance of our Series A preferred stock.

Acquisition of Houston, Texas Property. On December 6, 2002, we acquired The Lakes on Post Oak, a 1.2 million square foot, suburban office building complex, including three towers, located in Houston, Texas, for approximately $101.5 million plus other transaction costs. This acquisition represents our first acquisition in the Houston market. We believe that the Houston market possesses qualities similar to our other core markets, including a diversified and growing economic base, size, liquidity and concentration of national tenants. As of September 30, 2003, the buildings were 75% occupied. This acquisition was funded using a $77 million term loan and borrowings under our secured revolving credit facility.

Recent Declaration of Dividends

On November 11, 2003, our board of directors declared a quarterly dividend of $0.35 per share payable February 5, 2004 to shareholders of record on December 31, 2003. The shares of common stock offered hereby will be delivered after the December 31, 2003 record date. Accordingly, purchasers of our common stock in this offering will not receive the dividend payable on February 5, 2004.

THE OFFERING

Common stock offered by us	3,500,000 shares
Common stock to be outstanding after this offering	shares
Use of proceeds	We intend to use the net proceeds from the offering to pay down our secured revolving credit facility and for general corporate purposes and acquisitions, including to fund the cash portion of the approximately $118.8 million acquisition cost of the Atlantic Center Plaza in Atlanta, Georgia, which includes approximately $2.3 million of related closing costs and the assumption of approximately $86.0 million in mortgage debt, up to $16.0 million of which may be prepaid upon completion of the acquisition. A portion of the balance to be paid down on our secured revolving credit facility is the result of the recent borrowings to fund our investment in the McGinnis Park properties and expected borrowings to fund our investment in the Broward Financial Centre property. Pending the application of the proceeds of this offering, or if we do not complete the Atlantic Center Plaza acquisition or have excess net proceeds, we intend to invest the net proceeds in investment grade short-term investments until they can be efficiently deployed. See Use of Proceeds.
New York Stock Exchange Symbol	KE

The number of common shares to be outstanding after this offering is based upon shares outstanding as of January , 2004. This number excludes common shares reserved for issuance on the exercise of options which we have granted and which are outstanding on January , 2004, of which are currently exercisable.

Unless we specifically state otherwise, the information in this prospectus supplement does not take into account the sale of up to 525,000 shares of our common stock that the underwriters have the option to purchase from us to cover over-allotments.

SUMMARY FINANCIAL DATA

The following table sets forth our summary consolidated financial data for the nine months ended September 30, 2003 and 2002 and for the years ended December 31, 1998 through 2002, and should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations, which is included in our periodic reports, and the consolidated financial statements and notes thereto all of which are incorporated by reference herein. Our summary operating, balance sheet and other data for the years ended December 31, 1998 through 2002 and for the periods then ended have been derived from our audited financial statements. The unaudited financial data for the nine months ended September 30, 2003 and 2002 includes all adjustments, consisting of normal recurring accruals, which we consider necessary for the fair presentation of our financial position and results of operations for such periods. The results for the nine month period ended September 30, 2003 may not be indicative of the results to be expected for the full year.

	Nine Months Ended September 30,		Year Ended December 31,				
	2003	**2002**	**2002**	**2001**	**2000**	**1999**	**1998**
	($ in thousands, except ratios, per share and property data)						
Operating Data:							
Rental revenues and other rental services	$107,407	$ 94,286	$126,404	$165,623	$164,733	$156,153	$133,663
Interest income	179	329	405	776	703	457	446
Total operating revenues[(1)]	107,743	96,878	129,751	169,703	166,526	158,537	135,940
Expense							
Property operation	41,949	34,233	46,235	61,608	61,868	60,582	53,719
Depreciation and amortization	24,537	19,915	27,908	35,099	34,244	31,477	27,454
Mortgage and loan interest	22,059	17,864	25,145	26,112	28,157	22,730	17,543
General and administrative expense	8,415	8,428	11,381	8,412	20,217	8,633	6,953
Dividends on preferred stock	371						
Net income available to common shareholders	11,011	13,882	16,423	73,223	27,153	36,586	29,602
Earnings per share diluted	0.52	0.65	0.77	2.75	1.01	1.35	1.10
Dividends declared per common share	1.05	1.05	1.40	3.14	1.40	1.35	1.15
Weighted average shares outstanding diluted	21,377	21,407	21,378	26,610	26,962	27,019	26,901
Balance Sheet Data (end of period):							
Operating properties (before depreciation)	$934,374	$789,736	$897,158	$663,286	$946,780	$927,523	$872,183
Undeveloped land	13,036	13,855	13,826	13,855	13,975	17,137	20,535
Total assets	836,169	695,504	805,085	690,585	851,022	885,739	834,995
Mortgages and loans payable	394,128	314,994	431,698	248,683	343,287	351,528	307,903
Total shareholders equity	404,355	348,419	343,068	354,542	448,493	467,826	464,763
Other Data:							
Funds from operations[(2)]	$ 34,717	$ 33,473	$ 43,834	$ 69,681	$ 56,107	$ 65,011	$ 56,486
Income before interest expense, income taxes, total depreciation and amortization	$ 57,956	$ 51,773	$ 69,063	$135,118	$ 89,533	$ 90,980	$ 75,555
Number of buildings (at end of period)	126	121	124	120	194	218	251
Percent occupied (at end of period)	82%	86%	84%	90%	90%	93%	90%

(1) Certain amounts have been reclassified for comparability with current year presentation.

(2) Funds from operations (FFO) is a non-GAAP financial measure. We believe that funds from operations is a useful measure of the performance of an equity REIT. Funds from operations should not be considered as an alternative to net income as an indication of our financial performance, or to cash flow from operating activities (determined in accordance with GAAP) as a measure of our financial liquidity, nor is it necessarily indicative of sufficient cash flow to fund all of our cash needs. While we believe our calculation of FFO generally conforms with the National Association of Real Estate Investment Trusts (NAREIT) definition of FFO, our method of calculating FFO may be different from methods used by other REIT s and the method preferred by NAREIT. Funds from operations is calculated as follows:

	Nine Months Ended September 30,		**Year Ended December 31,**				
	2003	**2002**	**2002**	**2001**	**2000**	**1999**	**1998**
				(in thousands)			
Net income available to common shareholders	$11,011	$13,882	$16,423	$ 73,223	$27,153	$36,586	$29,602
Real estate related depreciation	21,728	18,493	25,889	32,261	31,720	28,800	25,146
Real estate related amortization deferred tenant costs	1,264	1,080	1,523	2,172	1,923	2,132	1,464
Amortization goodwill				170	170	170	170
Real estate related amortization fair value of acquired leases	1,303						
Minority interest		20	20	1,044	1,156	1,174	139
Gain on sale or disposition of operating properties				(39,189)	(5,963)	(3,846)	
Gain on sale or disposition of non-operating assets	(589)	(2)	(21)		(52)	(5)	(35)
Funds from operations	$34,717	$33,473	$43,834	$ 69,681	$56,107	$65,011	$56,486

RISK FACTORS

Investing in our common stock involves risks. As with other publicly traded securities, the value of our common stock will depend upon various market conditions and other factors which may change from time to time. In particular, the market value of our common stock may fluctuate depending on the extent of investor interest in our company and the market s perception of us, including our growth potential and the value of our assets. Specific factors which could adversely affect our financial condition, our results of operations or the market s perception of us and hence the market value of our common stock are discussed below. Additionally, much of the business information, as well as the financial and operational data, contained in our risk factors is updated in our subsequent periodic reports. Although we have tried to discuss key factors, please be aware that other risks may prove to be important in the future. New risks may emerge at any time and we cannot predict such risks or estimate the extent to which they may affect our financial performance. Each of the risks described could result in a decrease in the value of our securities and your investment therein.

Risk Related to the Offering

If we do not complete the acquisition of the Atlantic Center Plaza, the offering will have a significant dilutive impact on our earnings per share of common stock until we are able to efficiently deploy the proceeds.

We intend to use the net proceeds from the offering for general corporate purposes and acquisitions, including to fund the cash portion of the approximately $118.8 million acquisition cost of the Atlantic Center Plaza in Atlanta, Georgia, which includes approximately $2.3 million of related closing costs and the assumption of approximately $86.0 million in mortgage debt. If we do not complete the acquisition or we do not need all the proceeds of the offering to acquire the Atlantic Center Plaza, the offering will have a significant dilutive impact on our earnings per share of common stock until we are able to efficiently deploy the proceeds.

Risks Related to Real Estate Financing and Investments

Our use of leverage can adversely impact our operation, cash flow, and ability to make distributions and our financial condition will be negatively impacted if we cannot repay or refinance our indebtedness as it becomes due.

We are subject to risks normally associated with debt financing, including:

- the risk that our cash flow will be insufficient to meet required payments of principal and interest;
- the risk that the existing debt with respect to our properties, which in most cases will not have been fully amortized at maturity, will not be able to be refinanced; and
- the risk that the terms of any refinancing of any existing debt will not be as favorable as the terms of the existing debt.

At September 30, 2003, we had outstanding debt of approximately $394.1 million, all of which is secured by liens on certain of our properties. Approximately $211.9 million of this debt will mature by 2007. Our $100 million secured revolving credit facility, none of which was outstanding as of September 30, 2003, matures in December 2004. In connection with our proposed acquisition of Atlantic Center Plaza, we may incur up to an additional $86.0 million of secured debt. If principal payments due at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, we expect that our cash flow will not be sufficient to repay our debts maturing in 2004 and 2007 referenced above. Furthermore, prevailing interest rates or other factors at the time of refinancing, such as the reluctance of lenders to make commercial real estate loans, may result in higher interest rates upon refinancing than the interest rates on the existing debt. Consequently, the interest expense relating to the refinanced debt would increase and adversely affect our cash flow and the amount of distributions we could make to our shareholders. Where we mortgage a property to secure payment of debt, if we are unable to meet the mortgage payments, then the mortgagee may foreclose upon, or otherwise take control of, the mortgaged property, with a consequent loss of income and asset value to us.

Increases in interest rates on our variable rate debt could increase our interest expense, which would adversely affect our cash flow and our ability to pay dividends to our shareholders.

At September 30, 2003, we had a $100 million secured revolving credit facility and $78.5 million of term loans with variable interest rates, and we may incur additional variable rate debt in the future. Increases in interest rates on this variable rate debt could increase our interest expense and adversely affect our cash flow and our ability to pay dividends to our shareholders. We may be required to purchase interest rate protection products in connection with our future variable rate debt, which may further increase our borrowing costs.

Our board of directors can increase our total debt ratio without shareholder approval and any such increase could adversely affect our cash flow and cash available for distribution to our shareholders.

As of September 30, 2003, the ratio of our total consolidated debt to the sum of the market value of our issued and outstanding capital stock plus our total consolidated debt was approximately 50%. Our policy regarding this debt to total market capitalization ratio is not subject to any limitation in our organizational documents. Accordingly, our board of directors could establish policies which would allow us to increase our debt to total market capitalization ratio, subject to any existing debt covenants. If this action were taken, we could become more highly leveraged, resulting in increased debt service costs that (a) could adversely affect our cash flow and, consequently, the amount of cash available for distribution to our shareholders and (b) could increase the risk of default on our debt.

For purposes of establishing and evaluating our debt policy, we measure our leverage by reference to our total market capitalization rather than by reference to the book value of our assets, which are mainly comprised of the depreciated value of real property, our primary tangible asset. We use total market capitalization because we believe the book value of our assets does not accurately reflect our ability to borrow and meet debt service requirements. Our market capitalization is more variable than book value, however, and does not necessarily reflect the fair market value of our assets at all times. We consider factors other than our market capitalization in making decisions regarding the incurrence of indebtedness, however, such as the purchase price of properties to be acquired with debt financing, the estimated market value of our properties upon refinancing and our ability to generate cash flow to cover expected debt service expenses.

Since our properties are concentrated in the southeastern United States and Texas, our performance and ability to pay dividends to shareholders is dependent on economic conditions in the markets where our properties are located.

Our revenues and the value of our properties may be affected by a number of factors, including (a) the regional and local economic climates of the metropolitan areas in which our properties are located, which may be adversely impacted by business layoffs or downsizing, industry slowdowns, changing demographics and other factors, and (b) the regional and local real estate conditions in these areas, including oversupply of, or reduced demand for, office and other competing commercial properties. All of our office projects are located in the southeastern United States and Texas. There is also the risk of over building in certain sub-markets located in markets which we currently serve. While we have generally avoided acquiring or developing property in over built sub-markets, over built conditions may occur in sub-markets where we currently own properties. Our performance and ability to pay dividends to shareholders is dependent on economic conditions in the markets where our properties are located. Our historical growth has occurred during periods when the economy in the southeastern United States has out-performed the national economy. There can be no assurance as to the continued growth of the economy in the southeastern United States and Texas or our future growth rate.

We have a significant number of leases with the State of Florida, if these leases are terminated early or not renewed, our performance and ability to pay dividends to shareholders could be adversely impacted.

At September 30, 2003, we had 40 leases with various departments and agencies of the State of Florida which totaled approximately 690,000 rentable square feet, which represents approximately 7.5% of our total rentable square feet. The majority of these leases are for space in our office projects located in Tallahassee, Florida. These leases have provisions for early termination for various reasons, including lack of budget appropriations. During times of recession and government shortage measures, the State of Florida may be subject to budget reductions and may decide to terminate certain of its leases prior to the contractual lease expiration date. In addition, these leases provide the State of Florida with the right to terminate, without penalty, prior to the contractual lease expiration date in the event a State owned building becomes available for occupancy upon giving six months advance written notice to us. During 2002, the State of Florida announced its intention to eliminate its Department of Labor, which had a direct impact on our property in Tallahassee. We are currently evaluating the long-term impact of this reorganization and are in negotiations with other state departments to reassign the vacated space.

If we are unable to promptly relet or renew leases as they expire, our cash flow and ability to pay expected dividends to our shareholders may be adversely affected.

We are subject to the risks that upon expiration of leases for space located in our buildings (a) such leases may not be renewed, (b) such space may not be relet or (c) the terms of renewal or reletting, taking into account the cost of required renovations, may be less favorable than the current lease terms. Leases on a total of 14% and 13% of the total rentable square feet leased in our buildings will expire in 2004 and 2005, respectively. If we are unable to promptly relet, or renew the leases for, a substantial portion of the space located in our buildings, or if the rental rates upon such renewal or reletting are significantly lower than expected rental rates, or if our reserves for these purposes prove inadequate, our cash flow and ability to pay expected dividends to our shareholders may be adversely affected.

If our tenants declare bankruptcy or are unable to make rental payments, our cash flow and ability to pay dividends to shareholders will be adversely affected.

At any time, a tenant of our building(s) may seek the protection of the bankruptcy laws, which could result in the rejection and termination of such tenant s lease and thereby cause a reduction in our cash flow and ability to pay dividends to shareholders. No assurance can be given that tenants will not file for bankruptcy protection in the future or, if any tenants file, that they will affirm their leases and continue to make rental payments in a timely manner. In addition, tenants from time to time may experience a downturn in their business which may weaken their financial condition and result in their failure to make rental payments when due. If a tenant s lease is not affirmed following bankruptcy or if a tenant s financial condition weakens, our income may be adversely affected.

If our properties do not generate revenues sufficient to meet operating expenses, our cash flow and ability to pay dividends to shareholders will be adversely affected.

Real property investments are subject to varying degrees of risk. The yields available from equity investments in real estate depend in large part on the amount of income generated and expenses incurred. If our properties do not generate revenues sufficient to meet operating expenses, including current levels of debt service, tenant improvements, leasing commissions and other capital expenditures, we may have to borrow additional amounts to cover fixed costs and our cash flow and ability to pay dividends to shareholders will be adversely affected.

Our net revenues and the value of our properties may be adversely affected by a number of factors, including:

- national, regional and local economic climates;
- regional and local real estate conditions;
- the perceptions of prospective tenants as to the attractiveness of our properties;
- our ability to provide adequate management, maintenance and insurance; and
- increased operating costs, including real estate taxes and utilities.

In addition, real estate values and income from properties are affected by applicable laws, including tax laws, interest rate levels and the availability of financing.

Since real estate investments are generally illiquid, our ability to adapt to changing economic and other conditions will be limited.

Equity real estate investments are relatively illiquid. Such illiquidity will limit our ability to vary our portfolio promptly in response to changes in economic or other conditions. In the event of a downturn in the economy, we may suffer a material adverse impact to the value of our investments.

We face intense competition that affects our ability to lease properties and our failure to attract and retain tenants could adversely impact our cash flow and ability to pay dividends to shareholders.

Numerous office buildings compete with our properties in attracting tenants to lease space. Some of these competing buildings are newer, have better locations or have better capitalizations. We believe that major national or regional commercial property developers will continue to seek development opportunities in the southeastern and southwestern United States. These developers may have greater financial resources than we do. The number of competitive commercial properties in a particular area could have a material adverse effect on our ability to lease space in our office projects or at newly developed or acquired properties or on the amount of rents charged. In order to secure tenants or remain competitive, we may have to increase our marketing and administrative efforts and related expenses in connection with filling vacant space, reduce the rent we require tenants to pay, and make modifications to our properties. Such efforts, as well as our failure to attract and retain tenants, could adversely impact our cash flow and ability to pay dividends to shareholders.

We face numerous and changing regulations that result in significant unanticipated expenditures that could have an adverse effect on our cash flow and ability to pay dividends.

General. Our properties are subject to various federal, state and local regulatory requirements, such as requirements of the Americans with Disabilities Act (the ADA) and state and local fire and life safety requirements. Failure to comply with these requirements could result in the imposition of fines by governmental authorities or awards of damages to private litigants. We believe that our properties are currently in substantial compliance with all these regulatory requirements. However, there can be no assurance that these requirements will not be changed or that new requirements will not be imposed which would require significant unanticipated expenditures that could have an adverse effect on our cash flow and ability to pay dividends.

ADA. Under the ADA, all public accommodations and commercial facilities are required to meet certain federal requirements relating to access and use by disabled persons. These requirements became effective in 1992. Compliance with the requirements of the ADA could require removal of access barriers and non-compliance could result in the imposition of fines by the U.S. Government or an award of damages to private litigants. Although we believe our properties are substantially in compliance with these requirements, we may incur additional costs to comply with the ADA. Although we believe that such costs will not have a material adverse effect, if required changes involve a greater expenditure than we currently anticipate, our ability to pay dividends to shareholders could be adversely affected.

Environmental Liabilities. Under various federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real estate may be required to investigate and clean up hazardous or toxic substances or petroleum product releases at such property and may be held liable to a governmental entity or to third parties for property damage and for investigation and clean-up costs incurred by such parties in connection with the contamination. These laws typically impose clean-up responsibility and liability without regard to whether the owner knew, or caused the presence, of the contaminants, and the liability under these laws has been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of responsibility. The costs of investigation, remediation or removal of environmental contaminants may be substantial, and the presence of these substances, or the failure to properly remediate the contamination on the property, may adversely affect the owner s ability to sell or rent such property or to borrow using such property as collateral. Any person who arranges for the disposal or treatment of hazardous or toxic substances at a disposal or treatment facility also may be liable for the costs of removal or remediation of a release of hazardous or toxic substances at the disposal or treatment facility, whether or not the facility is owned or operated by the person. In addition, some environmental laws create a lien on the contaminated site in favor of the government for damages and costs that it incurs in connection with the contamination. Finally, the owner of a site may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from a site.

Certain federal, state and local laws, regulations and ordinances govern the removal, encapsulation or disturbance of asbestos-containing materials when such materials are in poor condition or in the event of construction, remodeling, renovation or demolition of a building. Such laws may impose liability for release of asbestos-containing materials and may provide for third parties to seek recovery from owners or operators of real properties for personal injury associated with these materials. In connection with our ownership and operation of properties, we may be potentially liable for costs associated with asbestos-containing materials.

Our environmental assessments of our properties have not revealed any environmental liability that we believe would have a material adverse effect on our business, assets or results of operations taken as a whole, nor are we aware of any such material environmental liability. Nevertheless, it is possible that our assessments did not reveal all environmental liabilities or that there are material environmental liabilities of which we are unaware. Moreover, there can be no assurance that future laws, ordinances or regulations will not impose any material environmental liability or that the current environmental condition of our properties will not be affected by tenants, by the condition of land or operations in the vicinity of our properties, such as the presence of underground storage tanks, or by third parties unrelated to us.

If we suffer an uninsured loss or a loss exceeding our policy limits, we could lose both the capital invested in, and anticipated profits from, one or more of our properties.

We currently carry comprehensive liability, fire, and flood (where appropriate), extended coverage and rental loss insurance with respect to our properties, with policy specifications and insured limits customary for similar properties. There are, however, certain types of losses, such as from earthquakes, wars or certain acts of terrorism, including nuclear, chemical, and biological attacks, that may be either uninsurable or not economically insurable. Should an uninsured loss or a loss exceeding policy limits occur, we could lose both the capital invested in, and anticipated profits from, one or more of our properties.

Since we own certain properties through partnership and joint venture arrangements, we may not maintain sufficient control of our investment to permit our business objectives to be achieved.

Although we have generally owned 100% of the interests in all our properties, on December 30, 2003, we entered into a joint venture arrangement to acquire a 75% interest in two Class A mid-rise office buildings and undeveloped land suitable for development in the McGinnis Park office complex in Alpharetta, Georgia. Furthermore, in January 2004, we expect to enter into a joint venture arrangement to acquire a 30% interest in the Broward Financial Centre in Fort Lauderdale, Florida. In the future, we could, if then permitted by the covenants in our loan agreements and our financial position, participate with other entities in property ownership through partnerships or joint ventures. Partnership or joint venture investments may, under certain circumstances, involve risks not otherwise present in property ownership, including the possibility that (a) our partners or co-ventures might become bankrupt, (b) such partners or co-ventures might at any time have economic or other business interests or goals that are inconsistent with our business interests or goals, and (c) such partners or co-ventures may be in a position to take action contrary to our instructions or requests or contrary to our policies or objectives, including our policy to maintain our qualification as a REIT. There is no limitation under our organizational documents as to the amount of available funds that may be invested in partnerships or joint ventures.

We may experience increases in our expenses, including debt service, as well as decreased occupancy rates as a result of inflation.

We may experience increases in our expenses, including debt service, as a result of inflation. Our exposure to inflationary cost increases in property level expenses is reduced by escalation clauses, which are included in most of our leases. However, market conditions may prevent us from escalating rents. Inflationary pressure may increase operating expenses, including labor and energy costs and, indirectly, real estate taxes, above expected levels at a time when it may not be possible for us to increase lease rates to offset these higher operating expenses. In addition, inflation can have secondary effects upon occupancy rates by decreasing the demand for office space in many of the markets in which we operate.

An increase in market interest rates could reduce cash available for distribution to our shareholders and adversely affect the market price of our common stock.

One of the factors that will influence the market price of our common stock in public markets is the annual dividend yield on the share price reflected by dividends paid by us as compared to the yields on other financial instruments. An increase in market interest rates may lead prospective investors to demand a higher annual yield which could reduce the market price of our common stock. An increase in market interest rates also could increase our debt service expense and thus, reduce cash available for distribution to our shareholders.

We face numerous development, construction and acquisition risks that could have an adverse effect on our cash flow and ability to pay dividends.

Within the constraints of our policy concerning leverage, we have and will continue to develop and construct office buildings, particularly on our undeveloped land. Risks associated with our development and construction activities, including activities relating to our undeveloped land, may include:

- abandonment of development opportunities;
- construction costs of a property exceeding original estimates and possibly making the completion of a property uneconomical;
- occupancy rates and rents at a newly completed property insufficient to make the property profitable;
- unavailability of financing on favorable terms for development of a property; and
- the failure to complete construction and lease-up on schedule, resulting in increased debt service expense and construction costs.

In addition, new development activities, regardless of whether or not they are ultimately successful, typically require a substantial portion of management s time and attention. Development activities are subject to risks relating to the inability to obtain, or delays in obtaining, all necessary zoning, land-use, building, occupancy and other required governmental permits and authorizations.

We will continue to acquire office buildings. Acquisitions of office buildings entail risks that investments will fail to perform in accordance with expectations. Estimates of the cost of improvements to bring an acquired building up to standards established for the market position intended for such building may prove inaccurate. In addition, there are general investment risks associated with any new real estate investment.

We anticipate that any future developments and acquisitions would be financed through a combination of internally generated cash, equity investments and secured or unsecured financing. If new developments are financed through construction loans, there is a risk that, upon completion of construction, permanent financing for newly developed properties may not be available or may be available only on disadvantageous terms.

We can change our investment, financing, borrowing, distribution, and other policies without shareholder approval, in a manner that could adversely affect our financial condition or results of operations or the market price of our common stock.

Our investment, financing, borrowing and distribution policies, as well as our policies with respect to all other activities, including growth, capitalization and operations, are determined by our board of directors. Although the board of directors has no present intention to do so, these policies may be amended or revised at any time and from time to time at the discretion of the board of directors without a vote of our shareholders. A change in these policies could adversely affect our financial condition or results of operations or the market price of our common stock.

Our failure to qualify as a REIT may have a material adverse impact on your investment in our common stock.

We believe that we qualify as a REIT under the Internal Revenue Code, which affords us significant tax advantage. The requirements for this qualification, however, are complex. If we fail to meet these requirements, our dividends will not be deductible by us and we will be subject to a corporate level tax on our taxable income. This would substantially reduce our cash available to pay dividends and your yield on your investment. In addition, incurring corporate income tax liability might cause us to borrow funds, liquidate some of our investments or take other steps that could negatively affect our operating results. Moreover, if our REIT status is terminated because of our failure to meet a REIT qualification requirement or if we voluntarily revoke our election we would be disqualified from electing treatment as a REIT for the four taxable years following the year in which REIT status is lost.

Certain requirements for REIT qualification may in the future limit our ability to increase fee development, management and leasing operations conducted, and related services offered, by our subsidiaries without jeopardizing our qualification as a REIT.

Recent changes in taxation of corporate dividends may adversely affect the value of our common stock.

The Jobs and Growth Tax Relief Reconciliation Act of 2003, which was enacted into law on May 28, 2003, among other things, generally reduces to 15% the maximum marginal rate of tax payable by domestic noncorporate taxpayers on dividends received from a regular C corporation. This reduced tax rate, however, will not apply to dividends paid to domestic noncorporate taxpayers by a REIT on its stock, except for certain limited amounts. Although the earnings of a REIT that are distributed to its stockholders still generally will be subject to less federal income taxation than earnings of a non-REIT C corporation that are distributed to its stockholders net of corporate-level income tax, this legislation could cause domestic noncorporate investors to view the stock of regular C corporations as more attractive relative to the stock of a REIT than was the case prior to the enactment of the legislation, because the dividends from regular C corporations will generally be taxed at a lower rate while dividends from REITs will generally be taxed at the same rate as the individual s other ordinary income. We cannot predict what effect, if any, the enactment of this legislation may have on the value of the stock of REITs in general or on our common stock in particular, either in terms of price or relative to other investments.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain matters discussed in this prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference, may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Although we believe the expectations reflected in such forward-looking statements are based on reasonable assumptions, there can be no assurance that our expectations will be attained. Certain factors that could cause actual results to differ materially from our expectations are set forth under the caption Risk Factors herein and as risk factors in our SEC reports and filings, including our Annual Report on Form 10-K for the year ended December 31, 2002. You should carefully read these risk factors. Included among these factors are:

Changes in economic conditions, including changes in the economic conditions affecting industries in which our principal tenants compete, both generally and in the markets in which we concentrate.

The effect of market interest rates on the price of our common stock.

Our ability to timely lease or re-lease space at current or anticipated rents to creditworthy tenants.

Our ability to achieve economies of scale over time.

The demand for tenant services beyond those traditionally provided by landlords.

Changes in interest rates.

Changes in operating costs.

Our ability to attract and retain high-quality personnel at a reasonable cost in a highly competitive labor environment.

Future demand for our debt and equity securities.

Our ability to refinance our debt on reasonable terms at maturity.

Our ability to complete current and future development projects on schedule and on budget.

Discoveries of new or pre-existing environmental liabilities or non-compliance with environmental laws.

Other factors that may, from time to time, be discussed in our SEC reports and filings.

Many of these factors are beyond our ability to control or predict. Forward-looking statements are not guarantees of performance. For forward-looking statements contained or incorporated by reference herein, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. We assume no obligation to update or supplement forward-looking statements that become untrue because of new information, changes in underlying assumptions or factors or subsequent events.

USE OF PROCEEDS

The net proceeds to us from the sale of our common stock offered hereby will be approximately $ million, after deducting underwriting discounts and offering expenses payable by us (plus additional net proceeds of approximately $ million if the underwriters over-allotment option is exercised in full). We intend to use the net proceeds from this offering to pay down our secured revolving credit facility and for general corporate purposes and acquisitions, including, to fund a portion of the approximately $118.8 million acquisition cost of the Atlantic Center Plaza in Atlanta, Georgia. The acquisition cost includes approximately $2.3 million of related closing costs and our anticipated assumption of approximately $86.0 million in debt, up to $16.0 million of which may be prepaid upon completion of the acquisition. To the extent necessary, we may also use borrowings under our secured revolving credit facility to fund any remaining cash balance of the purchase price. As of December 31, 2003, we had $15.0 million in borrowings outstanding at an interest rate of 4.9% under our $100 million secured revolving credit facility, which matures in December 2004. On December 30, 2003, we used approximately $14.0 million of these borrowings to fund our joint venture investment in the McGinnis Park properties. We expect to use additional borrowings of approximately $4.5 million to $5.0 million from our secured revolving credit facility to fund our joint venture investment in the Broward Financial Centre property.

We expect to complete the acquisition of the Atlantic Center Plaza in the first quarter of 2004. Pending the completion of the acquisition of the Atlantic Center Plaza, we expect to invest a portion of the net proceeds from this offering in investment grade short-term investments. If we do not complete the acquisition or have excess net proceeds after completion of the acquisition, we intend to invest the net proceeds from this offering in investment grade short-term investments until they can be efficiently deployed. If the underwriters over-allotment option is exercised, we will use the additional net proceeds therefrom to fund any remaining cash balance of the purchase price, rather than repay borrowings under our secured revolving credit facility or invest the additional proceeds as described above.

PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

Our common stock trades on the New York Stock Exchange under the symbol KE. The following table sets forth for each of the periods indicated, the quarterly high and low sales prices per common share as reported by the NYSE and the distributions declared during such period.

	High	Low	Distributions Declared
2001			
First Quarter	$15.97	$13.35	$0.35
Second Quarter	$16.60	$14.07	$0.35
Third Quarter	$17.51	$15.95	$0.35
Fourth Quarter	$18.10	$16.30	$2.09
2002			
First Quarter	$17.95	$15.85	$0.35
Second Quarter	$19.30	$17.17	$0.35
Third Quarter	$18.71	$15.75	$0.35
Fourth Quarter	$17.18	$15.00	$0.35
2003			
First Quarter	$16.24	$14.90	$0.35
Second Quarter	$17.65	$15.31	$0.35
Third Quarter	$18.95	$16.72	$0.35
Fourth Quarter	$21.72	$18.67	$0.35
2004			
First Quarter (through January 5, 2004)	$21.19	$20.80	$

On January 5, 2004, the last reported sale price of our common stock on the NYSE was $20.80 per share. On January 5, 2004, we had 1,040 shareholders of record.

We intend to continue to pay regular quarterly dividends to holders of our common stock. The current quarterly dividend rate of $0.35, if annualized, would equal an annual dividend rate of $1.40 per share of common stock. The dividend for the quarter ended September 30, 2003 represented approximately 67% of our funds from operations for that quarter. Although we expect to maintain our current dividend rate, future dividends will be at the discretion of our board of directors and will depend on our available funds from operations, our financial condition, capital requirements, the annual distribution requirements under the REIT provisions of the Internal Revenue Code and such other factors as our board of directors deems relevant.

CAPITALIZATION

The following table sets forth our actual capitalization as of September 30, 2003 and as adjusted to reflect the receipt of net proceeds from the sale of our common stock in this offering of approximately $ million and the application of such proceeds as set forth herein under the caption Use of Proceeds.

	September 30, 2003	
	Actual	As Adjusted
	(in thousands)	
Debt:		
Mortgages and loans payable	$ 394,128	
Total debt	394,128	
Shareholders equity:		
Series A preferred stock	30	
Common stock	299	
Capital in excess of par value[(1)]	544,689	
Notes receivable from stock sales to officers	(5,266)	
Accumulated other comprehensive loss	(212)	
Retained earnings (deficit)	(3,566)	
Treasury stock, at cost	(131,619)	
Total shareholders equity	404,355	
Total capitalization	$ 798,483	

(1) As adjusted amount reflects an increase in capital in excess over par value of $, less underwriting discounts and estimated offering expenses of approximately $.

OUR PORTFOLIO

As of September 30, 2003, we owned 126 office buildings and approximately 77 acres of unimproved land located in the ten metropolitan areas of Jacksonville, Orlando, St. Petersburg, and Tallahassee, Florida; Atlanta, Georgia; Charlotte, North Carolina; Memphis, Tennessee; Dallas and Houston, Texas; and Richmond, Virginia. The office buildings acquired and developed by us have campus-like settings with extensive landscaping and ample tenant parking. The office buildings are generally low-rise, mid-rise and high-rise structures of contemporary design and constructed of masonry, concrete and steel, with facings of brick, concrete and glass. The office buildings benefit from convenient access via expressways to the central business district and to shopping and residential areas in their respective communities. The properties are well maintained and adequately covered by insurance. The following table sets forth information relating to the properties owned by us as of September 30, 2003:

Property Location and Related Data

Office Project/ Location	Number of Buildings	Weighted Average Age of Buildings (In Years)(1)	Rentable Sq. Ft.	Land Improved with Bldgs. (In Acres)	Unimproved Land (In Acres)
Atlanta Chamblee	21	21	1,124,194	76.2	2.5
Atlanta Gwinnett	3	7	262,789	15.9	19.6(2)
Atlanta Perimeter	1	18	176,503	5.3	
Atlanta Three Ravinia	1	12	804,528	3.8	
Birmingham Colonnade					16.5
Charlotte University	2	4	182,891	18.7	
Charlotte Vanguard	13	20	526,356	39.7	17.1
Columbia Spring Valley					1.0(3)
Dallas Cigna Plaza	1	4	127,226	8.6	
Dallas Rosemeade	1	6	152,163	6	
Greensboro Wendover					9.1
Greenville Park Central					3.5
Houston Post Oak	3	23	1,204,852	11.4	
Jacksonville Baymeadows	7	11	751,315	51.1	
Jacksonville JTB	4	4	416,773	32.0	
Memphis Germantown	6	10	530,688	34.6	
Orlando Central	21	32	616,507	44.7	1.3
Orlando Lake Mary	2	4	303,481	20.2	
Orlando University	5	9	383,813	27.1	
Richmond Paragon	1	17	145,127	8.1	
St. Petersburg	15	20	668,144	68.7	6.7(4)
Tallahassee	19	21	834,025	62.7	
Total	126		9,211,375	534.8	77.3
Weighted Average		17			

(1) The age of each office building was weighted by the rentable square feet for such office building to determine the weighted average age of (a) the buildings in each office project or location and (b) all of the office projects or locations we own.
(2) Includes approximately 14.5 acres that are unimproved land held for sale.
(3) Unimproved land held for sale.
(4) Includes approximately six acres of land which are not suitable for development.

The following table sets forth, with respect to each office building complex, the number of leases, rentable square feet, percent occupied and the average annual rent per rentable square foot occupied as of September 30, 2003.

Office Project/ Location	Number of Leases	Rentable Square Feet	Percent Occupied[1]	Average Annual Base Rent Per Square Foot[2]
Atlanta Chamblee	117	1,124,194	95%	$ 18.23
Atlanta Gwinnett	49	262,789	88	19.32
Atlanta Perimeter	9	176,503	58	20.75
Atlanta Three Ravinia[3]	22	804,528	66	17.69(4)
Charlotte University	14	182,891	85	18.03
Charlotte Vanguard	58	526,356	52	16.34
Dallas Cigna Plaza[3]	1	127,226	92	22.84
Dallas Rosemeade[3]	3	152,163	100	22.87
Houston Post Oak[3]	94	1,204,852	75	17.65
Jacksonville Baymeadows	29	751,315	99	14.71(4)
Jacksonville JTB	7	416,773	100	12.51(4)
Memphis Germantown	86	530,688	80	18.27
Orlando Central	129	616,507	93	16.71
Orlando Lake Mary	19	303,481	65	18.23
Orlando University	58	383,813	82	19.41
Richmond Paragon	28	145,127	99	19.62
St. Petersburg	114	668,144	88	16.57
Tallahassee	60	834,025	71	17.70